



FOREBASE INTERNATIONAL HOLDINGS LIMITED

申基國際控股有限公司

(Formerly known as Kwang Sung Electronics H.K. Co. Limited 光星電子香港有限公司)

(前稱為 Kwang Sung Electronics H.K. Co. Limited 光星電子香港有限公司)

(Incorporated in Hong Kong with limited liability) (於香港註冊成立之有限公司)

(Stock Code 股份代號: 2310)



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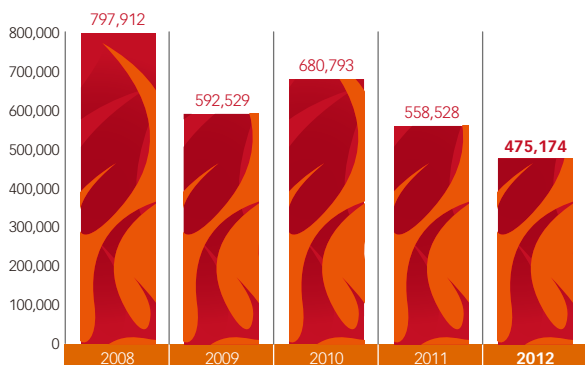
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Financial Highlights 財務摘要

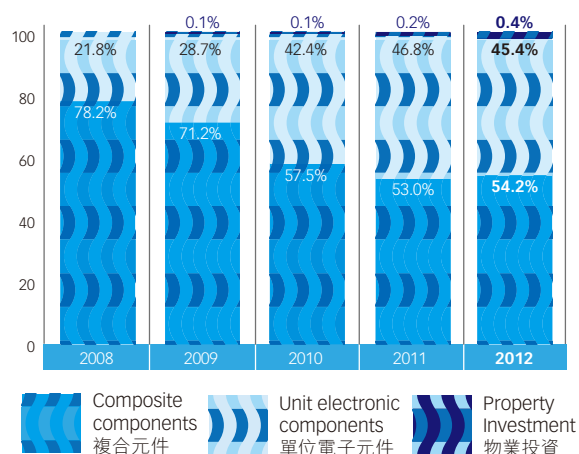
Turnover 營業額

(HK\$'000 千港元)



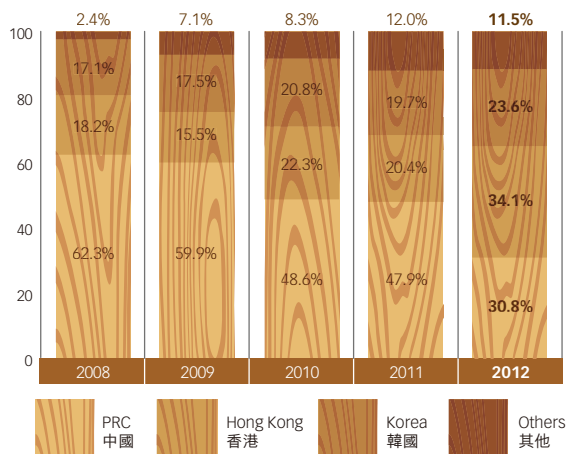
Turnover by Business Segments 按業務分部劃分之營業額分析

(% 百分比)



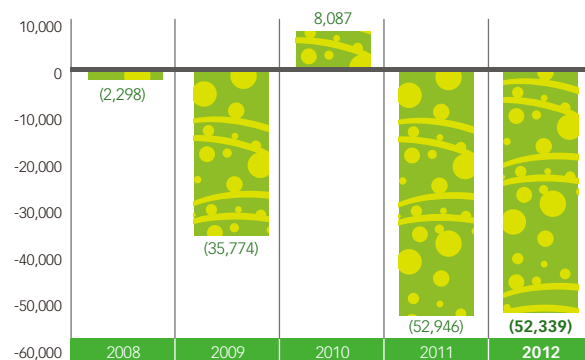
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(% 百分比)



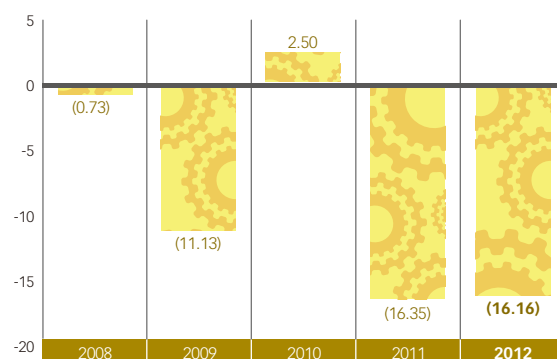
Profit (Loss) Attributable to Owners of the Company 本公司擁有人應佔溢利(虧損)

(HK\$'000 千港元)



Basic Earnings (Loss) per Share 每股基本盈利(虧損)

(HK cents 港仙)



		Note 附註	2012 二零一二年	2011 二零一一年 Restated 經重列	% Changes 變動百分比
Results HK\$'000					
業績 千港元					
Turnover	營業額		475,174	558,528	(14.9)
(Loss) profit before taxation	除稅前(虧損)溢利		(51,187)	(57,389)	(10.8)
(Loss) profit after taxation attributable to owners of the Company	本公司擁有人 應佔除稅後 (虧損)溢利		(52,339)	(52,946)	(1.1)
Assets and Liabilities HK\$'000					
資產與負債 千港元					
Total assets	總資產		282,222	553,021	(49.0)
Total liabilities	總負債		115,452	229,004	(49.6)
Shareholders' equity	股東權益		166,770	324,017	(48.5)
Per Share Data HK cents					
每股數據 港仙					
Basic (loss) earnings	基本(虧損)盈利		(16.16)	(16.35)	(1.2)
Diluted (loss) earnings	攤薄(虧損)盈利		(16.16)	(16.35)	(1.2)
HK\$ Net asset value	港元 資產淨值		0.51	1.00	(49.0)
Financial Ratio					
財務比率					
Current ratio	流動比率	1	1.93	1.54	25.3
Quick ratio	速動比率	2	1.68	1.25	34.4
Gearing ratio	負債比率	3	0.12	0.23	(47.8)

Notes:

- (1) Current ratio represents current assets divided by current liabilities.
- (2) Quick ratio represents current assets excluding inventories divided by current liabilities.
- (3) Gearing ratio represents total bank borrowing divided by total equity.

附註:

- (1) 流動比率指流動資產除以流動負債。
- (2) 速動比率指不包括存貨的流動資產除以流動負債。
- (3) 負債比率指銀行借貸除以總權益總額。

Creativity

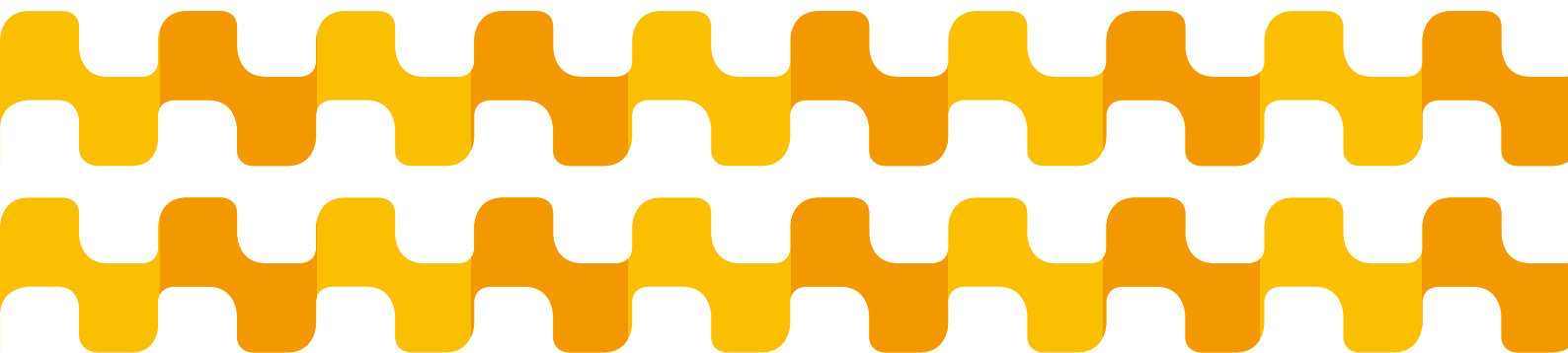
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Chairman's Statement 主席報告書

The year 2012 has been a significant year for the Group. While facing the challenges presented to our current businesses, we have also made an important step forward in our future development

二零一二年對本集團而言是重要的一年，
儘管在經營現有業務上面對重重挑戰，
但我們在未來發展方面亦邁出重要一步



Chairman's Statement 主席報告書

Corporate changes signify business diversification into property investment and bring in new revenue source

企業變動標誌著業務擴展至物業投資並帶來新收入來源

The year 2012 has been a significant year for Forebase International Holdings Limited (formerly known as Kwang Sung Electronics H.K. Co. Limited) (the "Company"). Keen competition in the traditional consumer electronics markets and the weak consumer sentiment caused by the gloomy global economy continued to present major challenges to the global electronic industry. As a result, the Company and its subsidiaries (collectively the "Group") recorded continuous decrease in turnover and profit as compared to the previous corresponding years. We have proactively adopted a number of measures to cope with the current challenging business environment. During the year, the Group has realigned its current production and separated its production business and the sales business of electronic products to cater for the growing demand of multi-function electronic devices such as televisions, automotive products and mobile device-related business segments.

Nevertheless, as disclosed in the joint announcement published by, amongst others, the Company, dated 17 October 2012, the Group is having a detailed review of the operations of the Group with a view to establishing a suitable business strategy to inspire a turnaround for the Group, enhance the growth of its business and asset base as well as to broaden its income stream; which may include investment in and/or acquisition of assets or business from other parties. After the review of the existing business and asset profile of the Group, we have classified properties investment as a new business segment of the Group as it represented a significant business proportion to the Group relative to the Group's asset value, turnover and profit in these two years.

二零一二年對申基國際控股有限公司（前稱光星電子香港有限公司）（「本公司」）而言具有重大意義。全球經濟低迷，導致傳統消費類電子產品市場競爭激烈及消費情緒疲弱，繼續成為全球電子行業之主要挑戰。因此，本公司及其附屬公司（統稱「本集團」）營業額及溢利較過往年度同期持續下降。我們已主動採取多項措施以應對目前充滿挑戰的商業環境。年內，本集團已重組其現時之生產，並將其電子產品之生產業務與銷售業務分開，從而迎合電視等多功能電子設備、汽車及移動設備相關業務之需求。

然而，誠如（其中包括）本公司日期為二零一二年十月十七日之聯合公布所披露，本集團正詳細檢討其經營，以制定適宜之業務策略以助本集團扭虧為盈，增強業務及資產基礎之增長並拓寬收入來源，其中可能包括投資及／或收購其他方之資產或業務。經檢討本集團現有之業務及資產狀況後，我們已將物業投資分類為本集團的新業務分部，因其於該兩個年度在本集團之資產價值、營業額及溢利中所佔的業務比重相對較大。

Apart from the business development, I would like to report on several corporate changes since the acquisition of 174,082,000 ordinary shares of HK\$0.10 in the issued share capital of the Company (the “Shares”) by Ultra Harvest Limited (“Ultra Harvest”) on 11 December 2012. Ultra Harvest has become the ultimate holding company of the Company upon the completion of the acquisition. Thereafter, an unconditional mandatory cash offer (the “Listco Offer”) was made on 14 December 2012 and closed on 4 January 2013, with valid acceptances of 69,519,950 Shares. In aggregate, Ultra Harvest has become interested in 243,601,950 Shares (representing approximately 75.21% of the total issued share capital of the Company, being the controlling shareholder. On 12 March 2013, the name of the Company has been changed to “Forebase International Holdings Limited 申基國際控股有限公司” and on 21 March 2013, the English and Chinese stock short names of the Company for trading in the Shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) have been changed to “FOREBASE INTL” and “申基國際” respectively.

As a result of the close of the Listco Offer, with effect from 7 January 2013, Mr. Yang Ho Sung ceased to be the chairman and non-executive director of the Company, Mr. Yang Jai Sung ceased to be the chief executive officer and executive director of the Company and Mr. Lee Kyu Young ceased to be the chief operating officer and executive director of the Company; and, on the same day, Dr. Han Byung Joon, Dr. Kim Chung Kweon and Mr. Kim Chan Su resigned as independent non-executive directors of the Company. On behalf of the board of directors of the Company (the “Board”), I would like to express our special appreciation to them for their contributions during their tenure of office.

In addition, I am delighted to welcome Mr. Ronald Lew Podlas, being the new chief executive officer and executive director of the Company, Mr. Shen Ke, Mr. Li Zhi, Mr. Xu Li Jian and Mr. Leung Kin Pang as the new executive directors of the Company all with effect from 17 December 2012; Mr. Yu Lei, Dr. Jiang Ying and Ms. Zhang Cui Lan as independent non-executive directors of the Company all with effect from 7 January 2013; and Mr. Ernst Rudolf Zimmermann as independent non-executive director of the Company with effect from 18 January 2013.

On behalf of the Board, I would like to express the sincere thanks and appreciation to our shareholders, business partners and dedicated management and staff for their continued support and valuable contributions to the Group.

Shen Yong 申勇
Chairman 主席

Hong Kong, 26 March 2013
香港，二零一三年三月二十六日

除業務方面的發展外，本人亦謹此報告自 Ultra Harvest Limited (「Ultra Harvest」) 於二零一二年十二月十一日收購本公司已發行股本中 174,082,000 股每股 0.10 港元之普通股 (「股份」) 以來的若干企業變動。於收購完成後，Ultra Harvest 成為本公司之最終控股公司。其後，於二零一二年十二月十四日作出無條件強制性現金收購建議 (「上市公司收購建議」)，並於二零一三年一月四日完成，有效接納 69,519,950 股股份。因此，Ultra Harvest 合共持有 243,601,950 股股份 (佔本公司已發行股本總數約 75.21%) 之權益，成為本公司之控股股東。於二零一三年三月十二日，本公司之名稱更改為「Forebase International Holdings Limited 申基國際控股有限公司」，而於二零一三年三月二十一日，本公司股份於香港聯合交易所有限公司 (「聯交所」) 進行買賣時採用之中英文股份簡稱分別更改為「FOREBASE INTL」及「申基國際」。

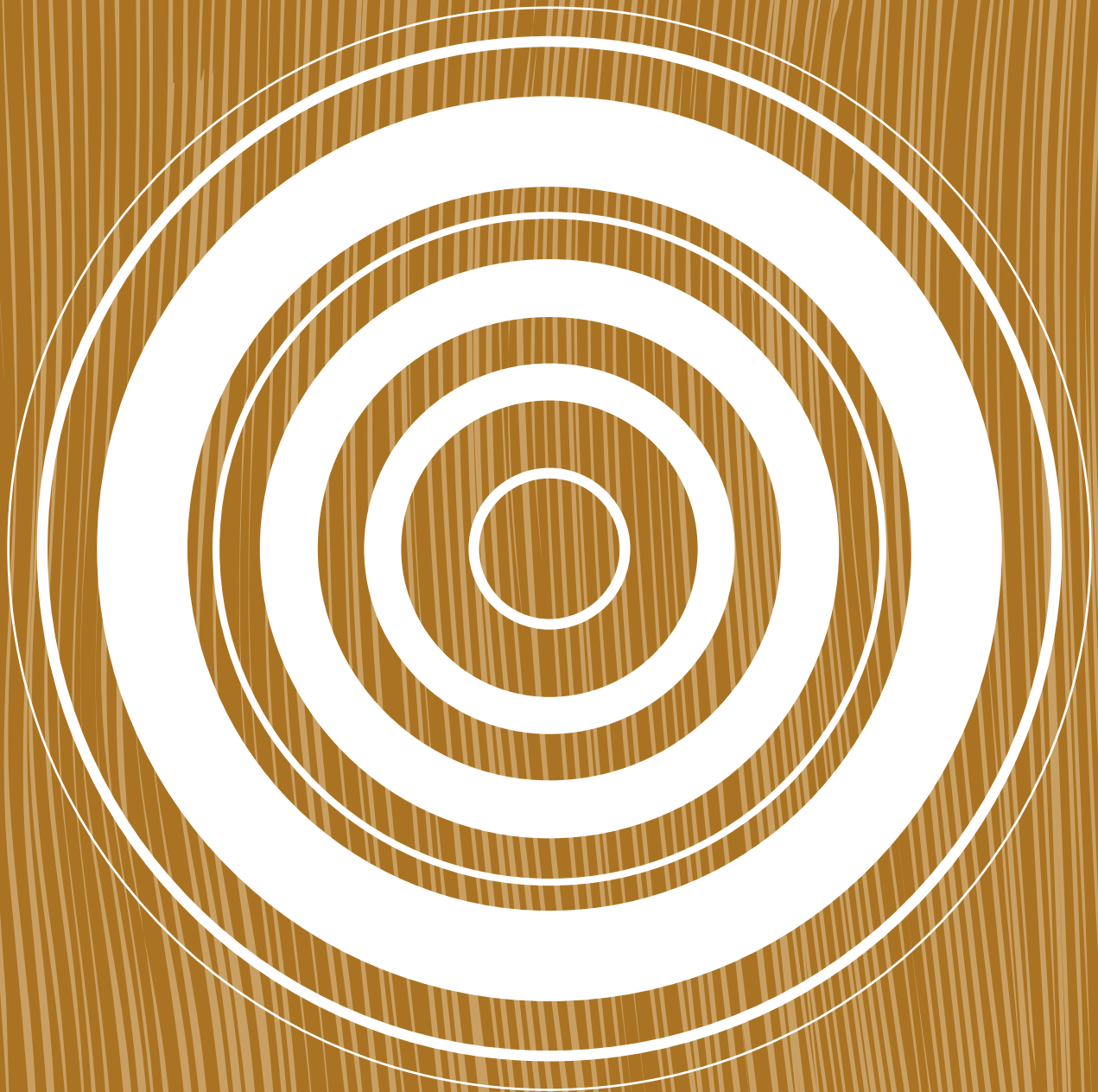
由於上市公司收購建議完成，由二零一三年一月七日起，梁皓星先生停止擔任本公司主席兼非執行董事職務，梁在星先生停止擔任本公司行政總裁兼執行董事職務，李圭英先生停止擔任本公司營運總監兼執行董事職務。同日，韓丙濬博士、金正權博士及金瓚洙先生分別辭任本公司獨立非執行董事職務。本人謹此代表本公司董事會 (「董事會」) 特別感謝彼等在任期間對本公司作出之寶貴貢獻。

此外，本人欣然歡迎由二零一二年十二月十七日起，包德榮先生擔任本公司之新任行政總裁兼執行董事，申柯先生、李智先生、徐立堅先生及梁健鵬先生擔任本公司之新任執行董事；由二零一三年一月七日起，余磊先生、蔣瑛博士及張翠蘭女士擔任本公司獨立非執行董事；及由二零一三年一月十八日起，司馬文先生擔任本公司獨立非執行董事。

本人謹代表董事會對我們的股東、業務夥伴及堅定投入的管理層和員工致以最深謝意，感謝他們一直以來對本集團的無間斷支持及寶貴貢獻。

Fruition

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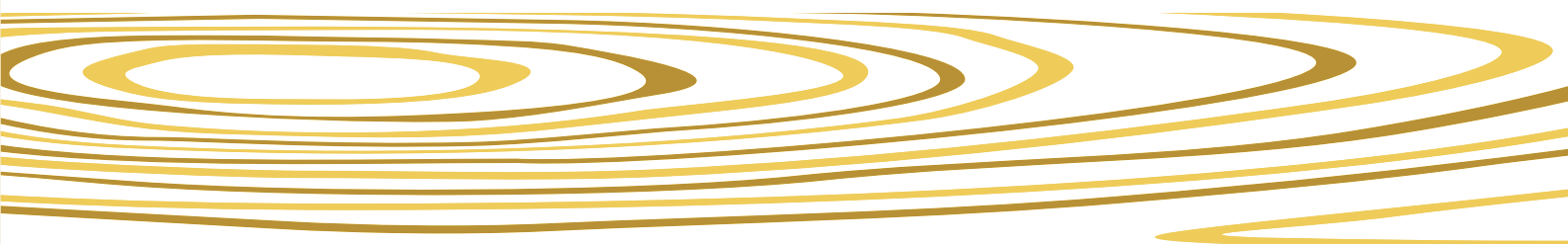


Management Discussion and Analysis

管理層討論與分析

We are currently evaluating the operations in detail and are formulating appropriate business strategies to enhance our business growth and optimise our asset base, as well as develop new income sources through investment or acquisition at the appropriate time aimed at maximising the returns of our shareholders

我們目前正詳細評估各項業務，制定合適的業務策略，以推動業務增長及優化資產基礎，同時透過適時進行投資或收購擴大收入來源，提高股東回報



Management Discussion and Analysis 管理層討論與分析

During the year, a new reporting segment - properties investment was introduced based on its relative significance in terms of asset value, turnover and profit attributable to the Group

年內，基於物業投資對本集團所佔資產價值、營業額及溢利相對重要，故此，已將之加入成為新報告分部 — 物業投資

Corporate Changes

As set out in note 1 to the financial statements, following the completion of the Group Reorganisation, the Distribution In Specie and the Share Sale Agreement, the Distributed Businesses were classified as discontinued operations and the Group was only engaged in the business of the manufacture and sale of electronic components and Ultra Harvest has become the ultimate holding company of the Company.

The discontinued operations for the year ended 31 December 2012 have been presented as a single amount in the Group's consolidated income statement in accordance with New and Revised Hong Kong Financial Reporting Standards and certain comparative figures have been re-presented to conform to the current year's presentation. During the year, a new reporting segment - properties investment was introduced based on its relative significance in terms of asset value, turnover and profit attributable to the Group.

Continuing Operations

Turnover

Prior to 1 August 2011, the Jay Star Holdings Limited ("Jay Star") and its subsidiaries (collectively known as the "Privateco Group") had not yet commenced operations, and all the business

企業變動

如財務報表附註1所載，於集團重組、實物分派及售股協議完成後，經分派業務被列為已終止經營業務，本集團僅從事製造及銷售電子元件之業務，Ultra Harvest成為本公司之最終控股公司。

已終止經營業務於截至二零一二年十二月三十一日止年度之業績已根據新訂及經修訂香港財務報告準則在本集團之綜合收益表中以單一金額呈列，而若干比較數字已重新呈列，以符合本年度之呈列方式。年內，基於物業投資對本集團應佔資產價值、營業額及溢利相對重要，故此，已將之加入成為新報告分部 — 物業投資。

持續經營業務

營業額

在二零一一年八月一日前，Jay Star Holdings Limited (「Jay Star」) 及其附屬公司 (統稱「私人公司集團」) 尚未開始營運，所有的已終止經

in the discontinued operations were operated directly by the Company. Since 1 August 2011, the business in the Privateco Group has commenced gradually. Starting from the beginning of 2012, the Privateco Group has taken full responsibility of the business in the discontinued operations. Therefore, the sales in continuing operations in 2011 included certain businesses in the discontinued operations operated directly by the Company. Due to the fact that the Company was not in charge of any discontinued operations in 2012, turnover from the continuing operations decreased by approximately HK\$205,354,000 or 36.1% to approximately HK\$363,553,000, of which turnover from sales of composite components amounted to approximately HK\$199,257,000, turnover from sales of unit electronic components amounted to approximately HK\$162,218,000, and turnover from properties investment amounted to approximately HK\$2,078,000.

Cost of Sales

Cost of sales decreased by approximately HK\$208,223,000 or 38.0% to approximately HK\$339,539,000. The decrease in cost of sales was in line with decrease in turnover.

Gross Profit

Despite decrease in turnover, the gross profit increased by approximately HK\$2,869,000 or 13.6% to approximately HK\$24,014,000. The increase was primarily due to decrease in slow moving inventory provision by approximately HK\$16,915,000. Accordingly, overall gross profit margin increased from 3.7% in 2011 to 6.6% in 2012.

Other Income and Gains

Other income and gains increased by approximately HK\$4,910,000 or 62.2% to approximately HK\$12,799,000. The increase in other income and gains was primarily due to net effect of increase in fair value of investment properties by approximately HK\$1,706,000, decrease in fair value of financial liabilities at fair value through profit and loss by approximately HK\$5,364,000, and decrease in gain on disposal of property, plant and equipment by approximately HK\$2,974,000.

Operating Expenses

Operating expenses and finance costs decreased by approximately HK\$20,436,000 or 26.5% to approximately HK\$56,609,000. This is mainly due to decrease in turnover during the year.

營業務之業務是由本公司直接營運，隨着二零一一年八月一日後，私人公司集團之業務開始逐步運作。到了二零一二年開始，私人公司集團已完全負責已終止經營業務之業務。因此二零一一年的持續經營業務之銷售是包括由本公司直接營運的已終止經營業務之若干業務。基於本公司在二零一二年再無負責已終止經營業務，持續經營業務之營業額下跌約205,354,000港元或36.1%至約363,553,000港元。當中來自銷售複合元件之營業額約為199,257,000港元，銷售單位電子元件之營業額約為162,218,000港元，物業投資之營業額則約為2,078,000港元。

銷售成本

銷售成本下跌約為208,223,000港元或38.0%至約339,539,000港元。銷售成本之下降與營業額一致。

毛利

雖然營業額下降，毛利增加約為2,869,000港元或13.6%至約為24,014,000港元。毛利增加主要因為滯銷存貨撥備下降約為16,915,000港元。因此，整體毛利率亦由二零一一年之3.7%增加至二零一二年之6.6%。

其他收入及收益

其他收入及收益增加約為4,910,000港元或62.2%至約為12,799,000港元。其他收入及收益增加，主要乃因投資物業之公允價值增加約為1,706,000港元、按公允價值計入損益之金融負債之公允價值下降約為5,364,000港元，及出售物業、機器及設備之收益下降約為2,974,000港元之淨影響。

經營開支

經營開支及融資成本下降約為20,436,000港元或26.5%至約為56,609,000港元，主要乃因本年度之營業額下降。

Management Discussion and Analysis 管理層討論與分析

Taxation

Taxation expenses amounted to approximately HK\$3,848,000 as compared to tax credit of approximately HK\$4,010,000 for last year. Out of the taxation expenses of approximately HK\$3,848,000, the balance of approximately HK\$1,332,000 reflected under-provision of PRC Corporate Income Tax in prior years.

Loss for the Year

As a result of the combined effects of the above, the Group recorded a net loss of approximately HK\$23,644,000 from the continuing operations.

Discontinued Operations

Discontinued operations are directly operated by the Privateco Group, and the business in the Privateco Group gradually commenced only since 1 August 2011. Therefore, sales in discontinued operations in 2011 were relatively lower. But due to the fact that Privateco Group has assumed full responsibility of the business in the discontinued operations in 2012, turnover from the discontinued operations increased by approximately HK\$142,269,000 or 527.5% to approximately HK\$169,240,000 with a gross profit amount of approximately HK\$14,017,000 and a gross profit margin at 8.3%. Other income mainly reflected procurement, sales and research and development fee income of approximately HK\$14,880,000. Total operating expenses, including selling and distribution expenses, administrative expenses, research and development expenses and other operating expenses, amounted to approximately HK\$60,573,000 in 2012, an increase of approximately HK\$40,310,000 against approximately HK\$20,263,000 recorded in the previous year. The discontinued operations recorded income tax credit of approximately HK\$930,000. Accordingly, net loss for the year ended 31 December 2012 amounted to approximately HK\$30,461,000 from the discontinued operations.

Based on the foregoing, the Group recorded a net loss of approximately HK\$52,339,000 attributable to owners of the Company, of which net loss from the continuing operations amounted to approximately HK\$23,644,000 and net loss from the discontinued operations amounted to approximately HK\$28,695,000.

稅項

稅項開支約為3,848,000港元，去年則為稅項抵免約4,010,000港元。稅項開支約3,848,000港元當中，約1,332,000港元之餘款指往年在中國企業所得稅方面之撥備不足。

本年度虧損

鑑於上述各項之合併影響，本集團錄得來自持續經營業務之虧損淨額約為23,644,000港元。

已終止經營業務

已終止經營業務是由私人公司集團直接營運。私人公司集團之業務是由二零一一年八月一日開始才逐步運作，所以，在二零一一年之已終止經營業務的銷售相對較低，但基於二零一二年私人公司集團已完全負責已終止經營業務之業務，已終止經營業務錄得營業額約為169,240,000港元，較去年上升約為142,269,000港元或527.5%，毛利約為14,017,000港元，毛利率為8.3%。其他收入主要約為14,880,000港元之採購、銷售及研發費用收入。於二零一二年，經營開支總額（包括銷售及分銷開支、行政開支、研發費用及其他經營開支）約為60,573,000港元，較去年錄得之約為20,263,000港元增加約為40,310,000港元。已終止經營業務錄得所得稅抵免約為930,000港元。因此，截至二零一二年十二月三十一日止年度來自已終止經營業務之虧損淨額約為30,461,000港元。

基於上文所述，本集團錄得本公司擁有人應佔淨虧損約為52,339,000港元，其中持續經營業務之淨虧損約為23,644,000港元，而已終止經營業務之淨虧損約為28,695,000港元。

Liquidity and Financial Resources

As at 31 December 2012, the Group's net current assets and current ratio were approximately HK\$97,294,000 and 1.93 respectively (2011: approximately HK\$117,095,000 and 1.54). The increase in current ratio mainly reflected the percentage decrease in current liabilities was higher than percentage decrease in current assets. The gearing ratio (defined as total bank borrowing divided by total equity) as at 31 December 2012 was 0.12 (2011: 0.23). The decrease in gearing ratio primarily represented the percentage decreased in bank borrowing was higher than the percentage decrease in total equity.

As at 31 December 2012, the Group's bank balances and cash amounted to approximately HK\$110,250,000 (2011: approximately HK\$110,182,000).

Charge on Assets

As at 31 December 2012, bank deposits of approximately HK\$11,009,000 (2011: approximately HK\$472,000), the investment properties of approximately HK\$46,492,000 (2011: approximately HK\$23,930,000) and the land and buildings of Nil (2011: approximately HK\$71,722,000) were pledged to secure banking facilities granting to the Group.

Capital Structure

For the year ended 31 December 2012, the Group primarily financed its liquidity requirements through a combination of cash flow as generated from operations and bank borrowing.

Capital Commitment and Contingent Liabilities

As at 31 December 2012, the Group had approximately HK\$88,000 (2011: approximately HK\$14,619,000) of capital commitments and approximately HK\$10,414,000 as operating lease commitments (2011: approximately HK\$11,078,000). As at 31 December 2012, the Group did not have any significant contingent liabilities (2011: Nil).

流動資金及財務資源

於二零一二年十二月三十一日，本集團之流動資產淨值及流動比率分別約為97,294,000港元及1.93（二零一一年：約為117,095,000港元及1.54）。流動比率上升主要反映了流動負債百分比減幅較流動資產百分比減幅高。負債比率（定義為銀行借貸除以權益總額）於二零一二年十二月三十一日為0.12（二零一一年：0.23）。負債比率下降指銀行借貸的百分比減幅高於權益總額的百分比減幅。

於二零一二年十二月三十一日，本集團之銀行結餘及現金約為110,250,000港元（二零一一年：約為110,182,000港元）。

資產抵押

於二零一二年十二月三十一日，本集團所取得之銀行融資以銀行存款約為11,009,000港元（二零一一年：約為472,000港元）、物業投資約為46,492,000港元（二零一一年：約為23,930,000港元）以及土地及樓宇零港元（二零一一年：約為71,722,000港元）作為抵押。

資本結構

截至二零一二年十二月三十一日止年度，本集團主要透過經營所得現金流量及銀行借款應付其流動資金需要。

資本承擔及或然負債

於二零一二年十二月三十一日，本集團有資本承擔約為88,000港元（二零一一年：約為14,619,000港元）及約為10,414,000港元作為營運租賃承擔（二零一一年：約為11,078,000港元）。於二零一二年十二月三十一日，本集團並無任何重大或然負債（二零一一年：無）。

Management Discussion and Analysis 管理層討論與分析

Material Acquisitions and Disposals of Subsidiaries or Associated Companies

Save for the completion of the Distribution In Specie of the shares of Jay Star by the Company to its then shareholders on 11 December 2012 where Jay Star Group ceased to be members of the Group, the Group did not have any material acquisitions or disposals of subsidiaries or associated companies during the year ended 31 December 2012.

Staff and Remuneration Policy

As at 31 December 2012, the Group had approximately 710 employees, including 667 based in the People's Republic of China ("PRC") and 43 based in Hong Kong. Staff cost from the continuing operations for the year ended 31 December 2012 was approximately HK\$54,400,000, representing a decrease of approximately HK\$26,346,000 as compared to approximately HK\$80,746,000 of last year.

Employee remuneration is determined in accordance with prevailing industry practice and employees' performance and experience. Discretionary bonuses are awarded to employees with outstanding performance with reference to the performance of the Group. Employees are also entitled to other staff benefits including medical insurance and mandatory provident fund.

Foreign Exchange Fluctuation and Hedge

The Group is exposed to foreign currency risk arising from various currency exposures, primarily with respect to RMB, United States Dollars and Korean Won. Foreign exchange risk arises from commercial transactions, recognised assets and liabilities and net investment in foreign operations.

During the year ended 31 December 2012, the Group did not enter into any forward foreign currency contracts (2011: Nil).

附屬公司或聯營公司之收購及出售

除本公司於二零一二年十二月十一日 (Jay Star 集團於當日不再為本集團成員) 完成向當時股東實物分派 Jay Star 之股份外，截至二零一二年十二月三十一日止年度，本集團並無附屬公司或聯營公司之任何重大收購及出售。

僱員及薪酬政策

於二零一二年十二月三十一日，本集團約有 710 名員工，當中 667 名在中華人民共和國（「中國」），43 名在香港。截至二零一二年十二月三十一日止年度來自持續經營業務之員工成本約為 54,400,000 港元，較去年約為 80,746,000 港元下降約為 26,346,000 港元。

僱員酬金乃根據現行的行業慣例及僱員表現及經驗釐定。酌情花紅乃根據本集團之業績表現，獎勵表現優異的僱員。僱員亦有權享有其他僱員福利（包括醫療保險及強制性公積金）。

外匯波動及對沖

本集團承受來自多種貨幣之外匯風險，主要涉及人民幣、美元及韓圓。外匯風險來自商業交易、已確認資產和負債，以及於外國業務之淨投資。

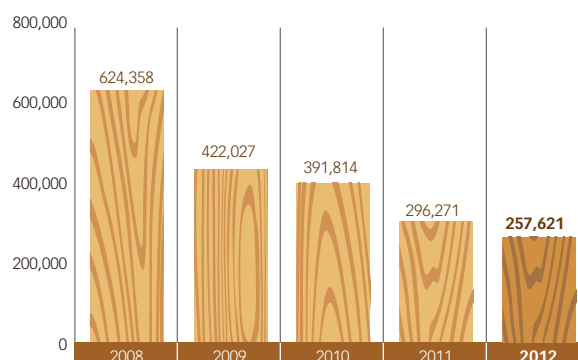
截至二零一二年十二月三十一日止年度，本集團並無訂立任何遠期外匯合約（二零一一年：無）。

Business Review

業務回顧

Turnover of Composite Components Business 複合元件業務營業額

(HK\$'000 千港元)



Composite Components Business

For the year ended 31 December 2012, the turnover from the composite components business dropped by approximately HK\$38,650,000 or 13.0% from approximately HK\$296,271,000 in 2011 to approximately HK\$257,621,000 in 2012. This reduction was mainly due to continued declining customer demand and changes in technical specifications of tuner modules for home audio systems amidst the fast-changing technological and electronic markets. Meanwhile, the sales of this segment contributed 54.2% to the Group's total turnover, compared with 53.1% in the corresponding period in 2011.

The sales from tuner modules for home audio systems decreased by 40.8% to approximately HK\$74,731,000, representing 29.0% of the Group's total turnover of the composite components business. The drop in sales of this product was partly recovered from the sales of dual docking systems for mainstream smartphones arising from the rapid growth in the smartphone and tablet personal computer markets. Leveraging the fast-growing mobile devices in home audio market, the Group recorded approximately HK\$22,869,000 in sales of dual docking systems during the year.

複合元件業務

截至二零一二年十二月三十一日止年度，複合元件業務之營業額從二零一一年約為296,271,000港元減少約為38,650,000港元或13.0%至二零一二年約為257,621,000港元。營業額減少，主要由於客戶需求持續減少，以及技術及電子產品市場急速變化，導致家用音響系統調諧器模組的技術規格變動所致。同時，該分部對本集團之總營業額之貢獻為54.2%，而二零一一年為53.1%。

家用音響系統調諧器模組之銷售額下跌40.8%至約為74,731,000港元，佔本集團複合元件業務總營業額的29.0%。智能手機及平板型個人電腦的迅速增長推動了主流智能手機雙重對接系統的銷售，抵銷了此產品銷售額下跌之部分影響。受惠於家用音響市場移動設備的迅速增長，本集團年內錄得雙重對接系統之銷售額約為22,869,000港元。

Management Discussion and Analysis 管理層討論與分析

In view of the declining customer demand of traditional home tuner products, the Group has gradually shifted its business direction to multi-function electronic devices, especially automotive-focused solutions. In line with this strategy, the Group reached satisfactory growth of 7.9% in sales of tuner modules for car audio systems. Turnover marked approximately HK\$71,102,000 during the financial year, accounting for 27.6% of the Group's total turnover of the segment. The improvement was attributed to the consistent before-market demand in the PRC and Korea including that of leading Korean automotive manufacturers based in the PRC.

The turnover from wireless solutions amounted to approximately HK\$30,084,000, accounting for 11.7% of the Group's total turnover in the composite components business. The decline in sales was mainly due to discontinued orders for wireless speaker systems in home audios. However, the Group has recently worked closely with consumers for Bluetooth speaker systems designed by the Group's research and development resources, thus a greater revenue contribution to this segment is expected.

As for digital solutions in digital audio broadcasting ("DAB") and hybrid digital radio ("HD Radio"), the Group has been working with an integrated circuit manufacturer and supplier for possible strategic alliance for the production of modules and end products.

Unit Electronic Components Business

For the year ended 31 December 2012, turnover from the unit electronic components business decreased by approximately HK\$45,805,000 or 17.5% from approximately HK\$261,280,000 in 2011 to approximately HK\$215,475,000 in 2012. The sales of this segment represented 45.3% of the Group's total turnover, compared with 46.8% in the corresponding period in 2011.

The turnover from the transformers for LCD and LED televisions as well as adapters for mobile devices increased modestly by 4.5% to approximately HK\$80,338,000, representing 37.3% of the Group's total turnover in unit electronic components business thanks to rising demand for automated production of PRC customers to reduce cost burden from high labour costs, while the turnover from the coils for power supplies dropped by 32.4% to approximately HK\$92,011,000, representing 42.7% of the Group's total turnover in unit electronic components business.

鑑於客戶對傳統家用調諧器模組產品的需求下跌，本集團已逐漸將其業務重心調向多功能電子設備，尤其是以汽車為主打的解決方案。根據此策略，本集團汽車音響系統調諧器模組之銷售錄得7.9%之理想增長。調諧器模組年內之營業額為約為71,102,000港元，相當於本集團複合元件業務總營業額之27.6%。銷售改善主要是因為中國和韓國前裝市場需求保持穩定，其中包括位於中國的領先韓國汽車製造商。

本集團無線解決方案之營業額約為30,084,000港元，佔本集團複合元件業務總營業額之11.7%。銷售額減少主要是由於終止家用音響之無線揚聲器系統的訂單。然而，本集團近期就以本集團研發資源設計的藍牙揚聲器系統與消費者緊密合作，預期此業務可帶來更大的收入貢獻。

數碼音響廣播（「DAB」）及混合式數碼收音機（「HD Radio」）之數碼解決方案方面，本集團與集成電路製造商及供應商協力尋求在模組及終端產品生產方面建立可能的戰略聯盟。

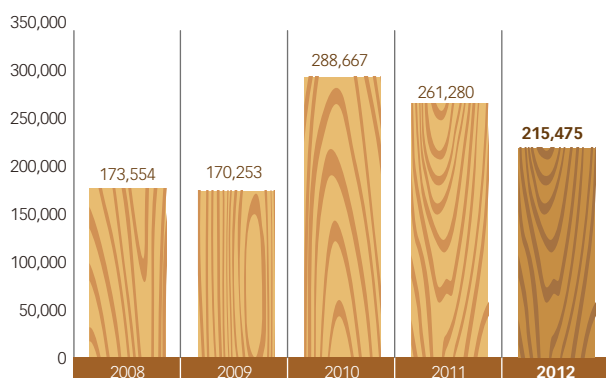
單位電子元件業務

截至二零一二年十二月三十一日止年度，單位電子元件業務之營業額由二零一一年約為261,280,000港元下跌約為45,805,000港元或17.5%至二零一二年約為215,475,000港元。該分部之銷售額相當於本集團總營業額之45.3%，而二零一一年同期則為46.8%。

受惠於中國客戶對自動化生產的需求上升減少了勞工成本增加所帶來的成本負擔，用於LCD及LED電視機之變壓器及流動設備之接合器的營業額小幅增長4.5%至約為80,338,000港元，佔本集團來自單位電子元件業務之總營業額之37.3%，而用於電源板之線圈的營業額則減少32.4%至約為92,011,000港元，佔本集團來自單位電子元件業務之總營業額之42.7%。

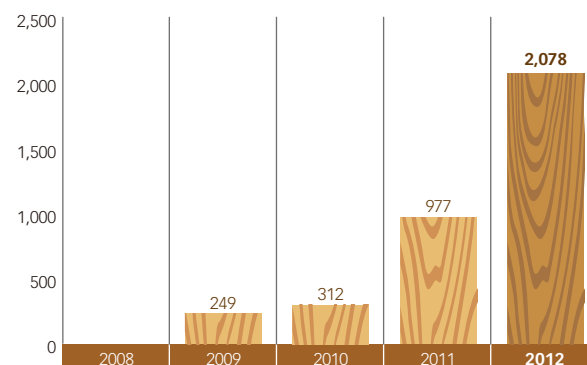
Turnover of Unit Electronic Components Business 單位電子元件業務營業額

(HK\$'000 千港元)



Turnover of Property Investment Business 物業投資業務營業額

(HK\$'000 千港元)



Properties Investment Business

Properties investment business became one of the significant segments to the Group in terms of turnover, profit and assets value of the Group.

For the year ended 31 December 2012, turnover from the properties investment business increased by approximately HK\$1,101,000 or 112.7% from approximately HK\$977,000 in 2011 to approximately HK\$2,078,000 in 2012. The turnover reflected rental income arising from lease of the Group's investment properties located in Hong Kong, the PRC and Korea.

Prospects

To cope with the challenges of intense competition and the weak sentiment in traditional consumer electronics markets, the Group will focus on launching new products to enhance its profitability to match the flexible business adjustment strategy. Looking ahead, the Group will continue to realign its production to address the rising customer demand for multi-functional electronic devices such as mobile devices, and digital solutions in DAB and automotive related business segments.

The Group is pleased with the rapidly growing smartphone and tablet personal computer markets, and is developing more new models - the peripheral devices for mainstream smart devices including a dual docking system and a wireless Bluetooth speaker system with "full digital" capability. The Group is one of the recognised vendors of renowned consumer electronics brands in this region and enjoys stable business partnerships with industry leaders. The Group is collaborating closely with clients to develop multi-function electronic devices with innovative functions and expects to secure new orders from its current customers in the future.

物業投資業務

根據營業額、溢利及資產值之比重，物業投資已成為本集團其中一主要分部。

截至二零一二年十二月三十一日止年度，物業投資業務營業額由二零一一年約為977,000港元上升約為1,101,000港元或112.7%至二零一二年2,078,000港元。營業額反映本集團租賃位於香港、中國及韓國之投資物業所賺取之租金收入。

前景

為應對激烈競爭以及傳統消費類電子產品市場的疲弱氣氛所帶來的挑戰，本集團將專注於推出新產品，以增強盈利能力並實施靈活的業務調整戰略。展望未來，本集團將繼續調整其生產，以滿足客戶對於移動設備等多功能電子設備，以及DAB及汽車相關業務之數碼解決方案不斷上升的需求。

本集團樂見智能手機及平板型個人電腦市場的迅速增長，並正在開發更多的新模組-主流智能設備之周邊設備，包括雙重對接系統及帶有「全數碼」功能的無線藍牙揚聲器系統。本集團是獲區內知名消費類電子產品品牌認許的廠商之一，與業界龍頭建立了穩定的業務合作關係。本集團與客戶緊密合作，以開發出具有創新功能的多功能電子設備，並預期於未來將可從現有客戶獲得新訂單。

Management Discussion and Analysis 管理層討論與分析

In addition, the Group will focus on higher profit margin automotive electronics products. As one of the key suppliers of car audio system solutions in Korea, the Group is striving to further extend its market share and strengthen position in this segment.

On the other hand, the proliferation of smart devices has generated positive prospects for transformer products used in LED televisions and adapters for mobile devices. The Group is currently working closely with leading Korean consumer electronics brands to supply transformer components for the growing demands.

Business performance of the properties investment business has been satisfactory. In the long term, the Group will evaluate its investment strategies towards the investment properties.

Corporate Social Responsibility

As a caring corporation, the Group has been active in fulfilling its social responsibility to the interest of all stakeholders and society. The Group's corporate social responsibility efforts fall into the three following categories:

Marketplace

In the interest of shareholders, the Group adheres to the business objectives of contributing to the sustainable development of the electronics industry, improving consumer electronics to heighten product efficiency and delivering the best end-user experience. To these ends, the Group invests substantially in research and development and internal quality control to ensure the continuous delivery of quality and reliable products to customers. The Company complies with the requirements of ISO/TS 16949:2002 on design and manufacture of its car tuners and ISO 9001:2000 on production and servicing of electronic products. These products include transformers, intermediate frequency transformers, antennas, filters, coils, coil inductors, electrical meters, dielectric filters, tuners, tuner modules, wireless modules, switching mode power supplies, digital tuner modules for DAB and digital amplifiers. The Group has also frequently received customers' performance certificates that signified recognition of the Group's professional procedures and appreciation of product quality.

The Group recognises the need and the cross-fertilisation benefits of collaboration between industry and academia. It hopes to ride on the resources of universities and selected research institutes to customise training courses and programmes that can help develop the business and professional competence of its people in successfully competing globally. In return, the Group provides consultancy services, financial aid and internships to university students.

此外，本集團將專注於利潤率較高的汽車電子產品。作為韓國汽車音響系統解決方案的主要供應商之一，本集團致力於進一步擴大其市場份額，鞏固在該業務領域的地位。

另一方面，智能設備的崛起為用於LED電視機之變壓器及流動設備之接合器帶來了樂觀前景。本集團目前正在與領先的韓國消費類電子產品品牌緊密合作，供應變壓器元件配合增長中的需求。

物業投資業務之業務表現令人滿意。長遠而言，由於本集團將評估其對物業投資之投資策略。

企業社會責任

作為一家關懷社會的企業，本集團積極地履行其企業社會責任，維護本公司所有利益相關者以及社會之利益。本集團在企業社會責任方面所作出之努力可分為下列三類：

市場

為符合股東之利益，本集團堅持為電子業的可持續發展作出貢獻、以及改善消費者電子產品以提高效率及帶來最佳客戶體驗的商業目標工作。為此，本集團大量投資於研究、開發及內部質量監控，以確保不斷生產優質可靠之產品予客戶。本集團亦符合多項標準：ISO/TS 16949:2002之汽車調諧器的設計和製造，ISO 9001:2000標準之電子產品生產及服務，該等產品包括變壓器、中周變壓器、天線、濾波器、線圈、電感器、電子儀表、誘電體濾波器、高頻頭、調諧器模組、無線接收器、開關電源板、DAB及數碼功率放大器之數碼調諧器模組。本集團亦經常收到客戶之表現證書，肯定本集團之專業程序並對本集團產品質量表示嘉許。

本集團認同業界與大學合作之需要及裨益。本公司期望借助大學及若干研究院之資源制訂培訓，以助發展員工之業務及管理專業知識，應付全球競爭。本集團亦會向大學學生提供諮詢服務、資助及實習。

Employee Health and Welfare

Caring about the health and work safety of its staff, the Group has introduced appropriate safety systems and processes to minimise staffs exposure to potential hazardous materials or adverse working conditions. As an equal opportunity employer, the Group strives to provide a fair work environment to employees and does not tolerate any form of harassment or discrimination in respect of employment and occupation. To retain the best talents, the Group ensures its employee remuneration packages are competitive and that rewards are linked with performance excellence.

The Group also encourages employees to enroll in external job-related courses and sponsors these initiatives when appropriate. As part of the orientation procedure, all new employees are required to participate in programmes on topics include internal control and information protection, ISO and quality management systems.

The Group also arranges regular health checks for all employees to protect their health and therefore maintain their productivity at work. In case of sickness, employees are protected by comprehensive group medical insurance policies. Retirement and comprehensive pension funds are also provided to employees in accordance with relevant legislation.

Environment and Community

The Company complies with the requirements of ISO 14001:2004 on environmental management systems and procedures.

The Group also continues to make sure its products comply with the European Union's environmental protection guidelines including the Directive on the Restriction of the use of certain Hazardous Substances in Electrical Equipment ("RoHS") for manufacturing activities. All products manufactured by the Group are lead-free and RoHS compliant.

The Group also encourages employees to save energy and resources. To cut down on paper consumption, the Group encourages double-sided printing and printing when necessary only. The Group also relays energy-saving tips to staff members through a daily learning programme. To fulfill its commitment to the society during the year, the Company has also provided donations to charities to help the needy.

Shen Yong
Chairman

Hong Kong, 26 March 2013

僱員健康及福利

本集團一向關注僱員的健康及工作安全，已引入適當的安全系統及措施，以減低僱員接觸潛在有害物質或處於惡劣環境工作。作為平等機會僱主，本集團確保各僱員均享有平等機會，且不容許有關就業及職業上的任何騷擾或歧視行為。為挽留最佳人才，本集團確保僱員薪酬待遇具競爭力，並因應其卓越表現作出獎勵。

本集團亦鼓勵僱員報讀外界與工作相關的課程，並在適當情況下就此作出贊助。所有新僱員均須參加內容包括內部監控及資訊保護、ISO及質量管理系統的課程，作為入職迎新的一部份。

本集團亦為全體僱員安排定期體檢，確保他們的健康並在工作上具生產力。如有染病，僱員亦獲本集團的全面醫療保險政策所保障。另外，亦有根據相關法例，向僱員提供退休福利及全面退休金。

環境及社會

本集團符合 ISO 14001:2004 環境管理體系之標準。

本集團亦持續確保產品符合歐盟環保指引，包括其生產程序符合在電氣電子設備中限制使用某些有害物質指令（「RoHS」）的規條。本集團生產的所有產品均不含鉛並已符合 RoHS。

本集團亦鼓勵僱員節省能源及資源。為減少耗紙，本集團鼓勵雙面打印及僅於必要時打印。本集團亦透過每日學習計劃向員工傳達節能小知識。年內，為履行對社會之承諾，本公司亦有捐款予慈善團體，幫助有需要人士。

主席
申勇

香港，二零一三年三月二十六日

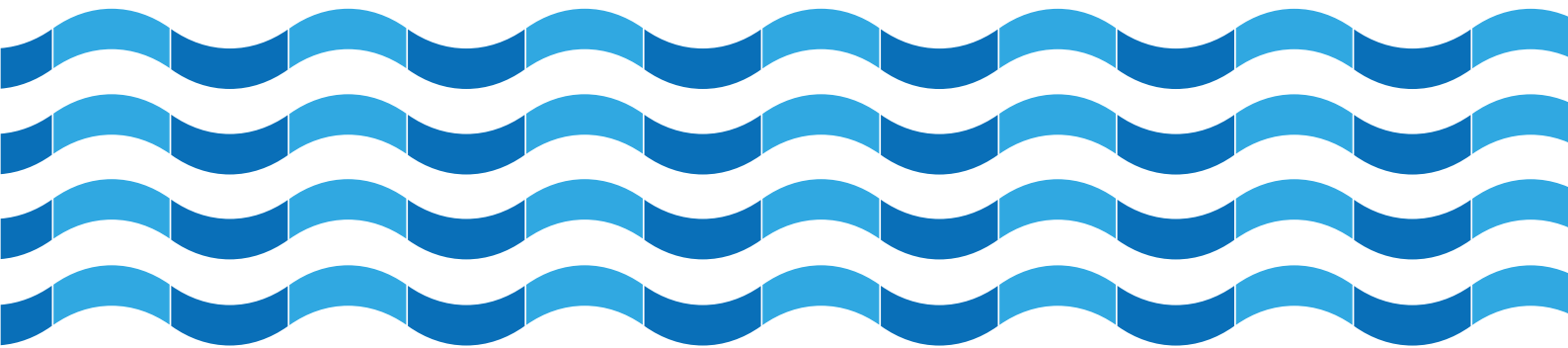
Nutrition of the Earth



Corporate Governance Report 企業管治報告書

We are dedicated to fulfill our corporate social responsibility and attain the best corporate governance practices in order to protect the interests of all stakeholders

我們致力履行企業社會責任以及達至最優秀的企業管治，以維護所有利益相關者的權益



Corporate Governance Report 企業管治報告書

Corporate Governance Code and Corporate Governance Practices

The Company is committed to maintaining a high standard of corporate governance practices and procedures. The Company has complied with the code provisions (“CP”) of the former Code on Corporate Governance Practices (the “CG Code”) and of the new Corporate Governance Code effective from 1 April 2012 (the “Revised CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), except for the following:

Code Provision A.6.7

Pursuant to the code provision A.6.7, independent non-executive directors and other non-executive directors should attend the general meetings of the Company.

The Company held its annual general meeting (“AGM”) on 25 May 2012. Dr. Kim Chung Kweon (resigned on 7 January 2013) and Dr. Han Byung Joon (resigned on 7 January 2013) were unable to attend the Company’s AGM due to their unavoidable business engagements.

To approve the Distribution In Specie of shares of Jay Star by the Company to the Company’s shareholders and to approve the framework supply agreement (details are set out in the Company’s circular dated 19 November 2012) entered into by the Company, the Company held an extraordinary general meeting (“EGM”) on 5 December 2012. Dr. Kim Chung Kweon, Dr. Han Byung Joon and Mr. Kim Chan Su (all resigned on 7 January 2013) were unable to attend the Company’s EGM due to their unavoidable business engagements.

The Company will continue to create excellent conditions for independent non-executive directors and (if any) non-executive directors to attend general meetings, so as to support executive directors to respond to shareholders’ questions in the general meetings.

Model Code for Securities Transactions by Directors

The Company has adopted Appendix 10, Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules (the “Model Code”) as the code of practice for conducting securities transactions by the directors of the Company. The Company, having made specific enquiries to all directors of the Company, confirmed that during the year ended 31 December 2012, all directors have complied with the CP as set out in the Model Code. The relevant employees who, because of their office in the Company, are likely to be in possession of unpublished price sensitive information, have been requested to comply with the provisions of the Model Code.

企業管治守則及企業管治常規

本公司一向恪守嚴謹之企業管治常規及程序。本公司已遵守聯交所證券上市規則（「上市規則」）附錄十四內前企業管治常規守則（「企業管治守則」）及自二零一二年四月一日起生效的新企業管治守則（「經修訂企業管治守則」）所載的守則條文（「守則條文」），惟下列除外：

守則條文第 A.6.7 條

根據守則條文第 A.6.7 條，獨立非執行董事及非執行董事應出席本公司股東大會。

本公司於二零一二年五月二十五日舉行股東週年大會。金正權博士（於二零一三年一月七日辭任）及韓丙濬博士（於二零一三年一月七日辭任）因處理不可避免事務而未能出席本公司之股東週年大會。

為批准本公司向本公司股東實物分派 Jay Star 之股份及就本公司批准框架供應協議（詳情載於本公司日期為二零一二年十一月十九日之通函），本公司於二零一二年十二月五日舉行股東特別大會（「股東特別大會」）。金正權博士、韓丙濬博士及金瓚洙先生（皆於二零一三年一月七日辭任）因處理不可避免事務而未能出席本公司之股東特別大會。

本公司將繼續為獨立非執行董事及非執行董事（若有）提供最佳狀況以供彼等出席股東大會，以支持執行董事回應股東於股東大會之提問。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十之《上市發行人董事進行證券交易的標準守則》（「標準守則」），作為本公司董事進行證券交易的行為守則。本公司向本公司所有董事作出具體查詢後確認，於截至二零一二年十二月三十一日止年度，所有董事均有遵守標準守則所載之守則條文。該等由於在本公司所持有之職務而可能擁有未經發表之股價敏感的資料之有關僱員已被要求遵守標準守則所載之守則條文。

Board of Directors

The Company's overall management is vested in its Board, which currently comprises eleven members, coming from diverse businesses and professional backgrounds. The biographical details of directors are set out under the section "Directors and Senior Management" on pages 39 to 45 of this annual report. The Board currently comprises executive directors Mr. Shen Yong (Chairman), Mr. Ronald Lew Podlas, Mr. Shen Ke, Mr. Li Zhi, Mr. Xu Li Jian, Mr. Leung Kin Pang and Mr. Hong Sang Joon and independent non-executive directors Mr. Yu Lei, Dr. Jiang Ying, Ms. Zhang Cui Lan, and Mr. Ernst Rudolf Zimmermann.

The Board meets at least four times annually to review business development and overall strategic policies.

To facilitate the operation of the Board, the Board has established a schedule of matters reserved for its approval. The specific responsibilities reserved for the Board include (a) setting the Group's strategy and dividend policy; (b) approving budgets, reviewing operational and financial performance; (c) approving major investments and divestments; (d) reviewing the internal control system of the Group; (e) ensuring appropriate management development and succession plans in place; (f) approving appointments of and remuneration policy for directors and other senior executives; (g) approving corporate social responsibility policies; and (h) ensuring effective communication with shareholders.

For the financial reporting accountability, the Board has an ultimate responsibility for preparing the financial statements. In preparing the financial statements, the Board has ensured that (a) the generally accepted accounting standards in Hong Kong have been adopted; (b) appropriate accounting policies have been used and applied consistently; and (c) reasonable and prudent judgments and estimates have been made. Moreover, the Board is not aware of any material uncertainties relating to events or conditions which may cast significant doubt over the Group's ability to continue as a going concern. Accordingly, the Board has continued to adopt the going concern basis in preparing the financial statements.

董事會

本公司之整體管理由董事會負責，目前，董事會由十一名成員組成，彼等擁有不同行業及專業背景。董事履歷詳情載於本年報39至45頁「董事及高層管理人員」一節。董事會成員目前包括執行董事申勇先生（主席）、包德榮先生、申柯先生、李智先生、徐立堅先生、梁健鵬先生及洪祥準先生以及獨立非執行董事余磊先生、蔣瑛博士、張翠蘭女士及司馬文先生。

董事會每年最少舉行四次會議，以檢討業務發展及整體策略政策。

為方便董事會運作，董事會制定了一份項目清單並保留其決定權。董事會之指定責任包括(a)制定本集團整體策略及股息政策；(b)通過預算案、檢討營運及財務表現；(c)批准重大投資及撤資；(d)檢討本集團內部監控系統；(e)確保有適當管理發展及延續計劃；(f)通過委任董事及其他高級行政人員並釐訂彼等之薪酬政策；(g)批准企業社會責任政策；及(h)確保與股東進行有效溝通。

就財務申報之問責性而言，董事會有編製財務報表之最終責任。在編製財務報表時，董事會已保證(a)香港公認之會計準則已予採納；(b)適當會計政策已予使用及貫徹應用；及(c)合理及審慎之判斷和估算已予作出。此外，董事會並不知悉有任何重大不明確因素致使本集團持續經營之能力存在疑問。為此，董事會在編製財務報表時繼續採用持續經營基準。

Corporate Governance Report 企業管治報告書

Being part of good corporate governance practices, a number of board committees have been established. These committees include five corporate governance related committees namely the Executive Committee, the Remuneration Committee, the Audit Committee and the Nomination Committee as well as one ad hoc committee namely the Independent Board Committee which is responsible for advising the matters in relation to the continuing connected transactions. These committees operate within specific terms of reference as prepared by the Company and report their work and findings to the Board regularly.

作為良好企業管治之部份措施，本公司已成立多個董事會轄下的委員會。該等委員會包括五個與企業管治有關的委員會，即執行委員會、薪酬委員會、審核委員會及提名委員會，以及一個負責就持續關連交易提供意見之特設委員會，即獨立董事委員會。該等委員會均按由本公司編製之特定職權範圍操作並且定期向董事會匯報彼等之工作及調查結果。

Directors' Attendance Records

The attendance records of the directors at Board Meetings, Audit Committee Meetings, Remuneration Committee Meeting, Executive Committee Meetings, Nomination Committee Meeting, Independent Board Committee Meeting and General Meetings during the year ended 31 December 2012 are set out below:

董事出席紀錄

截至二零一二年十二月三十一日止年度內，每位董事於董事會會議、審核委員會會議、薪酬委員會會議、執行委員會會議、提名委員會會議、獨立董事委員會會議及股東大會之出席記錄如下：

		No. of meetings attended/held 會議出席/舉行次數					Independent Board Committee 獨立董事 委員會	General meeting 股東大會
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Executive Committee 執行委員會	Nomination Committee 提名委員會		
Non-executive director	非執行董事							
Mr. Yang Ho Sung*	梁皓星先生*	6/6	2/2	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	2/2
Executive directors	執行董事							
Mr. Shen Yong ⁺	申勇先生 ⁺	0/0	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用
Mr. Ronald Lew Podlas [^]	包德榮先生 [^]	0/0	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用
Mr. Shen Ke [^]	申柯先生 [^]	0/0	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用
Mr. Li Zhi [^]	李智先生 [^]	0/0	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用
Mr. Xu Li Jian [^]	徐立堅先生 [^]	0/0	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用
Mr. Leung Kin Pang [^]	梁健鵬先生 [^]	0/0	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用
Mr. Yang Jai Sung*	梁在星先生*	6/6	n/a 不適用	1/1	3/3	1/1	n/a 不適用	2/2
Mr. Lee Kyu Young*	李圭英先生*	5/6	n/a 不適用	n/a 不適用	3/3	n/a 不適用	n/a 不適用	2/2
Mr. Hong Sang Joon [☆]	洪祥準先生 [☆]	6/6	n/a 不適用	n/a 不適用	3/3	n/a 不適用	n/a 不適用	2/2

		No. of meetings attended/held 會議出席/舉行次數					Independent Board	
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Executive Committee 執行委員會	Nomination Committee 提名委員會	Committee 獨立董事 委員會	General meeting 股東大會
Independent non-executive directors	獨立非執行董事							
Mr. Yu Lei [#]	余磊先生 [#]	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用
Dr. Jiang Ying [#]	蔣瑛博士 [#]	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用
Ms. Zhang Cui Lan [#]	張翠蘭女士 [#]	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用
Mr. Ernst Rudolf Zimmermann ⁺	司馬文先生 ⁺	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用
Dr. Han Byung Joon [*]	韓丙濬博士 [*]	5/6	2/2	1/1	n/a 不適用	1/1	1/1	0/2
Dr. Kim Chung Kweon [*]	金正權博士 [*]	6/6	2/2	1/1	n/a 不適用	1/1	1/1	0/2
Mr. Kim Chan Su [*]	金瓊洙先生 [*]	6/6	2/2	1/1	n/a 不適用	1/1	1/1	1/2

^ appointed on 17 December 2012
 * resigned on 7 January 2013
 ☆ appointed on 20 January 2012
 # appointed on 7 January 2013
 + appointed on 18 January 2013

^ 於二零一二年十二月十七日獲委任
 * 於二零一三年一月七日辭任
 ☆ 於二零一二年一月二十日獲委任
 # 於二零一三年一月七日獲委任
 + 於二零一三年一月十八日獲委任

Set out below are the summarised key components of corporate governance practices adopted by the Company.

本公司所採納之企業管治常規之主要概要載列於下文。

Corporate Governance Report 企業管治報告書

Board Committees

The Board has established five board committees, namely, the Executive Committee, the Remuneration Committee, the Nomination Committee, the Audit Committee and the Independent Board Committee, for overseeing particular aspects of the Company's affairs. All board committees should report to the Board on their decisions or recommendations made.

A. Executive Committee

The Executive Committee currently comprises Mr. Shen Yong (Committee Chairman), Mr. Ronald Lew Podlas, Mr. Shen Ke, Mr. Li Zhi, Mr. Xu Li Jian, Mr. Leung Kin Pang and Mr. Hong Sang Joon.

The major responsibilities of the Executive Committee are:

1. to develop strategic plans for the consideration of the Board;
2. to implement the strategies and policies of the Group as determined by the Board;
3. to monitor the daily operations and financial results against plans and budgets; and
4. to guide the Company in various corporate affairs.

There were three Executive Committee meetings held for the year ended 31 December 2012 to discuss strategies and policies of the Group and monitor the daily operations and financial results against plans and budgets.

B. Remuneration Committee

The Remuneration Committee currently comprises four independent non-executive directors Mr. Yu Lei (Committee Chairman), Dr. Jiang Ying, Ms. Zhang Cui Lan and Mr. Ernst Rudolf Zimmermann.

The major responsibilities of the Remuneration Committee are:

1. to review the remuneration packages of directors and senior management;
2. to make recommendations to the Board on the remuneration structure; and
3. to review and guide the formulation of the Group's remuneration policy for directors and senior management attributable to performance-driven compensation commitment as well as market trend and industry norms.

董事委員會

董事會已成立五個董事委員會，即執行委員會、薪酬委員會、提名委員會、審核委員會及獨立董事委員會，以監管本公司各方面事務。所有董事委員會應就其決策或建議向董事會匯報。

A. 執行委員會

執行委員會目前由申勇先生（委員會主席）、包德榮先生、申柯先生、李智先生、徐立堅先生、梁健鵬先生及洪祥準先生組成。

執行委員會之主要責任為：

1. 發展策略性計劃以供董事會考慮；
2. 實施董事會決定之本集團策略及政策；
3. 監管日常營運表現及財務業績以對比計劃及預算中的情況；及
4. 多方面指導本公司企業事務。

截至二零一二年十二月三十一日止年度，舉行了三次執行委員會會議，以討論本集團之策略及政策，並監管日常營運表現及財務業績以對比計劃及預算中的情況。

B. 薪酬委員會

薪酬委員會目前由四名獨立非執行董事余磊先生（委員會主席）、蔣瑛博士、張翠蘭女士及司馬文先生組成。

薪酬委員會之主要責任為：

1. 檢討董事及高層管理人員之薪酬組合；
2. 就薪酬架構向董事會作出建議；及
3. 定期檢討及指導本集團董事及高層管理人員之薪酬政策之編製。薪酬政策乃根據與表現掛鉤之報酬承諾，並參考市場趨勢及行業慣例釐訂。

There was one Remuneration Committee meeting held for the year ended 31 December 2012 to review the remuneration packages of directors and senior management according to the Group's employment policy, nomination policy, remuneration policy, and training and development policy.

The Remuneration Committee is provided with sufficient resources to perform its duties. Latest terms of reference of the Remuneration Committee can be viewed on the websites of the Company and the Stock Exchange.

Details of the remuneration to the directors on named basis and members of senior management by band are disclosed in notes 14 and 15 to the financial statements, respectively.

C. Nomination Committee

The Nomination Committee currently comprises four independent non-executive directors Mr. Yu Lei (Committee Chairman), Dr. Jiang Ying, Ms. Zhang Cui Lan and Mr. Ernst Rudolf Zimmermann.

The major responsibilities of the Nomination Committee are:

1. to make recommendations to the Board on the appointment or re-appointment of directors;
2. to review the structure, size and composition of the Board and to ensure fair and transparent procedures for the appointment or re-appointment of directors;
3. to propose the appointment of such candidates to the Board for consideration; and
4. to review the qualifications of the relevant candidates for determining the suitability to the Group on the basis of his/her qualifications, experience and background.

截至二零一二年十二月三十一日止年度，舉行了一次薪酬委員會會議，已根據本集團聘用政策、提名政策、薪酬政策以及培訓及發展政策，檢討董事及高層管理人員之薪酬待遇。

薪酬委員會具備充足資源履行其職責。薪酬委員會之最新職權範圍可於本公司及聯交所網站查閱。

董事之酬金詳情以具名方式而高層管理人員之酬金詳情按組別分別披露於財務報表附註14及15。

C. 提名委員會

提名委員會目前包括四名獨立非執行董事余磊先生（委員會主席）、蔣瑛博士、張翠蘭女士及司馬文先生。

提名委員會之主要責任為：

1. 向董事會提供有關委任或續聘董事之推薦意見；
2. 檢討董事會之架構、大小及組成以及確保委任或續聘董事之程序公正透明；
3. 提出委任人選供董事會考慮；及
4. 審視相關人選之資歷，基於其資歷、經驗及背景決定是否適合本集團。

Corporate Governance Report 企業管治報告書

There was one Nomination Committee meeting held for the year ended 31 December 2012 to discuss and consider the following matters:

1. the composition of the Board with reference to certain criteria. These criteria included qualifications required under the Listing Rules or any other relevant laws regarding characteristics and skills of the directors, professional ethics and integrity, appropriate professional knowledge and industry experience, as well as ability to devote sufficient time to the work of the Board and its committees and to participate in all Board meetings and shareholders' meetings;
2. the re-appointment of the retiring directors for reelection at the previous general meeting;
3. procedures for election of directors and by shareholders; and
4. independence of the independent non-executive directors.

The Nomination Committee is provided with sufficient resources to perform its duties. Latest terms of reference of the Nomination Committee can be viewed on the websites of the Company and the Stock Exchange.

D. Audit Committee

The Audit Committee currently comprises four independent non-executive directors Ms. Zhang Cui Lan (Committee Chairman), Mr. Yu Lei, Dr. Jiang Ying and Mr. Ernst Rudolf Zimmermann.

The main responsibilities of the Audit Committee are:

1. to monitor the integrity of financial reporting of the Company;
2. to review the internal control and risk management systems of the Group; and
3. to review the corporate governance practices of the Company.

截至二零一二年十二月三十一日止年度，舉行了一次提名委員會會議，以討論並考慮以下事項：

1. 參考若干準則檢討及評估董事會的組成。該等準則包括上市規則或任何相關法律就董事的個性及技能、專業操守及誠信、適合的專業知識及行業經驗而規定之資歷，以及能對董事會及其委員會的工作付出足夠的時間以及參與所有董事會會議及股東會議之能力；
2. 續聘於上屆股東週年大會獲續聘的退任董事；
3. 股東及董事選舉之程序；及
4. 獨立非執行董事的獨立性。

提名委員會具備充足資源履行職責。提名委員會之最新職權範圍可於本公司及聯交所網站查閱。

D. 審核委員會

審核委員會目前由四名獨立非執行董事張翠蘭女士（委員會主席）、余磊先生、蔣瑛博士及司馬文先生組成。

審核委員會之主要職責為：

1. 監察本公司財務報告之完整性；
2. 檢討本集團內部監控及風險管理系統；及
3. 檢討本公司之企業管治常規。

There were two Audit Committee meetings held for the year ended 31 December 2012 to discuss and review the following matters:

1. the 2011 annual report and accounts;
2. the 2012 interim report and accounts;
3. the Group's financial controls, internal control and risk management systems;
4. the findings of the internal control review report prepared by external independent professionals;
5. the financial reporting and relevant compliance with external auditors; and
6. the auditors' remuneration and recommended the Board to re-appoint SHINEWING (HK) CPA Limited as Company's auditors in the year 2013, which is subject to the approval of shareholders at the forthcoming AGM.

The Audit Committee is provided with sufficient resources to perform its duties. Latest terms of reference of the Audit Committee can be viewed on the websites of the Company and the Stock Exchange.

E. Independent Board Committee

The Independent Board Committee currently comprises four independent non-executive directors Mr. Yu Lei (Committee Chairman), Dr. Jiang Ying, Ms. Zhang Cui Lan and Mr. Ernst Rudolf Zimmermann.

The major responsibilities of the Independent board committee are:

1. to consider and review matters regarding the continuing connected transactions of the Group; and
2. to advise the independent shareholders whether the Group's transactions are fair and reasonable and in the interests of the Company and shareholders as a whole.

There was one Independent Board Committee meeting held for the year ended 31 December 2012 to review the unconditional mandatory cash offer by Haitong International Securities Company Limited for and on behalf of Ultra Harvest for all the issued shares in the Company.

截至二零一二年十二月三十一日止年度，舉行了兩次審核委員會會議，以討論及檢討以下事項：

1. 二零一一年年報及賬目；
2. 二零一二年中期報告及賬目；
3. 本集團之財務監控、內部監控及風險管理制度；
4. 由外聘獨立專業人士所編製之內部監控檢討報告之結果；
5. 與外聘核數師就財務報告及相關遵例情況進行討論；及
6. 核數師薪酬及向董事會建議於二零一三年度續聘信永中和會計師事務所有限公司為本公司核數師，惟須獲股東於應屆股東週年大會上批准方會作實。

審核委員會具備充足資源履行職責。審核委員會之最新職權範圍可於本公司及聯交所網站查閱。

E. 獨立董事委員會

獨立董事委員會目前由四名獨立非執行董事余磊先生（委員會主席）、蔣瑛博士、張翠蘭女士及司馬文先生組成。

獨立董事委員會之主要責任為：

1. 以考慮及檢討有關本集團持續關連交易之事宜；及
2. 就本集團交易是否公平、合理及符合本公司與股東整體利益而向獨立股東提供意見。

截至二零一二年十二月三十一日止年度，舉行了一次獨立董事委員會會議，審視海通國際證券有限公司代表 Ultra Harvest 收購本公司所有已發行股份之無條件強制現金收購建議。

Corporate Governance Report 企業管治報告書

Corporate Governance Functions

The Board is responsible for performing the following corporate governance duties as required under the Revised CG Code:

1. to develop and review the Company's policies and practices on corporate governance;
2. to review and monitor the training and continuous professional development of the directors and senior officers of the Group;
3. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
4. to develop, review and monitor the codes of conduct applicable to employees and the directors; and
5. to review the Company's compliance with the CG Code and the Revised CG Code and disclosure in this Corporate Governance Report.

During the year ended 31 December 2012, the Board considered the following corporate governance matters:

1. review of the compliance with the CP of the CG Code and of the Revised CG Code; and
2. review of the effectiveness of the internal controls and risk management systems of the Group through the Audit Committee.

Company Secretary

Company Secretary of the Company is a full time employee of the Group and has day-to-day knowledge of the Company's affairs. During the year ended 31 December 2012, the Company Secretary Mr. Kwok Kim Hung Eddie has duly complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules. According to Rule 3.29 of the Listing Rules, the Company Secretary has taken no less than 15 hours of relevant professional training. The biographical details of the Company Secretary is set out on in the section entitled "Directors and Senior Management" in this annual report.

企業管治職能

董事會負責履行經修訂企業管治守則規定的企業管治職責如下：

1. 制定及檢討本公司的企業管治政策及常規；
2. 檢討及監察董事及高級管理人員的培訓及持續專業發展；
3. 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
4. 制定、檢討及監察適用於僱員及董事的操守準則；及
5. 檢討本公司遵守企業管治守則及經修訂企業管治守則的情況及在本《企業管治報告書》內的披露。

於截至二零一二年十二月三十一日止年度，董事會已審議以下企業管治事宜：

1. 檢討遵守企業管治守則及經修訂企業管治守則之守則條文之情況；及
2. 透過審核委員會檢討本集團內部監控及風險管理系統之有效性。

公司秘書

本公司的公司秘書為本集團全職僱員，且熟悉本公司日常事務。於截至二零一二年十二月三十一日止年度，公司秘書郭劍雄先生已遵守上市規則第3.29條下相關專業培訓之規定。根據上市規則第3.29條，公司秘書已作出不少於15小時之相關專業培訓。公司秘書的履歷詳情載於本年報「董事及高層管理人員」一節。

Training, Induction and Continuing Development for Directors

Each newly appointed director receives a comprehensive and formal induction to ensure that he/she has an appropriate understanding of the business and operations of the Group, his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements, the corporate governance code of the Company and the Model Code.

Directors are continually updated on developments in the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. Continuing briefing and professional development for directors will be arranged at the expenses of the Company whenever necessary. The directors are committed to complying with code provision A.6.5 of the Revised CG Code on directors' training effective from 1 April 2012. All directors have participated in continuous professional development to develop and refresh their knowledge and skills and provided their training records to the Company.

Directors' and Officers' Liability Insurance and Indemnity

The Company has arranged appropriate liability insurance to indemnify its directors and officers in respect of legal actions against the directors. During the year ended 31 December 2012, no claim had been made against the directors and the officers of the Company.

The Separate Roles of the Chairman and Chief Executive Officer

The division of responsibilities between the Chairman of the Board, Mr. Shen Yong, and the Chief Executive Officer, Mr. Ronald Lew Podlas, is clearly defined and has been approved by the Board. The Chairman provides leadership of the Board, ensures the effectiveness of the Board and oversees the corporate development; while the Chief Executive Officer, as head of the executive directorate, is responsible for managing the business development and strategic planning of the Group.

Their separate roles reinforce the continuous enhancement of the Group's corporate governance in terms of corporate fairness, transparency and accountability.

董事培訓、入職介紹及持續發展

每名獲委任之新董事均獲提供全面、正式之入職介紹，以確保其可適當掌握本集團之業務及營運；根據上市規則及相關法規須履行之職務及責任；本公司之守規手冊；及標準守則。

董事將不斷獲得法定及監管機制發展以及業務環境之新消息，以協助彼等履行職責。當有需要時，董事將獲安排持續簡報及專業發展，費用由本公司承擔。董事致力遵守由二零一二年四月一日起生效之經修訂企業管治守則內第A.6.5條有關董事培訓之守則條文。全體董事均有參與發展及更新彼等知識及技能之持續專業發展，並已向本公司提供其培訓記錄。

董事及高級人員責任保險及彌償

本公司已就其董事可能會面對的法律訴訟購買合適的責任保險，以保障其董事及高級人員。截至二零一二年十二月三十一日止年度，本公司董事及高級人員並無面臨任何索償。

區分主席及行政總裁職能

董事會主席申勇先生及行政總裁包德榮先生兩人之職責已清楚劃分，並已獲董事會批准。主席負責領導董事會、確保董事會之有效運作及監督企業發展；而行政總裁為執行董事之首，負責管理本集團之業務發展及策略規劃。

彼等之職能區分進一步提升本集團以公平、高透明度及問責為原則的企業管治。

Corporate Governance Report 企業管治報告書

Directors' Independence

There are no financial, business, family or other material/relevant relationship(s) among members of the Board except that Mr. Shen Yong, chairman of the Board is the father of Mr. Shen Ke, an executive director of the Company.

The directors are given access to independent professional advice at the Group's expense, when the directors deem it necessary in order to carry out their responsibilities.

The Board also advocates the participation of independent non-executive directors and (if any) non-executive directors in various board committees to safeguard objectivity and independence.

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

Internal Controls

The Board is responsible for reviewing the effectiveness of the internal control system of the Group. The scope of the review is determined and recommended by the Audit Committee and approved by the Board annually. The review covers:

1. all material controls, including but not limited to financial, operational and compliance controls;
2. risks management functions; and
3. the adequacy of resources, qualifications and experience of staff in connection with the accounting and financial reporting function of the Group and their training programmes and relevant budget.

The Board has engaged external independent professionals to conduct a review of the Group's internal control system during the year. An internal control review report was presented to the Audit Committee.

董事之獨立性

除申勇先生（董事會主席）為申柯先生（本公司執行董事）之父親外，董事會成員間並無財務、業務、家族或其他重大／相關關係。

倘董事認為必須尋求獨立專業顧問之意見以協助履行彼等之職責，有關費用由本集團支付。

董事會亦鼓勵獨立非執行董事及（如有）非執行董事參與各董事委員會，從而達致客觀性及獨立性。

本公司已接獲各名獨立非執行董事依據上市規則第3.13條就其獨立身份之確認函。本公司認為所有獨立非執行董事均為獨立個體。

內部監控

董事會負責檢討本集團內部監控系統之成效。每年檢討之範疇由審核委員會釐定及推薦，並由董事會批准。檢討涵蓋：

1. 所有重大監控，包括但不限於財務、營運及合規監控；
2. 風險管理職能；及
3. 本集團在會計及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否充足。

董事會已於年內外聘獨立專業人士就本集團的內部監控系統進行檢討。內部監控檢討報告已呈交予審核委員會。

The Audit Committee is satisfied with the Group's internal control system. The system is designed in consideration of the nature of business and the organisation structure. The system is designed to manage rather than eliminate the risk of failure in operational system and to provide reasonable, but not absolute, assurance against material misstatement or loss. The system is designed further to safeguard the Group's assets, maintain appropriate accounting records and financial reporting, achieve efficiency of operations and ensure compliance with the Listing Rules and all other applicable laws and regulations.

The Group will continue to engage external independent professionals to review its internal control system and further enhance its internal control as appropriate.

There is currently no internal audit function within the Group. The Board has reviewed the need for an internal audit function and is of the view that in light of the size, nature and complexity of the business of the Group, it would be more cost effective to appoint external independent professionals to perform internal audit functions for the Group as the need arises. Nevertheless, the Board will continue to review the need for an internal audit function annually.

Directors' and Auditors' Responsibility for the Financial Statements

The directors acknowledge their responsibility for preparing the Company's financial statements for the year ended 31 December 2012 which reflect true and fair view of the financial position of the Company and the Group and in compliance with relevant law and disclosure provisions of the Listing Rules. The Board is responsible for presenting a balanced, clear and comprehensible assessment extends to annual and interim reports, other price sensitive announcements and other financial disclosures required under the Listing Rules.

The Group appointed SHINEWING (HK) CPA Limited as the Group's external auditors. The statement by SHINEWING (HK) CPA Limited regarding their reporting responsibility to the shareholders on the consolidated financial statements of the Group is set out in the Independent Auditor's Report on pages 61 to 62 of this annual report.

審核委員會信納本集團的內部監控系統。該系統在制定時已考慮到其業務性質及組織架構。系統的目的在于管理而非排除營運系統的失誤風險，以及合理而非絕對地保證不會出現重大虛假陳述或損失。該系統的另一個目的在于保障本集團的資產，保存適當的會計紀錄及財務報告，維持有效的營運及確保遵守上市規則及所有其他適用法律及規例。

本集團將繼續聘請外聘獨立專業人士檢討其內部監控系統，並在適當時候進一步加強其內部監控。

現時本集團並無內部核數功能。董事會已檢討內部核數功能之需要，彼等認為以本集團之規模、業務性質及複雜性而言，在需要時外聘獨立專業人士為本集團進行內部核數工作，更具成本效益。然而，董事會將持續每年檢討內部核數功能之需要。

董事及核數師就財務報表的責任

董事清楚彼等須負責編製本公司截至二零一二年十二月三十一日止年度的財務報表，而財務報表須真實及公平地反映本公司及本集團的財務狀況，及符合相關法例及上市規則的披露規定。董事會負責衡平、清晰及全面地呈列年報及中期報告、其他股價敏感公告及上市規則規定的其他財務披露事項。

本集團已委任信永中和(香港)會計師事務所有限公司為本集團外部核數師。信永中和(香港)會計師事務所有限公司就其向股東報告本集團合併財務報表的責任發出的聲明載於本年報第61至62頁的獨立核數師報告內。

Corporate Governance Report 企業管治報告書

Auditors' Remuneration

During the year ended 31 December 2012, the fees paid/payable to the auditors in respect of audit and non-audit services provided by the auditors to the Group were as follows:

Nature of services	服務性質	HK\$'000 千港元
Audit services	核數服務	495
Non-audit services	非核數服務	
Other services	其他服務	120

Investor Relations

The Board recognises the importance of maintaining effective communications with shareholders. Annual reports and interim reports provide shareholders with comprehensive information of the Group's operational and financial performances; while general meetings offer a platform for shareholders to state and exchange views with the Board directly.

The management continually communicates with analysts and institutional investors and provides them with up-to-date and comprehensive information regarding the Group's development. The Company practices timely dissemination of information and makes sure its website www.kse.com.hk contains the most latest information, including but not limited to annual reports, interim reports, announcements, monthly returns and press releases, and is updated in a timely manner to ensure transparency.

Constitutional Documents

During the year ended 31 December 2012, there had been no significant changes in the Company's constitutional documents.

核數師薪酬

截至二零一二年十二月三十一日止年度，就核數師向本集團提供核數及非核數服務之已支付／應付予核數師之費用如下：

投資者關係

董事會了解與股東維持有效溝通的重要性。年報及中期報告為股東提供本集團營運及財務表現之詳盡資料，而股東大會則提供平台讓股東表達意見及與董事會直接交換意見。

管理層持續與分析員及機構投資者溝通，並向彼等提供有關本集團發展之最新及詳盡之資料。本公司實行及時發放資料之措施及確保其網站 www.kse.com.hk 載有最新資料，包括但不限於年報、中期報告、公告、月報表及新聞公布，並經常更新以確保透明度。

組織章程文件

截至二零一二年十二月三十一日止年度，本公司之組織章程文件並無任何重大變動。

Shareholders' Rights

A. Convening an Extraordinary General Meeting by Shareholders

In accordance with section 113 of the Companies Ordinance (Chapter 32 of the laws of Hong Kong) (the "Companies Ordinance"), shareholder(s) holding at the date of the deposit of the requisition not less than one-twentieth of such of the paid-up capital of the Company which as at the date of the deposit carries the right of voting at general meetings of the Company, may request the directors of the Company to convene an EGM. The written requisition must state the objects of the meeting and must be signed by the shareholder(s) concerned and deposited at the registered office of the Company for the attention of chairman of the Board or the Company Secretary. The requisition may consist of several documents in like form, each signed by one or more of the shareholders concerned.

If the directors of the Company do not within 21 days from the date of the deposit of the requisition proceed duly to convene an EGM for a date not more than 28 days after the date on which the notice convening the EGM is given, the shareholder(s) concerned, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene an EGM, provided that the EGM so convened shall not be held after the expiration of 3 months from the said date.

The EGM convened by shareholders shall be convened in the same manner, as nearly as possible, as that in which general meetings are to be convened by the directors of the Company.

B. Enquiries to the Board

Shareholders may put forward enquiries to the Board in writing to the principal office of the Company in Hong Kong.

The Company Secretary will forward the shareholders' enquiries and concerns to the Board and/or relevant board committees of the Company, where appropriate, to answer the shareholders' questions in writing.

股東之權利

A. 由股東召開股東特別大會

根據公司條例（香港法例第32章）（「公司條例」）第113條，由一名或多名股東於存放請求召開股東特別大會的請求書當日持有本公司已繳足股本不少於二十分之一，並可於本公司股東會上投票者，可要求本公司董事召開股東特別大會。書面請求須列明大會的目的，及須由有關股東簽署並送交本公司之註冊辦事處（註明收件人為董事會主席或公司秘書），書面請求可包含多份同樣格式的文件，每份由一名或多於一名有關股東簽署的文件組成。

如本公司董事在請求書遞呈日期起計21日內，未有在召開股東特別大會通告發出日期後28日內安排正式召開股東特別大會，則有關股東或佔全體有關股東總投票權一半以上之任何有關股東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呈日期起計3個月屆滿後舉行。

由股東召開之大會，須盡可能以接近本公司董事召開大會之方式召開。

B. 股東查詢

股東可以書面形式向董事進行查詢，有關查詢須送交至本公司於香港之主要辦事處。

公司秘書將向董事會及／或本公司之相關董事委員會轉交股東的查詢及意見，並在適當情況下書面回覆股東提問。

Corporate Governance Report 企業管治報告書

C. Procedures for Putting Forward Proposals at General Meetings by Shareholders

Shareholders are requested to follow section 115A of the Companies Ordinance for including a resolution at AGM of the Company AGM. The requirements and procedures are set out as follow:

1. Any number of shareholders representing not less than one-fortieth of the total voting rights of all shareholders having at the date of the requisition a right to vote at an AGM to which the requisition relates, or not less than 50 shareholders holding shares in the Company on which there has been paid up an average sum, per shareholder, of not less than HK\$2,000, may submit a requisition in writing to put forward a resolution which may properly be moved and is intended to be moved at an AGM.
2. The Company shall not be bound by the Companies Ordinance to give notice of the proposed resolution or to circulate a statement of not more than 1,000 words with respect to the matter referred to in the proposed resolution to shareholders of the Company entitled to receive notice of an AGM unless (a) a copy of the requisition signed by the shareholders concerned (or 2 or more copies which between them contain the signatures of all the shareholders concerned) is deposited at the registered office of the Company for the attention of chairman of the Board or the Company Secretary not less than 6 weeks before an AGM in the case of a requisition requiring notice of a resolution and not less than 1 week before an AGM in the case of any other requisition; and (b) the concerned shareholders have deposited with the requisition a sum reasonably sufficient to meet the Company's expenses in giving effect thereto.
3. However if, after a copy of a requisition requiring notice of a resolution has been deposited at the registered office of the Company, an AGM is called for a date 6 weeks or less after the copy has been deposited, the copy though not deposited within the time required as referred to in the above shall be deemed to have been properly deposited.

C. 股東在股東大會上提呈動議的程序

倘股東在本公司股東週年大會上提呈決議案，必須根據公司條例第115A條的規定進行。有關要求及程序如下：

1. 佔於提出要求當日，有權於與該要求相關之股東週年大會上投票之全體股東總投票權不少於四十分之一的任何股東，或不少於50名持有本公司股份之股東（每名股東就有關股份所繳足股款之平均金額不少於2,000港元），可提交書面請求，以便提呈可能且打算於股東週年大會上動議的決議案。
2. 本公司毋須根據公司條例發出擬提呈決議案之通知或向有權收取股東週年大會通告之本公司股東傳閱有關擬提呈決議案所述事宜之不多於1,000字之聲明，除非(a)由有關股東簽署之要求書副本（或當中包含所有有關股東簽署之兩份或多份副本）於股東週年大會舉行前不少於六個星期（倘屬要求發出決議案通知的要求書）及於股東週年大會舉行前不少於一個星期（倘屬任何其他要求書）送交本公司註冊辦事處，註明由董事會主席或公司秘書接收；及(b)有關股東隨要求書附寄足夠供本公司執行有關要求之合理費用，則另當別論。
3. 然而，倘要求獲得決議案通知之要求書副本已提交本公司註冊辦事處，而股東週年大會於副本提交後六個星期或更短時間內召開，則即使副本未於上述規定時間內提交，仍被視為已妥為提交。

Pursuant to Article 105 of the Company's Articles of Association, no person other than a director retiring at the meeting shall, unless recommended by the directors for election, be eligible for election as director at any general meeting unless a notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the registered office of the Company provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven days and that the period for lodgement of such notice(s) shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting.

根據本公司之組織章程細則第105條，除非獲董事會提名參選，或經有權出席大會並於會上投票的股東（不得為被推舉者）簽署之書面通知述明其有意推舉某人參選，而擬被推舉之人士亦簽署同意被推舉之書面通知已各自送交本公司註冊辦事處，否則除於大會上退任之董事外，概無人士符合資格於任何股東大會上膺選董事職位。發出通知的最短期限最少為七日；提交該通知的期間由就該選舉發出股東大會通告後之日開始計算，直至該股東大會舉行日期之前七日止。

Strength of the Earth



Directors and Senior Management 董事及高層管理人員

With the newly joined management team, the Company could leverage on their expertise and experience, and we believe that this will allow us to broaden our income source and provide a greater growth potential for the Group
新加入的管理團隊擁有專業知識及豐富經驗，我們相信此將有助擴大收入來源，加強集團的增長潛力



Directors and Senior Management 董事及高層管理人員

Chairman and Executive Director

Mr. Shen Yong

Mr. Shen Yong, aged 50, was appointed as the chairman of the Board and an executive director on 18 January 2013. He is a director and a shareholder of Ultra Harvest, the controlling shareholder of the Company, holding 60% of its issued shares. Mr. Shen has more than 15 years of experience in hotel and commercial properties development, as well as investment, corporate and general management.

Mr. Shen completed a postgraduate (advanced studies) course in laws (civil and commercial law) from the Southwest University of Politics and Law (西南政法大學) in July 2000.

Mr. Shen served as a deputy to the 1st to 3rd Chongqing Municipal People's Congress in the People's Republic of China (the "PRC"). Mr. Shen is currently a member of the 4th Chongqing Municipal Committee of the Chinese People's Political Consultative Conference of the PRC and a deputy chairman of the Chongqing Municipal Federation of Industry and Commerce (General Chamber). Mr. Shen is the father of Mr. Shen Ke, an executive director of the Company.

Chief Executive Officer and Executive Director

Mr. Ronald Lew Podlas

Mr. Ronald Lew Podlas, aged 61, was appointed as an executive director on 17 December 2012. On 18 January 2013, he was appointed as the chief executive officer of the Company. He has previously held various senior managerial positions within the ACCOR Hotel Group (including executive posts in Sofitel Forebase, Chongqing, China, Sofitel Minneapolis, the United States of America, Novotel Bangna, Bangkok, Thailand and Sofitel Raja Orchid, Khon Kaen, Thailand); Howard Johnson Plaza, Shanghai, China; Shangri-La's EDSA Plaza, Manila, Philippines; Holiday Inn Golden Mile, Hong Kong throughout his long career in the industry.

Mr. Podlas has a wealth of experience in the hospitality investment and management; in particular, the luxury hotel sector. His portfolio in the hospitality industry covers various countries around the globe.

主席暨執行董事

申勇先生

申勇先生，50歲，於二零一三年一月十八日獲委任為本公司董事會主席暨執行董事。彼為控股股東 Ultra Harvest 之董事及股東，持有其 60% 已發行股份。申先生在酒店及商用物業發展，以及投資、企業及一般管理方面擁有超過 15 年經驗。

申先生於二零零零年七月結業於西南政法大學法律（民商法）研究生課程進修班。

申先生曾擔任中華人民共和國（「中國」）重慶市第一屆至第三屆人民代表大會代表。申先生現為中國人民政治協商會議重慶市第四屆委員會委員，及重慶市工商業聯合會（總商會）副會長。申先生為本公司執行董事申柯先生之父親。

行政總裁暨執行董事

包德榮先生

包德榮先生，61歲，於二零一二年十二月十七日獲委任為執行董事，並於二零一三年一月十八日獲委任為本公司行政總裁。彼於其漫長業界生涯中，曾於雅高酒店集團內部擔任多個高級管理層職位（包括中國重慶申基索菲特大酒店、美國明尼蘇達州索菲特酒店、曼谷諾富特班納大酒店以及泰國索菲特拉亞蘭花孔敬酒店）；以及上海古象豪生大酒店、菲律賓馬尼拉艾莎香格里拉大酒店、香港金域假日酒店。

包德榮先生於酒店投資及管理領域（尤其是豪華酒店業務方面）有寶貴經驗，彼於酒店業之履歷遍及全球多個國家。

Executive Directors

Mr. Shen Ke

Mr. Shen Ke, aged 23, was appointed as an executive director on 17 December 2012. He is a director and a shareholder of Ultra Harvest as to 40% shareholding. Mr. Shen has over 4 years of experience in the hospitality investment and management in the PRC.

Mr. Shen is the son of Mr. Shen Yong, the chairman of the Board and an executive director of the Company.

Mr. Li Zhi

Mr. Li Zhi, aged 51, was appointed as an executive director on 17 December 2012. He has over 9 years of management experience in the hospitality investment and management in the PRC. Mr. Li graduated from a postgraduate course in management and administration from Chongqing Youth Administrative Cadres College (重慶青年管理幹部學院).

Mr. Xu Li Jian

Mr. Xu Li Jian, aged 48, was appointed as an executive director on 17 December 2012. He has extensive experience in legal practice, banking and finance and real estate businesses in the PRC.

Mr. Xu obtained his bachelor degree in laws from the Northwest University of Politics and Law (西北政法大學) in 1985 and a master degree in world economics from the Nankai University (南開大學) in 2001.

Mr. Xu is currently an independent director of Shanghai Fenghua Group Co., Ltd. (上海豐華(集團)股份有限公司) (600615.SS) whose shares are listed on the Shanghai Stock Exchange.

Mr. Leung Kin Pang

Mr. Leung Kin Pang, aged 31, was appointed as an executive director on 17 December 2012. He has over 6 years of experience in investment and fund management.

Mr. Leung obtained his bachelor degree in Economics and Finance from the University of Hong Kong, a master degree in Economics from the University of Hong Kong, a master degree in Global History from the London School of Economics and Politics Science, and a master degree in Politics of the World Economy from the London School of Economics and Politics Science.

執行董事

申柯先生

申柯先生，23歲，於二零一二年十二月十七日獲委任為本公司執行董事。彼為Ultra Harvest之董事及股東，持有其40%股份。申先生在中國於酒店投資及管理方面有逾四年之經驗。

申先生為董事會主席暨本公司執行董事申勇先生之兒子。

李智先生

李智先生，51歲，於二零一二年十二月十七日獲委任為本公司執行董事。彼於中國酒店投資管理業有逾九年之經驗。李先生畢業於重慶青年管理幹部學院修讀管理及行政。

徐立堅先生

徐立堅先生，48歲，於二零一二年十二月十七日獲委任為本公司執行董事。彼於中國的法律、銀行及金融以及房地產業務方面具有豐富經驗。

徐先生於一九八五年取得西北政法大學法學學士學位，並於二零零一年取得南開大學國際經濟學碩士學位。

徐先生現為上海豐華(集團)股份有限公司(600615.SS)獨立董事一職，該公司股份於上海證券交易所上市。

梁健鵬先生

梁健鵬先生，31歲，於二零一二年十二月十七日獲委任為本公司執行董事。彼於投資及基金管理有逾六年之經驗。

梁先生於香港大學取得經濟及金融學士學位及經濟學碩士學位，並於倫敦政治經濟學院取得環球歷史碩士及世界政治經濟學碩士學位。

Directors and Senior Management 董事及高層管理人員

Mr. Hong Sang Joon

Mr. Hong Sang Joon, aged 44, was appointed as an executive director on 20 January 2012. He is the chief financial officer of the Company and holds positions as director of certain subsidiaries of the Company, and is responsible for operational management of the Group's electronic business. He has over 18 years of experience in investment, restructuring, strategic planning, and financial management and control.

Mr. Hong obtained his bachelor degree in Chinese language and Chinese literature, minoring in business administration from Yonsei University in Korea, and a master degree in business administration from The University of Hong Kong. Mr. Hong is a CFA Charterholder and Certified FRM, and he is also an ordinary member of Hong Kong Securities and Investment Institute.

Independent Non-executive Directors

Mr. Yu Lei

Mr. Yu Lei, aged 42, was appointed as an independent non-executive director on 7 January 2013. He has extensive experience in the real estate industry and infrastructure sectors in the PRC.

Mr. Yu obtained his bachelor degree in economics and a master degree in management from the Zhongnan University of Economics and Law (中南財經政法大學) in 1993 and 1999 respectively. Mr. Yu is also a qualified accountant conferred by the Ministry of Finance of the PRC and a Certified Internal Auditor conferred by The Institute of Internal Auditors.

Mr. Yu is currently a president assistant of Shenzhen Zhuojia Industry Groups Co., Ltd. (深圳市卓佳實業集團有限公司), a company specializing in real estate and infrastructure development and the provision of investment services in the PRC. During March 2006 to August 2011, Mr. Yu was employed as the president assistant of Great China International Group (China) Limited (大中華國際集團(中國)有限公司) which is principally engaged in property, hotel, commercial and infrastructure investment and development.

Mr. Yu is currently an independent non-executive director of China Nuclear Industry 23 International Corporation Limited (Stock code: 611) whose shares are listed on the Main Board of the Stock Exchange.

洪祥準先生

洪祥準先生，44歲，於二零一二年一月二十日獲委任為執行董事。彼為本公司之首席財務官並於本公司若干附屬公司擔任董事，負責本集團電子業務的營運管理。彼擁有超過十八年在投資、重組及策略規劃和財務管理及監控方面的經驗。

洪先生持有韓國延世大學學士學位，主修中國語文及中國文學及副修工商管理，彼亦持有香港大學工商管理碩士學位。洪先生為特許財經分析師(CFA)及認可財金風險管理分析師(FRM)，亦為香港證券及投資學會普通會員。

獨立非執行董事

余磊先生

余磊先生，42歲，於二零一三年一月七日獲委任為本公司獨立非執行董事。彼於中國房地產及基礎建設業擁有豐富的工作經驗。

余先生於一九九三年取得中南財經政法大學經濟學學士學位，其後於一九九九年同校取得管理學碩士學位。余先生亦為中國財政部認可之合資格會計師，並為內部審計師協會註冊內部審計師。

余先生目前為深圳市卓佳實業集團有限公司之總裁助理，該公司專注於中國房地產及基礎建設發展及提供投資服務。於二零零六年三月至二零一一年八月期間，余先生受聘為大中華國際集團(中國)有限公司之總裁助理，其主要業務為房地產、酒店、商業及基礎設施投資開發。

余先生現為中國核工業二三國際有限公司(股份代號：611)之獨立非執行董事，該公司之股份現於聯交所主板上市。

Dr. Jiang Ying

Dr. Jiang Ying, aged 47, was appointed as an independent non-executive director on 7 January 2013. He has extensive experience in the educational work in the PRC.

Dr. Jiang obtained her bachelor degree in economics, master degree in world economics and doctorate degree in political economics from the Sichuan University (四川大學) in 1985, 1988 and 2003 respectively. Dr. Jiang has been employed as a professor in International Economics in the School of Economics in Sichuan University (四川大學) since 30 October 2001.

Ms. Zhang Cui Lan

Ms. Zhang Cui Lan, aged 48, was appointed as an independent non-executive director on 7 January 2013. She has substantial experience in finance and taxation areas in the PRC.

Ms. Zhang obtained her bachelor degree in economics from the Shandong Economic University (山東經濟學院) in 1988. Ms. Zhang is a Certified Public Accountant in the PRC, Certified Tax Advisor, Certified Assets Valuer and Senior Accountant.

Ms. Zhang is currently the deputy general manager of the Risk Control Division and the general manager of the Audit Division of Huaxia Life Insurance Co., Limited (華夏人壽保險股份有限公司).

Ms. Zhang is currently an independent director of Sinoer Men's Wear Co., Ltd. (希努爾男裝股份有限公司) (002485.SZ) whose shares are listed on the Shenzhen Stock Exchange.

蔣瑛博士

蔣瑛博士，47歲，於二零一三年一月七日獲委任為本公司獨立非執行董事。彼擁有於中國從事教育工作之豐富經驗。

蔣博士分別於一九八五年、一九八八年及二零零三年取得四川大學頒授經濟學學士學位、經濟學碩士學位及經濟學博士學位。蔣博士自二零零一年十月三十日起受聘於四川大學經濟學院，出任國際經濟學教授一職。

張翠蘭女士

張翠蘭女士，48歲，於二零一三年一月七日獲委任為本公司獨立非執行董事。彼擁有於中國從事財務會計及稅務工作之廣泛經驗。

張女士於一九八八年取得山東經濟學院頒授經濟學學士學位。張女士為中國註冊會計師、註冊稅務師，註冊資產評估師及高級會計師資格。

張女士現為華夏人壽保險股份有限公司風險控制中心副總經理兼審計監察部總經理。

張女士現為希努爾男裝股份有限公司(002485.SZ)之獨立董事，該公司之股份現於深圳證券交易所上市。

Directors and Senior Management 董事及高層管理人員

Mr. Ernst Rudolf Zimmermann

Mr. Ernst Rudolf Zimmermann, aged 64, was appointed as an independent non-executive director on 18 January 2013. He has more than 40 years of business experience in the international hospitality industry, especially in the Greater China region.

Mr. Zimmermann is currently the president and CEO of AVA Hospitality, a hotel management services company providing specialized China-related hospitality management and consultancy services and giving independent professional advice on design brief on hotel component to hotel investors and operators. Mr. Zimmermann now serves as the senior vice president of Swiss-Belhotel International, an international hotel management company offering unique fusion of Swiss hospitality management in all aspects of the hotel, serviced apartments and club. He is also an associate of Global Strategic Associates, LLC, an independent, privately-owned international advisory firm in New York, the United States of America.

Mr. Zimmermann started his hospitality career first in Stadl-Paura, Austria in 1962 and accepted hospitality training in Gmunden, Austria. Before relocating to Hong Kong as a restaurant manager in Furama Hotel in 1974, he worked in a number of food and beverage positions across various Western Europe countries, including England, Switzerland, Italy, Bermuda and so on. Mr. Zimmermann continued his hotel business in a Holiday Inn Group (now known as InterContinental Hotels Group) for subsequent years in senior managerial and executive positions for the development of the hotel chain throughout the Asia Pacific region, including, Hong Kong, Thailand and the PRC; and later on, with extensive years of experience in the hospitality field, Mr. Zimmermann established his own hotel management business, namely, Zenith Hotels International Limited, providing hotel management services and technical assistance to hotel owners, developing more than 20 hotel properties throughout the PRC and South-East Asia. More recently, Mr. Zimmermann served as the vice president within the ACCOR Hotel Group China to re-position new Sofitel Luxury Hotel in the PRC; and being the senior vice president in the New World Hotels Group to help promote its new hotel brand in the PRC. In previous years, Mr. Zimmermann also held consultative positions in certain companies in the PRC and Hong Kong.

司馬文先生

司馬文先生，64歲，於二零一三年一月十八日獲委任為本公司獨立非執行董事。彼擁有超過40年於國際酒店業（尤其於大中華區）的業務經驗。

司馬文先生現為AVA Hospitality主席暨行政總裁。AVA Hospitality為一間專門提供與中國相關的專業酒店管理及諮詢服務，並就酒店設計向酒店投資者及經營者提供獨立專業意見之酒店管理服務公司。司馬文先生現為瑞雅國際酒店有限公司之高級副總裁。瑞雅國際酒店有限公司對酒店、服務式公寓及俱樂部提供全方位獨一無二融合瑞士酒店管理特色之國際酒店管理公司。彼同時擔任全球戰略合作伙伴有限公司（位於美國紐約之獨立私營國際顧問公司）之合夥人。

司馬文先生早於一九六二年起在奧地利格蒙登開展其酒店管理職業生涯，並於奧地利施塔德爾接受酒店管理專業訓練。司馬文先生於一九七四年遷居香港並於富麗華大酒店任職餐廳經理前，曾於英國、瑞士、意大利、百慕達等多個西歐國家擔任餐飲方面之職務。往後多年間，司馬文先生繼續其酒店管理職務，於假日酒店集團（現稱洲際酒店集團）出任高級行政管理層職位，負責整個亞太區（包括香港、泰國及中國）酒店連鎖的發展。隨後，憑藉其於酒店領域之豐富經驗，司馬文先生自行成立其酒店管理業務，即ZenithHotels International Limited，向酒店所有者提供酒店管理及技術支援服務，並於整個中國及東南亞地區籌建超過20間酒店物業。近年，司馬文先生曾任雅高酒店集團中國副總裁，將新開設位於中國之索菲特豪華酒店重新定位；並擔任新世界酒店集團之高級副總裁，協助於中國推廣新的酒店品牌。於過往年間，司馬文先生亦於中國及香港多間公司擔任顧問職位。

Senior Management

Mr. Ko Byoung Hwan

Mr. Ko Byoung Hwan, aged 46, is a director of a subsidiary of the Group. He is responsible for sales and overall factory management such as production material control, production, and inventory management of Shenzhen Kwang Sung Electronics Co., Ltd.. Mr. Ko holds a bachelor's degree in economics from Dongguk University in Korea. He has over 19 years of experience in sales and marketing of electronic products and management.

Mr. Lee Bae Sung

Mr. Lee Bae Sung, aged 50, is a general manager and the head of Research and Development and Production Technology Group of the Remaining Group. He is responsible for research and development and production technology. Mr. Lee holds a bachelor's degree in Industrial Engineering from Konkuk University in Korea. Prior in joining the Group, he gained 20 years of experience in quality control and quality assurance in electronic industry.

Mr. Kwok Kim Hung Eddie

Mr. Kwok Kim Hung Eddie, aged 41, is financial controller and company secretary of the Company. He is responsible for accounting and company secretarial matters. Mr. Kwok is a member of the Hong Kong Institute of Certified Public Accountants. Mr. Kwok is also an associate member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in the United Kingdom. Mr. Kwok holds a Master of Professional Accounting Degree from the Hong Kong Polytechnic University, a Master of Corporate Governance Degree from the Open University of Hong Kong and a Honours Diploma in Accounting from Hong Kong Shue Yan College (now known as Hong Kong Shue Yan University).

Mr. Cui Wu Nam

Mr. Cui Wu Nam, aged 46, is deputy general manager of a subsidiary in the Group. He is responsible for overseeing the factory management of 石岩光星電子(深圳)有限公司. He holds a bachelor's degree in broadcast engineering from 中國北京廣播學院 (Beijing Broadcasting Institute of the PRC) and has 9 years of experience in quality assurance.

Mr. Lee Hyun Seok

Mr. Lee Hyun Seok, aged 44, is a deputy general manager of a subsidiary in the Group. He is responsible for purchasing function. He holds a bachelor's degree in engineering from Yeungnam University in Korea and has 19 years of experience in purchasing of electronic components.

高層管理人員

高秉煥先生

高秉煥先生，46歲，本集團一間附屬公司之董事。高先生負責銷售及整體工廠管理，包括深圳光星電子有限公司之生產材料控制、生產及存貨管理。高先生持有韓國東國大學經濟學學士學位，並在電子產品銷售推廣及管理方面擁有超過十九年經驗。

李倍聖先生

李倍聖先生，50歲，本集團其中一位總經理，兼研究開發及生產技術組主管。李先生負責管理研發及生產技術。李先生持有韓國建國大學工業工程學學士學位。加入本集團前，彼於電子業之品質監控及質量保證方面有超過二十年經驗。

郭劍雄先生

郭劍雄先生，41歲，本公司財務總監及公司秘書。郭先生負責會計及公司秘書事務。郭先生是香港會計師公會會員。郭先生亦是香港特許秘書公會及英國特許秘書及行政人員會會員。郭先生持有香港理工大學之專業會計碩士學位、香港公開大學之企業管治碩士學位及香港樹仁學院（現稱為香港樹仁大學）之會計學榮譽文憑。

崔武男先生

崔武男先生，46歲，本集團一間附屬公司之副總經理。崔先生負責監管石岩光星電子(深圳)有限公司之廠房管理。彼持有中國北京廣播學院廣播工程學學士學位，並在品質管理方面擁有九年經驗。

李炫錫先生

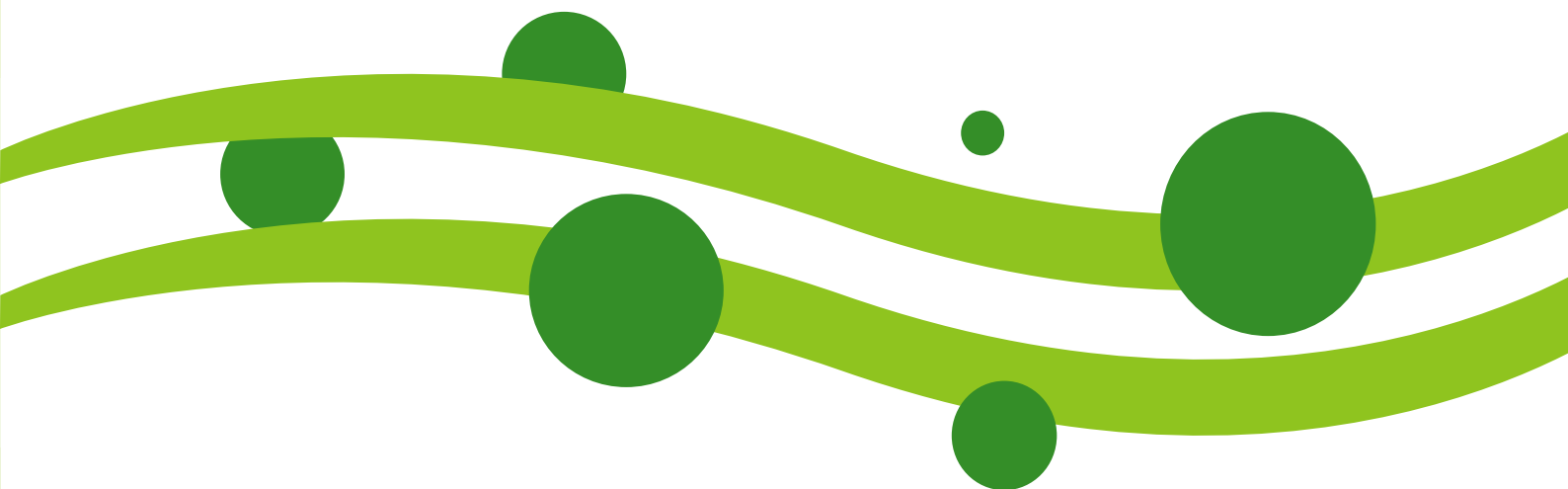
李炫錫先生，44歲，本集團一間附屬公司其中一位副總經理。李先生負責採購業務。彼持有韓國嶺南大學工程學學士學位，並在採購電子零件方面擁有十九年經驗。

Growth of the Earth



Report of the Directors 董事會報告書

While continuing the electronic components manufacturing business which generates steady income for the Group, the new corporate brand and operational model are to be aggressively launched as we have built a solid foundation for our stronger development in the future
在繼續發展為本集團帶來穩定收入的電子元件製造業務的同時，我們亦將推行全新企業品牌及經營模式，為未來發展奠定穩固基礎



Report of the Directors 董事會報告書

The directors submit herewith their report together with the audited financial statements for the year ended 31 December 2012.

Change of Company Name

Pursuant to a special resolution passed at an EGM of the Company held on 25 February 2013, the name of the Company was approved to be changed from “Kwang Sung Electronics H.K. Co. Limited 光星電子香港有限公司” to “Forebase International Holdings Limited 申基國際控股有限公司”. With effect from 12 March 2013, the Registrar of Companies in Hong Kong approved the change of the Company name and issued the Certificate of Change of Name.

Principal Activities

The Company acts as an investment holding company.

The principal activities of its subsidiaries are the manufacture and sale of electronic components. Following the completion of the Distribution In Specie, the Group revisited its business activities based on the degree of importance and extended its principal activities to properties investment, i.e. the Group's investment properties portfolios in Hong Kong, Korea and the PRC.

The principal activities and other particulars of the subsidiaries are set out in note 20 to the financial statements. An analysis of the Group's performance for the year by business and geographical segments is set out in note 7 to the financial statements.

Major Customers and Suppliers

The percentages of sales and purchases for the year ended 31 December 2012 attributable to the Group's major suppliers and customers are as follows:

Sales	
The largest customer	15.1%
Five largest customers combined	40.4%
Purchases	
The largest supplier	8.1%
Five largest suppliers combined	23.7%

董事會全體成員謹將報告連同截至二零一二年十二月三十一日止年度之經審核財務報表呈覽。

更改公司名稱

根據於二零一三年二月二十五日舉行之股東特別大會上通過之特別決議案，本公司之名稱已獲批准由「Kwang Sung Electronics H.K. Co. Limited 光星電子香港有限公司」更改為「Forebase International Holdings Limited 申基國際控股有限公司」。香港公司註冊處處長已於二零一三年三月十二日批准更改本公司名稱，並發出公司更改名稱證書。

主要業務

本公司為投資控股公司。

其附屬公司的主要業務為製造及銷售電子元件。於完成實物分派後，本集團根據重要程度重新審視其業務活動，並將其主要業務擴展至物業投資，即本集團位於香港、韓國及中國的投資物業組合。

附屬公司之主要業務及其他詳情載於財務報表附註20。本集團本年度業務及地區分部表現之分析載列於財務報表附註7。

主要客戶及供應商

於截至二零一二年十二月三十一日止年度，本集團主要供應商及客戶應佔之銷售額及採購額百分比如下：

銷售額	
最大客戶	15.1%
五大客戶總和	40.4%
採購額	
最大供應商	8.1%
五大供應商總和	23.7%

None of the directors, their associates or any shareholder (which, to the knowledge of the directors, owns more than 5% of the issued share capital of the Company) has a beneficial interest in the five largest customers or suppliers of the Group.

Results and Appropriations

The results of the Group for the year ended 31 December 2012 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 63 to 188 of this annual report.

The Board does not recommend the payment of a final dividend for the year ended 31 December 2012 (2011: Nil).

Reserves

Details of movements in reserves during the year are set out in the "Consolidated Statement of Changes in Equity" on pages 69 to 70 of this annual report.

Donations

Charitable and other donations made by the Group during the year amounted to HK\$2,000 (2011: HK\$1,031,000).

Investment Properties

Details of the movements in the investment properties of the Group during the year ended 31 December 2012 are set out in note 19 to the financial statements.

Property, Plant and Equipment

Details of movements in property, plant and equipment of the Group during the year are set out in note 18 to the financial statements.

Bank Loans and Other Borrowings

Particulars of bank loans and other borrowings of the Group as at 31 December 2012 are set out in note 29 to the financial statements.

各董事、其聯繫人或任何股東（就董事所知，擁有本公司已發行股本5%以上者）概無於本集團之五大客戶或供應商中擁有實益權益。

業績及分派

本集團於截至二零一二年十二月三十一日止年度之業績及本公司及本集團於該日事務之狀況載於本年報第63至188頁之財務報表。

董事會不建議就截至二零一二年十二月三十一日止年度派發末期股息（二零一一年：無）。

儲備

年內，儲備之變動詳情載於本年報第69至70頁的「綜合權益變動表」。

捐款

本集團於年內之慈善及其他捐款為2,000港元（二零一一年：1,031,000港元）。

投資物業

於截至二零一二年十二月三十一日止年度，本集團投資物業之變動詳情載於財務報表附註19。

物業、機器及設備

本集團物業、機器及設備之變動詳情載於財務報表附註18。

銀行貸款及其他借款

本集團於二零一二年十二月三十一日之銀行貸款及其他借款詳情均載於財務報表附註29。

Report of the Directors 董事會報告書

Share Capital and Securities in Issue

During the year, no new ordinary share has been issued by the Company. As at the date of 31 December 2012, the Company maintained 323,896,933 issued ordinary shares.

Purchase, Sale or Redemption of the Company's Listed Securities

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

Directors

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

Non-executive director

Mr. Yang Ho Sung (*Chairman*)*

Executive directors

Mr. Shen Yong (*Chairman*)⁺

Mr. Ronald Lew Podlas (*Chief Executive Officer*)[^]

Mr. Shen Ke[^]

Mr. Li Zhi[^]

Mr. Xu Li Jian[^]

Mr. Leung Kin Pang[^]

Mr. Yang Jai Sung*

Mr. Lee Kyu Young*

Mr. Hong Sang Joon[☆]

Independent non-executive directors

Mr. Yu Lei[#]

Dr. Jiang Ying[#]

Ms. Zhang Cui Lan[#]

Mr. Ernst Rudolf Zimmermann⁺

Dr. Han Byung Joon*

Dr. Kim Chung Kweon*

Mr. Kim Chan Su*

[☆] appointed on 20 January 2012

[^] appointed on 17 December 2012

^{*} resigned on 7 January 2013

[#] appointed on 7 January 2013

⁺ appointed on 18 January 2013

The biographical details of the current directors are set out under the section "Directors and Senior Management" of this annual report.

股本及已發行證券

年內，本公司並無發行任何新普通股。於二零一二年十二月三十一日，本公司維持323,896,933股已發行普通股。

購買、出售或贖回本公司上市證券

本公司或任何其附屬公司於截至二零一二年十二月三十一日止年度概無購買、出售或贖回本公司任何上市證券。

董事

本財政年度內及至本報告日期當日之董事如下：

非執行董事

梁皓星先生 (主席)*

執行董事

申勇先生 (主席)⁺

包德榮先生 (行政總裁)[^]

申柯先生[^]

李智先生[^]

徐立堅先生[^]

梁健鵬先生[^]

梁在星先生*

李圭英先生*

洪祥準先生[☆]

獨立非執行董事

余磊先生[#]

蔣瑛博士[#]

張翠蘭女士[#]

司馬文先生⁺

韓丙濬博士*

金正權博士*

金瓊洙先生*

[☆] 於二零一二年一月二十日獲委任

[^] 於二零一二年十二月十七日獲委任

^{*} 於二零一三年一月七日辭任

[#] 於二零一三年一月七日獲委任

⁺ 於二零一三年一月十八日獲委任

現任董事的履歷資料載於本年報之「董事及高層管理人員」一節。

In accordance with Article 101 of the Company's Articles of Association, Mr. Hong Sang Joon shall retire from the Board by rotation and, being eligible, offer himself for re-election at the forthcoming AGM.

In accordance with Article 92 of the Company's Articles of Association, Mr. Shen Yong, Mr. Ronald Lew Podlas, Mr. Shen Ke, Mr. Li Zhi, Mr. Xu Li Jian, Mr. Leung Kin Pang, Mr. Yu Lei, Dr. Jiang Ying, Ms. Zhang Cui Lan and Mr. Ernst Rudolf Zimmermann shall hold office until the forthcoming AGM and, being eligible, offer themselves for re-election at the AGM.

Directors' Service Contracts

As at the date of this report, except Mr. Hong Sang Joon, none of the directors has entered into a service contract with the Company and their remuneration is yet to be fixed by the Board which is subject to the review and approval by the Remuneration Committee of the Company.

Save as disclosed above, no director of the Company, who proposed for re-election at the forthcoming AGM, has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

Directors' Remuneration

The directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board of the Company with reference to directors' duties, responsibilities and performance and the results of the Group.

根據本公司組織章程細則第101條，洪祥準先生將輪席退任董事，彼合乎資格並願意於應屆股東週年大會上膺選連任。

根據本公司之組織章程細則第92條，申勇先生、包德榮先生、申柯先生、李智先生、徐立堅先生、梁健鵬先生、余磊先生、蔣瑛博士、張翠蘭女士及司馬文先生任職至應屆股東週年大會止，惟彼等合乎資格並願意於股東週年大會膺選連任。

董事服務合約

於本報告日期，除洪祥準先生外，概無董事與本公司訂立服務合約，董事會亦未釐定彼等酬金，需由本公司薪酬委員會審閱及批准。

除上文披露者外，擬於即將召開之股東週年大會中連任之董事概無訂立本公司或任何其附屬公司於一年內不可在無需賠償（一般法定賠償除外）之情況下終止之尚未滿期之服務合約。

董事酬金

董事袍金須經股東於股東大會上批准方可作實。其他酬金乃本公司董事會參考董事之職責、責任及表現以及本集團之業績後釐定。

Report of the Directors 董事會報告書

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 31 December 2012, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (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 as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code (collectively "discloseable interests") were as follows:

(1) Interests in Issued Shares of the Company

Name of directors	董事姓名	Beneficial owner 實益擁有人	Interest of controlled corporation 受控制法團之權益	Ordinary shares of HK\$0.1 each 每股面值0.1港元之普通股 Total number of shares held 持有之股份總數	% of total issued shares 佔已發行股份總數之百分比
Mr. Shen Ke	申柯先生	—	214,001,950 (note) (附註)	214,001,950	66.07%
Dr. Kim Chung Kweon	金正權博士	20,000	—	20,000	0.01%

Note: These shares were held by Ultra Harvest, of which Ultra Harvest was owned as to 60% by Mr. Shen Yong and 40% by Mr. Shen Ke.

附註：該等股份由Ultra Harvest持有，而Ultra Harvest由申勇先生擁有60%及申柯先生擁有40%。

(2) Interests in Underlying Shares of the Company

The directors and/or the chief executive of the Company had been granted options under the Company's share option scheme, details of which are set out in the section "Share Option Scheme" below.

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

於二零一二年十二月三十一日，根據證券及期貨條例第352條須予備存的登記冊所載，或根據標準守則向本公司及聯交所作出之申報，本公司在職董事及最高行政人員於本公司或任何其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有之權益及淡倉（統稱「須予披露權益」）如下：

(1) 本公司已發行股份權益

(2) 本公司相關股份權益

根據本公司之購股權計劃，本公司之董事及／或最高行政人員已獲授予購股權，有關詳情載於下文「購股權計劃」一節。

(3) Interests in Ordinary Shares of USD1.00 each in the Issued Share Capital in Ultra Harvest, the Associated Corporation of the Company

Name of director	董事姓名	Nature of interest/ Capacity 權益性質／身份	Total number of shares held 持有之股份總數	% of total issued shares of Ultra Harvest 佔Ultra Harvest 已發行股份總數之百分比
Mr. Shen Ke	申柯先生	Beneficial owner 實益擁有人	40	40%

(3) 本公司相聯公司Ultra Harvest已發行股本中每股面值1.00美元之普通股權益

Save as disclosed above, as at the date of this report, none of the directors and/or the chief executive of the Company, or their respective associates had any other discloseable interests as required.

Share Option Scheme

The Company adopted a share option scheme on 16 June 2003 whereby the directors of the Company are authorised, from time to time during the scheme period at their discretion, to invite employees, directors, consultants or advisors of the Group, to take up options to subscribe for shares of the Company. The purpose of this scheme is to provide incentives and rewards to employees and eligible persons for their contributions to the Group. The share option scheme shall be valid and effective for a period of ten years ending on 15 June 2013, after which no further options can be granted. The exercise price of each share option is the highest of (1) the nominal value of the shares; (2) the closing price of the shares on the Stock Exchange on the date of grant; and (3) the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of grant. The options are exercisable progressively between one to three years from the date of grant and will expire at the end of a period to be notified by the Board to each option holder upon the grant of option, and in any event, such period shall not exceed ten years from the date of grant.

The maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the share option scheme shall not exceed 30% of the issued share capital of the Company from time to time. Subject always to the above overall limit, the directors may grant options under the share option scheme, generally and without further authority, in respect of such number of shares which may be issued upon exercise of all options to be granted under the share option scheme not exceeding 10% of the issued share capital of the Company as at 18 May 2005, being the date passing the resolution regarding the refreshment of general limit of options. For the purpose of calculating the above, options lapsed in accordance with the share option scheme shall not be counted.

The total number of ordinary shares available for issue under the share option scheme as at 31 December 2012 was 31,330,000 shares which represented 9.67% of the issued share capital of the Company at 31 December 2012. In respect of the maximum entitlement of each participant under the scheme, the total number of ordinary shares issued and to be issued upon exercise of the options granted to each participant (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the Company's ordinary shares in issue, unless approved by the shareholders in general meeting.

除上文披露者外，於本報告日期，概無本公司之董事及／或最高行政人員或彼等之各自關連人士擁有任何其他須予披露之權益。

購股權計劃

本公司於二零零三年六月十六日採納一項購股權計劃。據此，本公司之董事獲授權酌情向本集團之僱員、董事、顧問或諮詢人提出接納可認購本公司股份之購股權之要約。計劃旨在向為本集團作出貢獻之僱員及合資格人士提供獎勵及報酬。購股權計劃將於截至二零一三年六月十五日止十年內一直有效及生效，其後不得再授出任何購股權。每份購股權之行使價為下列三項之較高者：(1) 股份之面值；(2) 於授出日期股份於聯交所之收市價；及(3) 於緊接授出日期前五個營業日股份於聯交所之平均收市價。購股權可由授出日期起計一年至三年內逐步行使，並將於董事在授出購股權時通知各購股權持有人其購股權屆滿之日期，惟於任何情況下不得超過自購股權授出日期起計十年。

按購股權計劃已授出惟尚待行使之所有未行使購股權獲行使後可發行之股份上限，不得超過本公司不時已發行股本之30%。在一直遵守以上總限額之情況下，董事在一般性及不再有進一步授權情況下，按購股權計劃授出之所有購股權獲行使後可發行之股份數目，不得超過本公司於二零零五年五月十八日（即更新購股權一般限額之決議案通過之日期）已發行股本之10%。就計算上述股份數目而言，根據購股權計劃而失效之購股權將不在計算之列。

於二零一二年十二月三十一日，購股權計劃下可供發行之普通股總數為31,330,000股股份相當於二零一二年十二月三十一日本公司已發行股本之9.67%。就每名參與者於計劃下之配額上限而言，其於任何十二個月期間因行使授予彼等之購股權（包括已行使、註銷及尚未行使之購股權）獲行使而發行及將發行之普通股總數，不得超過本公司已發行普通股之1%，惟獲股東於股東大會上批准者則作別論。

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No option lapsed and no option was granted, exercised or cancelled during the year ended 31 December 2012; nor was there any option outstanding under the share option scheme at the beginning and at the end of 2012.

Information on the accounting policy for share options granted and the weighted average value per option is provided in note 36 to the financial statements.

Apart from the foregoing, at no time during the year was the Company or its subsidiaries a party to any arrangement to enable the directors of the Company or any of their spouses or children under eighteen years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares

As at 31 December 2012, the following persons (other than the directors or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO or as otherwise notified to the Company were as follows:

於截至二零一二年十二月三十一日止年度，概無購股權失效，亦無購股權獲授出、行使或註銷。於二零一二年年初及年終，亦無任何購股權根據購股權計劃尚未行使。

有關已授出購股權及每份購股權之加權平均價值之會計政策資料載於該等財務報表附註36。

除上述者外，本公司或其附屬公司概無於本年度內任何時間訂立任何安排，致使本公司董事或彼等之配偶或未滿十八歲之子女可藉購入本公司或任何其他法人團體之股份或債券而取得利益。

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零一二年十二月三十一日，除本公司之董事或最高行政人員外，下列人士於本公司之股份及相關股份中，擁有本公司根據證券及期貨條例第336條須予備存之登記冊所記錄或已知會本公司之權益或淡倉如下：

Substantial shareholders	主要股東	No. of ordinary shares held 持有之普通股數目	Ordinary shares of HK\$0.1 each 每股面值0.1港元之普通股 Nature of interest/Capacity 權益性質/身份	% of the issued share capital 佔已發行股份百分比
Ultra Harvest (Note 1)	Ultra Harvest (附註1)	214,001,950	Beneficial owner 實益擁有人	66.07%
Mr. Shen Yong (Note 1)	申勇先生 (附註1)	214,001,950	Interest of controlled corporation 受控制法團之權益	66.07%
Ms. Meng Qing (Note 2)	孟青女士 (附註2)	214,001,950	Interest of spouse 配偶之權益	66.07%
Ms. Peng Jingyi (Note 3)	彭婧一女士 (附註3)	214,001,950	Interest of spouse 配偶之權益	66.07%
Mr. Kent C. McCarthy ("Mr. McCarthy") (Note 4)	Kent C. McCarthy先生 ("Kent C. McCarthy先生")(附註4)	28,704,000	Interest of controlled corporation 受控制法團之權益	8.86%
Jayhawk Private Equity Fund, II LP ("Jayhawk PEF")	Jayhawk Private Equity Fund, II LP ("Jayhawk PEF")	28,704,000	Investment manager 投資經理	8.86%

Notes:

- (1) Ultra Harvest is owned as to 60% by Mr. Shen Yong and 40% by Mr. Shen Ke. Pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, each of Mr. Shen Yong and Mr. Shen Ke is deemed to be interested in all the ordinary shares in which Ultra Harvest is, or is deemed to be, interested. Mr. Shen Yong is the father of Mr. Shen Ke, both of whom are directors of Ultra Harvest. As at 31 December 2012, all the ordinary shares held by Ultra Harvest in the Company were under the share charge dated 27 September 2012 executed by Ultra Harvest in favour of Haitong International Securities Company Limited.
- (2) Ms. Meng Qing is the spouse of Mr. Shen Yong. Pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, she is deemed to be interested in all the ordinary shares in which Mr. Shen Yong is, or is deemed to be, interested.
- (3) Ms. Peng Jingyi is the spouse of Mr. Shen Ke. Pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, she is deemed to be interested in all the ordinary shares in which Mr. Shen Ke is, or is deemed to be, interested.
- (4) Mr. McCarthy is deemed or taken to be interested in these ordinary shares through his indirect 100% control in Jayhawk PEF. There interests are fully duplicated by those beneficially owned by Jayhawk PEF.

Save as disclosed above, no other interests required to be recorded in the register kept under Section 336 of the SFO have been notified to the Company.

Public Float

As at the date of this report, upon the close of the unconditional mandatory cash offer made by Haitong International Securities Company Limited on behalf of Ultra Harvest to acquire all the issued Shares (other than those already owned or agreed to be acquired by Ultra Harvest and parties acting in concert with it), there were 80,294,983 Shares, representing approximately 24.79% of the total issued share capital of the Company, held by the public (within the meanings of the Listing Rules). Accordingly, the Company cannot fulfill the minimum public float requirement as set out under Rule 8.08(1)(a) of the Listing Rules.

The Company has therefore made an application to the Stock Exchange for a waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules for a period of three months commencing from 4 January 2013. Ultra Harvest and the Company will take appropriate steps to restore the required minimum public float as soon as possible.

附註：

- (1) Ultra Harvest分別由申勇先生及申柯先生擁有60%及40%。根據證券及期貨條例第XV部第2及3分部之條款，申勇先生及申柯先生被視為於Ultra Harvest擁有權益之所有普通股中擁有權益。申勇先生為申柯先生之父親，兩人均為Ultra Harvest董事。於二零一二年十二月三十一日，Ultra Harvest所持本公司全部普通股乃涉及Ultra Harvest向海通國際證券有限公司作出日期為二零一二年九月二十七日之股份押記。
- (2) 孟青女士為申勇先生之配偶。根據證券及期貨條例第XV部第2及3分部之條款，彼被視為於申勇先生擁有權益之所有普通股中擁有權益。
- (3) 彭靖一女士為申柯先生之配偶。根據證券及期貨條例第XV部第2及3分部之條款，彼被視為於申柯先生擁有權益之所有普通股中擁有權益。
- (4) McCarthy先生透過間接控制Jayhawk PEF之100%而被視為或當作於該等普通股擁有權益。該等權益與Jayhawk PEF實益擁有的屬同一批。

除上文所披露者外，本公司並無得悉其他需要記錄於依據證券及期貨條例第336條須予備存之登記冊內之權益。

公眾持股量

於本報告日期，於海通國際證券有限公司代表Ultra Harvest就收購全部已發行股份（不包括Ultra Harvest及其一致行動人士已擁有或同意收購之股份）提出之無條件強制性現金收購建議截止後，共有80,294,983股股份（佔本公司已發行股本總額約24.79%）由公眾人士（定義見上市規則）持有。據此，本公司不能達到上市規則第8.08(1)(a)條下之最低公眾持股量規定。

因此，本公司已向聯交所申請豁免於二零一三年一月四日起三個月期間嚴格遵守上市規則第8.08(1)(a)條。Ultra Harvest及本公司將採取適當步驟盡快恢復至所規定之最低公眾持股量。

Report of the Directors 董事會報告書

Directors' Interests in Contracts

Save as disclosed under the sections headed "Connected Transactions" and note 41 to the financial statements, no contracts of significance, to which the Company or any of its subsidiaries was a party, and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Directors' Interests in Competing Business

During the year ended 31 December 2012, Mr. Yang Jai Sung, a former director resigned on 7 January 2013, is also a director of Kwang Sung Electronics Co., Ltd. ("Kwang Sung Korea"). Mr. Yang Jai Sung and his relatives hold approximately 79.5% interest in share capital of Kwang Sung Korea whose business whose businesses compete or are likely to compete, directly or indirectly, with the Group's businesses. The principal businesses of Kwang Sung Korea are as follows:

1. Research, design and product development of electronic components and related products and manufacturing of electronic components for electronic appliances and communication equipment through the factory operated by Kwang Sung Korea (the "KSK Factory") exclusively for orders placed directly with Kwang Sung Korea and to be sold in the Korean market but subject to the terms and limited to the scope as set out in the Deed of Undertaking and the Research and Development Service Agreement.
2. Sales, marketing, purchasing and distribution of electronic components for electronic appliances and communication equipment, but subject to the terms and limited to the scope as set out in the Deed of Undertaking and the Commission Agreement.

董事之合約權益

除下文「關連交易」一節及財務報表附註41所披露者外，於年終或本年度內任何時間，本公司或其任何附屬公司概無訂有本公司董事直接或間接擁有重大權益之重大合約。

董事於競爭性業務之權益

於截至二零一二年十二月三十一日止年度，本公司前任董事梁在星先生（於二零一三年一月七日辭任）亦兼任株式會社光星電子（「韓國光星」）之董事。梁在星先生及其親屬持有韓國光星股本約79.5%權益，而韓國光星之業務會或可能會對本集團業務構成直接或間接競爭。韓國光星之主要業務如下：

1. 電子元件及相關產品之研究、設計及產品開發，並透過韓國光星經營之研究、設計及產品開發工廠（「韓國光星工廠」），替直接向韓國光星落單之獨家訂單，製造電器及通訊設備之電子元件，及於韓國市場出售，惟須遵守承諾契據及研發服務協議之條款及其所載之範疇所限制。
2. 銷售、市場推廣、購買及分銷電器及通訊設備之電子元件，惟須遵守承諾契據及佣金協議之條款及其所載之範疇所規限。

In relation to the listing of the Company's shares on the Main Board of the Stock Exchange, each of Kwang Sung Korea, KS-Tech Group Corporation, and Mr. Yang Jai Sung has entered into the Deed of Undertaking in favour of the Group to the effect that for so long as Kwang Sung Korea and/or any of its subsidiaries, Mr. Yang Jai Sung and/or the companies controlled by Mr. Yang Jai Sung are beneficially interested, directly and indirectly, whether individually or taken together, in 20% or more of the issued share capital of the Company, Kwang Sung Korea and Mr. Yang Jai Sung will not, and Kwang Sung Korea and Mr. Yang Jai Sung will procure that none of its subsidiaries (other than the Group) and the companies controlled by him (other than the Group), respectively, will engage or otherwise be involved in any business which competes or is likely to compete, either directly or indirectly, with any of the businesses carried out by any member of the Group from time to time (the "Restricted Business") in any of the regions in which the Group is engaged in and undertakes the Restricted Business (such regions include Korea and the PRC (including Hong Kong)).

Kwang Sung Korea has agreed to first refer all customers' orders of electronic components production received by Kwang Sung Korea from its customers (subject to certain conditions) and the results and/or products developed by the product design and research and development centre of Kwang Sung Korea and the KSK Factory and/or any intellectual property right in or arising from such results and/or products to the Group on terms in accordance with the Deed of Undertaking, the Commission Agreement and the Research and Development Service Agreement, respectively.

According to the supplementary Deed of Undertaking effective 20 September 2005, KS-Tech Group Corporation is no longer a party to the Deed of Undertaking as it is no longer beneficially owned by Kwang Sung Korea.

就本公司股份於聯交所主板上市，韓國光星、KS-Tech Group Corporation及梁在星先生已各自為本集團之利益，而訂立承諾契據，只要韓國光星及／或其任何附屬公司、梁在星先生及／或由梁在星先生控制之公司直接或間接（不論個人或共同）實益擁有本公司已發行股本之20%或以上，則韓國光星及梁在星先生將不會（並將分別促使其附屬公司（本集團除外）及由其控制之公司（本集團除外））從事或以其他方式參與任何業務，而該等業務與本集團經營及從事受限制業務之任何地區（包括韓國及中國（包括香港））內之任何本集團成員公司可能從事之任何業務（「受限制業務」）直接或間接構成或很可能構成競爭。

韓國光星已同意，分別根據承諾契據、佣金協議及研發服務協議之條款，首先向本集團轉介韓國光星從其客戶接獲生產電子元件之所有客戶訂單（受若干條件所規限），及由韓國光星之產品設計及研發中心及韓國光星工廠開發之成果及／或產品及／或於或由該等成果及／或產品而產生之任何知識產權。

根據於二零零五年九月二十日生效之補充承諾契據，由於KS-Tech Group Corporation不再為韓國光星實益擁有，故其不再成為承諾契據的一方。

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Pursuant to the supplementary deed inter alia, for so long as Kwang Sung Korea and/or any of its subsidiaries and Mr. Yang Jai Sung and/or any of the companies controlled by him are beneficially interested, directly or indirectly, whether individually or taken together, in 10% or more of the issued share capital of the Company, Kwang Sung Korea and Mr. Yang Jai Sung will not, and Kwang Sung Korea and Mr. Yang Jai Sung will procure that none of its subsidiaries (other than the Group) and the companies controlled by him (other than the Group), respectively, will engage or otherwise be involved in any business which competes or is likely to compete, either directly or indirectly, with any of the Restricted Business in any of the regions in which the Group engages in and undertakes the Restricted Business (such regions include Korea and the PRC (including Hong Kong)).

The transactions with Kwang Sung Korea are set out in note 41(a) to the financial statements. There has been no material change in directors' interests in any competing business subsequent to 31 December 2012.

Management Contracts

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

Connected Transactions

Pursuant to an ordinary resolution passed at an extraordinary general meeting of the Company held on 5 December 2012, the Group will enter into the Framework Supply Agreement with the Privateco Group for purchase of certain electronics components by the Privateco Group from a subsidiary of the Company, for a fixed term of three years from 1 January 2012 to 31 December 2014.

根據補充契據(其中包括),只要韓國光星及/或其任何附屬公司、梁在星先生及/或由梁在星先生控制之公司直接或間接(不論個人或共同)實益擁有本公司已發行股本之10%或以上,則韓國光星及梁在星先生將不會(並將分別促使其附屬公司(本集團除外)及由其控制之公司(本集團除外))從事或以其他方式參與任何業務,而該等業務與本集團經營及從事受限制業務之任何地區(包括韓國及中國(包括香港))內之任何受限制業務直接或間接構成或很可能構成競爭。

與韓國光星之交易詳情載於財務報表附註41(a)。於二零一二年十二月三十一日後,董事於競爭業務之權益並無任何重大轉變。

管理合約

年內並無訂立或存續有關本公司全部或任何主要部分業務之管理及行政合約。

關連交易

根據本公司於二零一二年十二月五日舉行的股東特別大會上通過的普通決議案,本集團將與私人公司集團訂立框架供應協議,內容有關私人公司集團向本公司一家附屬公司購買若干電子零件,由二零一二年一月一日起至二零一四年十二月三十一日止為期三年。

The annual cap amount for each of the financial year ended/ ending 31 December 2012, 2013 and 2014 are HK\$43,400,000, HK\$46,500,000, and HK\$49,900,000 respectively. The total amount of the transactions for the year ended 31 December 2012 was HK\$14,038,000.

Saved as disclosed above, the related party transactions set out in note 41(a) to the financial statements constitute continuing connected transactions under Chapter 14A of the Listing Rules after the listing of the Company on the Stock Exchange.

Such continuing connected transactions were exempt continuing connected transactions under Rule 14A.33(3) of the Listing Rules and are exempted from the reporting, annual review, announcement and independent shareholders' approval requirement under the Listing Rules.

Retirement Schemes

Details of the retirement schemes participated by the Group are set out in note 35 to the financial statements.

Five-year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 189 of this annual report.

Confirmation of Independence

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

截至二零一二年、二零一三年及二零一四年十二月三十一日止財政年度各年的年度上限分別為43,400,000港元、46,500,000港元及49,900,000港元。截至二零一二年十二月三十一日止年度，交易總額為14,038,000港元。

除上文披露者外，財務報表附註41(a)所載之關連人士交易於本公司在聯交所上市後構成上市規則第14A章項下之持續關連交易。

根據上市規則第14A.33(3)章，該等持續關連交易為獲豁免持續關連交易，同時根據上市規則可豁免申報、年度審閱、公告及獨立股東批准之要求。

退休計劃

本集團參與之退休計劃之詳情，載於財務報表附註35。

五年財務概要

本集團過去五個財政年度業績、資產與負債概要載於本年報第189頁。

確認獨立性

本公司已收取各獨立非執行董事根據上市規則第3.13條之年度獨立性確認函件，並認為所有獨立非執行董事均維持獨立。

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Auditors

The consolidated financial statements for the year ended 31 December 2012 have been audited by SHINEWING (HK) CPA Limited.

SHINEWING (HK) CPA Limited will retire and, being eligible, offer themselves for reappointment. A resolution for the reappointment of SHINEWING (HK) CPA Limited as auditors of the Company is to be proposed at the forthcoming AGM.

By order of the Board

Shen Yong

Chairman

Hong Kong, 26 March 2013

核數師

截至二零一二年十二月三十一日止年度本公司之綜合財務報表，已經信永中和（香港）會計師事務所有限公司審核。

信永中和（香港）會計師事務所有限公司即將告退，惟符合資格並願意膺選連任。重新委聘信永中和（香港）會計師事務所有限公司為本公司核數師的決議，將於應屆股東週年大會上提出。

承董事會命

主席

申勇

香港，二零一三年三月二十六日

Independent Auditor's Report 獨立核數師報告



SHINEWING (HK) CPA Limited
43/F., The Lee Gardens
33 Hysan Avenue
Causeway Bay, Hong Kong

TO THE MEMBERS OF FOREBASE INTERNATIONAL HOLDINGS LIMITED (FORMERLY KNOWN AS KWANG SUNG ELECTRONICS H.K. CO. LIMITED)

(Incorporated in Hong Kong with limited liability)

We have audited the financial statements of Forebase International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 63 to 188, which comprise the consolidated and the Company's statements of financial position as at 31 December 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 financial statements

The directors of the Company are responsible for the preparation of 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 Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of the 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 financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

致申基國際控股有限公司 (前稱光星電子香港有限公司) 股東

(於香港註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核列載於第63至第188頁申基國際控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之財務報表,此綜合財務報表包括於二零一二年十二月三十一日之綜合和公司財務狀況表與截至該日止年度之綜合損益表、綜合全面收益表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他資料解釋。

董事就財務報表須承擔之責任

董事須負責根據香港會計師公會頒布之香港財務報告準則及香港公司條例編製真實而公平地列報之財務報表,及董事釐定為需要之內部監控,以使財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

核數師之責任

我們所承擔責任是根據我們審核對該等財務報表時作出之意見,並按照香港公司條例第141條之規定,僅向整體股東報告。除此以外,我們編製報告書不可用作其他用途。我們概不就本報告書之內容,對任何其他人士負責或承擔法律責任。我們已根據香港會計師公會頒布之香港審計準則進行審核。這些準則要求我們遵守道德規範,並規劃及執行審核,以合理確定此等財務報表是否不存有任何重大錯誤陳述。

Independent Auditor's Report 獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the 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 financial statements give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2012 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Chan Wing Kit

Practising Certificate Number: P03224

Hong Kong
26 March 2013

審核涉及執程序以獲取有關財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製真實而公平地列報之財務報表相關之內部控制，以設計適當之審核程序，但並非為對公司之內部控制之效能發表意見。審核亦包括評價董事所採用之會計政策之合適性及所作出之會計估計之合理性，以及評價財務報表之整體列報方式。

我們相信，我們所獲得之審核憑證是充足和適當地為我們審核意見提供基礎。

意見

我們認為，該等財務報表已根據香港財務報告準則真實而公平地反映 貴集團及 貴公司於二零一二年十二月三十一日之財務狀況及 貴集團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妥為編製。

信永中和（香港）會計師事務所有限公司

執業會計師

陳永傑

執業證書編號：P03224

香港
二零一三年三月二十六日

Consolidated Income Statement

綜合損益表

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

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (重列)
Continuing operations	持續經營業務			
Turnover	營業額	8	363,553	568,907
Cost of sales	銷售成本		(339,539)	(547,762)
Gross profit	毛利		24,014	21,145
Other income and gains	其他收入及收益	9	12,799	7,889
Selling and distribution expenses	銷售及分銷開支		(9,345)	(16,291)
Administrative expenses	行政開支		(12,373)	(14,990)
Research and development expenses	研發開支		(14,593)	(38,653)
Other operating expenses	其他經營開支		(20,254)	(7,111)
Finance costs	融資成本	10	(44)	–
Loss before taxation	除稅前虧損		(19,796)	(48,011)
Taxation	稅項	11	(3,848)	4,010
Loss for the year from continuing operations	本年度來自持續經營業務之虧損		(23,644)	(44,001)
Discontinued operations	已終止經營業務			
Loss for the year from discontinued operations	本年度來自已終止經營業務之虧損	12	(30,461)	(9,309)
Loss for the year	本年度虧損	13	(54,105)	(53,310)
Loss for the year attributable to owners of the Company:	本公司擁有人應佔本年度虧損：			
– from continuing operations	– 來自持續經營業務		(23,644)	(44,001)
– from discontinued operations	– 來自已終止經營業務		(28,695)	(8,945)
			(52,339)	(52,946)
Loss for the year attributable to non-controlling interests:	非控股權益應佔本年度虧損：			
– from continuing operations	– 來自持續經營業務		–	–
– from discontinued operations	– 來自已終止經營業務		(1,766)	(364)
			(1,766)	(364)
			(54,105)	(53,310)
Loss per share	每股虧損	17	HK cents 港仙	HK cents 港仙
From continuing and discontinued operations	來自持續及已終止經營業務			
Basic and diluted	基本及攤薄		(16.16)	(16.35)
From continuing operations	來自持續經營業務			
Basic and diluted	基本及攤薄		(7.30)	(13.59)

Consolidated Statement of Comprehensive Income

綜合全面收益表

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

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (重列)
Loss for the year	本年度虧損	(54,105)	(53,310)
Other comprehensive income:	其他全面收益：		
Exchange differences arising on translation of foreign operations	因換算境外業務而產生之匯兌差額	9,123	3,916
Surplus on revaluation of land and buildings held for own use	重估持作自用土地及樓宇之盈餘	—	1,779
Deferred taxation	遞延稅項	—	(884)
Surplus on revaluation of land and buildings held for own use, net of deferred taxation	重估持作自用土地及樓宇之盈餘，已扣除遞延稅項	—	895
Other comprehensive income for the year, net of tax	本年度其他全面收益，已扣除稅項	9,123	4,811
Total comprehensive expense for the year	本年度全面開支總額	(44,982)	(48,499)
Total comprehensive expense for the year attributable to:	應佔本年度全面開支總額：		
Owners of the Company	本公司擁有人	(43,216)	(48,135)
Non-controlling interests	非控股權益	(1,766)	(364)
		(44,982)	(48,499)

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2012 於二零一二年十二月三十一日

			31/12/2012 二零一二年 十二月三十一日 HK\$'000 千港元	31/12/2011 二零一一年 十二月三十一日 HK\$'000 千港元 (Restated) (重列)	1/1/2011 二零一一年 一月一日 HK\$'000 千港元 (Restated) (重列)
	Notes 附註				
Non-current assets		非流動資產			
Property, plant and equipment	18	物業、機器及設備	23,112	173,250	134,364
Investment properties	19	投資物業	56,292	29,930	5,100
Goodwill	21	商譽	–	–	5,857
Club memberships	22	會所會籍	600	600	600
Intangible assets	23	無形資產	–	16,327	17,623
Available-for-sale investments	24	可供出售投資	–	–	–
Deposits for purchase of property, plant and equipment		購買物業、機器及 設備之按金	106	6	164
			80,110	220,113	163,708
Current assets		流動資產			
Inventories	25	存貨	26,384	64,009	82,673
Trade and other receivables	26	應收貿易及其他賬款	65,478	150,239	140,070
Amounts due from former shareholders	34	應收前股東款項	–	8,478	9,946
Bank balances and cash	27	銀行結餘及現金	110,250	110,182	133,505
			202,112	332,908	366,194
Current liabilities		流動負債			
Trade and other payables	28	應付貿易及其他賬款	74,513	101,809	83,856
Tax payables		應付稅項	10,757	34,134	43,286
Financial liabilities at fair value through profit and loss	32	按公允價值計入損益 之金融負債	–	5,908	–
Bank borrowing – due within one year	29	銀行借貸 – 一年內 到期	19,548	73,962	13,844
			104,818	215,813	140,986
Net current assets		流動資產淨值	97,294	117,095	225,208
Total assets less current liabilities		資產總值減流動負債	177,404	337,208	388,916

Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 December 2012 於二零一二年十二月三十一日

			31/12/2012 二零一二年 十二月三十一日 HK\$'000 千港元	31/12/2011 二零一一年 十二月三十一日 HK\$'000 千港元 (Restated) (重列)	1/1/2011 二零一一年 一月一日 HK\$'000 千港元 (Restated) (重列)
Capital and reserves	資本及儲備				
Share capital	股本	30	32,390	32,390	32,390
Reserves	儲備		134,380	289,369	338,972
Equity attributable to owners of the Company	本公司擁有人 應佔權益		166,770	321,759	371,362
Non-controlling interests	非控股權益		-	2,258	2,622
Total equity	總權益		166,770	324,017	373,984
Non-current liabilities	非流動負債				
Financial liabilities at fair value through profit and loss	按公允價值計入損益 之金融負債	32	-	-	6,452
Deferred tax liabilities	遞延稅項負債	33	10,183	12,501	7,880
Provision for long service payment	長期服務金準備	35	451	690	600
			10,634	13,191	14,932
			177,404	337,208	388,916

The consolidated financial statements on pages 63 to 188 were approved and authorised for issue by the board of directors on 26 March 2013 and are signed on its behalf by:

第63至第188頁之綜合財務報表已於二零一三年三月二十六日獲董事會批准及授權發行，並由下列董事代表簽署：

Shen Yong
Director

申勇
董事

Li Zhi
Director

李智
董事

Statement of Financial Position

財務狀況表

As at 31 December 2012 於二零一二年十二月三十一日

		Notes	2012	2011
		附註	二零一二年 HK\$'000 千港元	二零一一年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	18	–	–
Investment properties	投資物業	19	–	–
Interests in subsidiaries	於附屬公司之權益	20	193,344	303,366
Club memberships	會所會籍	22	–	283
Intangible assets	無形資產	23	–	–
Available-for-sale investments	可供出售投資	24	–	–
			193,344	303,649
Current assets	流動資產			
Other receivables	其他應收賬款	26	–	23,380
Amounts due from subsidiaries	應收附屬公司款項	20	–	21,592
Amounts due from former shareholders	應收前股東款項	34	–	8,478
			–	53,450
Current liabilities	流動負債			
Other payables	其他應付賬款	28	225	–
Amounts due to subsidiaries	應付附屬公司款項	20	17,387	–
Tax payables	應付稅項		8,962	32,452
			26,574	32,452
Net current (liabilities)/assets	流動(負債)/資產淨值		(26,574)	20,998
Total assets less current liabilities	資產總值減流動負債		166,770	324,647

Statement of Financial Position 財務狀況表

As at 31 December 2012 於二零一二年十二月三十一日

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	30	32,390	32,390
Reserves	儲備	31	134,380	292,257
Total equity	總權益		166,770	324,647
Non-current liabilities	非流動負債			
Financial liabilities at fair value through profit and loss	按公允值計入損益之 金融負債	32	—	—
Deferred tax liabilities	遞延稅項負債	33	—	—
			166,770	324,647

The financial statements on pages 63 to 188 were approved and authorised for issue by the board of directors on 26 March 2013 and are signed on its behalf by:

第63至第188頁之財務報表已於二零一三年三月二十六日獲董事會批准及授權發行，並由下列董事代表簽署：

Shen Yong
Director

申勇
董事

Li Zhi
Director

李智
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

As at 31 December 2012 於二零一二年十二月三十一日

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital 股本	Share premium 股份溢價 (note a) (附註 a)	Other reserve 其他儲備 (note b) (附註 b)	Contribution reserve 出資儲備 (note c) (附註 c)	Properties revaluation reserve 物業重估儲備 (note d) (附註 d)	Statutory reserve 法定儲備 (note e) (附註 e)	Exchange reserve 匯兌儲備 (note f) (附註 f)	Retained profits 保留溢利	Sub-total 小計	Non-controlling interests 非控股權益	Total 總額
At 1 January 2011	於二零一一年一月一日	32,390	58,566	301	9,946	22,247	9,376	(11,237)	249,773	371,362	2,622	373,984
Total comprehensive income (expense) for the year (restated)	本年度全面收益(開支)總額(重列)	-	-	-	-	895	-	3,916	(52,946)	(48,135)	(364)	(48,499)
Transfer	轉撥	-	-	-	-	-	839	-	(839)	-	-	-
Reduction of contributions from shareholders (note 11(b))	削減股東出資(附註 11(b))	-	-	-	(1,468)	-	-	-	-	(1,468)	-	(1,468)
At 31 December 2011 (as restated)	於二零一一年十二月三十一日(重列)	32,390	58,566	301	8,478	23,142	10,215	(7,321)	195,988	321,759	2,258	324,017
Total comprehensive income (expense) for the year	本年度全面收益(開支)總額	-	-	-	-	-	-	9,123	(52,339)	(43,216)	(1,766)	(44,982)
Released upon the Distribution In Specie of shares in a subsidiary	於實物分派附屬公司股份時轉撥	-	-	(301)	-	-	-	(8,488)	8,789	-	(492)	(492)
Special dividend by way of Distribution In Specie of shares in a subsidiary (note 38)	以實物分派附屬公司股份方式派發特別股息(附註 38)	-	-	-	-	-	-	-	(111,773)	(111,773)	-	(111,773)
At 31 December 2012	於二零一二年十二月三十一日	32,390	58,566	-	8,478	23,142	10,215	(6,686)	40,665	166,770	-	166,770

Notes:

附註：

(a) Share premium

The application of the share premium is governed by section 48B of the Hong Kong Companies Ordinance.

(a) 股份溢價

股份溢價之用途受香港公司條例第 48B 條規管。

(b) Other reserve

Other reserve represents the acquisition/disposal of partial equity interests of subsidiaries with minority shareholders without changes in control. Details of the accounting policy are set out in note 3(a).

(b) 其他儲備

其他儲備指向少數權益股東收購/出售附屬公司之部份股本權益而並無對控制權帶來變動。會計政策詳情載於附註 3(a)。

(c) Contribution reserve

Contribution reserve represents contributions from shareholders for indemnity liabilities payable for periods prior to 30 June 2003. Details are set out in note 41 (a)(ii).

(c) 出資儲備

出資儲備指股東就二零零三年六月三十日期間之應付彌償負債出資。詳情載於附註 41(a)(ii)。

(d) Properties revaluation reserve

The properties revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for land and buildings held for own use in note 3(e).

(d) 物業重估儲備

物業重估儲備乃按附註 3(e) 所載有關持作自用土地及樓宇之會計政策設立及處理。

Consolidated Statement of Changes in Equity 綜合權益變動表

As at 31 December 2012 於二零一二年十二月三十一日

(e) Statutory reserve

In accordance with the People's Republic of China (the "PRC") laws applicable to wholly-foreign owned investment enterprises, subsidiaries of the Company operating in the PRC are required to set up a general reserve fund and appropriate at least 10% of respective company's annual profit after taxation, as determined under the PRC accounting rules and regulations, to the general reserve fund until the balance of the reserve equals to 50% of its registered capital. This fund can be used to make good losses and to convert into paid-up capital.

(f) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of the Company's branch in Korea. At 1 January 2008 onwards, the functional currency of the Korea Branch has been changed from Hong Kong dollars ("HK\$") to Korean Won ("KRW") following the Korea Branch has substantially increased its trading activities in the Korean market. Sales and purchases conducted in the Korean market are denominated and settled in KRW. The reserve is dealt with in accordance with the accounting policy set out in note 3(p).

(e) 法定儲備

根據適用於外商獨資企業之中華人民共和國（「中國」）法律，本公司於中國營運之附屬公司需要設立一般儲備基金，並把各公司最少10%之年度稅後純利（按中國會計規則及條例計算）撥入一般儲備基金，直至儲備結餘達至其註冊資本50%為止。一般儲備基金可用作彌補虧損及轉換為已繳股本。

(f) 匯兌儲備

匯兌儲備包括所有因換算本公司韓國分公司財務報告產生之匯兌差額。自二零零八年一月一日起，由於韓國分公司已大幅增加其於韓國市場所從事之貿易活動，因此本公司已將韓國分公司之功能貨幣由港元（「港元」）更換為韓圓（「韓圓」）。於韓國市場所進行之買賣以韓圓計值及結算。該儲備根據附註3(p)所載會計政策處理。

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (重列)
OPERATING ACTIVITIES	經營活動		
Loss for the year	年度虧損	(54,105)	(53,310)
Adjustments for:	就下列各項作出調整：		
Taxation	稅項	2,918	(4,079)
Interest income	利息收入	(171)	(526)
Finance costs	融資成本	44	-
Depreciation	折舊	13,639	13,452
Amortisation of intangible assets	無形資產權攤銷	1,095	1,168
Impairment loss recognised on land and buildings held for own use	就持作自用土地及樓宇確認之減值虧損	2,178	-
Impairment loss recognised on trade and other receivables	就應收貿易及其他賬款確認之減值虧損	1,365	156
Reversal of impairment loss recognised on trade and other receivables	就應收貿易及其他賬款確認之減值虧損回撥	(142)	(853)
Impairment loss recognised on goodwill	就商譽確認之減值虧損	-	5,857
Decrease in fair value of financial liabilities at fair value through profit and loss	按公允價值計入損益之金融負債之公允價值減少	(5,908)	(544)
Increase in fair value of investment properties	投資物業之公允價值增加	(4,292)	(2,586)
Allowance for inventories	存貨撥備	5,455	21,121
Gain on disposal of property, plant and equipment	出售物業、機器及設備收益	(166)	(3,140)
Impairment loss recognised on intangible assets	就無形資產確認之減值虧損	5,929	-
(Decrease) increase in provision for long service payments	長期服務金準備(減少)增加	(239)	90
Net foreign exchange (gain) loss	匯兌(收益)虧損淨額	2,344	2,505
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(30,056)	(20,689)
Increase in restricted bank deposit	受限制銀行存款增加	(10,537)	(472)
Decrease (increase) in inventories	存貨減少(增加)	2,573	(2,457)
Decrease (increase) in trade and other receivables	應收貿易及其他賬款減少(增加)	11,750	(5,167)
Increase in trade and other payables	應付貿易及其他賬款增加	5,453	17,953
Cash used in operations	經營業務所用之現金	(20,817)	(10,832)
Tax reserve certificates purchased	已購買儲稅券	-	(4,305)
Hong Kong Profits Tax refund	香港利得稅退稅	149	-
Korean Corporate Income Tax paid	已付韓國企業所得稅	-	(665)
PRC Corporate Income Tax paid	已付中國企業所得稅	(4,068)	(671)
NET CASH USED IN OPERATING ACTIVITIES	經營活動所用之現金淨額	(24,736)	(16,473)

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (重列)
INVESTING ACTIVITIES	投資活動		
Interest received	已收利息	171	526
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備所得款項	166	3,140
Acquisition of property, plant and equipment	收購物業、機器及設備	(38,292)	(72,933)
Increase in deposits for purchase of property, plant and equipment	購置物業、機器及設備之按金增加	(2,441)	-
Repayment from shareholders	股東償還款項	62,056	-
NET CASH GENERATED FROM (USED IN) INVESTING ACTIVITIES	投資活動所得(所用)之現金淨額	21,660	(69,267)
FINANCING ACTIVITIES	融資活動		
Net cash outflow on Distribution In Specie of shares in a subsidiary (note 38)	實物分派附屬公司股份產生之現金淨流出(附註38)	(7,731)	-
Repayment of bank borrowing	償還銀行借款	-	(13,844)
Interest paid	已付利息	(2,953)	(1,228)
New bank loans raised	新增銀行借貸	5,026	77,035
NET CASH (USED) FROM FINANCING ACTIVITIES	融資活動(所用)所得之現金淨額	(5,658)	61,963
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物之減少淨額	(8,734)	(23,777)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於一月一日之現金及現金等價物	109,710	133,505
Effect of foreign exchange rate changes	匯率變動影響	(1,735)	(18)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER, represented bank balances and cash less restricted deposit (note 27)	於十二月三十一日之現金及現金等價物乃指銀行結餘及現金減受限制存款(附註27)	99,241	109,710

Notes to the Financial Statements

財務報表附註

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

1. GENERAL

The Company was incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are Units 208-209, 2/F., Bio-Informatics Centre, No. 2 Science Park West Avenue, Hong Kong Science Park, Shatin, N.T., Hong Kong.

On 27 September 2012, Mr. Yang Jai Sung ("Mr. Yang"), a then executive director and Kwang Sung Electronics Co., Ltd. ("Kwang Sung Korea") (as vendors) and Ultra Harvest Limited ("Ultra Harvest"), a company incorporated in the British Virgin Islands with limited liability, entered into an agreement (the "Share Sale Agreement") (as amended and supplemented by the supplemental agreement dated 16 October 2012) relating to the sale of an aggregate of 174,082,000 ordinary shares of HK\$0.10 in the issued share capital of the Company (the "Shares") to Ultra Harvest, at a price of HK\$0.9263 per Share. As conditions precedent to completion of the Share Sale Agreement, the Company was required, among other things, to carry out a group reorganisation (the "Group Reorganisation"), to effect a distribution in specie of shares in Jay Star Holdings Limited, a then wholly-owned subsidiary of the Company ("Jay Star" or the "Privateco") (the "Distribution In Specie"). The transactions contemplated under the Share Sale Agreement were approved by the independent shareholders of the Company at an extraordinary general meeting held on 5 December 2012. Upon satisfaction of other conditions, completion of the Share Sale Agreement took place on 11 December 2012.

Pursuant to the Group Reorganisation, the Company, among other things, reorganised its subsidiaries into two subgroups, the Remaining Group and the Privateco Group.

The Remaining Group is principally engaged in the manufacturing and sale of electronic components to worldwide customers (except for those in the Republic of Korea ("Korea") and Japan) (the "Retained Businesses"). The Privateco Group is engaged in all businesses of the Group prior to the Group Reorganisation, other than the Retained Businesses (the "Distributed Businesses").

1. 一般資料

本公司於香港註冊成立，其股份於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營業地區之地址為香港新界沙田香港科學園科技大道西2號生物資訊中心2樓208-209室。

於二零一二年九月二十七日，當時之執行董事梁在星先生（「梁先生」）及株式會社光星電子（「韓國光星」）（「賣方」）與Ultra Harvest Limited（「Ultra Harvest」，於英屬處女群島註冊成立之有限公司）訂立協議（「售股協議」）（經日期為二零一二年十月十六日的補充協議修訂及補充），內容關於按每股0.9263港元向Ultra Harvest出售合共174,082,000股本公司已發行股本中每股面值0.10港元之普通股（「股份」）。作為完成售股協議的先決條件，本公司須（其中包括）進行集團重組（「集團重組」），以實物分派本公司當時之全資附屬公司Jay Star Holdings Limited（「Jay Star」或「私人公司」）之股份（「實物分派」）。售股協議項下的交易已於二零一二年十二月五日舉行的股東特別大會上獲本公司獨立股東批准。於達成其他條件後，售股協議於二零一二年十二月十一日完成。

根據集團重組，本公司（其中包括）將其附屬公司重組為餘下集團及私人公司集團兩個子集團。

餘下集團主要從事為全球客戶（不包括大韓民國（「韓國」）及日本客戶）製造及銷售電子元件（「保留業務」）。私人公司集團主要從事為本集團於集團重組前除保留業務之外的所有業務（「經分派業務」）。

Notes to the Financial Statements 財務報表附註

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

1. GENERAL (Continued)

Upon completion of the Share Sale Agreement, Ultra Harvest became the controlling shareholder of the Company, holding 174,082,000 Shares, which represented approximately 53.75% of the issued share capital of the Company.

The Privateco Group having 323,896,932 Privateco shares was distributed as a special dividend to the shareholders of the Company on 11 December 2012, whose names appeared on the register of members of the Company on 10 December 2012 (the "Record Date Shareholders"), details of the Distribution In Specie are set out in note 38. As a result of the Group Reorganisation, the Retained Businesses were classified as continuing operations while the Distributed Businesses, being disposed of, were classified as discontinued operations, details of which are set out in note 12.

On 14 December 2012, Haitong International Securities Company Limited ("Haitong International Securities") on behalf of Ultra Harvest made an unconditional mandatory cash offer to acquire all the issued shares in the Company other than those shares already owned or agreed to be acquired by Ultra Harvest and parties acting in concert with any of it at a price of HK\$0.9263 per Share (the "Listco Offer").

The Listco Offer was closed on 4 January 2013 with valid acceptances in respect of a total of 69,519,950 Shares, representing 21.46% of the total issued share capital of the Company. Upon completion of the Listco Offer, Ultra Harvest was interested in 243,601,950 shares of the Company, representing approximately 75.21% of the total issued share capital of the Company.

As approved by way of special resolution at an extraordinary general meeting of the Company held on 25 February 2013, the name of the Company was approved to be changed from "Kwang Sung Electronics H.K. Co. Limited 光星電子香港有限公司" to "Forebase International Holdings Limited 申基國際控股有限公司". With effect from 12 March 2013, the Registrar of Companies in Hong Kong approved the change of the Company name and issued the Certificate of Change of Name.

1. 一般資料 (續)

於完成售股協議後，Ultra Harvest 成為本公司控股股東，持有 174,082,000 股股份，佔本公司已發行股本約 53.75%。

私人公司集團全部已發行的 323,896,932 股私人公司股份已於二零一二年十二月十一日以特別股息實物分派予於二零一二年十二月十日名列本公司股東名冊的本公司股東（「記錄日股東」），實物分派的詳情載於附註 38。由於集團重組的原因，保留業務被列為持續經營業務，而被出售的經分派業務則列為已終止經營業務，有關詳情載於附註 12。

於二零一二年十二月十四日，海通國際證券有限公司（「海通國際證券」）代表 Ultra Harvest 就本公司全部已發行股份（不包括 Ultra Harvest 及其一致行動人士已擁有或同意收購之股份）提出無條件強制性現金收購建議，收購價格為每股 0.9263 港元（「上市公司收購建議」）。

上市公司收購建議於二零一三年一月四日截止，已收到合共 69,519,950 股股份之有效接納，佔本公司已發行股本總額 21.46%。於上市公司收購建議完成後，Ultra Harvest 於本公司 243,601,950 股股份擁有權益，佔本公司已發行股本總額 75.21%。

經本公司於二零一三年二月二十五日舉行的本公司股東特別大會以特別決議案的形式批准，本公司之名稱獲准由「Kwang Sung Electronics H.K. Co. Limited 光星電子香港有限公司」更改為「Forebase International Holdings Limited 申基國際控股有限公司」。香港公司註冊處已於二零一三年三月十二日批准更改公司名稱並發出公司更改名稱之證書。

Notes to the Financial Statements 財務報表附註

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

1. GENERAL (Continued)

The Company is an investment holding company and the principal activities of its subsidiaries are the manufacture and sale of electronic components. Following the completion of the Distribution In Specie, the Group revisited its businesses activities based on the degree of importance and extended its principal activities to properties investment, i.e. the Group's investment properties portfolios in Hong Kong, Korea and the People's Republic of China (the "PRC").

In the opinion of the directors of the Company, at 31 December 2012, Ultra Harvest is the ultimate holding company of the Company and Mr. Shen Yong, the Chairman of the Company, is the ultimate controlling party of the Company.

The functional currency of the Company is Korean Won ("KRW"). The functional currencies for its certain subsidiaries are Renminbi ("RMB") and KRW. For the purposes of presenting the financial statements, the Group adopted HK\$ as its presentation currency as its shares are listed in Hong Kong.

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

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

Amendments to HKFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to HKAS 12	Deferred Tax: Recovery of Underlying Assets
Amendments to HKFRS 7	Financial Instruments: Disclosures – Transfer of Financial Assets
Amendments to HKAS 1	As part of the Annual Improvements to HKFRSs 2009-2011 Cycle issued in 2012

1. 一般資料 (續)

本公司為投資控股公司，其附屬公司的主要業務為製造及銷售電子元件。於完成實物分派後，本集團根據重要程度重新審視其業務活動，並將其主要業務擴展至物業投資，即本集團位於香港、韓國及中華人民共和國（「中國」）的投資物業組合。

本公司董事認為，於二零一二年十二月三十一日，Ultra Harvest為本公司之最終控股公司，本公司主席申勇先生為本公司的最終控股方。

本公司之功能貨幣為韓圓（「韓圓」）。其若干附屬公司之功能貨幣為人民幣（「人民幣」）及韓圓。就呈列財務報表而言，本集團採納港元為其呈列貨幣，因為其股份於香港上市。

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）

在本年度內，本集團已採納下列由香港會計師公會（「香港會計師公會」）頒布之新訂及經修訂準則、修訂及詮釋（「新訂及經修訂之香港財務報告準則」）。

香港財務報告準則第1號之修訂	嚴重高通脹及剔除首次採納者之固定日期
香港會計準則第12號之修訂	遞延稅項：收回相關資產
香港財務報告準則第7號之修訂	金融工具：披露 – 金融資產轉撥
香港會計準則第1號之修訂	於二零一二年頒布二零零九年至二零一一年期間香港財務報告準則之年度修訂之一部分

Notes to the Financial Statements 財務報表附註

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

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

Except as described below, the application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and position for the current and prior years and/or the disclosures set out in these financial statements.

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’s investment properties are situated in the People’s Republic of China (the “PRC”), Korea and Hong Kong, which are measured using the fair value model. As a result of application of the amendments to HKAS 12, the directors reviewed the Group’s investment properties portfolios and concluded that the Group’s investment properties situated in Hong Kong, Korea and the PRC amounting to approximately HK\$9,800,000 (2011: HK\$6,000,000), HK\$22,072,000 (2011: Nil) and HK\$24,420,000 (2011: HK\$23,930,000) respectively 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 “recover through sale” presumption set out in the amendments to HKAS 12 is not rebutted.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

除下文所述者外，於本年度應用之香港財務報告準則之修訂對本集團於本年度及過往年度之財務表現及狀況及／或於該等財務報表所載列之披露並無重大影響。

香港會計準則第12號之修訂：遞延稅項：收回相關資產

於本年度，本集團首次應用香港會計準則第12號之修訂「遞延稅項：收回相關資產」。根據該修訂，按照香港會計準則第40號「投資物業」以公允價值模式計量之投資物業是假設可透過出售收回而作為計算遞延稅項，除非此項假設在某些情況下被駁回。

本集團之投資物業乃位於中華人民共和國（「中國」）、韓國及香港，並按公允價值模式計算。在應用香港會計準則第12號之修訂時，董事審閱本集團之投資物業組合並認為本集團位於香港、韓國及中國之投資物業（分別約為9,800,000港元（二零一一年：6,000,000港元）、22,072,000港元（二零一一年：無）及24,420,000港元（二零一一年：23,930,000港元））可透過出售收回而並非根據商業模式持有，而該商業模式在一般時間內消耗在投資物業內絕大部份經濟利益，因此董事認為在香港會計準則第12號之修訂所列表載之前設並未被駁回。

Notes to the Financial Statements 財務報表附註

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

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

Amendments to HKAS 12 Deferred Tax: Recovery of Underlying Assets (Continued)

As a result of the application of the amendments to HKAS 12, the Group has recognised deferred taxes on changes in fair value of the investment properties located in the PRC and Korea. On the other hand, the Group does not recognise any deferred tax on changes in fair value of the investment properties located in Hong Kong as the Group is not subject to any income taxes in disposal of the investment properties in Hong Kong. The amendments to HKAS 12 have been applied retrospectively. The change in accounting policy has resulted in the Group's income tax expenses for the years ended 31 December 2012 and 2011 being decreased by approximately HK\$79,000 and increased by HK\$3,232,000 respectively and hence resulted in loss for the years ended 31 December 2012 and 31 December 2011 being decreased by approximately HK\$79,000 and increased by HK\$3,232,000 respectively.

The application of the amendments to HKAS12 does not result in any material impact on retained profits of the Group and the Company as at 1 January 2011.

Summary of the effect of the above change in accounting policy

The effect of the change in accounting policy described above on the results for the current and prior years by line items is as follows:

2. 採納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號之修訂：遞延稅項：收回相關資產（續）

因應用香港會計準則第12號之修訂，本集團已按位於中國及韓國的投資物業公允價值之變動確認遞延稅項。另一方面，由於本集團毋須於香港繳納因出售投資物業而引致之所得稅，故本集團並無確認因位於香港的投資物業之公允價值變動而產生之任何遞延稅項。香港會計準則第12號之修訂已追溯應用。會計政策之變動令本集團截至二零一二年及二零一一年十二月三十一日止年度之所得稅開支分別減少約79,000港元及約增加3,232,000港元，因此截至二零一二年及二零一一年十二月三十一日止各年度之虧損分別減少約79,000港元及增加約3,232,000港元。

應用香港會計準則第12號之修訂對本集團及本公司於二零一一年一月一日之保留溢利並無任何重大影響。

上述會計政策變動之影響概要

上述會計政策變動對當前及上一年度之業績所造成之影響如下：

		Year ended	
		截至下列日期止年度	
		31/12/2012	31/12/2011
		二零一二年	二零一一年
		十二月三十一日	十二月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
(Decrease) increase in income tax expense and loss for the year	所得稅開支及本年度虧損（減少）／增加	(79)	3,232

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

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

Summary of the effect of the above change in accounting policy (Continued)

The effect of the change in accounting policy described above on the financial positions of the Group as at 31 December 2011, is as follows:

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

上述會計政策變動之影響概要（續）

上述會計政策變動對本集團於二零一一年十二月三十一日之財政狀況之影響如下：

		31/12/2011 (originally stated) 二零一一年 十二月三十一日 (原先呈列) HK\$'000 千港元	Adjustments 調整 HK\$'000 千港元	31/12/2011 (restated) 二零一一年 十二月三十一日 (重列) HK\$'000 千港元
Deferred tax liabilities	遞延稅項負債	(9,269)	(3,232)	(12,501)
Net assets and total equity	資產淨值及總權益	327,249	(3,232)	324,017
Retained profits	保留溢利	199,220	(3,232)	195,988

The effects of the above change in accounting policy on the financial position of the Group as at 31 December 2012 are an increase in deferred tax liabilities, and decreases in the Group's net asset, retained profits and total equity by approximately HK\$3,153,000.

The effect of the above change in accounting policy on the Group's basic and diluted earnings per share for the current and prior years are as follows:

Impact on basic and diluted loss per share

上述會計政策變動對本集團於二零一二年十二月三十一日之財政狀況之影響乃造成遞延稅項負債增加，本集團資產淨值、保留溢利及總權益減少共約3,153,000港元。

上述會計政策變動對本集團於本年度及過往年度之每股基本及攤薄盈利之影響如下：

對每股基本及攤薄虧損之影響

		2012 二零一二年 HK cents 港仙	2011 二零一一年 HK cents 港仙
Basic and diluted loss per share before adjustments	調整前每股基本及攤薄虧損	(16.16)	(15.35)
Adjustments arising from change in accounting policy in relation to:	因會計政策變動而進行調整：		
– application of amendments to HKAS 12 in respect of deferred taxes on investment properties	– 應用香港會計準則第12號之修訂於投資物業之遞延稅項	–	(1.00)
Reported basic and diluted loss per share	所呈報之每股基本及攤薄虧損	(16.16)	(16.35)

Notes to the Financial Statements 財務報表附註

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

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

New and revised HKFRSs issued but not yet effective

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

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009-2011 Cycle, except for amendment HKAS1 ²
Amendments to HKFRS 1	First-time Adoption of HKFRSs – Government Loans ²
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities ²
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures ⁴
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transaction Guidance ²
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities ³
HKFRS 9	Financial Instruments ⁴
HKFRS 10	Consolidated Financial Statements ²
HKFRS 11	Joint Arrangements ²
HKFRS 12	Disclosures of Interests in Other Entities ²
HKFRS 13	Fair Value Measurement ²

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒布惟尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早採納以下已頒布惟尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則之修訂	二零零九年至二零一一年期間香港財務報告準則之年度修訂，香港會計準則第1號之修訂除外 ²
香港財務報告準則第1號之修訂	首次採納香港財務報告準則 — 政府貸款 ²
香港財務報告準則第7號之修訂	披露 – 抵銷金融資產及金融負債 ²
香港財務報告準則第9號及第7號之修訂	香港財務報告準則第9號之強制生效日期及過渡性披露 ⁴
香港財務報告準則第10號、第11號及第12號之修訂	綜合財務報表、合營安排及披露於其他實體之權益：交易指引 ²
香港財務報告準則第10號及第12號及香港會計準則第27號之修訂	投資實體 ³
香港財務報告準則第9號	金融工具 ⁴
香港財務報告準則第10號	綜合財務報表 ²
香港財務報告準則第11號	合營安排 ²
香港財務報告準則第12號	披露於其他實體之權益 ²
香港財務報告準則第13號	公允價值之計量 ²

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

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

New and revised HKFRSs issued but not yet effective (Continued)

HKAS 19 (as revised in 2011)	Employee Benefits ²
HKAS 27 (as revised in 2011)	Separate Financial Statements ²
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ²
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income ¹
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities ³
HK(IFRIC) * – Int 20	Stripping Costs in the Production Phase of a Surface Mine ²

* HK(IFRIC) represents the Hong Kong (International Financial Reporting Interpretation Committee)

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

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

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

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

Annual Improvements to HKFRSs 2009 – 2011 Cycle issued in June 2012

- The Annual Improvements to HKFRSs 2009 – 2011 Cycle included a number of amendments to various HKFRSs. The amendments are effective for annual periods beginning on or after 1 January 2013. Amendments to HKFRSs included the amendments to HKAS 16 Property, Plant and Equipment and the amendments to HKAS 32 Financial Instruments: Presentation.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒布惟尚未生效之新訂及經修訂香港財務報告準則（續）

香港會計準則第19號 (於二零一一年經修訂)	僱員福利 ²
香港會計準則第27號 (於二零一一年經修訂)	獨立財務報表 ²
香港會計準則第28號 (於二零一一年經修訂)	於聯營公司及合營公司之投資 ²
香港會計準則第1號之修訂	其他全面收益項目之呈列 ¹
香港會計準則第32號之修訂	抵銷金融資產及金融負債 ³
香港（國際財務報告詮釋委員會）– 詮釋第20號	地表礦區生產階段之剝採成本 ²

¹ 於二零一二年七月一日或以後開始之年度期間生效。

² 於二零一三年一月一日或以後開始之年度期間生效。

³ 於二零一四年一月一日或以後開始之年度期間生效。

⁴ 於二零一五年一月一日或以後開始之年度期間生效。

於二零一二年六月頒布二零零九年至二零一一年期間香港財務報告準則之年度修訂

- 二零零九年至二零一一年期間香港財務報告準則之年度修訂包括對多項香港財務報告準則的多項修訂。該等修訂於二零一三年一月一日或之後開始的年度期間生效。香港財務報告準則之修訂包括對香港會計準則第16號「物業、廠房及設備」之修訂及對香港會計準則第32號「金融工具：呈報」之修訂。

Notes to the Financial Statements 財務報表附註

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

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

New and revised HKFRSs issued but not yet effective (Continued)

Annual Improvements to HKFRSs 2009 – 2011 Cycle issued in June 2012 (Continued)

- The amendments to HKAS 16 clarify that spare parts, stand-by equipment and servicing equipment should be classified as property, plant and equipment when they meet the definition of property, plant and equipment in HKAS 16 and as inventory otherwise. The directors do not anticipate that the application of the amendments will have a material effect on the Group’s consolidated financial statements and the Company’s statement of financial position.
- The amendments to HKAS 32 clarify that income tax on distributions to holders of an equity instrument and transaction costs of an equity transaction should be accounted for in accordance with HKAS 12 Income Taxes. The directors anticipate that the amendments to HKAS 32 will have no material effect on the Group’s consolidated financial statements and the Company’s statement of financial position.
- The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of “currently has a legally enforceable right of set-off” and “simultaneous realisation and settlement”.
- The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒布惟尚未生效之新訂及經修訂香港財務報告準則（續）

於二零一二年六月頒布二零零九年至二零一一年期間香港財務報告準則之年度修訂（續）

- 香港會計準則第16號之修訂澄清，零部件、後備設備及使用中設備一旦符合香港會計準則第16號項下物業、廠房及設備的定義，則應分類為物業、廠房及設備，否則應分類為存貨，本公司董事預期應用此等修訂將不會對本集團的綜合財務報表及本公司的財務狀況表造成重大影響。
- 香港會計準則第32號之修訂澄清，向權益工具持有人所作分派的所得稅以及股權交易的交易成本應根據香港會計準則第12號「所得稅」入賬，本公司董事預期該等對香港會計準則第32號之修訂將不會對本集團之綜合財務報表及本公司的財務狀況表造成影響。
- 香港會計準則第32號之修訂澄清與對銷財務資產與財務負債規定有關的現有應用問題。具體而言，有關修訂澄清「現時擁有於法律上可強制執行的對銷權」及「同時變現及結算」的涵義。
- 香港財務報告準則第7號之修訂規定實體就具有可強制性執行的統一淨額結算協議或類似安排項下的金融工具披露與對銷權及相關安排（如抵押品過賬規定）的有關資料。

Notes to the Financial Statements 財務報表附註

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

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

New and revised HKFRSs issued but not yet effective (Continued)

Annual Improvements to HKFRSs 2009 – 2011 Cycle issued in June 2012 (Continued)

- The amendments to HKFRS 7 are effective for annual periods beginning on or after 1 January 2013 and interim period within those annual periods. The disclosures should also be provided retrospectively for all comparative periods. However, the amendments to HKAS 32 are not effective until annual periods beginning on or after 1 January 2014, with retrospective application required.
- The directors of the Company anticipate that the application of these amendments to HKAS 32 and HKFRS 7 may result in more disclosures being made with regard to offsetting financial assets and financial liabilities in the future.

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）(續)

已頒布惟尚未生效之新訂及經修訂香港財務報告準則（續）

於二零一二年六月頒布二零零九年至二零一一年期間香港財務報告準則之年度修訂（續）

- 香港財務報告準則第7號之修訂於二零一三年一月一日或之後開始的年度期間以及有關年度期間內的中期期間生效，亦須就所有比較期間作出追溯披露。然而，香港會計準則第32號修訂本於二零一四年一月一日或之後開始的年度期間方始生效，並追溯應用。
- 本公司董事估計，應用香港會計準則第32號及香港財務報告準則第7號之修訂，或會導致日後須就金融資產及金融負債之間的對銷作出更多披露。

香港財務報告準則第9號「金融工具」

於二零零九年頒布之香港財務報告準則第9號引入金融資產之分類及計量新規定。於二零一零年經修訂之香港財務報告準則第9號載入金融負債之分類及計量及終止確認之規定。

Notes to the Financial Statements 財務報表附註

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

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

New and revised HKFRSs issued but not yet effective (Continued)

HKFRS 9 Financial Instruments (Continued)

Key requirements of HKFRS 9 are described as follows:

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

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒布惟尚未生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第9號「金融工具」（續）

香港財務報告準則第9號之主要規定詳述如下：

- 香港財務報告準則第9號規定，屬香港會計準則第39號「金融工具：確認及計量」之所有已確認金融資產最後按攤銷成本或公允價值計量。特別是就收取合約現金流為目的以業務模式持有之債務投資及擁有合約現金流之債務投資，且有關現金流純粹為支付本金，而未償還本金之利息於隨後會計期間期末則一般按攤銷成本計量。所有其他債務投資及股本投資於隨後報告期末按公允價值計量。此外，根據香港財務報告準則第9號，實體須作出不可撤回之選擇，以於其他綜合收益呈報股本投資（並非持作買賣者）公允價值之其後變動，只有股息收入全面於損益確認。
- 就金融負債之分類及計量而言，香港財務報告準則第9號最重大影響乃有關金融負債信貸風險變動應佔該負債（指定為按公允價值計入損益）公允價值變動之呈報。特別是根據香港財務報告準則第9號，就指定為按公允價值計入損益之金融負債而言，該負債信貸風險變動應佔之金融負債公允價值變動金額於其他全面收益確認，除非在其他全面收益確認負債之信貸風險變動影響會導致或擴大損益上之會計錯配。金融負債信貸風險應佔之公允價值變動其後不會重新分類至損益。過往，根據香港會計準則第39號，指定為按公允價值計入損益之金融負債公允價值變動全部金額於損益確認。

Notes to the Financial Statements 財務報表附註

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

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

New and revised HKFRSs issued but not yet effective (Continued)

HKFRS 9 Financial Instruments (Continued)

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

The directors of the Company are in the process of assessing the impact from the application of this new standard on the results and the financial positions of the Group and the Company.

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

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

Key requirements of these five standards are described below:

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

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

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）(續)

已頒布惟尚未生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第9號「金融工具」(續)

香港財務報告準則第9號將於由二零一五年一月一日或以後開始之年度期間生效，並准許提早應用。

本公司董事正在評估應用本新訂準則對本集團及本公司之業績及財務狀況之影響。

有關綜合賬目、共同安排、聯營公司及披露之新訂及經修訂準則

於二零一一年六月，香港會計師公會就綜合入賬、合資、聯營公司及披露頒布一套準則共五項，包括香港財務報告準則第10號、香港財務報告準則第11號、香港財務報告準則第12號、香港會計準則第27號（於二零一一年經修訂）及香港會計準則第28號（於二零一一年經修訂）。

該五項準則之主要規定之詳情如下：

香港財務報告準則第10號取代香港會計準則第27號「綜合及獨立財務報表」及香港（詮釋常務委員會）– 詮釋第12號「綜合入賬 – 特殊目的實體」中用以處理綜合財務報表之部分。香港財務報告準則第10號包括對控制權之新涵義，包括三項要素：(a) 對被投資方之權力、(b) 其干涉被投資方獲取可變回報之風險及權利，及(c) 對被投資方運用權力以影響投資方回報金額之能力。香港財務報告準則第10號已加入廣泛指引，處理複雜情境。

香港財務報告準則第11號取代香港會計準則第31號「於合資公司權益」及香港（詮釋常務委員會）– 詮釋第13號「共同控制實體 – 合資者之非現金投入」。香港財務報告準則第11號處理合營安排中兩方或以上如何分類為共同控制。根據香港財務報告準則第11號，合營安排視乎合營安排各方之權利及義務分類為合營或合資。相反，根據香港會計準則第31號下，共有三類合營安排：共同控制實體、共同控制資產及共同控制運作。

Notes to the Financial Statements 財務報表附註

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

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

New and revised HKFRSs issued but not yet effective (Continued)

New and revised standards on consolidation, joint arrangements, associates and disclosures (Continued)

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

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

In July 2012, the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 were issued to clarify certain transitional guidance on the application of these five HKFRSs for the first time.

These five standards, together with the amendments relating to the transitional guidance, are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time.

The directors of the Company anticipate that these five standards will be adopted in the Group’s consolidated financial statements for the annual period beginning 1 January 2013. The application of these five standards does not have significant impact on amounts reported in the consolidated financial statements.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 Investment Entities

The amendments to HKFRS 10 introduce an exception to consolidating subsidiaries for an investment entity, except where the subsidiaries provide services that relate to the investment entity’s investment activities. Under the amendments to HKFRS 10, an investment entity is required to measure its interests in subsidiaries at fair value through profit or loss.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒布惟尚未生效之新訂及經修訂香港財務報告準則（續）

有關綜合賬目、共同安排、聯營公司及披露之新訂及經修訂準則（續）

此外，香港財務報告準則第11號要求對合營公司按權益會計法入賬而香港會計準則第31號要求對共同控制實體按權益比例法綜合計算。

香港財務報告準則第12號為披露準則及適用於所有實體持有權益於附屬公司、合營安排、聯營公司及／或未被合併之結構實體。一般而言，香港財務報告準則第12號之披露要求比現行標準之要求為更詳盡。

於二零一二年七月，頒布香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號之修訂，澄清首次應用該五項香港財務報告準則之若干過渡性指引。

該五項準則連同關於過渡指引之修訂本之生效期為於二零一三年一月一日或之後開始之年度期間。允許提早應用，惟該這五項準則需同時應用。

本公司董事預期該五項準則將於二零一三年一月一日開始之年度期間於本集團綜合財務報表採用。該五項準則之應用對綜合財務報表所呈報之數額並無重大影響。

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號之修訂「投資實體」

香港財務報告準則第10號之修訂引入為投資實體合併附屬公司屬例外之情況，惟倘附屬公司提供與該投資實體之投資活動有關之服務則除外。根據香港財務報告準則第10號之修訂，一間投資實體須計量其持有之附屬公司權益，並按公允價值列賬及在損益中處理。

Notes to the Financial Statements 財務報表附註

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

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

New and revised HKFRSs issued but not yet effective (Continued)

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 Investment Entities (Continued)

To qualify as an investment entity, certain criteria have to be met. Specifically, an entity is required to:

- obtain funds from one or more investors for the purpose of providing them with professional investment management services;
- commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- measure and evaluate performance of substantially all of its investments on a fair value basis.

Consequential amendments to HKFRS 12 and HKAS 27 have been made to introduce new disclosure requirements for investment entities.

The directors of the Company anticipate that these do not have significant impact on amounts reported in the consolidated financial statements as the Company is not an investment entity.

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.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒布惟尚未生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號之修訂「投資實體」（續）

須達成若干條件方可符合投資實體之資格。具體而言，一間實體需要：

- 向一名或以上投資者取得資金，藉以向彼等提供專業投資管理服務；
- 向其投資者承諾，其以資金作出投資之業務宗旨，純粹為資本增值、投資收入或結合兩者之回報；及
- 屬下幾近全部投資之表現均按公允價值基準計量及評估。

已對香港財務報告準則第12號及香港會計準則第27號作出相應修訂，以引入對投資實體之新披露規定。

本公司董事估計，此舉不會對在綜合財務報表所申報之金額有重大影響，因為本公司並非投資實體。

香港財務報告準則第13號「公允價值計量」

香港財務報告準則第13號確立有關公允價值計量及披露公允價值計量資料之單一指引。該準則界定公允價值，確立計量公允價值之框架及有關公允價值計量之披露規定。香港財務報告準則第13號之範圍寬廣；適用於其他財務報告準則規定或允許公允價值計量及披露公允價值計量資料之財務工具項目及非財務工具項目，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之規定更為全面。例如，現時僅規限香港財務報告準則第7號財務工具：披露所述財務工具之三個公允價值層級之量化及定性披露資料將藉香港財務報告準則第13號加以擴展，以涵蓋其範圍內之所有資產及負債。

Notes to the Financial Statements 財務報表附註

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

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

New and revised HKFRSs issued but not yet effective (Continued)

HKFRS 13 Fair Value Measurement (Continued)

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

The directors of the Company anticipate that HKFRS 13 will be adopted in the Group's consolidated financial statements and the Company's financial statements for the annual period beginning 1 January 2013 and that the application of the new Standard may affect the amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

Other than disclosed above, the directors of the Company anticipate that the application of other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group and the Company.

HKAS 19 (as revised in 2011) Employee Benefits

The amendments to HKAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of HKAS 19 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus. Furthermore, the interest cost and expected return on plan assets used in the previous version of HKAS 19 are replaced with a 'net-interest' amount, which is calculated by applying the discount rate to the net defined benefit liability or asset. The amendments to HKAS 19 are effective for annual periods beginning on or after 1 January 2013 and require retrospective application.

2. 採納新訂及經修訂香港財務報告準則 («香港財務報告準則»)(續)

已頒布惟尚未生效之新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第13號「公允價值計量」(續)

香港財務報告準則第13號於二零一三年一月一日或以後開始之年度期間生效，並允許提早應用。

本公司董事預期將於二零一三年一月一日或以後開始之年度期間應用香港財務報告準則第13號於本集團之綜合財務報表及本公司財務報表，而應用該新訂準則可能會影響綜合財務報告呈列之數額，且令其須於綜合財務報表披露更為全面之資料。

除上文所披露者外，本公司董事預期應用其他新訂及經修訂準則、修訂或詮釋不會對本集團及本公司之業績及財務狀況造成重大影響。

香港會計準則第19號(於二零一一年經修訂)「僱員福利」

香港會計準則第19號之修訂本改變界定福利計劃及終止福利之會計處理方式。最重大之轉變與界定福利責任及計劃資產之會計處理方式有關。該修訂規定於界定福利責任以及計劃資產之公平價值出現變化時予以確認，及因此取消香港會計準則第19號過往版本允許之「緩衝區法」及加快確認過去服務成本。該修訂規定所有精算盈虧須即時透過其他全面收益確認，以便於綜合財務狀況表確認之淨退休金資產或負債可反映計劃虧絀或盈餘之全面價值。此外，在香港會計準則第19號過去版本中使用之計劃資產之利息成本及預期回報，乃由「淨權益」金額作代替，而該金額則是根據定額福利負債或資產淨額按貼現率計算。香港會計準則第19號之修訂於二零一三年一月一日或之後開始之年度期間生效，並須予追溯應用。

Notes to the Financial Statements 財務報表附註

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

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

New and revised HKFRSs issued but not yet effective (Continued)

HKAS 19 (as revised in 2011) Employee Benefits (Continued)

The directors anticipate that the application of the amendments to HKAS 19 has had no significant impact on the Group’s and the Company’s financial performance and positions and/or on the disclosures set out in these consolidated financial statements.

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

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

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

Except as described above, the directors anticipate that the application of the new and revised HKFRSs that have been issued but are not yet effective will have no material impact on the Group’s financial performance and position and/or disclosures set out in these financial statements.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒布惟尚未生效之新訂及經修訂香港財務報告準則（續）

香港會計準則第19號（於二零一一年經修訂）「僱員福利」（續）

董事預期，應用香港會計準則第19號之修訂並不會對本集團及本公司之財務表現及狀況及／或此等綜合財務報表載列之披露造成重大影響。

香港會計準則第1號之修訂「其他全面收益項目之呈列」

香港會計準則第1號其他全面收益的項目呈列修訂本為全面收益表及收益表引入新的術語。根據香港會計準則第1號修訂本，「全面收益表」更名為「損益及其他全面收益表」，而「收益表」則更名為「損益表」。香港會計準則第1號之修訂保留以單一報表或兩份獨立但連續報表呈列損益及其他全面收益的選擇權。然而，香港會計準則第1號之修訂規定，其他全面收益項目可劃分為兩類：(a) 其後不會重新分類至損益的項目；及(b) 於符合特定條件時，其後可重新分類至損益的項目。其他全面收益項目的所得稅須按相同基準予以分配，修訂本並無改變按除稅前或除稅後呈列其他全面收益項目的選擇權。

香港會計準則第1號之修訂於二零一二年七月一日或之後開始的年度期間生效。當未來會計期間應用該修訂時，其他全面收益項目的呈列方式將會作出相應修改。

除上述者外，董事估計應用已經頒布但尚未生效之新訂及經修訂香港財務報告準則不會對本集團之財務表現及狀況及／或財務報表所載披露有何重大影響。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and properties, which 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 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 and by the Hong Kong Companies Ordinance.

(a) 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 in 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.

Allocation of total comprehensive income to non-controlling interests

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

3. 主要會計政策

綜合財務報表已按照歷史成本基準編列，但根據公允價值列值之若干金融工具及物業則除外，詳情在下列之會計政策作出解釋。歷史成本一般根據貨品交換所得代價的公允價值釐定。

綜合財務報表已按香港會計師公會頒布之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例所規定之適用披露。

(a) 綜合基準

綜合財務報表包括本公司及受本公司控制之實體（其附屬公司）之財務報表。當本公司有權監管該實體之財務及經營政策，以便從其業務中獲取利益，即屬擁有控制權。

年內所收購或出售之附屬公司之收入及開支乃分別由收購生效日期起計算及計算至出售生效日期止（以適用者為準），列入綜合收益表。

如有需要，會對附屬公司之財務報表作出調整，以使彼等之會計政策與本集團其他成員公司採用之會計政策一致。

所有集團內部交易、結餘、收益及開支已於綜合賬目對銷。

於附屬公司之非控股權益與本集團的權益分開呈列。

分配全面收益總額予非控股權益

附屬公司之全面收益及開支總額會分配予本公司擁有人及非控股權益，即使此舉將導致非控股權益的金額出現虧損。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(a) Basis of consolidation (Continued)

Distribution In Specie

Where the Company distributed non-cash assets to its equity holders and the aforesaid non-cash assets would be ultimately controlled by the same party or parties before and after the distribution, the dividend declared is measured as the carrying amounts of such non-cash assets, which measured at historical cost and in accordance with the accounting policies set out in this note.

(b) Goodwill

Goodwill arising on an acquisition of a business is carried at cost less any 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 combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever 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 had 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 of the units, 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 in the consolidated statement of comprehensive income. 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)

(a) 綜合基準 (續)

實物分派

倘本公司向其權益持有人分派非現金資產，而上述非現金資產在分派前後由相同一方或多方最終控制，則所宣派股息以該非現金資產之賬面值計量，而該非現金資產則以歷史成本法及根據本附註所載會計政策計量。

(b) 商譽

收購業務所產生之商譽以成本減去任何累計減值虧損計算，且（如有）於綜合財務狀況表分開披露。

就減值測試而言，本集團將商譽分配予預期將受惠於合併效益之各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或組別將於每年進行減值測試，並於有跡象顯示該單位可能已經減值時更加頻密進行減值測試。就報告期間內由收購事項所產生之商譽而言，獲分配商譽之現金產生單位於報告期末前需進行減值測試。倘現金產生單位之可收回金額少於其賬面值時，減值虧損首先分配作減低該單位獲分配之任何商譽之賬面值，其後根據該單位中各項資產賬面值之比例分配予該單位之其他資產。商譽之任何減值虧損直接記入綜合全面收益表之損益中。就商譽而確認之減值虧損不會於隨後期間回撥。

於出售相關現金產生單位時，計算出售損益時須計入應佔商譽之金額。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(c) Intangible assets

(i) *Intangible assets acquired in a business combination*

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date which is regarded as their cost.

Subsequent to initial recognition, intangible assets with finite useful lives are carried at costs less subsequent accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

(ii) *Intangible assets acquired separately*

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment loss. (see the accounting policy in respect of impairment losses on tangible and intangible assets below). Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

(iii) *Derecognition of intangible assets*

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

3. 主要會計政策 (續)

(c) 無形資產

(i) 於業務合併中收購之無形資產

業務合併中收購之無形資產與商譽按收購日期之公允價值分開作初步確認(視為其成本)。

於初步確認後，具確定可用年期之無形資產乃按成本減其後累計攤銷和減值虧損列賬。具確定可用年期之無形資產乃按直線法在資產之估計可用年期內攤銷(見下文有關有形及無形資產減值之減值虧損之會計政策)。

(ii) 個別收購之無形資產

個別收購之可用年期有限之無形資產按成本減任何累計攤銷及累計減值虧損列賬(請見下列有關有形資產及無形資產減值虧損之會計政策)。有限使用年期之無形資產攤銷乃按該等資產之估計可用年期以直線法確認。估計可用年期及攤銷法於各報告期末作檢討，而任何估計變動之影響按預期基準列賬。

(iii) 取消確認無形資產

無形資產乃於預計未來並無經濟利益時取消確認。取消確認無形資產所產生之收益及虧損(其以出售所得款項淨額及資產賬面值之差額計量)乃於資產取消確認期間於損益中確認。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Financial instruments

Financial assets and financial liabilities are recognised in 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 are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

The Group's financial assets are classified into loans and receivables and available-for-sale investments. 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. All 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 financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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

The Group's and the Company's policies for available-for-sale investments, other than investments in subsidiaries, are as follows:

3. 主要會計政策 (續)

(d) 金融工具

當集團實體成為金融工具合約條文之訂約方，金融資產及金融負債會於綜合及財務狀況表內確認。金融資產及金融負債最初按公允價值計量。因收購或發行金融資產及金融負債而直接產生之交易成本，於初次確認時加入金融資產或金融負債（如適用）之公允價值，或自金融資產或金融負債（如適用）之公允價值扣除。

金融資產

本集團之金融資產劃分為貸款及應收賬款及可供出售投資。分類視乎金融資產之性質而定，並於初次確認時釐定。所有一般性購買或出售之金融資產均按交易日期基準確認或解除確認。一般性購買或出售指金融資產按市場規管或慣例確立之時限內交付。

實際利率法

實際利率法乃計算金融資產之攤銷成本及於相關期間攤分利息收入之方法。實際利率指按金融資產之預期可使用年期或較短期間內（如適用）實際貼現估計未來現金收入（包括組成實際利率、交易成本及其他溢價或折價主要部份之已付或收到之全部費用）至初始確認時之賬面淨值之利率。

債務工具之利息收入按實際利率基準確認。

本集團及本公司對投資附屬公司以外之可供出售投資之政策如下：

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Financial instruments (Continued)

Financial assets (Continued)

Available-for-sale investments

Available-for-sale investments that do not have a quoted market price in an active market and whose fair values cannot be reliably measured are recognised in the consolidated and the Company's statements of financial position at cost less impairment losses (see note 3(h)).

Dividend on available-for-sale investments are recognised in profit or loss when the Group's and the Company's rights to receive the dividends is established.

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, amounts due from subsidiaries, amounts due from former shareholders, cash and cash equivalents (see note 3(t)) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Impairment on financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are 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.

3. 主要會計政策 (續)

(d) 金融工具 (續)

金融資產 (續)

可供出售投資

並無活躍市場市價報價之可供出售投資，其公允價值未能可靠計算，須於綜合及本公司財務狀況表以成本減減值虧損確認（見附註3(h)）。

當本集團及本公司收取股息之權利確立時，可供出售投資股息於損益確認。

貸款及應收賬款

貸款及應收賬款為有固定或可釐定付款款額但並無於活躍市場內報價之非衍生金融資產。於初次確認後，貸款及應收賬款（包括應收貿易及其他賬款、應收附屬公司款項、應收前股東款項及現金及現金等價物（見附註3(t)）採用實際利率法按攤銷成本減任何已識別減值虧損列賬（見下文有關金融資產減值虧損之會計政策）。

金融資產之減值

金融資產乃於各報告期末評估減值跡象。若金融資產於初次確認後發生一項或多項事件而導致有客觀證據證明金融資產之估計未來現金流量受到影響，則視為出現減值。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Financial instruments (Continued)

Financial assets (Continued)

Impairment on financial assets (Continued)

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

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

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

For financial assets carried at amortised cost, an impairment loss is 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.

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

3. 主要會計政策 (續)

(d) 金融工具 (續)

金融資產 (續)

金融資產之減值 (續)

就其他所有金融資產而言，減值之客觀證據可包括：

- 發行人或對手方遇到嚴重財務困難；或
- 逾期或拖欠利息或本金支付；或
- 借款人有可能破產或進行財務重組；或
- 因財政困難引致金融資產不再出現活躍市場。

就若干類別之金融資產（例如應收貿易及其他賬款）而言，不會單獨作出減值之資產會另行匯集一併評估減值。應收賬款組合出現減值之客觀證據包括本集團及本公司過往收款記錄、組合內超過平均信貸期之拖欠賬款增加，以及國家或地區經濟狀況出現與應收賬款未能償還之情況相吻合之變動。

就按攤銷成本入賬之金融資產而言，所確認減值虧損乃按資產賬面值與根據金融資產之原實際利率計算之估計未來現金流量之現值之差額計量。

以成本列賬之金融資產，其減值虧損額乃根據資產賬面值及以類似金融資產現時市場回報率折讓後之估計未來現金流量之現值兩者之差額計算。該減值虧損不會於其後期間撥回。

Notes to the Financial Statements 財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Financial instruments (Continued)

Financial assets (Continued)

Impairment on financial assets (Continued)

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, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade and other receivable are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, 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 losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

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.

3. 主要會計政策 (續)

(d) 金融工具 (續)

金融資產 (續)

金融資產之減值 (續)

就所有金融資產而言，金融資產之賬面值乃根據減值虧損直接扣減，惟應收貿易賬款及其他應收款項除外，其賬面值乃利用撥備賬扣減。撥備賬賬面值之變動乃於損益確認。倘應收貿易賬款及其他應收款項被視為無法收回，則從撥備賬撇銷。此前被撇銷之款項於隨後收回後會計入損益。

就按攤銷成本入賬之金融資產而言，倘於其後之期間，減值虧損之金額出現減少而當該等減少可客觀地與確認減值虧損後所發生之事件聯繫，則此前確認之減值虧損於其後之期間於損益撥回，惟於撥回減值日期當日之資產賬面值沒有超出倘沒有確認減值之原有攤銷成本，方可進行撥回。

金融負債及股本工具

集團實體發行的債務及股本工具根據所訂立的合約安排的實質內容以及金融負債及股本工具的定義而分類為金融負債或權益。

股本工具

股本工具為證明本集團資產剩餘權益（經扣除其所有負債）之任何合約。本集團所發行股本工具按收取之所得款項進行確認並扣除直接發行成本。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Financial instruments (Continued)

Financial liabilities and equity instruments

(Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expenses 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 as 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 at fair value through profit and loss

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and is subsequently remeasured to its fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Other financial liabilities

Other financial liabilities including trade and other payables, amounts due to subsidiaries and bank borrowing are subsequently measured at amortised cost, using the effective interest rate method.

3. 主要會計政策 (續)

(d) 金融工具 (續)

金融負債及股本工具 (續)

實際利率法

實際利率法乃計算金融負債之攤銷成本及於相關期間分攤利息成本之方法。實際利率指按金融負債之預期可使用年期或較短期間內(如適用)實際貼現估計未來現金付款(包括構成實際利率部分之一切已付或已收費用、交易成本及其他溢價或折讓)至初始確認時之賬面淨值之利率。

利息開支乃按實際利率基準確認。

按公允價值計入損益之金融負債

衍生工具初步按衍生工具合約訂立日期之公允價值確認，其後於報告期末按公允價值重新計量。公允價值變動所產生之損益乃即時於損益內確認，除非衍生工具被指定為對沖工具並具此效果，則於損益內確認其公允價值變動之時間將視乎對沖關係之性質而定。

其他金融負債

其他金融負債(包括應付貿易及其他賬款、應付附屬公司款項及銀行借貸)乃隨後採用實際利率法按攤銷成本計量。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Financial instruments (Continued)

Derecognition

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

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

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

(e) Property, plant and equipment

The following properties held for own use are stated at their revalued amounts, being their fair values at the date of revaluation less any subsequent accumulated depreciation:

- freehold land and buildings; and
- land held under operating leases and buildings thereon, where the fair values of the leasehold interest in the land and buildings cannot be measured separately at the inception of the lease and the building is not clearly held under an operating lease (see note 3(g)).

Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the end of the reporting period.

3. 主要會計政策 (續)

(d) 金融工具 (續)

取消確認

本集團僅當來自資產之現金流量之合約權利屆滿時或其轉讓金融資產及其大部分資產風險及所有權回報至另一實體時取消確認金融資產。

當金融資產完全被取消確認時，資產賬面值與所收代價及任何直接於其他全面收益內內確認之累計收益或虧損總和之間之差額會於損益內確認。

當且僅當本集團之責任獲解除、取消或屆滿，則本集團解除確認金融負債。解除確認之金融負債賬面值與已付或應付代價之差額乃於損益中確認。

(e) 物業、機器及設備

以下持作自用之物業以其重估值（即根據它們在重估日之公允價值，減去任何其後之累計折舊後得出之數額）列賬：

- 永久業權土地及樓宇；及
- 按經營租約持有之土地及建於該等土地上之樓宇，該等土地及樓宇租賃權益之公允價值於租約開始日期無法分別計度，而有關樓宇並非明確根據經營租約持有（見附註3(g)）。

重估工作乃定期進行，以確保這些資產之賬面金額與報告期末採用之公允價值釐定之數額之間不會出現重大差異。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(e) Property, plant and equipment (Continued)

Other items of property, plant and equipment are stated in the consolidated and the Company's statements of financial position at cost less accumulated depreciation and impairment losses (see note 3(h)).

Any revaluation increase arising on revaluation of land and buildings is recognised in other comprehensive income and accumulated in revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in net carrying amount arising on revaluation of an asset is recognised in profit or loss to the extent that it exceeds the balance, if any, on the revaluation reserve relating to a previous revaluation of that asset. On the subsequent sale or retirement of a revaluated asset, the attributable revaluation surplus is transferred to retained profits.

Depreciation on revaluated buildings is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained profits.

Depreciation on revaluated land and buildings and other items of property, plant and equipment is provided to write off the revaluated amount and cost of items of property, plant and equipment over their estimated useful lives respectively and after taking into account of their estimated residual value, 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.

3. 主要會計政策 (續)

(e) 物業、機器及設備 (續)

其他物業、機器及設備項目以成本減去累計折舊及減值虧損(見附註3(h))後記入綜合及本公司財務狀況表。

重估土地及樓宇產生之任何重估增值會於其他全面收益確認及計入物業重估儲備，惟若回撥同一資產先前已於損益確認之重估減值則除外。在此情況下，有關重估增值將計入損益內，惟以先前扣除之減值為限。重估資產所產生之賬面淨值減少於損益內確認，惟以其超出該資產先前所作重估之物業重估儲備之餘額(如有)為限。其後出售或報廢該項經重估資產時，應佔重估盈餘會轉撥至保留溢利。

重估樓宇之折舊乃於損益內確認。其後出售或報廢該項經重估物業時，於物業重估儲備保留之應佔重估盈餘會轉撥至保留溢利。

重估土地及樓宇以及其他物業、機器及設備項目則計提折舊以於考慮其預計剩餘價值後按彼等之預期可使用年期以直線法分別撇銷物業、機器及設備項目之重估金額及成本。於各報告期末，估計可使用年期、剩餘價值及折舊法將予檢討，以便因估計變動影響預期之計算基準。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(e) Property, plant and equipment (Continued)

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purpose are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

If an item of property, plant and equipment becomes an investment property because its use has changed as evidenced by end of owner-occupation, any impairment loss between the carrying amount and the fair value of that item at the date of transfer is recognised in profit or loss. Any appreciation of the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in property revaluation reserve. On the subsequent sale or retirement of the asset, the relevant revaluation reserve will be transferred directly to retained profits.

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 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 item and recognised in profit or loss.

3. 主要會計政策 (續)

(e) 物業、機器及設備 (續)

在建工程包括以生產或自用目的而建造之物業、機器及設備乃按成本減任何已確認減值虧損進行列賬。成本包括專業費用及(就合資格資產而言)根據本集團會計政策予以資本化之借貸成本。在建工程於已完成且可供擬定用途時劃分至物業、機器及設備適當類別。當資產可作其擬定用途時，該等資產乃按等同其他物業資產之基準進行折舊。

倘某項物業、機器及設備項目因用途有所更改(終止自用)而變為投資物業，該項目於轉撥日期之賬面值與公允價值兩者之任何減值虧損將於損益中確認。相關項目於轉讓當日之公允價值出現任何增值時，於其他全面損益確認及於物業重估儲備累計。日後出售或棄置該項資產時，有關重估儲備將直接轉至保留溢利。

物業、機器及設備項目乃於出售後或預期持續使用該資產將不會產生未來經濟利益時取消確認。物業、機器及設備項目之出售或報廢所產生任何損益以銷售所得款項與項目賬面值之差額作釐定並於損益內確認。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(f) Research and development expenditure

Research and development costs comprise all costs that are directly attributable to research and development activities or that can be allocated on a reasonable basis to such activities. Because of the nature of the Group's and the Company's research and development activities, the criteria for the recognition of such costs as an asset are generally not met until late in the development stage of the project when the remaining development costs are immaterial. Hence both research costs and development costs are generally recognised as expenses in the period in which they are incurred.

(g) 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 or the Company as lessor

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

The Group or the Company as lessee

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

3. 主要會計政策 (續)

(f) 研發支出

研發成本包括所有直接由研發活動產生之成本，或可合理地分配作有關活動之成本。基於本集團及本公司之研發活動之性質，有關成本能確認為資產之條件一般須在項目研發階段之後期才能達成，而餘下之研發成本已微不足道。因此，研究成本及開發成本一般均於發生之期間內確認為開支。

(g) 租賃

凡租約條款將擁有權的絕大部分風險及回報轉讓承租人者，均分類為融資租約。所有其他租約則分類為經營租約。

本集團或本公司作為出租人

經營租約租金收入以直線法按有關租約年期於損益中確認。

本集團或本公司作為承租人

經營租約項下應付租金按直線法於有關租期自損益扣除，除非另有系統基準更能反映租賃資產消耗其經濟利益之時間模式。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(g) Leasing (Continued)

Leasehold land and buildings

When a lease includes both land and building elements, the Group and the Company 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 and the Company, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

(h) Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill in note 3(b))

At the end of the reporting period, the Group and the Company review the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered 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.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimate 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.

3. 主要會計政策 (續)

(g) 租賃 (續)

租賃土地及樓宇

凡租賃包括土地及樓宇部分，本集團及本公司以租賃資產所承擔之絕大部份風險及回報之擁有權是否已轉移本集團及本公司作為獨立評估其分類屬於融資或經營租賃之依據，除非兩部份均明顯為經營租賃且整個租賃分類為經營租賃則除外。具體而言，最低租賃款項（包括任何一次性預付款）被分配至土地及樓宇部分之比例，以其租賃在開始時土地租賃權益和樓宇租賃權益之比例分配。

(h) 有形及無形資產減損（商譽除外） （見附註3(b)有關商譽之會計政策）

本集團及本公司會於報告期末檢討其具有限可使用年期之有形及無形資產之賬面值，以確定該等資產有否出現減損之任何跡象。如出現有關跡象，會估計資產之可收回金額以釐定減值虧損之程度。

如果無法估計個別資產之可收回金額，本集團及本公司會估計該資產所屬現金產生單位之可收回金額。如有合理而一致之分配方法，企業資產會分配到個別現金產生單位，或以該合理而一致之分配方法，分配至現金產生單位中之最小群組。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(h) Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill in note 3(b)) (Continued)

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately in profit or loss, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as a revaluation decrease under that standard.

Where impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of impairment loss is recognised as income immediately in profit or loss, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that standard.

(i) Club memberships

Club memberships with indefinite useful lives are stated in the consolidated and the Company's statements of financial position at cost less impairment losses (see note 3(h)).

3. 主要會計政策 (續)

(h) 有形及無形資產減損 (商譽除外) (見附註 3(b) 有關商譽之會計政策) (續)

可收回金額是指資產之公允價值減銷售成本與使用價值兩者中之較高者。在評估使用價值時，預計未來現金流量乃按照反映當前市場對貨幣時間價值及該資產之特定風險評估 (當中並無就預計未來現金流量作出調整) 之除稅前貼現率折算至現值。

倘估計資產 (或現金產生單位) 之可收回金額低於其賬面值，則有關資產之賬面值將減至其可收回金額之水平。減值虧損乃即時確認為開支，除非有關資產 (或現金產生單位) 按另一準則計算之重估金額列賬，於此情況下，減損會被列為該準則項下之重估減少。

倘其後回撥減損，則有關資產之賬面值將增至重新修訂估計之可收回金額，惟增加後之賬面值不得超過假設該資產 (或現金產生單位) 於過往年度並無確認減損時釐定之賬面值。減損回撥會即時於損益確認為收入，除非有關資產按另一準則計算之重估金額列賬，於此情況下，減損回撥列為該項準則項下之重估增加。

(i) 會所會籍

具有無限使用年期之會所會籍按成本減減值虧損於綜合及本公司財務狀況表列賬 (見附註 3(h))。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(k) Defined contribution retirement benefit plans

Payments to the PRC and Korean local government defined contribution retirement schemes pursuant to the relevant labour rules and regulations in the PRC and Korea and the Mandatory Provident Fund Scheme (the "MPF Scheme") in Hong Kong are recognised as an expense when employees have rendered service entitling them to the contributions.

(l) Long service payments

The Group's net obligations in respect of long service payment on cessation of employment in certain circumstances under the Hong Kong Employment Ordinance is the future benefit that the employees have earned in return for their services in the current and prior periods.

For defined benefit retirement benefit plans, the cost of providing benefits is determined with actuarial valuations being carried out at the end of the reporting period. All actuarial gains and losses of defined benefit plans are recognised immediately in profit or loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the amended benefits become vested.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

3. 主要會計政策 (續)

(j) 存貨

存貨以成本及可變現淨值兩者中之較低數額入賬。成本以加權平均成本法計算。可變現淨值乃指存貨之估計銷售價減完成時所有估計成本及銷售時所需之成本。

(k) 界定供款退休福利計劃

根據中國及韓國之相關勞動規則及法規所制定之中國及韓國地方政府所界定退休供款計劃之付款以及香港之強制性公積金計劃(「強積金計劃」)於僱員提供服務時賦予其供款後確認作開支。

(l) 長期服務金

根據香港僱傭條例，本集團在若干情況下終止聘用員工而須支付之長期服務金責任淨額，數額為僱員因本期及過往期間提供服務而賺取之回報之未來利益金額。

關於界定退休福利計劃，提供福利成本乃於報告期末經精算評估後釐定。所有界定福利計劃的精算收益及虧損於其產生期間立即於損益內確認。過往服務費用按有關福利之歸屬程度即時確認，否則按平均期以直線法攤銷，直至經修訂福利歸屬為止。

於綜合財務狀況表確認之退休福利責任指界定福利責任之現值，並就未確認的過往服務費用進行調整及經扣減計劃資產的公允價值。任何以此計算方法得出的資產，均以過往服務費用為限，另加可動用退款現值及未來計劃供款扣款。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(m) Provision

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

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

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

(n) Taxation

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

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

3. 主要會計政策 (續)

(m) 撥備

倘本集團因過往事件而須承擔現有法律責任或推定責任，且本集團很可能須履行該責任，並能可靠地估計所須承擔之金額，則須確認撥備。

確認為撥備之金額乃報告期間末履行現時責任所需代價之最佳估計，並計及有關責任之風險及不確定因素。當撥備按履行現時責任估計所需之現金流量計量時，其賬面值為有關現金流量之現值（如貨幣時間價值之影響為顯著）。

倘用以償還撥備之部份或全部經濟利益預期將自第三方收回，則當實質上確認將收到償款且應收金額能可靠計量時，應收款項方確認為資產。

(n) 稅項

所得稅開支指現時應付稅項及遞延稅項。

現時應付稅項乃按本年度應課稅溢利計算。除稅前溢利與綜合全面損益表中所報溢利不同，此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，並且不包括從未課稅或可扣稅之項目。本集團及本公司採用於報告期末之前已頒布或實質頒布之稅率計算本期稅項負債。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Taxation (Continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base 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 difference 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, except where the Group and the Company 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 recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits 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.

3. 主要會計政策 (續)

(n) 稅項 (續)

遞延稅項根據綜合財務報表資產及負債賬面值及用以計算應課稅溢利相應稅基之臨時差額確認。遞延稅項負債通常會就所有應課稅臨時差額確認。遞延稅項資產一般乃就所有可扣減臨時差額按很可能出現之可利用臨時差額扣稅之應課稅溢利確認。倘於一項交易中，因商譽或因企業合併以外原因首次確認其他資產及負債而引致之臨時差額既不影響應課稅溢利亦不影響會計溢利，則不會確認該等遞延稅項資產及負債。

遞延稅項負債乃按與於附屬公司之投資有關之應課稅臨時差額而確認，惟若本集團及本公司可控制臨時差額之回撥及臨時差額很有可能不會於可見將來回撥之情況除外。

與該等投資及權益相關之可扣除暫時差額所產生之遞延稅項資產僅於可能有足夠應課稅溢利以動用暫時差額利益且預計於可見將來可予撥回時確認。

遞延稅項資產之賬面值於每一報告期末進行檢討，並於沒有足夠應課稅溢利可用以回撥所有或部份遞延稅項資產時作出相應扣減。

遞延稅項資產及負債乃按預期於負債獲償還或資產獲變現期間適用之稅率（以報告期末時已生效或實質上已生效之稅率（及稅法）為基準）計算。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Taxation (Continued)

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

For the purpose 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 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 how the properties will be recovered.)

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

(o) Revenue recognition

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

3. 主要會計政策 (續)

(n) 稅項 (續)

遞延稅項負債及資產之計算，反映本公司於報告期末時所預期對收回或償還其資產及負債之賬面值之方式所產生之稅務結果。

就計量遞延稅項負債或遞延稅項資產而言，利用公允價值模式計量的投資物業之賬面值乃假設透過銷售全數收回，除非該假設被推翻則除外。當投資物業可予折舊及於本集團的業務模式（其業務目標是隨時間而非透過銷售消耗投資物業所包含的絕大部分經濟利益）內持有時，有關假設會被推翻。倘有關假設被推翻，則上述投資物業的遞延稅項負債及遞延稅項資產根據香港會計準則第12號所載的上述一般原則（即根據將如何收回有關物業的預期方式）計量。

本期及遞延稅項於損益中確認，惟關於在其他全面收益內或直接在權益中確認之項目有關之遞延稅項除外，在此情況下，本期及遞延稅項亦於其他全面收益內或直接在權益中確認。

(o) 收益確認

收益乃按已收或應收代價之公允價值進行釐定並乃指於正常業務過程中已售貨品及所提供服務之應收款項（扣除折讓及銷售相關稅項）。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(o) Revenue recognition (Continued)

(i) Sales of goods

Revenue from sales of goods is recognised when all the following conditions are satisfied:

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

(ii) Interest income

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(iii) Rental income

Rental income under operating leases is recognised on a straight-line basis over the respective lease terms.

3. 主要會計政策 (續)

(o) 收益確認 (續)

(i) 銷售貨品

來自銷售貨品之收益於下列條件達成時確認：

- 本集團已向買方轉讓貨品擁有權之重大風險及回報；
- 本集團並無對售出貨品保留一般與擁有權相關持續管理參與之程度，亦無保留售出貨品之實際控制權；
- 收益金額能可靠地計量；
- 與交易有關之經濟利益很有可能流入本集團；及
- 就交易產生或將予產生之成本能可靠地計量。

(ii) 利息收入

金融資產之利息收入根據未償還本金及適用實際利率按時間基準入賬。於初步確認時，有關利率為將金融資產之預期年期內之估計未來收益正確地貼現至資產之賬面淨值之比率。

(iii) 租金收入

營運租約租金收入乃按直線法於有關租賃年期確認。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(p) Foreign currencies

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

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operation are translated into presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (under the heading of exchange reserve).

On the disposal of a foreign operation (i.e. a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

3. 主要會計政策 (續)

(p) 外幣

於編製各獨立集團實體之財務報表時，以該實體之功能貨幣以外貨幣（外幣）進行之交易乃按交易當日之適用匯率折算為其功能貨幣記錄。於報告期末，以外幣列值之貨幣項目按該日之適用匯率重新換算。按公允價值入賬及以外幣列值之非貨幣項目按公允價值釐定當日之適用匯率換算。外幣按歷史成本計算之非貨幣項目不進行換算。

結付貨幣項目時匯兌差額及重新換算貨幣項目於其所產生期間在損益中確認。重新換算非貨幣項目所產生之匯兌差額乃按公允價值列賬並於期內記入損益。

就呈列綜合財務報表而言，本集團之海外業務資產及負債乃按報告期末之適用匯率換算為本集團之呈列貨幣港元。收支項目按該年度之平均匯率換算。產生之匯兌差額（如有）於其他全面收益內確認並在權益按匯兌儲備中累計。

就出售海外業務（即涉及失去包括海外業務的附屬公司控制權的出售）而言，所有與該業務有關的本公司擁有人應佔權益內累計的匯兌差額會重新分類至損益。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(q) Investment properties

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

On initial recognition, investment properties are 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 properties are included in profit or loss for the period in which they arise.

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

(r) Government grants

Government grants are not recognised until there is reasonable assurance that the Group and the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants related to depreciable assets are recognised as a deduction from the carrying amount of the relevant asset in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

3. 主要會計政策 (續)

(q) 投資物業

投資物業指為收取租金及／或資本增值而持有之物業。

於初次確認時，投資物業按成本（包括任何直接應佔開支）計量。於初次確認後，投資物業按公允價值計量。投資物業公允價值變動所產生之收益或虧損於產生期間內計入損益。

投資物業於出售時，或永遠不再使用及預期不會從出售中取得將來經濟利益時取消確認。物業解除確認所產生之收益或虧損（按出售所得款項淨額與資產賬面值之差額計算）於項目取消確認之期間內計入損益。

(r) 政府補助

當本集團及本公司合理地保證會遵守政府補助之附帶條件以及將會得到資助後，政府補助方會予以確認。

政府補助乃按配對基準，於本集團將有關補助擬補償之有關成本確認為開支之期間內，於損益中確認。有關可折舊資產之政府補助，乃於綜合財務狀況報表內確認為相關資產賬面值之扣除，並於相關資產之可使用年期內系統及合理地轉撥至損益。

Notes to the Financial Statements 財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(s) Investments in subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment loss (see note 3(h)).

(t) Cash and cash equivalents

Bank balances and cash in the consolidated and the Company's statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

(u) Borrowing costs

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

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

3. 主要會計政策 (續)

(s) 於附屬公司之投資

附屬公司為本公司控制之實體。當本公司有權規管實體之財務及經營政策，以從該實體之業務中獲取利益時，即表示存在控制權。於評估控制權時，將計及目前可予行使之潛在投票權。

本公司財務狀況表所示於附屬公司之投資，是按成本減去減值虧損（見附註3(h)）後入賬。

(t) 現金及現金等價物

於綜合及本公司財務狀況表內之銀行結餘及現金包括銀行現金及手存現金以及三個月內到期之短期存款。就綜合現金流量表而言，現金及現金等價物包括現金以及上述所界定之短期存款。

(u) 借貸成本

建造任何合資格資產所直接產生之借貸成本乃撥充該等資產之成本，直至有關資產大致上可作擬定用途為止，而合資格資產為需較長時間預備以用於擬定用途之資產。

所有其他借貸成本於產生期間在損益確認。

4. 重大會計判斷及估計不確定因素之主要來源

於應用附註3所述本集團及本公司之會計政策時，本公司董事須作出有關資產及負債賬面值而目前未能從其他來源得出之判斷、估計及假設。該等估計及相關假設乃建基於過往經驗及被認為相關之其他因素。實際結果可能與該等估計有出入。

Notes to the Financial Statements 財務報表附註

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

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

Critical judgements in applying accounting policies

The following are critical judgement, apart from those involving estimations (see below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax asset arising from investment properties that are measured using fair value model, the directors have reviewed the Group's investment property portfolio and concluded that 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, in measuring the Group's deferred taxation on investment properties, the directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. As a result, the Group has recognised deferred taxes on changes in fair value of the investment properties located in the PRC and Korea. On the other hand, the Group does not recognise any deferred tax on changes in fair value of the investment properties located in Hong Kong as the Group is not subject to any income taxes in disposal of the investment properties in Hong Kong.

4. 重大會計判斷及估計不確定因素之主要來源 (續)

估計及相關假設乃以持續基準審閱。對會計估計進行修訂乃於估計修訂期間（倘修訂只影響該期間）或於修訂期間及未來期間（倘修訂同時影響本期間及未來期間）確認。

應用會計政策所作出的重大判斷

以下為董事於應用本集團的會計政策時所作出及對於綜合財務報表確認的金額具有最重大影響的主要判斷（有關估計者除外（見下文））。

投資物業之遞延稅項

就計量利用公允價值模型計量之投資物業產生之遞延稅項負債或遞延稅項資產而言，董事已審閱本集團之投資物業組合並推定本集團的投資物業並非按其業務目標為隨時間消耗投資物業所包含之絕大部分經濟利益之業務模式持有。因此，於計量本集團之投資物業之遞延稅項時，董事已釐定，利用公允價值模型計量之投資物業之賬面值透過銷售全數收回之假設將被推翻。因此，本集團已按位於中國及韓國的投資物業公允價值之變動確認遞延稅項。另一方面，由於本集團毋須於香港繳納因出售投資物業而引致之所得稅，故本集團並無確認因位於香港的投資物業之公允價值變動而產生之任何遞延稅項。

Notes to the Financial Statements 財務報表附註

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty

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

(a) Impairment on goodwill

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating units to which goodwill has been allocated. The value-in-use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. Impairment loss on goodwill of Nil (2011: approximately HK\$5,857,000) has been recognised for the year. The carrying amount of goodwill at 31 December 2012 and the details of the impairment test are disclosed in note 21.

(b) Impairment of property, plant and equipment

The Group and the Company review the carrying amounts of the assets at the end of each reporting period to determine whether there is objective evidence of impairment. When indication of impairment is identified, management prepares discounted future cash flow to assess the differences between the carrying amount and value-in-use and provide for impairment loss. Any change in the assumption adopted in the cash flow forecasts would increase or decrease in the provision of impairment loss and affect the Group's and the Company's net asset value. At 31 December 2012, the carrying values of property, plant and equipment of the Group is approximately HK\$23,112,000 (2011: HK\$173,250,000). The carrying values of property, plant and equipment of the Company is Nil for the year (2011: Nil).

4. 重大會計判斷及估計不確定因素之主要來源 (續)

估計不確定因素之主要來源

以下討論有關未來之主要假設以及於報告期末所作估計之不確定性之其他主要來源，而該等假設及不確定性大有可能導致須於下一個財政年度內對資產及負債賬面值作重大調整。

(a) 商譽減值

釐定商譽是否減值需要估計商譽所獲分配之現金產生單位使用值。使用值計算規定本集團估計現金產生單位預期產生之未來現金流量以及適當貼現率以計量現值。倘實際未來現金流量低於預期，則出現重大減值虧損。商譽之減值虧損為零（二零一一年：約5,857,000港元）已於年內予以確認。於二零一二年十二月三十一日，商譽之賬面值及減值測試之詳情於附註21披露。

(b) 物業、機器及設備之減值

本集團及本公司於各報告期末覆核資產之賬面值，以釐定是否有減值之客觀依據。倘出現減值跡象，管理層編製經貼現現金流量，以評估賬面值及使用值之差額，並作出撥備。就現金流預測所作出假設如有任何變化，可能會使減值虧損撥備增加或減少，從而影響本集團及本公司之資產淨值。於二零一二年十二月三十一日，本集團物業、機器及設備之賬面值約23,112,000港元（二零一一年：173,250,000港元）；本公司物業、機器及設備本年之賬面值為零港元（二零一一年：零）。

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

(c) Impairment of trade and other receivables

Impairment losses for trade and other receivables are assessed and provided based on the directors' regular review of ageing analysis and evaluation of collectability. A considerable level of judgment is exercised by the directors when assessing the credit worthiness and past collection history of each individual customer. An increase or decrease in the above impairment loss would affect the profit in the year and in future years. Impairment of approximately HK\$1,365,000 (2011: HK\$156,000) of continuing operations has been recognised for the year. At 31 December 2012, the carrying amount of trade receivables and other receivables of the Group were approximately HK\$55,285,000 and HK\$10,193,000 (2011: HK\$112,339,000 and HK\$37,900,000) respectively; Trade and other receivables of the Company for the year are Nil and Nil (2011: Nil and approximately HK\$23,380,000) respectively.

(d) Impairment of intangible assets

Determining whether intangible assets are impaired requires an estimation of the value-in-use of the intangible assets. The value-in-use calculation requires the Group and the Company to estimate the future cash flows expected to arise from the patents and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. Impairment of approximately HK\$5,929,000 (2011: Nil) has been recognised in discontinued operations for the year. At 31 December 2012, the carrying values of patents of the Group is Nil (2011: HK\$16,327,000); the carrying value of patents of the Company is Nil for the year (2011: Nil).

4. 重大會計判斷及估計不確定因素之主要來源 (續)

估計不確定因素之主要來源 (續)

(c) 應收貿易及其他賬款之減值

就應收貿易及其他賬款所評估及準備之減值虧損乃以董事就賬齡分析及款項可收回程度之評估而進行之定期覆核為基準。評估個別客戶之信用程度及還款記錄時，需董事作出相當程度之判斷。上述資產減值之增加或減少或會影響年內及未來年度之溢利。持續經營業務之減值約1,365,000港元（二零一一年：156,000港元）已於年內予以確認。於二零一二年十二月三十一日，本集團之應收貿易及其他賬款之賬面值分別約為55,285,000港元及10,193,000港元（二零一一年：112,339,000港元及37,900,000港元）；本公司應收貿易及其他賬款於年內分別約為零及零（二零一一年：零及23,380,000港元）。

(d) 無形資產之減值

釐定無形資產是否減值需要估計無形資產使用值。使用值計算規定本集團及本公司估計專利所產生預期未來現金流量及適用貼現率以計量現值。倘實際未來現金流量低於預期，則出現重大減值虧損。已終止經營業務之減值約5,929,000港元（二零一一年：無）已於年內予以確認。於二零一二年十二月三十一日，本集團專利之賬面值為零（二零一一年：16,327,000港元）；年內本公司之專利賬面值為零（二零一一年：零）。

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

(e) Allowance for inventories

The Group perform regular review of the carrying amounts of inventories with reference to aged inventories analysis, expected future consumption and management judgment. Based on this review, write down of inventories will be made when the carrying amounts of inventories decline below their estimated net realisable value. Significant judgment is required. In making this judgment, the Company evaluates, amongst other factors, the duration and extent and the means by which the amount will be recovered. These estimates are based on the current market condition and past experience in sales of similar products. It could change significantly as a result of changes. Due to changes in technology and market conditions, actual consumption may be different from estimation and profit or loss could be affected by differences in this estimation. During the year, the continuing operations wrote down of inventories approximately HK\$1,982,000 (2011: HK\$18,897,000). At 31 December 2012, the net book value of inventories of the Group is approximately HK\$26,384,000 (2011: HK\$64,009,000).

(f) Income taxes

Determining income tax provisions involves judgment on the future tax treatment of certain transactions and interpretation of tax rules. The Group and the Company carefully evaluate tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation. Details of taxation are set out in note 11.

4. 重大會計判斷及估計不確定因素之 主要來源 (續)

估計不確定因素之主要來源 (續)

(e) 存貨撥備

本集團經參考存貨之賬齡分析、預期未來使用量及管理層判斷就存貨之賬面值進行定期檢討。根據該檢討，倘存貨之賬面值低於其估計可變現淨值則作出撇減。重大判斷須作出。於作出相關判斷時，本公司評估（其中包括）其他因素、金額將予以回收之期限及範圍以及方式。相關估計乃根據現時市況及銷售類似產品之過往經驗進行。因其變動，結果變動會很明顯。由於技術及市場變化，實際使用量可能與估計不同，而損益可能因估計之不同而受影響。年內，持續經營業務撇減存貨約1,982,000港元（二零一一年：18,897,000港元）。於二零一二年十二月三十一日，本集團之存貨賬面淨值約26,384,000港元（二零一一年：64,009,000港元）。

(f) 所得稅

釐定所得稅撥備涉及對若干交易日後稅務處理之判斷及對稅務法例之詮釋。本集團及本公司謹慎評估交易之稅務影響並據此製訂稅務撥備。本集團定期重新審議上述交易之稅務處理以便將所有稅法變動考慮在內。稅項詳情載於附註11。

Notes to the Financial Statements 財務報表附註

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

(f) *Income taxes (Continued)*

Deferred tax assets have not been recognised for unutilised tax losses and deductible temporary differences. As those deferred tax assets can only be recognised to the extent that it is probable that future profit will be available against which the unused tax credit can be utilised, management's judgment is required to assess the probability of future taxable profits. Management's assessment is constantly reviewed and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax asset to be recovered. Details of deferred tax are set out in note 33.

(g) *Fair value of financial liabilities at fair value through profit and loss*

As disclosed in note 32, the fair value of the derivative financial liabilities at the measurement date was determined using option pricing models. Application of option pricing models requires the Group to estimate the prominent factors affecting the fair value, including but not limited to, the expected life of the derivative instruments and the expected volatility of the market price.

Where the estimation on the abovementioned factors is different from those previously estimated, such differences will impact the fair value gain or loss of the derivative financial instruments in the period in which such determination is made.

4. 重大會計判斷及估計不確定因素之 主要來源 (續)

估計不確定因素之主要來源 (續)

(f) *所得稅 (續)*

已就未動用之稅務虧損及可抵扣暫時差額確認遞延稅項資產。由於遞延稅項資產只限在很可能獲得能利用該遞延稅項資產來抵扣之未來應課稅溢利時才會確認，因此需要管理層判斷獲得未來應課稅溢利之可能性。本集團不斷審閱管理層之評估，倘若很可能獲得能利用遞延稅項資產之未來應課稅溢利，便會確認額外之遞延稅項資產。遞延稅項詳情載於附註33。

(g) *按公允價值計入損益之金融負債之公允價值*

誠如附註32所披露，衍生金融負債於計量日之公允價值乃以期權定價模式釐定。本集團於應用期權定價模式時須預測主要影響公允價值之因素，其中包括(但不限於)衍生工具之預計年期及市價之預期波幅。

倘上述因素之估計與先前估計有別，有關差異將影響釐定期間衍生金融工具之公允價值盈利或虧損。

Notes to the Financial Statements 財務報表附註

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

(h) *Estimate of fair value of land and buildings and investment properties*

As described in notes 18 and 19, the Group's land and buildings and investment properties were revalued at the end of the reporting period on an open market value basis by an independent professional valuer. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the judgment, the Group considers information from current prices in an active market for similar properties and uses assumptions that are mainly based on market conditions existing at the end of each reporting period.

(i) *Impairment of interests in subsidiaries*

Determining whether the investments in subsidiaries are impaired requires an estimation of the future cash flows expected to arise from the subsidiaries in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

During the year ended 31 December 2012, impairment loss on Company's investments in the subsidiaries of approximately HK\$11,258,000 (2011: approximately HK\$55,648,000) was recognised as the directors of the Company are in the opinion that the share of assets of the subsidiaries are less than then investment cost. Details are set out in note 20.

4. 重大會計判斷及估計不確定因素之 主要來源 (續)

估計不確定因素之主要來源 (續)

(h) *土地及樓宇以及投資物業之公允價值估計*

根據附註18及19所載述，本集團之土地及樓宇以及投資物業乃於報告期末按公開市值基準由獨立估值師重新估值。相關估值乃根據若干假設進行，且須面臨不明確因素並或會與實際結果相比出現重大偏差。本集團於作出判斷時考慮同類物業於活躍市場之現有價格，並採用主要根據各報告期末現有市況所作出之假設。

(i) *於附屬公司之權益減值*

釐定於附屬公司之投資是否減值需要估計附屬公司預期所產生之未來現金流量，以計量現值。倘實際未來現金流量低於預期，則出現重大減值虧損。

於截至二零一二年十二月三十一日止年度，本公司於附屬公司之投資時所產生減值虧損約11,258,000港元（二零一一年：55,648,000港元）已予以確認，乃因本公司董事認為分佔附屬公司資產少於當時投資成本。詳情載於附註20。

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

(j) Provision for long service payment

Certain of the Group's and employees have completed the required number of years of service to the Group in order to be eligible for long service payments under the Hong Kong Employment Ordinance in the event of the termination of their employment. The Group is liable to make such payments in the event that such a termination of employment meets the circumstances specified in the Hong Kong Employment Ordinance. A provision is recognised in respect of the probable future long service payments expected to be made. The Group's provision for long service payment is determined with reference to statutory requirements, the employees' remuneration, their years of service and age profile, and demographic assumptions. The basis of estimation is reviewed on an on-going basis and revised where appropriate. Any changes to these assumptions will impact the carrying amount of provision for long service payments and the results and financial position of the Group.

5. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of debt, which includes bank borrowing disclosed in note 29, cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves. The directors of the Company review the capital structure periodically. As a part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on the recommendations of the directors, the Group will balance its overall capital structure through new share issues and share buy-backs as well as issue of new debt or the redemption of existing debt.

4. 重大會計判斷及估計不確定因素之主要來源 (續)

估計不確定因素之主要來源 (續)

(j) 長期服務金準備

本集團若干僱員已完成對本集團之規定服務年期，倘被解僱，該等僱員將有資格根據香港僱傭條例獲得長期服務金。倘有關解僱符合香港僱傭條例之指定情況，則本集團須支付該等款項。已就預期可能需於日後作出之長期服務金確認相關撥備。本集團乃按法例規定、僱員酬金、其服務年資及年齡，以及多項人口統計學假設釐定長期服務金準備。本公司會不斷檢討估計基準及在適當時作出修訂。該等假設如有任何變更，將會影響長期服務金準備之賬面值，因而影響本集團之業績及財務狀況。

5. 資本風險管理

本集團及本公司管理其資本，以確保本集團及本公司之實體將能夠持續經營，同時透過優化債務及股本結餘而最大程度為股東謀取回報。本集團及本公司之整體策略自去年以來維持不變。

本集團之資本架構包括債務，即附註29披露之銀行借貸、現金及現金等價物及本公司擁有人應佔權益（包括已發行股本及儲備）。本公司董事定期檢討股本架構。作為檢討部分，本公司董事認為，股本成本及風險與各類股本有關連。根據董事之推薦建議，本集團將會透過新股份發行及股份購回以及發行新債務或贖回現有債務方式平衡整體資本架構。

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

6. FINANCIAL INSTRUMENTS

6. 金融工具

(a) Categories of financial instruments

(a) 金融工具分類

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Financial assets	金融資產		
Available-for-sale investments	可供出售投資	–	–
Loans and receivables (including cash and cash equivalents)	貸款及應收賬款包括現金(及現金等價物)	174,485	243,124
		174,485	243,124
Financial liabilities	金融負債		
Liabilities measured at amortised cost	按攤銷成本計量之負債	91,295	175,954
Financial liabilities at fair value through profit and loss	按公允價值計入損益之金融負債	–	5,908
		91,295	181,862

		The Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Financial assets	金融資產		
Available-for-sale investments	可供出售投資	–	–
Loans and receivables (including cash and cash equivalents)	貸款及應收賬款(包括現金及現金等價物)	–	30,070
		–	30,070
Financial liabilities	金融負債		
Liabilities measured at amortised cost	按攤銷成本計量之負債	17,612	–

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

6. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investments, trade and other receivables, amounts due from former shareholders, cash and cash equivalents, trade and other payables, financial liabilities at fair value through profit and loss and bank borrowing. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (interest rate risk, foreign currency risk and other price risk), credit risk and liquidity risk.

The Company's major financial instruments include amounts due from subsidiaries, amounts due from former shareholders, other payables and amounts due to subsidiaries. Details of these are disclosed in respective notes. The risk associated with these financial instruments include credit risk and liquidity risk.

The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank borrowing (see note 29 for details of this borrowing) and variable rate bank deposits.

At 31 December 2012, it is estimated that a general increase/decrease of 10 basis points (2011: 10 basis points) in interest rates for bank deposits and bank borrowing, with all other variables held constant, would have increased/decreased the Group's loss after taxation, increased/decreased the Group's retained profits by approximately HK\$76,000 (2011: decrease/increase the Group's profit after tax and the Group's retained profits by approximately HK\$55,000) respectively. Other components of equity would not be affected by the changes in interest rates.

6. 金融工具

(b) 財務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、應收貿易及其他賬款、應收前股東款項、現金及現金等價物、應付貿易及其他賬款、按公允價值計入損益之金融負債及銀行借貸。該等金融工具之詳情於各附註內披露。與該等金融工具相關之風險包括市場風險(利率風險、外匯風險及其他價格風險)、信貸風險及流動資金風險。

本公司主要金融工具包括應收附屬公司款項、應收前股東款項、其他應付款項及應付附屬公司款項。有關詳情於各附註內披露。與該等金融工具相關之風險包括信貸風險及流動資金風險。

有關如何降低該等風險之政策載列如下。管理層對該等風險進行管理及監控，以確保能夠以時和有效之方式實施合適之措施。

市場風險

利率風險

本集團面臨與浮息銀行借貸(見附註29，以瞭解借貸詳情)及浮息銀行存款有關之現金流利率風險。

於二零一二年十二月三十一日，於其他一切可變因素維持不變情況下，估計銀行存款及銀行借貸之利率全面增加/減少10個基點(二零一一年：10個基點)，將會導致本集團除稅後虧損及本集團保留溢利增加/減少約76,000港元(二零一一年：本集團之除稅後溢利及本集團保留溢利減少/增加約55,000港元)。利率波動不會對權益下之其他項目產生影響。

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

6. FINANCIAL INSTRUMENTS (Continued)

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

Market risk (Continued)

Interest rate risk (Continued)

The sensitivity analysis above indicates the instantaneous change in the Group's losses for the year (and retained profits) that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to remeasure those financial instruments held by the Group which expose the Group to cash flow interest rate risk at the end of the reporting period. The analysis is performed on the same basis for 2011. A 10 basis points (2011: 10 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Foreign currency risk

The Group are exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and bank balances and borrowing that are denominated in a foreign currency i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to the risk are primarily United States dollars ("USD"), RMB and KRW. The Group ensure that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

利率風險 (續)

以上敏感度分析顯示假設利率變動於報告期末發生時對本集團年內虧損(及保留溢利)所產生之即時影響,並已用於重新計量本集團所持金融工具,該等金融工具使本集團於報告期末面對公允價值利率風險。該項分析按與二零一一年相同之基準進行。當內部向主要管理人員匯報利率風險時,利用10個基點(二零一一年:10個基點)之增減並代表管理層對利率之潛在變動作出之評估。

外匯風險

本集團主要因買賣交易產生以外幣(即就該交易而言並非相關業務之功能貨幣)為單位之應收款項、應付款項及銀行結餘及借貸,而面對外匯風險。面臨風險之貨幣主要包括美元(「美元」)、人民幣及韓圓。本集團於有需要時按現貨匯率買賣外幣,以應付短期不平衡情況,務求確保所面對之外幣淨風險處於可接受水平。

Notes to the Financial Statements 財務報表附註

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

6. FINANCIAL INSTRUMENTS (Continued)

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

Market risk (Continued)

Exposure to currency risk

The following tables detailed the Group's exposure at the end of the reporting period to currency risk arising from monetary assets and liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purpose, the amounts of the exposure are shown in HK\$, translated using the spot rate at the end of the reporting period.

The Group

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

所面對之貨幣風險

下表詳列本集團於報告期末所面對之貨幣風險，有關風險是因有關公司之功能貨幣以外之貨幣為單位之貨幣資產及負債而產生。為方便呈列，風險金額以港元顯示，按年底之現貨匯兌予以換算。

本集團

		2012 二零一二年		2011 二零一一年	
		Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元	Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元
USD	美元	79,604	27,962	176,115	24,354
RMB	人民幣	31,653	15,613	16,668	10,700
KRW	韓圓	312	19,820	29,829	94,702
		111,569	63,395	222,612	129,756

Notes to the Financial Statements 財務報表附註

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

6. FINANCIAL INSTRUMENTS (Continued)

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

Market risk (Continued)

Sensitivity analysis

The following table indicated the instantaneous change in the Group's loss after taxation (and retained profits), the Company's profit after taxation (and retained profits) that would arise if the foreign exchange rates to which the Group have significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between the HK\$ and the USD would be materially unaffected by any changes in movement in value of the USD against other currencies.

The Group

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

敏感度分析

下表顯示本集團及本公司於報告期末時具重大風險之外幣匯率於當日變動對本集團除稅後虧損(及保留溢利)及本公司除稅後溢利(及保留溢利)之即時影響,已假設其他風險變數不變。就此而言,乃假設已掛鈎之港元與美元匯率不會因美元兌其他貨幣匯價走勢之任何變動而受到重大影響。

本集團

		2012 二零一二年		2011 二零一一年	
		Increase/ (decrease) in foreign exchange rates 外幣匯率 上升/(下降)	Effect on loss after taxation 對除稅後 虧損之影響 千港元 HK\$'000	Increase/ (decrease) in foreign exchange rates 外幣匯率 上升/(下降)	Effect on loss after taxation 對除稅後 溢利之影響 千港元 HK\$'000
USD	美元	1.0% (1.0)%	431 (431)	1.0% (1.0)%	1,265 (1,265)
RMB	人民幣	2.0% (2.0)%	268 (268)	2.0% (2.0)%	441 (441)
KRW	韓圓	7.0% (7.0)%	(1,140) 1,140	4.0% (4.0)%	(1,498) 1,498

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the group entities' profit or loss for the year and equity measured in the respective functional currencies, translated into HK\$ at the exchange rate ruling at the end of the reporting period for presentation purposes.

上表所呈列之分析結果顯示本集團各個實體以個別功能貨幣計量並按報告期末之匯率兌換為港元時之本年度溢利或虧損與權益之即時合併影響。

Notes to the Financial Statements 財務報表附註

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

6. FINANCIAL INSTRUMENTS (Continued)

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

Market risk (Continued)

Sensitivity analysis (Continued)

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to remeasure those financial assets and liabilities held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for 2011.

Credit risk

As at 31 December 2012, 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 provided by the Group is arising from the carrying amount of respective recognised financing assets as stated in the consolidated statements of financial position. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

The credit terms granted by the Group to its customers generally range from 30 to 90 days. New customers are normally required to trade on a cash basis. Credit is offered to existing customers following an established payment record. Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates.

The Group do not obtain collateral from customers for the years ended 31 December 2012 and 31 December 2011.

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

敏感度分析 (續)

敏感度分析已假設外幣匯率之變動已用於重新計量本集團所持有並於報告期末使本集團面臨外匯風險之金融資產及負債。此分析不包括將外地業務之財務報表換算成本集團之呈列貨幣所產生之差額。該項分析按與二零一一年相同之基準進行。

信貸風險

於二零一二年十二月三十一日，本集團因對手方未能履行責任而可能面臨財務虧損之最高信貸風險，乃因綜合財務狀況表中所述各項已確認金融資產之賬面值而產生。管理層具備信貸政策，而該等信貸風險乃按持續基準監察。

本集團給予客戶之賒賬期，一般介乎30日至90日。新客戶一般會以現金方式進行交易。在評估付款記錄之情況後，會給予現有客戶信貸。倘客戶要求給予超過某金額之信貸，則會對所有有關客戶作個別信貸評估。該等評估集中於客戶以往到期還款之紀錄及現時還款之能力，並考慮到客戶本身特有之資料及與客戶經營所在經濟環境有關之資料。

截至二零一二年及二零一一年十二月三十一日止年度，本集團並沒有向客戶收取抵押品。

Notes to the Financial Statements 財務報表附註

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

6. FINANCIAL INSTRUMENTS (Continued)

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

Credit risk (Continued)

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. At the end of the reporting period, the Group has a certain concentration of credit risk as 23% (2011: 7%) and 58% (2011: 27%) of the total trade and bills receivables was due from the Group's largest customer and the five largest customers, respectively.

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

The Group's concentration of credit risk by geographical locations is mainly in Hong Kong for 2012 and the PRC for 2011, which accounted for 46% (2011: 48%) of the total trade receivables as at 31 December 2012.

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

For the year ended 31 December 2011, the directors of the Company considered the Company's credit risk is the same as the Group level as disclosed above. For the year ended 31 December 2012, the Company does not have material credit risk as most of its receivables are inter-company balances.

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險 (續)

本集團所面對之信貸風險主要受到每名客戶個別特性之影響。客戶所經營的行業及國家之違約風險亦影響到信貸風險，但影響程度較低。於報告期末，本集團有若干集中信貸風險，因其應收貿易賬款中有約23% (二零一一年：7%) 及58% (二零一一年：27%) 分別來自本集團之最大客戶及五大客戶。

為了儘量降低信貸風險，本集團管理層已委派一組人員負責制定信貸限額、信貸審批及其他監控程序，藉以確保採取跟進行動收回逾期債項。此外，本集團會在各報告期末審閱各項個別貿易債項之可收回金額，確保對無法收回金額計提充足之減值虧損撥備。有鑒於此，本公司董事認為本集團之信貸風險已顯著降低。

本集團按地域劃分之集中信貸風險於二零一二年主要位於香港，於二零一一年則主要位於中國，於二零一二年十二月三十一日佔貿易應收賬款總額之46% (二零一一年：48%)。

流動資金之信貸風險有限，因為大部分對手方均為獲國際信貸評級機構發出信貸評級較高之銀行。

於截至二零一一年十二月三十一日止年度，本公司董事認為，本公司之信貸風險與上述披露之本集團之信貸風險水平相若。於截至二零一二年十二月三十一日止年度，本公司並無面臨任何重大信貸風險，乃因其大部份應收賬款為集團內部公司交易結餘。

Notes to the Financial Statements 財務報表附註

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

6. FINANCIAL INSTRUMENTS (Continued)

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

Liquidity risk

The Group's and the Company's policies are to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate lines of funding from major financial institutions to meet its liquidity requirements in the short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The management also monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The following tables detailed the Group's and the Company's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

In addition, the following table details the Group's and the Company's liquidity analysis for its derivative financial instruments. The tables have been drawn up based on the undiscounted contractual net cash (inflows) and outflows on derivative instruments that settle on a net basis, and the undiscounted gross (inflows) and outflows on those derivatives that require gross settlement. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the end of the reporting period.

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

流動資金風險

本集團及本公司之政策為定期監察流動資金需求，以確保其備有足夠現金儲備及可向大型財務機構取得足夠融資額度，以應付短、中及長期流動資金需要以及流動資金管理需求。本集團管理流動資金風險時，乃透過維持充足儲備、銀行融資及儲備借貸融資，持續監察預測及實際現金流量，以及對金融資產及金融負債之到期情況進行配對。

下表根據協定之還款條款詳細列明，本集團及本公司非衍生金融負債餘下之合約到期期限。該表乃按本集團及本公司須付款之最早日期並以金融負債中之未貼現現金流量為基準編製。該表載列了利息及本金現金流量。在利息流按浮動利率計息之前提下，未貼現金額乃自報告期末之利率曲線得出。

此外，下表詳列本集團及本公司衍生金融工具之流動資金分析，顯示以淨值結算之衍生工具未貼現合約現金淨值（流入量）及流出量與以總額結算之衍生工具未貼現總額（流入量）及流出量。倘應付款項不固定，未貼現金額乃參考報告期末之利率曲線得出。

Notes to the Financial Statements 財務報表附註

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

6. FINANCIAL INSTRUMENTS (Continued)

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

Liquidity risk (Continued)

The Group

		2012 二零一二年				
		Within 1 year or on demand 一年內或 按要求 HK\$'000 千港元	After 1 year but within 2 years 一年後 但兩年內 HK\$'000 千港元	After 2 years but within 5 years 兩年後 但五年內 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總計 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
Non-derivative financial liabilities	非衍生金融負債					
Trade and other payables	應付貿易及其他賬款	72,612	–	–	72,612	72,612
Bank borrowing	銀行借貸	20,102	–	–	20,102	19,548
		92,714	–	–	92,714	92,160
Derivative – gross settlement	衍生 – 總額結算					
Financial liabilities at fair value through profit and loss	按公允價值計入損益之金融負債	–	–	–	–	–

		2011 二零一一年				
		Within 1 year or on demand 一年內或 按要求 HK\$'000 千港元	After 1 year but within 2 years 一年後 但兩年內 HK\$'000 千港元	After 2 years but within 5 years 兩年後 但五年內 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總計 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
Non-derivative financial liabilities	非衍生金融負債					
Trade and other payables	應付貿易及其他賬款	101,992	–	–	101,992	101,992
Bank borrowing	銀行借貸	77,226	–	–	77,226	73,962
		179,218	–	–	179,218	175,954
Derivative – gross settlement	衍生 – 總額結算					
Financial liabilities at fair value through profit and loss	按公允價值計入損益之金融負債	5,908	–	–	5,908	5,908

In order to manage the above liquidity demands, at 31 December 2012, approximately HK\$99,241,000 (2011: HK\$109,710,000) of the Group's assets are held in cash net with restricted deposit respectively.

為管理上述流動資金需求，於二零一二年十二月三十一日，本集團約99,241,000港元（二零一一年：109,710,000港元）之資產分別以現金（經扣除受限制存款）方式持有。

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財務報表附註

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

6. FINANCIAL INSTRUMENTS (Continued)

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

Liquidity risk (Continued)

The Company

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

流動資金風險 (續)

本公司

		2012 二零一二年			Carrying amount and total undiscounted cash flow 未貼現現金流量總計 HK\$'000 千港元
		Within 1 year or on demand 一年內或按要求 HK\$'000 千港元	After 1 year but within 2 years 一年後但兩年內 HK\$'000 千港元	After 2 years but within 5 years 兩年後但五年內 HK\$'000 千港元	
Non-derivative financial liabilities	非衍生金融負債				
Amounts due to subsidiaries	應付附屬公司款項	17,387	—	—	17,387
Other payables	其他應付款項	225	—	—	225
		17,612	—	—	17,612

		2011 二零一一年			Carrying amount and total undiscounted cash flow 未貼現現金流量總計 HK\$'000 千港元
		Within 1 year or on demand 一年內或按要求 HK\$'000 千港元	After 1 year but within 2 years 一年後但兩年內 HK\$'000 千港元	After 2 years but within 5 years 兩年後但五年內 HK\$'000 千港元	
Non-derivative financial liabilities	非衍生金融負債				
Amounts due to subsidiaries	應付附屬公司款項	—	—	—	—
Other payables	其他應付款項	—	—	—	—
		—	—	—	—

In order to manage the above liquidity demands, at 31 December 2012, the Company controls the dividend policy of the subsidiaries which has agreed to provide adequate funds for the Company to meet in full its financial obligations as they fall due.

為管理上述流動資金需求，於二零一二年十二月三十一日，本公司控制附屬公司之股息政策。該等附屬公司同意向本公司提供足夠資金，以應付所有到期之財務責任。

Notes to the Financial Statements 財務報表附註

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

6. FINANCIAL INSTRUMENTS (Continued)

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

Fair values

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

- the fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis; and
- the fair value of derivative instruments is calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

The directors of the Company consider that the fair values of other financial assets and financial liabilities recorded at amortised cost in the financial statements approximate to their corresponding carrying amounts due to short-term or immediate maturity.

Fair value measurements recognised in the consolidated and the Company's statements of financial position.

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

公允價值

金融資產及金融負債之公允價值釐定如下：

- 其他金融資產及金融負債（不包括衍生工具）之公允價值乃按貼現現金流量分析；及
- 衍生工具之公允價值以報價計算。當未能獲取有關價格時，就非期權衍生工具而言，公允價值將以其有效期適用之孳息曲線進行折算現金流量分析估計，而就期權衍生工具而言，公允價值則採用期權定價模式進行估計。

本公司之董事認為，在財務報表內按攤銷成本記錄之其他金融資產及金融負債與其相應賬面值相若，乃因短期或直接到期所致。

在綜合及本公司財務狀況表中確認之公允價值計量。

Notes to the Financial Statements 財務報表附註

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

6. FINANCIAL INSTRUMENTS (Continued)

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

Fair values (Continued)

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

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the assets or liability that are based on observable market data (unobservable inputs).

6. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

公允價值 (續)

下表提供初次確認後按公允價值計量之金融工具分析，並根據可觀察公允價值之程度歸類為第一至三層。

- 第一層公允價值計量乃根據相同資產或負債在活躍市場之報價（未經調整）計算所得。
- 第二層公允價值計量乃根據除第一層所包括報價以外而就資產或負債而言屬可觀察之輸入資料，直接（即作為價格）或間接（即來自價格）計算所得。
- 第三層公允價值計量乃使用估值技巧而其中輸入並非基於可觀察市場數據之資料（非觀察輸入資料）所得。

		2012 二零一二年	2011 二零一一年
		Level 2 第二層	Level 2 第二層
		HK\$'000 千港元	HK\$'000 千港元
Financial liabilities at fair value through profit and loss	按公允價值計入損益之金融負債	—	5,908

There were no transfers between level in both years.

Included in consolidated income statement is an amount of approximately HK\$5,908,000 (2011: HK\$544,000) fair value gain related to the financial liabilities at fair value through profit and loss held at the end of the reporting period.

兩個年度內各層級之間概無轉撥。

計入綜合損益表乃有關於報告期末持有之按公允價值計入損益之金融負債之公允價值收益約5,908,000港元（二零一一年：544,000港元）。

Notes to the Financial Statements 財務報表附註

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

7. SEGMENT INFORMATION

The Group is principally engaged in the manufacture and sale of electronic components and properties investment. The Group's operations are divided into three reportable segments: composite components segment, unit electronic components segment and properties investment segment. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

The chief operating decision maker assesses the performance of the operating segment primarily based on segment profit. The Group has only two reportable segments before: composite components segment and unit electronic components segment. Subsequent to the completion of the Group Reorganisation as mentioned in note 1 above, the chief operating decision maker considers the performance of the properties investment as a new reporting segment in the current year based on its relative significance in terms of turnover, profit and assets value attributable to the Group. So, the Group's performance of properties investment was reclassified from the unallocated segment to properties investment segment.

During the year, the Group paid a special dividend by way of Distribution In Specie of shares in a subsidiary, Jay Star, in which its subsidiaries carried out the composite components and unit electronic components operations. This resulted in the Group disposing of a separate major geographical area of operations in Korea, as the result from composite components and unit electronic components operations in Korea of the Group for the years ended 31 December 2012 and 31 December 2011 are only contributed by the subsidiaries of Jay Star. Details of the discontinued operations are set out in note 12.

7. 分部資料

本集團主要從事製造及銷售電子元件及物業投資。本集團之營運分為三個可呈報分部：複合元件分部、單位電子元件分部及物業投資分部。在達成本集團可呈報分部時，最高營運決策者所辨識之營運分部並未予以合併。

主要營運決策者主要按分部溢利評估營運分部之表現。本集團之前僅有兩個報告分部：複合元件分部及單位電子元件分部。於完成附註1所述的集團重組後，基於物業投資對於本集團應佔營業額、溢利及資產價值的相對重要性，主要營運決策者將其作為新報告分部評估表現。因此，本集團之物業投資表現已從未經分配分部改列為物業投資分部。

本集團於本年度通過實物分派於附屬公司 Jay Star (其附屬公司從事複合元件及單位電子元件業務) 股份的形式派付特別股息。由於本集團於截至二零一二年及二零一一年十二月三十一日止年度於韓國的複合元件及單位電子元件業務之業績僅來自 Jay Star 的附屬公司，這導致本集團出售一個單一主要地區 (韓國) 的業務。有關已終止經營業務之詳情載於附註 12。

Notes to the Financial Statements
財務報表附註

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

7. SEGMENT INFORMATION (Continued)

Segment turnover and results

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

Year ended 31 December 2012

7. 分部資料 (續)

分部營業額及業績

以下為本集團之營業額及業績按可呈報分部所作之分析：

截至二零一二年十二月三十一日止年度

		Continuing operations 持續經營業務			Discontinued operations 已終止經營業務	Eliminations 對銷	Total 總計	
		Composite components 複合元件 HK\$'000 千港元	Unit electronic components 單位電子元件 HK\$'000 千港元	Properties investment 物業投資 HK\$'000 千港元	Total 總計 HK\$'000 千港元			
Turnover	營業額	199,257	162,218	2,078	363,553	169,240	(57,619)	475,174
Segment (loss) profit	分部(虧損)溢利	(16,941)	(17,302)	6,221	(28,022)	(31,676)	-	(59,698)
Unallocated operating income (expenses) – Others	未經分配經營收入(支出) – 其他				8,270	285		8,555
Finance costs	融資成本				(44)	-		(44)
Loss before taxation	除稅前虧損				(19,796)	(31,391)		(51,187)
Taxation	稅項				(3,848)	930		(2,918)
Loss for the year	年度虧損				(23,644)	(30,461)		(54,105)

Notes to the Financial Statements 財務報表附註

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

7. SEGMENT INFORMATION (Continued)

Segment turnover and results (Continued)

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

Year ended 31 December 2011

7. 分部資料 (續)

分部營業額及業績 (續)

以下為本集團之營業額及業績按可呈報分部所作之分析：

截至二零一一年十二月三十一日止年度

		Continuing operations 持續經營業務			Discontinued operations 已終止 經營業務	Eliminations 對銷	Total 總計	
		Composite components 複合元件 HK\$'000 千港元	Unit electronic components 單位電子元件 HK\$'000 千港元	Properties investment 物業投資 HK\$'000 千港元	Total 總計 HK\$'000 千港元			
Turnover	營業額	293,655	274,275	977	568,907	26,971	(37,350)	558,528
Segment (loss) profit	分部 (虧損) 溢利	(28,400)	(26,216)	3,517	(51,099)	(9,085)	-	(60,184)
Unallocated operating income (expenses) - Others	未經分配經營 收入 (支出) - 其他				3,088	(293)		2,795
Finance costs	融資成本				-	-		-
Loss before taxation	除稅前虧損				(48,011)	(9,378)		(57,389)
Taxation	稅項				4,010	69		4,079
Loss for the year	年度虧損				(44,001)	(9,309)		(53,310)

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment (loss) profit represents the (loss from) profit earned by each segment without allocation of part of other income (expenses) and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

可呈報分部之會計政策與本集團之會計政策 (如附註3所述) 相同。分部 (虧損) 溢利指各分部所蒙 (虧損) 所賺溢利，當中並無分配部分之其他收入 (支出) 及融資成本。此乃向主要營運決策者報告以決定資源分配及表現評估之計量。

Notes to the Financial Statements 財務報表附註

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

7. SEGMENT INFORMATION (Continued)

Segment assets and liabilities

For the purposes of monitoring segment performances and allocating resources between segments for the years ended 31 December 2012 and 31 December 2011:

- all assets are allocated to reportable segments other than cash and cash equivalents, intangible assets, goodwill, part of other receivables and amounts due from shareholders. Assets used jointly by reportable segments are allocated on the basis of the production capacity; and
- all liabilities are allocated to reportable segments other than part of other payables, financial liabilities at fair value through profit and loss, bank borrowing and deferred tax liabilities.

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

Year ended 31 December 2012

7. 分部資料 (續)

分部資產及負債

於截至二零一二年及二零一一年十二月三十一日止年度，為監督分部表現及在各分部之間分配資源：

- 所有資產分配至可呈報分部，現金及現金等價物、無形資產、商譽、部分其他應收賬款及應收股東款項除外。可呈報分部共用之資產乃按產能分配；及
- 所有負債分配至可呈報分部，部分其他應付賬款、按公允價值計入損益之金融負債、銀行借貸以及遞延稅項負債除外。

以下為本集團之資產與負債按可呈報分部所作之分析：

截至二零一二年十二月三十一日止年度

		Composite components 複合元件 HK\$'000 千港元	Unit electronic components 單位電子元件 HK\$'000 千港元	Properties investment 物業投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment assets	分部資產	65,447	39,439	56,311	161,197
Unallocated assets	未經分配資產				
– Bank balances and cash	– 銀行結餘及現金	–	–	–	110,250
Others	其他	–	–	–	10,775
Consolidated assets	綜合資產				282,222
Segment liabilities	分部負債	21,296	25,675	70	47,041
Unallocated liabilities	未經分配負債				
– Bank borrowing	– 銀行借貸	–	–	–	19,548
– Others	– 其他	–	–	–	48,863
Consolidated liabilities	綜合負債				115,452

Notes to the Financial Statements 財務報表附註

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

7. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

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

Year ended 31 December 2011

7. 分部資料 (續)

分部資產及負債 (續)

以下為本集團之資產與負債按可呈報分部所作之分析：

截至二零一一年十二月三十一日止年度

		Composite components 複合元件 HK\$'000 千港元	Unit electronic components 單位電子元件 HK\$'000 千港元	Properties investment 物業投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元 (Restated) (重列)
Segment assets	分部資產	164,015	173,585	29,949	367,549
Unallocated assets	未經分配資產				
– Bank balances and cash	– 銀行結餘及現金	–	–	–	110,182
Others	其他	–	–	–	75,290
Consolidated assets	綜合資產				553,021
Segment liabilities	分部負債	42,871	53,290	52	96,213
Unallocated liabilities	未經分配負債				
– Bank borrowing	– 銀行借貸	–	–	–	73,962
– Others	– 其他	–	–	–	58,829
Consolidated liabilities	綜合負債				229,004

Notes to the Financial Statements 財務報表附註

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

7. SEGMENT INFORMATION (Continued)

Other segment information

Amount included in the measure of segment profit or loss or segment assets:

Year ended 31 December 2012

7. 分部資料 (續)

其他分部資料

以下為計量分部溢利或虧損或分部資產所計入之款額：

截至二零一二年十二月三十一日止年度

	Continuing operations 持續經營業務				Discontinued operations 已終止 經營業務	Total 總計	
	Composite components 複合元件 HK\$'000 千港元	Unit electronic components 單位電子元件 HK\$'000 千港元	Properties Investment 物業投資 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元	HK\$'000 千港元	
Additions to non-current assets 添置非流動資產	2,739	2,241	-	-	4,980	36,227	41,207
Depreciation and amortisation 折舊及攤銷	4,817	3,941	-	-	8,758	5,976	14,734
Gain on disposal of property, plant and equipment 出售物業、機器及設備之收益	(166)	-	-	-	(166)	-	(166)
Increase in fair value of investment properties 投資物業之公允價值增加	-	-	(4,292)	-	(4,292)	-	(4,292)
Impairment loss recognised on land and buildings held for own use 持有作自用之土地及樓宇確認之減值虧損	-	-	-	-	-	2,178	2,178
Impairment loss recognised on intangible assets 無形資產確認之減值虧損	-	-	-	-	-	5,929	5,929
Impairment loss recognised on trade and other receivables 應收貿易及其他賬款確認之減值虧損	751	614	-	-	1,365	-	1,365
Reversal of impairment loss recognised on trade and other receivables 回撥就應收貿易及其他賬款確認之減值虧損	(78)	(64)	-	-	(142)	-	(142)
Allowance for (reversal of allowance for) inventories 存貨撥備(撥備回撥)	469	1,513	-	-	1,982	3,473	5,455
Decrease in fair value of financial liabilities at fair value through profit and loss 按公允價值計入損益之金融負債之公允價值減少	-	-	-	(5,908)	(5,908)	-	(5,908)

Notes to the Financial Statements 財務報表附註

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

7. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

Amount included in the measure of segment profit or loss or segment assets:

Year ended 31 December 2011

7. 分部資料 (續)

其他分部資料 (續)

以下為計量分部溢利或虧損或分部資產所計入之款額：

截至二零一一年十二月三十一日止年度

	Continuing operations 持續經營業務				Discontinued operations 已終止 經營業務	Total 總計	
	Composite components 複合元件 HK\$'000 千港元	Unit electronic components 單位電子元件 HK\$'000 千港元	Properties Investment 物業投資 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元	HK\$'000 千港元	
Additions to non-current assets 添置非流動資產	642	593	-	-	1,235	73,084	74,319
Depreciation and amortisation 折舊及攤銷	6,705	6,189	-	-	12,894	1,726	14,620
Gain on disposal of property, plant and equipment 出售物業、機器及設備之收益	(3,087)	-	-	(53)	(3,140)	-	(3,140)
Increase in fair value of investment properties 投資物業之公允價值增加	-	-	(2,586)	-	(2,586)	-	(2,586)
Impairment loss recognised on goodwill 就商譽確認之減值虧損	-	-	-	5,857	5,857	-	5,857
Impairment loss recognised on trade and other receivables 應收貿易及其他賬款確認之減值虧損	18	138	-	-	156	-	156
Reversal of impairment loss recognised on trade and other receivables 回撥就應收貿易及其他賬款確認之減值虧損	(215)	(598)	-	(40)	(853)	-	(853)
Allowance for (reversal of allowance for) inventories 存貨撥備(撥備回撥)	6,903	11,994	-	-	18,897	2,224	21,121
Decrease in fair value of financial liabilities at fair value through profit and loss 按公允價值計入損益之金融負債之公允價值減少	-	-	-	(544)	(544)	-	(544)

Note: Non-current assets excluded goodwill, intangible assets and deposits for purchase of property, plant and equipment.

附註：非流動資產不包括商譽、無形資產及購買物業、機器及設備之按金。

Notes to the Financial Statements 財務報表附註

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

7. SEGMENT INFORMATION (Continued)

Geographical information

The Group's operations are principally located in Hong Kong, Korea and other parts of the PRC.

The Group's revenue from continuing operations from external customers and information about its non-current assets by geographical location of the assets excluding those relating to discontinued operations are detailed below:

		Turnover 營業額		Non-current assets 非流動資產	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (重列)	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
PRC (other than Hong Kong)	中國 (香港除外)	126,053	261,106	48,238	57,065
Hong Kong	香港	153,865	121,620	9,800	8,194
Korea	韓國	31,296	120,090	22,072	154,854
Others	其他	52,339	66,091	-	-
		363,553	568,907	80,110	220,113

Information about major customers

For the year ended 31 December 2012, the Group's customer base has one customer (2011: Nil) with whom transactions have exceeded 10% of the Group's turnover. Turnover from this customer amounted to approximately HK\$71,743,000 (2011: HK\$40,330,000) from composite components and unit electronic components.

8. TURNOVER

Turnover represents the sales value of goods supplied to customers less goods returned and trade discounts and rental income under operating leases.

7. 分部資料 (續)

地區分部資料

本集團之營運主要位於香港、韓國及中國其他地區。

本集團來自外部客戶之持續經營業務收益及有關其非流動資產之資料按資產 (與終止經營業務有關者除外) 地理位置詳列如下:

有關主要客戶之資料

截至二零一二年十二月三十一日止年度，本集團之客戶群包括一名客戶 (二零一一年：無)，與其交易超過本集團營業額之10%。來自該客戶有關複合元件及單位電子元件之營業額約為71,743,000港元 (二零一一年：40,330,000港元)。

8. 營業額

營業額乃供應予客戶之產品之銷售價值，扣除退貨及貿易折扣，以及經營租賃下之租金收入。

Notes to the Financial Statements 財務報表附註

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

9. OTHER INCOME AND GAINS

9. 其他收入及收益

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Continuing operations	持續經營業務		
Interest income from bank deposits	銀行存款之利息收入	135	395
Other interest income	其他利息收入	19	–
Gain on disposal of property, plant and equipment	出售物業、機器及設備 之收益	166	3,140
Scrap sales	廢料銷售	369	305
Decrease in fair value of financial liabilities at fair value through profit and loss	按公允價值計入損益之金融 負債之公允價值減少	5,908	544
Increase in fair value of investment properties	投資物業之公允價值增加	4,292	2,586
Freight charge charged to customers	向顧客收取之運費	663	–
Others	其他	1,247	919
		12,799	7,889

10. FINANCE COSTS

10. 融資成本

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Continuing operations	持續經營業務		
Interest charges on:	利息支出：		
Bank loans wholly repayable within 1 year	於一年內償還之銀行貸款	651	589
Less: amounts capitalised	減：已資本化金額	(607)	(589)
		44	–

Notes to the Financial Statements 財務報表附註

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

11. TAXATION

11. 稅項

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (重列)
Continuing operations	持續經營業務		
Hong Kong Profits Tax	香港利得稅		
Provision for the year	本年度撥備	–	–
Over-provision in prior years	過往年度超額撥備	(149)	(9,652)
		(149)	(9,652)
PRC Corporate Income Tax	中國企業所得稅		
Provision for the year	本年度撥備	2,736	1,009
Under-provision in prior years	過往年度撥備不足	1,332	172
		4,068	1,181
Korean Corporate Income Tax	韓國企業所得稅		
Under-provision in prior years	過往年度撥備不足	–	655
		–	655
Deferred tax (note 33)	遞延稅項 (附註33)		
(Credited)/charged for the year	本年度(計入)/支銷	(71)	3,806
		3,848	(4,010)

Notes:

- (a) For the years ended 31 December 2012 and 31 December 2011, no Hong Kong Profits Tax has been provided in the financial statements as the Group has no assessable profits for both years. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

Provisions for the PRC Corporate Income Tax for Shenzhen Kwang Sung Electronics Co., Ltd. ("Shenzhen Kwang Sung") and Kwang Sung Electronics Trading (Shenzhen) Co., Ltd. are calculated at 25% (2011: 25%) and 25% (2011: 25%) of estimated assessable profits for the year respectively.

The Korea Branch operated in Korea are subject to Korean Corporate Income Tax. The basic Korean Corporate Tax rates for the years ended 31 December 2012 and 31 December 2011 are 11% on the first KRW200,000,000 of the tax base and 22% for the excess. In addition to the basic tax rate, there is a resident surcharge of 10% on the income tax liability. No provision for taxation has been made as there is no assessable profit for the years ended 31 December 2012 and 31 December 2011.

附註：

- (a) 由於本集團截至二零一二年十二月三十一日及二零一一年十二月三十一日止各年度均無應課稅溢利，故並無於財務報表計提撥備香港利得稅。香港利得稅均按年度估計應課稅溢利之16.5%計算。

深圳光星電子有限公司(「深圳光星」)及光星電子貿易(深圳)有限公司之中國企業所得稅撥備乃以本年度估計應課稅溢利分別按25%(二零一一年:25%)及25%(二零一一年:25%)計算。

在韓國經營之韓國分公司須繳納韓國企業所得稅。截至二零一二年及二零一一年十二月三十一日止年度，基本韓國企業稅率為稅基中首200,000,000韓圓為11%，超過之部份則為22%。除基本稅率外，亦就所得稅負債徵收10%居民附加稅。於截至二零一二年及二零一一年十二月三十一日止各年度內均無應課稅溢利，故本年度並無作出稅項撥備。

Notes to the Financial Statements 財務報表附註

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

11. TAXATION (Continued)

Notes: (Continued)

- (b) The Group carries out manufacturing activities in the PRC through its subsidiary, Shenzhen Kwang Sung and under the terms of a processing agreement with a third party factory, and has substantial involvement in these manufacturing activities undertaken in the PRC. The profits earned are thus considered to be partly arising and derived from the manufacturing activities carried out in the PRC and partly from other activities performed in Hong Kong. Accordingly, the Group claimed a 50:50 offshore concession in respect of Hong Kong Profits Tax which had been agreed with the Hong Kong Inland Revenue Department (the "HKIRD") in the year of assessment 1999/2000.

In 2008, the HKIRD enquired the Group the basis of its 50:50 offshore claims for the years of assessment 2001/02 to 2006/07 in relation to the Group's manufacturing activities carried out in the PRC, and issued an additional assessment of approximately HK\$3,318,000 for the year of assessment 2001/02 on the basis that the Group was not eligible to the 50:50 offshore claims for profits derived from manufacturing activities carried out by Shenzhen Kwang Sung. The Company lodged an objection against the additional assessment and purchased a tax reserve certificate of approximately HK\$3,318,000 as demanded by the HKIRD in 2008.

In March 2009, the HKIRD issued another demand note for additional tax payable for the year of assessment 2002/03 amounted to approximately HK\$6,423,000 in relation to the above 50:50 offshore claims. The Company lodged an objection against the additional assessment and purchased a tax reserve certificate of approximately HK\$6,423,000 as demanded by the HKIRD in the year ended 31 December 2009.

In March 2010, the HKIRD issued another demand note for additional tax payable for the year of assessment 2003/04 amounted to approximately HK\$9,334,000 in relation to the above 50:50 offshore claims. The Company lodged an objection against the additional assessment and purchased a tax reserve certificate of approximately HK\$9,334,000 as demanded by the HKIRD in the year ended 31 December 2010.

In March 2011, the HKIRD issued another demand note for additional tax payable for the year of assessment 2004/05 amounted to approximately HK\$4,305,000 in relation to the above 50:50 offshore claims. The Company lodged an objection against the additional assessment and purchased a tax reserve certificate of approximately HK\$4,305,000 as demanded by the HKIRD in the year ended 31 December 2011.

11. 稅項 (續)

附註：(續)

- (b) 本集團透過其附屬公司深圳光星以及根據與第三方工廠訂立之一項加工協議之條款在中國進行製造活動，並積極參與在中國進行之該等製造活動。由此所賺取之溢利，部分被視為從中國進行之製造活動所產生及取得，而部分被視為從香港進行之其他活動所產生及取得。故此，本集團就香港利得稅提出50:50之離岸申索要求，而香港稅務局曾於一九九九/二零零零評稅年度同意該豁免要求。

於二零零八年，香港稅務局向本集團查詢有關本集團在中國所進行製造活動而就二零零一/零二至二零零六/零七評稅年度提出50:50離岸申索要求之依據，並基於本集團不合資格就深圳光星進行之製造活動所賺取溢利享有50:50之離岸申索，而就二零零一/零二評稅年度發出額外評稅約3,318,000港元。本公司於二零零八年對該額外評稅提出反對，並如香港稅務局要求購買儲稅券約3,318,000港元。

於二零零九年三月，香港稅務局發出另一份額外評稅通知書，就二零零二/零三評稅年度發出有關上述50:50離岸申索之額外評稅約6,423,000港元。本公司於二零零九年十二月三十一日對該額外評稅提出反對，並如香港稅務局要求購買儲稅券約6,423,000港元。

於二零一零年三月，香港稅務局發出另一份額外評稅通知書，就二零零三/零四評稅年度發出有關上述50:50離岸申索之額外評稅約9,334,000港元。本公司於截至二零一零年十二月三十一日止年度對額外評稅提出反對，並如香港稅務局要求購買儲稅券約9,334,000港元。

於二零一一年三月，香港稅務局發出另一份額外評稅通知書，就二零零四/零五評稅年度發出有關上述50:50離岸申索之額外評稅約4,305,000港元。本公司於截至二零一一年十二月三十一日止年度對額外評稅提出反對，並如香港稅務局要求購買儲稅券約4,305,000港元。

Notes to the Financial Statements 財務報表附註

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

11. TAXATION (Continued)

Notes: (Continued)

(b) (Continued)

The Group's operation has remained unchanged since 1999/2000, in view of the stringent approach adopted by the HKIRD in treating 50:50 manufacturing offshore profits claim, the Group had made provision for the previously 50:50 offshore claims of approximately HK\$35,996,000 during the year ended 31 December 2009. In February 2012, HKIRD and the Company have reached a compromise settlement in relation to the Company's taxation affairs for the years of assessment 2001/02 to 2007/08 (the "Period"). Based on revised notices of assessment and letters received from HKIRD, net Profits Tax payable for the Period has been revised to approximately HK\$24,239,000. As the Company had made provision for Hong Kong Profits Tax of approximately HK\$33,891,000 for the Period, the excessive tax provision of approximately HK\$9,652,000 made in prior years had been reversed in the consolidated statement of comprehensive income for the year ended 31 December 2011.

On 30 December 2011, the tax representative of the Group sent a compromising letter to the HKIRD for the settlement of the above tax demand notes. The HKIRD agreed to the compromise and issued tax returns to the Group in February 2012. In 2012, the tax reserve certificates of approximately HK\$23,380,000 included in other receivables had been fully utilised to settle the above mentioned tax payables.

Pursuant to a Deed of Indemnity dated 23 June 2003, two former shareholders, Mr. Yang and Kwang Sung Korea, Ltd. would indemnify the Group for any tax liabilities for period prior to 30 June 2003. Out of the above tax liabilities of approximately HK\$24,239,000, a sum of tax expenses of approximately HK\$8,478,000 should be therefore borne by the two former shareholders, details are set out in note 41(a)(ii).

In 2012, the Group is arranging advanced pricing arrangement with Shenzhen Local Tax Bureau concerning Shenzhen Kwang Sung's transactions with group companies. During the process, the Shenzhen Local Tax Bureau demanded additional tax in respect of prior years transfer pricing adjustment. Under-provision of approximately HK\$1,332,000 has been made for the 3 years ended 31 December 2009, 2010 and 2011. The amount was fully settled during the year. The transfer pricing assessment for 2012 is still in negotiation process.

11. 稅項 (續)

附註：(續)

(b) (續)

本集團自一九九九／二零零零年以來之營運維持不變，但有見香港稅務局在處理50:50製造業務離岸溢利豁免申索上採取嚴格手法，故本集團已就過往之50:50離岸申索於截至二零零九年十二月三十一日止年度作出約35,996,000港元撥備。於二零一二年二月，香港稅務局及本公司就二零零一／零二評稅年度至二零零七／零八評稅年度(「該期間」)達成一項折衷和解方案。根據經修訂之評稅通知及收取自香港稅務局之函件，就該期間應付之利得稅淨額已修訂至約24,239,000港元。由於本公司已就該期間作出香港利得稅撥備約33,891,000港元，故過往年度所作之超額稅項撥備約9,652,000港元已回撥至截至二零一一年十二月三十一日止年度之綜合全面損益表中。

於二零一一年十二月三十日，本集團稅務代表向香港稅務局就結付上述稅款催繳單寄出妥協函。香港稅務局同意該妥協，並於二零一二年二月向本集團發出稅單。於二零一二年，為數約23,380,000港元之儲稅券(計入應收其他賬款)已全數用作清繳以上應付稅項。

根據日期為二零零三年六月二十三日之彌償保證契約，兩名前股東梁先生及韓國光星就於二零零三年六月三十日前期間之任何稅務負債向本集團作出彌償。因此，在上述約24,239,000港元之稅項負債中，總額約為8,478,000港元之稅項開支應由該兩名前股東承擔，有關詳情載列於附註41(a)(ii)。

於二零一二年，本集團與深圳地方稅務局作出有關深圳光星與集團公司之交易之預約定價安排。過程中，深圳地方稅務局就過往年度轉撥計價之調整要求支付額外的稅款。截至二零零九年、二零一零年及二零一一年十二月三十一日止三個年度，稅款撥備不足約為1,332,000港元。二零一二年，有關轉撥計價評稅之商討仍然持續。

Notes to the Financial Statements 財務報表附註

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

11. TAXATION (Continued)

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

11. 稅項 (續)

各年度稅項於綜合損益表中與除稅前虧損之對賬如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (重列)
Loss before taxation from continuing operations	除稅前虧損來自持續經營業務	(19,796)	(48,011)
Notional tax on loss before taxation, calculated at the rates applicable to profit in the tax jurisdictions concerned	按照在相關稅務司法權區獲得溢利之適用稅率計算除稅前虧損之名義稅項	(4,076)	(6,271)
Tax effect of non-deductible expenses for tax purpose	就稅項用途而言不可扣除開支之稅務影響	5,238	4,477
Tax effect of non-taxable income for tax purpose	就稅項用途而言毋須課稅收入之稅務影響	(1,864)	(8)
Tax effect of unused tax loss and other temporary differences not recognised for deferred tax purposes	就遞延稅項用途而言尚未確認之未動用稅項虧損及其他臨時差額之稅務影響	3,367	6,617
Under/(over)-provision in prior years	過往年度撥備不足／(超額撥備)	1,183	(8,825)
Taxation for the year (relating to continuing operations)	本年度稅項 (有關持續經營業務)	3,848	(4,010)

Details of the deferred taxation are set out in note 33.

遞延稅項之詳情載於附註33。

12. DISCONTINUED OPERATIONS

As described in note 1 above, the Privateco Group was distributed to the Record Date Shareholders on 11 December 2012. Thereafter, the Group is principally engaged in the Retained Businesses and the businesses operated by the Privateco Group (i.e. Distributed Businesses) have been classified as discontinued operations.

12. 已終止經營業務

如上文附註1所述，私人公司集團於二零一二年十二月十一日向記錄日股東作出分派。此後，本集團主要從事保留業務，私人公司集團經營的業務（即經分派業務）被列為已終止經營業務。

Notes to the Financial Statements 財務報表附註

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

12. DISCONTINUED OPERATIONS (Continued)

The loss for the period/year from the discontinued operations is analysed as follows:

12. 已終止經營業務 (續)

本期間／年度來自已終止經營業務之虧損分析如下：

		1/1/2012- 11/12/2012	Year ended 31/12/2011
		二零一二年 一月一日至 二零一二年 十二月十一日	截至 二零一一年 十二月三十一日 止年度
		HK\$'000	HK\$'000
		千港元	千港元
Loss of the composite components and unit electronic components operations of Jay Star Group for the period/year	本期間／年度 Jay Star 集團之複合元件及單位電子元件業務虧損	(30,461)	(9,309)

The results of the Jay Star Group for the period from 1 January 2012 to 11 December 2012, which have been included in the consolidated statement of comprehensive income/income statement, were as follows:

Jay Star 集團由二零一二年一月一日至二零一二年十二月十一日期間之業績（已經包括於綜合全面收益表／損益表）如下：

		1/1/2012- 11/12/2012	Year ended 31/12/2011
		二零一二年 一月一日至 二零一二年 十二月十一日	截至 二零一一年 十二月三十一日 止年度
		HK\$'000	HK\$'000
		千港元	千港元
Revenue	收益	169,240	26,971
Cost of sales	銷售成本	(155,223)	(26,121)
Gross profit	毛利	14,017	850
Other income	其他收入	15,165	10,035
Selling and distribution expenses	銷售及分銷開支	(7,175)	(1,377)
Administrative expenses	行政開支	(20,492)	(5,141)
Research and development expenses	研發開支	(22,231)	(5,762)
Other operating expenses	其他經營開支	(10,675)	(7,983)
Loss before taxation	除稅前虧損	(31,391)	(9,378)
Taxation (deferred taxation)	稅項（遞延稅項）	930	69
Loss for the period/year	本期間／年度虧損	(30,461)	(9,309)

Notes to the Financial Statements 財務報表附註

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

12. DISCONTINUED OPERATIONS (Continued)

Loss for the period/year from discontinued operations include the following:

12. 已終止經營業務 (續)

本期間/年度來自已終止經營業務之虧損包括下列：

		1/1/2012- 11/12/2012 二零一二年 一月一日至 二零一二年 十二月十一日 HK\$'000 千港元	Year ended 31/12/2011 截至 二零一一年 十二月三十一日 止年度 HK\$'000 千港元
Interest income from bank deposits	銀行存款之利息收入	11	131
Other interest income	其他利息收入	6	-
Auditors' remuneration	核數師酬金	107	21
Minimum lease payments under operating leases - hire of properties	經營租賃下之最低租賃付款 - 租用物業	1,028	532
Staff costs (including directors' remuneration disclosed in note 14)	員工成本(包括附註14 所披露之董事酬金)		
- salaries, wage, allowance and other benefits in kind	- 薪金、工資、津貼 及其他實物福利	31,587	8,223
- retirement scheme contributions	- 退休計劃之供款	2,693	645
		34,280	8,868
Cost of inventories recognised as an expense	確認為開支之存貨成本	155,223	26,121
Amortisation of intangible assets	無形資產攤銷	1,095	1,168
Impairment loss recognised on intangible assets (included in other operating expenses)	就無形資產確認之減值虧損 (計入其他經營開支)	5,929	-
Impairment loss recognised on land and buildings for own use (included in other operating expenses)	就持有作自用之土地及樓宇 確認之減值虧損 (計入其他經營開支)	2,178	-
Net foreign exchange losses	匯兌虧損淨額	614	-
Allowance for inventories (included in cost of sales)	存貨撥備(計入銷售成本)	3,473	2,224
Depreciation	折舊	4,942	696
Less: amount recorded under government grant	減：政府補貼下錄得之金額	(61)	(69)
Amount charged to the consolidated income statement	於綜合損益表中支銷之金額	4,881	627
Interest charges on:	利息開支：		
Bank loans wholly repayable within 1 year	須於一年內全數償還 之銀行貸款	2,302	639
Less: amounts capitalised	減：資本化金額	(2,302)	(639)
		-	-

Notes to the Financial Statements 財務報表附註

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

12. DISCONTINUED OPERATIONS (Continued)

Cost of inventories includes approximately HK\$10,148,000 (2011: HK\$1,712,000) relating to staff costs, depreciation and minimum lease payments in respect of rented premises of which amounts are also included in respective total amounts disclosed separately above.

During the year, Jay Star Group contributed approximately HK\$39,801,000 outflows (2011: HK\$26,195,000 outflows) to the Group's net operating cash flows, approximately HK\$33,908,000 outflows (2011: HK\$73,095,000 outflows) in respect of investing activities and approximately HK\$65,529,000 inflows (2011: HK\$ 113,422,000 inflows) in respect of financing activities.

The carrying amounts of the assets and liabilities of Jay Star Group at the date of the Distribution In Specie are disclosed in note 38.

12. 已終止經營業務 (續)

存貨成本包括與員工成本、折舊開支及租賃物業最低租賃付款有關的約10,148,000港元(二零一一年:1,712,000港元)。這些金額已個別計入上表分開披露之各個總金額內。

年內, Jay Star集團向本集團營運淨現金流貢獻約39,801,000港元流出(二零一一年:26,195,000港元流出), 就投資活動貢獻約33,908,000港元流出(二零一一年:73,095,000港元流出)及就融資活動貢獻約65,529,000港元流入(二零一一年:113,422,000港元流入)。

Jay Star集團之資產及負債於實物分派當日之賬面值乃於附註38披露。

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

13. LOSS FOR THE YEAR

13. 本年度虧損

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Loss for the year from continuing operations is arrived at after charging (crediting):	本年度來自持續經營業務之虧損經扣除(計入):		
Continuing operations	持續經營業務		
Auditors' remuneration	核數師酬金	615	629
Minimum lease payments for rented premises under operating leases	經營租賃下之最低租賃付款 – 租用物業	3,375	4,671
Gross rental income less outgoing of HK\$149,000 (2011:HK\$49,000)	租金收入總額(扣除支銷149,000港元(二零一一年:49,000港元))	(1,929)	(928)
Staff costs (including directors' remuneration disclosed in note 14)	員工成本(包括附註14所披露之董事酬金)		
– salaries, wage, allowance, long service payment and other benefits in kind	– 薪金、工資、津貼、長期服務金及其他實物福利	52,461	76,129
– retirement scheme contributions	– 退休計劃之供款	1,939	4,617
		54,400	80,746
Cost of inventories recognised as an expense	確認為開支之存貨成本	339,390	544,182
Impairment loss recognised on goodwill (included in other operating expenses)	就商譽確認之減值虧損(計入其他經營開支)	–	5,857
Impairment loss recognised on trade and other receivables (included in other operating expenses)	就應收貿易及其他賬款確認之減值虧損(計入其他經營開支)	1,365	156
Reversal of impairment loss recognised on trade and other receivables (included in other operating expenses)	回撥就應收貿易及其他賬款確認之減值虧損(計入其他經營開支)	(142)	(853)
Net foreign exchange losses	匯兌虧損淨額	1,730	726
Allowance for inventories (included in cost of sales)	存貨撥備(計入銷售成本)	1,982	18,897
Depreciation	折舊	8,758	12,825
Less: amount recorded under government grant	減: 政府補貼下錄得之金額	–	–
Amount charged to the consolidated income statement	於綜合損益表中支銷之金額	8,758	12,825

Notes to the Financial Statements 財務報表附註

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

13. LOSS FOR THE YEAR (Continued)

Cost of inventories includes approximately HK\$51,651,000 (2011: HK\$53,063,000) relating to staff costs, depreciation and minimum lease payments in respect of rented premises, of which amounts are also included in the respective total amounts disclosed separately above.

Minimum lease payments include an amount of approximately HK\$1,739,000 (2011: HK\$642,000) for staff quarters which is also included and disclosed in staff costs.

13. 本年度虧損 (續)

存貨成本包括與員工成本、折舊開支及租賃物業最低租賃付款有關的約51,651,000港元(二零一一年: 53,063,000港元)。這些金額已個別計入上表分開披露之各個總金額內。

最低租賃付款包括租賃員工宿舍之約1,739,000港元(二零一一年: 642,000港元)，該金額亦包括和披露在員工成本內。

Notes to the Financial Statements 財務報表附註

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

14. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

14. 董事酬金

根據香港公司條例第161條作出披露之董事酬金如下：

		Directors' fees 董事袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind 薪金、津貼及實物福利 HK\$'000 千港元	Retirement scheme contributions 退休計劃供款 HK\$'000 千港元	Total 總計 2012 二零一二年 HK\$'000 千港元
Executive directors	執行董事				
Mr. Yang Jai Sung (note 1)	梁在星先生(附註1)	—	1,750	14	1,764
Mr. Lee Kyu Young (note 1)	李圭英先生(附註1)	—	784	14	798
Mr. Hong Sang Joon (note 2)	洪祥準先生(附註2)	—	1,144	14	1,158
Mr. Leung Kin Pang (note 3)	梁健鵬先生(附註3)	—	—	—	—
Mr. Li Zhi (note 3)	李智先生(附註3)	—	—	—	—
Mr. Ronald Lew Podlas (note 3)	包德榮先生(附註3)	—	—	—	—
Mr. Shen Ke (note 3)	申柯先生(附註3)	—	—	—	—
Mr. Shen Yong (note 5)	申勇先生(附註5)	—	—	—	—
Mr. Xu Li Jian (note 3)	徐立堅先生(附註3)	—	—	—	—
Non-executive director	非執行董事				
Mr. Yang Ho Sung (note 1)	梁皓星先生(附註1)	200	629	—	829
Independent non-executive directors	獨立非執行董事				
Dr. Kim Chung Kweon (note 1)	金正權博士(附註1)	88	—	—	88
Dr. Han Byung Joon (note 1)	韓丙濟博士(附註1)	98	—	—	98
Mr. Kim Chan Su (note 1)	金鑽洙先生(附註1)	98	19	—	117
Mr. Yu Lei (note 4)	余磊先生(附註4)	—	—	—	—
Dr. Jiang Ying (note 4)	蔣瑛博士(附註4)	—	—	—	—
Ms. Zhang Cui Lan (note 4)	張翠蘭女士(附註4)	—	—	—	—
Mr. Ernst Rudolf Zimmermann (note 5)	司馬文先生(附註5)	—	—	—	—
		484	4,326	42	4,852

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財務報表附註

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

14. DIRECTORS' REMUNERATION (Continued)

14. 董事酬金 (續)

		Directors' fees 董事袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind 薪金、津貼及實物福利 HK\$'000 千港元	Retirement scheme contributions 退休計劃供款 HK\$'000 千港元	Total 總計 2011 二零一一年 HK\$'000 千港元
Executive directors	執行董事				
Mr. Yang Jai Sung	梁在星先生	–	1,993	12	2,005
Mr. Lee Kyu Young	李圭英先生	–	944	14	958
Non-executive director	非執行董事				
Mr. Yang Ho Sung	梁皓星先生	200	447	–	647
Independent non-executive directors	獨立非執行董事				
Dr. Kim Chung Kweon	金正權博士	88	–	–	88
Dr. Han Byung Joon	韓丙濟博士	98	–	–	98
Mr. Kim Chan Su	金鑽洙先生	98	19	–	117
		484	3,403	26	3,913

Note 1: The directors resigned on 7 January 2013.

附註1：該等董事於二零一三年一月七日辭任。

Note 2: The director was appointed on 20 January 2012.

附註2：該董事於二零一二年一月二十日獲委任。

Note 3: The directors were appointed on 17 December 2012.

附註3：該等董事於二零一二年十二月十七日獲委任。

Note 4: The directors were appointed on 7 January 2013.

附註4：該等董事於二零一三年一月七日獲委任。

Note 5: The directors were appointed on 18 January 2013.

附註5：該等董事於二零一三年一月十八日獲委任。

Mr. Yang Jai Sung is also the Chief Executive of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive.

梁在星先生亦為本公司之行政總裁，上述披露之其薪酬包括彼擔任行政總裁而提供服務之酬金。

No directors waived any emoluments in the years ended 31 December 2012 and 31 December 2011. No emoluments were paid to the directors as inducement to join or upon joining the Group or as compensation for loss of office in the years ended 31 December 2012 and 31 December 2011.

截至二零一二年及二零一一年十二月三十一日止年度，概無董事放棄任何酬金。截至二零一二年及二零一一年十二月三十一日止年度，概無向董事支付酬金，以用作促使加入或於加入本集團時或作為離職之補償。

Notes to the Financial Statements 財務報表附註

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

15. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (2011: two) were directors of the Company whose emoluments are disclosed in note 14. The emoluments of the remaining two (2011: three) individuals were as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,909	2,847
Retirement scheme contributions	退休計劃供款	20	38
		1,929	2,885

No emoluments were paid to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office for the years ended 31 December 2012 and 31 December 2011.

The numbers of highest paid individuals whose remuneration fell within the bands set out below is as follow:

		2012 二零一二年 Number of individual 人數	2011 二零一一年 Number of individual 人數
Nil – HK\$1,000,000	零至 1,000,000 港元	1	3
HK\$ 1,000,000 – HK\$1,500,000	1,000,000 港元至 1,500,000 港元	1	–
		2	3

15. 五名最高薪人士

五名最高薪人士中，其中三名（二零一一年：兩名）為本公司董事，其酬金已於上文附註14作出披露。其他兩名（二零一一年：三名）最高薪人士之酬金載列如下：

截至二零一二年及二零一一年十二月三十一日止年度，概無向五名最高薪酬人士支付酬金，以用作促使加入或於加入本集團時或作為離職之補償。

五名最高薪酬人士酬金範圍載列如下：

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

16. DIVIDENDS

Pursuant to the approval by the shareholders of the Company at the extraordinary general meeting held on 5 December 2012, a special dividend by way of the Distribution In Specie of Jay Star Group was distributed to the shareholders of the Company, amounted to HK\$111,773,000. Details of the assets and liabilities distributed are set out in note 38.

Except for the above, no dividend was paid or proposed during 2012, nor has any dividend been proposed since the end of the reporting period (2011: Nil).

17. LOSS PER SHARE

From continuing and discontinued operations

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

16. 股息

根據本公司股東於二零一二年十二月五日舉行之股東特別大會上之批准，已以實物方式向本公司股東分派Jay Star集團作為特別股息，約為數111,773,000港元。所分派之資產及負債之詳情載於附註38。

除上述者外，於二零一二年並無派發或建議派發股息，自報告期末以來並無建議派發任何股息（二零一一年：無）。

17. 每股虧損

來自持續經營業務及已終止經營業務

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：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (重列)
Loss	虧損		
Loss for the purpose of basic and diluted earnings per share	用以計算每股基本及分攤盈利的虧損		
Loss for the year attributable to owners of the Company	本公司擁有人應佔本年度之虧損	52,339	52,946
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	用以計算每股基本及攤薄盈利的普通股加權平均數	323,896,933	323,896,933

The diluted loss per share is the same as basic loss per share as the Company has no dilutive potential shares outstanding for both years.

由於兩個年度本公司均無潛在具攤薄性之股份，故每股攤薄虧損與每股基本虧損相同。

Notes to the Financial Statements 財務報表附註

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

17. LOSS PER SHARE (Continued)

From continuing operations

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

17. 每股虧損 (續)

來自持續經營業務

本公司擁有人應佔來自持續經營業務之每股基本及攤薄虧損乃按下列數據計算：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (重列)
Loss figures are calculated as follows:	虧損數據按以下方式計算：		
Loss for the year attributable to owners of the Company	本公司擁有人應佔 本年度虧損	52,339	52,946
Less: Loss for the year from discontinued operations	減：來自已終止經營 業務之虧損	(28,695)	(8,945)
Loss for the purpose of basic earnings per share from continuing operations	用以計算來自持續經營 業務之每股基本盈利 之虧損	23,644	44,001

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

From discontinued operations

Basic and diluted loss per share for the discontinued operation is HK8.86 cents per share (2011: HK2.76 cents per share), based on the loss for the year from the discontinued operations of approximately HK\$28,695,000 (2011: HK\$8,945,000).

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

所用分母與上文就每股基本及攤薄盈利所詳述者相同。

來自已終止經營業務

按照本年度來自已終止經營業務之虧損約為28,695,000港元(二零一一年：8,945,000港元)計算，每股基本及攤薄虧損為8.86港仙(二零一一年：每股2.76港仙)。

所用分母與上文就每股基本及攤薄盈利所詳述者相同。

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18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、機器及設備

The Group

本集團

		Land and buildings held for own use 持作自用 之土地及樓宇 HK\$'000 千港元	Plant and machinery 機器及設備 HK\$'000 千港元	Other property, plant and equipment 其他物業、 機器及設備 HK\$'000 千港元	Construction- in-progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST OR VALUATION	成本或估值					
At 1 January 2012	於二零一二年一月一日	71,722	124,642	54,340	63,850	314,554
Exchange adjustments	匯兌調整	4,919	4,249	645	5,151	14,964
Additions	增添	567	13,057	3,247	24,336	41,207
Transfer to investment properties	轉撥至投資物業	(22,072)	-	-	-	(22,072)
Transfer from	自在建工程轉撥					
Construction-in-progress		-	-	1,610	(1,610)	-
Disposals	出售	-	(10,096)	(359)	-	(10,455)
Disposal through the Distribution In Specie of shares in a subsidiary	透過實物分派 附屬公司股份出售	(52,574)	(41,624)	(14,002)	(91,727)	(199,927)
Eliminated on revaluation	重估時對銷	(2,562)	-	-	-	(2,562)
At 31 December 2012	於二零一二年 十二月三十一日	-	90,228	45,481	-	135,709
REPRESENTING	代表					
Cost	成本	-	90,228	45,481	-	135,709
Valuation – 2012	估值 – 二零一二年	-	-	-	-	-
		-	90,228	45,481	-	135,709
DEPRECIATION	折舊					
At 1 January 2012	於二零一二年一月一日	-	101,673	39,631	-	141,304
Exchange adjustments	匯兌調整	41	1,331	506	-	1,878
Provided for the year	年度撥備	343	8,786	4,510	-	13,639
Impairment loss recognised	已確認減值虧損	2,178	-	-	-	2,178
Eliminated on the Distribution In Specie of shares in a subsidiary	實物分派附屬公司 股份時對銷	-	(24,352)	(9,033)	-	(33,385)
Eliminated on revaluation	出售時對銷	(2,562)	-	-	-	(2,562)
Eliminated on disposals	重估時對銷	-	(10,096)	(359)	-	(10,455)
At 31 December 2012	於二零一二年 十二月三十一日	-	77,342	35,255	-	112,597
CARRYING VALUES	賬面值					
At 31 December 2012	於二零一二年 十二月三十一日	-	12,886	10,226	-	23,112

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

18. PROPERTY, PLANT AND EQUIPMENT (Continued)

18. 物業、機器及設備 (續)

The Group (Continued)

本集團 (續)

		Land and buildings held for own use 持作自用 之土地及樓宇 HK\$'000 千港元	Plant and machinery 機器及設備 HK\$'000 千港元	Other property, plant and equipment 其他物業、 機器及設備 HK\$'000 千港元	Construction- in-progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST OR VALUATION	成本或估值					
At 1 January 2011	於二零一一年一月一日	93,243	121,399	48,141	2,195	264,978
Exchange adjustments	匯兌調整	(914)	4,743	1,958	(2,830)	2,957
Additions	增添	–	5,232	4,602	64,485	74,319
Disposals	出售	–	(6,732)	(361)	–	(7,093)
Reclassification to investment properties (note 19)	重新分類為投資物業 (附註19)	(21,755)	–	–	–	(21,755)
Surplus on revaluation	重估盈餘	1,779	–	–	–	1,779
Eliminated on revaluation	重估時對銷	(631)	–	–	–	(631)
At 31 December 2011	於二零一一年 十二月三十一日	71,722	124,642	54,340	63,850	314,554
REPRESENTING	代表					
Cost	成本	–	124,642	54,340	63,850	242,832
Valuation – 2011	估值 – 二零一一年	71,722	–	–	–	71,722
		71,722	124,642	54,340	63,850	314,554
DEPRECIATION	折舊					
At 1 January 2011	於二零一一年一月一日	–	95,649	34,965	–	130,614
Exchange adjustments	匯兌調整	(15)	3,797	1,180	–	4,962
Provided for the year	年度撥備	646	8,959	3,847	–	13,452
Eliminated on revaluation	出售時對銷	(631)	–	–	–	(631)
Eliminated on disposals	重估時對銷	–	(6,732)	(361)	–	(7,093)
At 31 December 2011	於二零一一年 十二月三十一日	–	101,673	39,631	–	141,304
CARRYING VALUES	賬面值					
At 31 December 2011	於二零一一年 十二月三十一日	71,722	22,969	14,709	63,850	173,250

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18. PROPERTY, PLANT AND EQUIPMENT (Continued) 18. 物業、機器及設備 (續)

The Company

本公司

		Land and buildings held for own use 持作自用 之土地及樓宇 HK\$'000 千港元	Plant and machinery 機器及設備 HK\$'000 千港元	Other property, plant and equipment 其他物業、 機器及設備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST OR VALUATION	成本或估值				
At 1 January 2011	於二零一一年一月一日	22,104	28,620	17,769	68,493
Exchange adjustments	匯兌調整	(446)	548	181	283
Additions	增添	-	60	698	758
Disposals	出售	-	-	(11)	(11)
Deficit on revaluation	重估虧絀	(440)	-	-	(440)
Transfer to subsidiaries upon Group Reorganisation	集團內部重組時 轉撥至附屬公司	(20,883)	(29,228)	(18,637)	(68,748)
Eliminated of revaluation	重估時對銷	(335)	-	-	(335)
At 31 December 2011 and 31 December 2012	於二零一一年 十二月三十一日 及二零一二年 十二月三十一日	-	-	-	-
REPRESENTING	代表				
Cost	成本	-	-	-	-
Valuation – 2011 and 2012	估值 – 二零一一年 及二零一二年	-	-	-	-
		-	-	-	-
DEPRECIATION	折舊				
At 1 January 2011	於二零一一年一月一日	-	21,510	13,609	35,119
Exchange adjustments	匯兌調整	(15)	421	167	573
Charge for the year	年度折舊	350	2,782	1,540	4,672
Written back on disposals	出售時撤回	-	-	(5)	(5)
Transfer to subsidiaries upon Group Reorganisation	集團內部重組時 轉撥至附屬公司	-	(24,713)	(15,311)	(40,024)
Eliminated on revaluation	重估時對銷	(335)	-	-	(335)
At 31 December 2011 and 31 December 2012	於二零一一年 十二月三十一日 及二零一二年 十二月三十一日	-	-	-	-
CARRYING VAULES	賬面值				
At 31 December 2011 and 31 December 2012	於二零一一年 十二月三十一日 及二零一二年 十二月三十一日	-	-	-	-

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

18. PROPERTY, PLANT AND EQUIPMENT (Continued)

The Company (Continued)

The above items of property, plant and equipment are depreciated on straight-line basis over the following useful lives:

- Freehold land is not depreciated
- Leasehold land and buildings situated thereon are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of purchase
- Plant and machinery 4-10 years
- Other property, plant and equipment 3-5 years

Notes:

- (a) The analysis of net carrying value of land and buildings held for own use carried at fair value is as follows:

		The Group 本集團		The Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Freehold outside Hong Kong	在香港境外按永久業權持有	-	71,722	-	-

- (b) The Group's and the Company's land and buildings held for own use was revalued as at 31 December 2012 at their open market value. The valuations were carried out by Roma Appraisals Limited ("Roma Appraisals") (2011: Vigers Appraisal & Consulting Limited ("Vigers Appraisal")), an independent firm of professional surveyors not connected with the Group who had among staff members of the Hong Kong Institute of Surveyors. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in the same locations and conditions. The land and buildings held for own use was transferred to investment properties at fair value as at 31 December 2012.

A revaluation deficit/surplus of the Group of approximately HK\$2,178,000 deficit (2011: HK\$1,779,000 surplus) has been recognised in profit and loss (2011: transferred to the properties revaluation reserve), net of the Nil (2011: approximately HK\$884,000) deferred taxation of the Group.

For the year ended 31 December 2011, revaluation deficit of the Company of approximately HK\$440,000 had been transferred to the properties revaluation reserve, net of the Company's deferred taxation of HK\$99,000 (note 33).

18. 物業、機器及設備 (續)

本公司 (續)

上述物業、機器及設備乃於使用年內按直線法折舊：

- 不就永久業權持有土地進行折舊。
- 租賃土地及樓宇按未屆滿租約年期及其估計使用年期之較短者(日起計不超過50年)進行折舊。
- 機器及設備 4-10年
- 其他物業、機器及設備 3-5年

附註：

- (a) 持有作自用以公允價值列賬之土地及樓宇之賬面淨值分析如下：

- (b) 於二零一二年十二月三十一日，曾就本集團及本公司持有作自用之土地及樓宇之公開市價進行重估。該等估值由與本集團並無關連之獨立專業估值師羅馬國際評估有限公司(「羅馬國際評估」)(二零一一年：威格斯資產評估顧問有限公司(「威格斯資產評估」))進行，其部份員工為香港測量師學會成員。估值乃參考相同地點及狀況之類似物業之市場成交價而進行。於二零一二年十二月三十一日，持有作自用之土地及樓宇已按公允價值轉撥至投資物業。

本集團重估虧絀/盈餘約虧絀2,178,000港元(二零一一年：盈餘1,779,000港元)已於損益確認(二零一一年：轉撥至物業重估儲備)，並扣除本集團之遞延稅項零港元(二零一一年：約884,000港元)。

截至二零一一年十二月三十一日止年度，本公司重估虧絀約440,000港元已轉撥至物業重估儲備，並扣除本公司之遞延稅項99,000港元(附註33)。

Notes to the Financial Statements 財務報表附註

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

18. PROPERTY, PLANT AND EQUIPMENT (Continued)

The Company (Continued)

Notes: (Continued)

(b) (Continued)

Had the above land and buildings held for own use been carried at cost less accumulated depreciation, the carrying amounts would have been:

	The Group 本集團		The Company 本公司	
	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Freehold land and buildings 按永久業權持有之土地及樓宇	-	62,742	-	-
Leasehold land and buildings 按租賃持有之土地及樓宇	-	-	-	-
	-	62,742	-	-

18. 物業、機器及設備 (續)

本公司 (續)

附註：(續)

(b) (續)

倘上述持作自用之土地及樓宇已按成本減累計折舊列值，賬面金額將為：

(c) During the year, the Group capitalised borrowing costs amounting to approximately HK\$607,000 (2011: HK\$589,000) for the continuing operations and approximately HK\$2,302,000 (2011: HK\$639,000) for discontinued operations in the construction-in-progress. Borrowing costs were capitalised at specific borrowing which bears interest ranging from 5.2% to 9.06% per annum (2011: 4.00% to 6.98% per annum).

(d) As at 31 December 2012, the Group's land and buildings held for own use of Nil (2011: approximately HK\$71,722,000) were pledged to secure banking facilities granted to the Group (note 29).

(e) For the year ended 31 December 2011, the Company transfers its assets and liabilities at their carrying values to its subsidiaries upon Group Reorganisation on the date of transfer.

(c) 年內，本集團將持續經營業務之在建工程借貸成本約607,000港元（二零一一年：589,000港元）及已終止經營業務之在建工程借貸成本約2,302,000港元（二零一一年：639,000港元）資本化。借貸成本乃按介乎每年5.2%至9.06%（二零一一年：每年4.00%至6.98%）之利率計息之特別借貸予以資本化。

(d) 於二零一二年十二月三十一日，本集團零港元（二零一一年：約71,722,000港元）持作自用之土地及樓宇已予抵押作為授予本集團之銀行融資額之擔保（附註29）。

(e) 截至二零一一年十二月三十一日止年度，於轉撥日期進行集團內部重組時，本公司按其賬面值轉讓其資產及負債至其附屬公司。

Notes to the Financial Statements 財務報表附註

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

19. INVESTMENT PROPERTIES

19. 投資物業

		The Group 本集團		The Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Fair value	公允價值				
At 1 January	於一月一日	29,930	5,100	–	5,100
Transfer from property, plant and equipment (Note 18)	轉撥自物業、機器及設備(附註18)	22,072	21,755	–	–
Transfer to subsidiaries upon Group Reorganisation	於集團重組時轉撥至附屬公司	–	–	–	(6,000)
Exchange adjustments	匯兌調整	(2)	489	–	–
Increase in fair value recognised in profit or loss	於損益中確認之公允價值增加	4,292	2,586	–	900
At 31 December	於十二月三十一日	56,292	29,930	–	–

The fair value of the Group's and the Company's investment properties at 31 December 2012 has been arrived at on the basis of a valuation carried out on that dates by Roma Appraisals (2011: Vigers Appraisal), an independent qualified professional valuer not connected with the Group. Roma Appraisals is a member of the Institute of Valuers, and have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in the same locations and conditions.

All of the Group's and the Company's property interests held under operating lease to earn rentals or for capital appreciation purpose are measured using the fair value model and are classified and accounted for as investment property.

During the year, the Group changed the use of one of the owner-occupied properties for its administrative function and leased them out on operating income at its fair value of approximately HK\$22,072,000 (2011: HK\$21,755,000) on the date of transfer. The carrying value of the properties were HK\$22,072,000 (2011: HK\$21,755,000) at the date of transfer.

本集團及本公司之投資物業於二零一二年十二月三十一日之公允價值乃按與本集團並無關連之獨立合資格專業估值師羅馬國際評估(二零一一年:威格斯資產評估)於該等日期所進行之評值而得出。羅馬國際評估為估價師協會之會員,具適當資歷及近期在相關地點同類物業估值之經驗。所作出之估值乃參考同一地區及情況相若物業之成交金額作市場憑證。

本集團及本公司之所有按經營租約持有並用作賺取租金或資本升值之物業權益,乃按公允價值模式計量,且分類為及以投資物業入賬。

於年內,本集團變更其自有物業之用途,以作行政功能並於轉撥當日按其公允價值約22,072,000港元(二零一一年:21,755,000港元)將其租賃以收取經營收入。該等物業於轉撥當日之賬面值為22,072,000港元(二零一一年:21,755,000港元)。

Notes to the Financial Statements 財務報表附註

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

19. INVESTMENT PROPERTIES (Continued)

For the year ended 31 December 2011, the Company transfers its assets and liabilities at their carrying values to its subsidiaries upon the Group Reorganisation on the date of transfer.

As at 31 December 2012, the Group's investment properties of approximately HK\$46,492,000 (2011: HK\$ 23,930,000) were pledged to secure banking facilities granting to the Group.

The investment properties are situated in Hong Kong, the PRC and Korea and with medium-term leases.

19. 投資物業 (續)

截至二零一一年十二月三十一日止年度，於轉撥日期進行集團重組時，本公司按其賬面值轉讓其資產及負債至其附屬公司。

於二零一二年十二月三十一日，本集團約46,492,000港元（二零一一年：23,930,000港元）之投資物業已予抵押作為授予本集團之銀行融資額之擔保。

位於香港、中國及韓國之投資物業按中期租約持有。

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Breakdown by location:	地區分類：		
PRC	中國	24,420	23,930
Korea	韓國	22,072	-
Hong Kong	香港	9,800	6,000
		56,292	29,930

Notes to the Financial Statements 財務報表附註

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

20. INTERESTS IN SUBSIDIARIES

20. 於附屬公司之權益

		The Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Unlisted equities, at cost	非上市股本，按成本值		
At 1 January	於一月一日	359,014	94,895
Additional contribution	額外貢獻	6,395	105,159
Capital contribution	出資	39,639	253,855
Less: Disposal	減：出售	(105,159)	(94,895)
Less: Disposals on the Distribution In Specie of shares in a subsidiary (note 38)	減：於實物分派 附屬公司股份時 出售(附註38)	(39,639)	-
		260,250	359,014
Less: provision for impairment loss (Note i)	減：減值虧損撥備(附註i)	(66,906)	(55,648)
		193,344	303,366
Amounts due (to)/from subsidiaries (Note ii)	應(付)／收附屬公司款項 (附註ii)	(17,387)	21,592
At 31 December	於十二月三十一日	175,957	324,958
Analysed for reporting purposes as:	分析作呈報用途：		
Non-current assets	非流動資產	193,344	303,366
Current (liabilities)/assets	流動(負債)／資產	(17,387)	21,592
		175,957	324,958

Notes to the Financial Statements 財務報表附註

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

20. INTERESTS IN SUBSIDIARIES (Continued)

Note i: The directors of the Company had reviewed the carrying values of the investments in subsidiaries and considered that in light of the operating losses of the subsidiaries and the market conditions, total impairment losses of approximately HK\$11,258,000 (2011: HK\$55,648,000) had been recognised during the year. The directors of the Company were in the opinion that the impairment was made based on the share of net assets of the subsidiaries as at the end of reporting period.

Note ii: The amounts are unsecured, interest-free and repayable on demand.

Details of the Company's subsidiaries as at 31 December 2012 and 2011 are as follows:

20. 於附屬公司之權益 (續)

附註 i: 本公司董事經已審閱於附屬公司之投資之賬面值，並認為由於附屬公司之經營虧損以及市況於年內確認減值虧損總額約 11,258,000 港元 (二零一一年: 55,648,000 港元)。本公司董事認為，減值乃根據報告期末分佔附屬公司之資產淨值進行釐定。

附註 ii: 金額為無抵押、免息及按要求償還。

於二零一二年及二零一一年十二月三十一日，本公司附屬公司之詳情如下：

Name of subsidiaries 公司名稱	Place and date of incorporation/ establishment/ operations 註冊成立/成立/ 經營地點及日期	Class of shares held 所持股份類別	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 已註冊資本	Proportion ownership interest held by the Company 由本公司持有之所有權權益比例				Principal activities 主要業務
				Directly 直接		Indirectly 間接		
				2012	2011	2012	2011	
				二零一二年	二零一一年	二零一二年	二零一一年	
Kwang Sung Electronics Holdings Co. Limited (note (a)) 光星電子控股有限公司 (附註(a))	Hong Kong 香港	Ordinary 普通股	HK\$253,855,129 253,855,129 港元	100%	100%	-	-	Investment holding 投資控股
Kwang Sung Technology Holdings Co. Limited (note (a)) 光星科技控股有限公司 (附註(a))	Hong Kong 香港	Ordinary 普通股	HK\$10,000 10,000 港元	-	-	100%	100%	Sales of electronic components 銷售電子元件
Shenzhen Kwang Sung (note (b)) 深圳光星 (附註(b))	PRC 中國	Ordinary 普通股	US\$10,561,780 10,561,780 美元	-	-	100%	100%	Manufacture and sales of electronic components 製造及銷售電子元件

Notes to the Financial Statements 財務報表附註

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

20. INTERESTS IN SUBSIDIARIES (Continued)

20. 於附屬公司之權益 (續)

Name of subsidiaries 公司名稱	Place and date of incorporation/ establishment/ operations 註冊成立/成立/ 經營地點及日期	Class of shares held 所持股份類別	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 已註冊資本	Proportion ownership interest held by the Company 由本公司持有之所有權權益比例				Principal activities 主要業務
				Directly 直接		Indirectly 間接		
				2012	2011	2012	2011	
				二零一二年	二零一一年	二零一二年	二零一一年	
Kwang Sung Electronics Trading (Shenzhen) Co., Ltd. (note (c)) 光星電子貿易(深圳) 有限公司(附註(c))	PRC 中國	Ordinary 普通股	RMB500,000 人民幣500,000元	—	—	100%	100%	Provision of sales agency services to the Company 向本公司提供銷售 代理服務
*Kwang Sung Holdings Co., Ltd. (Formerly known as Kwang Sung Group Investment Co., Ltd.) ("Kwang Sung Holdings") (note (d)) *光星控股有限公司 (前稱為光星集團投資 有限公司) (「光星控股」)(附註(d))	BVI 英屬處女群島	Ordinary 普通股	US\$13,535,610 13,535,610美元	—	100%	—	—	Investment holding 投資控股
*Brocoli Co., Ltd (note (e)) *Brocoli Co., Ltd (附註(e))	Korea 韓國	Ordinary 普通股	KRW1,966,450,000 1,966,450,000韓圓	—	—	—	69.7%	Research and development and production of wiretape cabling technology products 研發及生產 wiretape 纜線技術產品

Notes to the Financial Statements
財務報表附註

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

20. INTERESTS IN SUBSIDIARIES (Continued)

20. 於附屬公司之權益 (續)

Name of subsidiaries 公司名稱	Place and date of incorporation/ establishment/ operations 註冊成立/成立/ 經營地點及日期	Class of shares held 所持股份類別	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 已註冊資本	Proportion ownership interest held by the Company 由本公司持有之所有權權益比例				Principal activities 主要業務
				Directly 直接		Indirectly 間接		
				2012	2011	2012	2011	
				二零一二年	二零一一年	二零一二年	二零一一年	
*Kwang Sung Electronics Korea Co., Ltd. (note (f)) *Kwang Sung Electronics Korea Co., Ltd. (附註(f))	Korea 韓國	Ordinary 普通股	KRW50,000,000 50,000,000韓圓	—	—	—	100%	Manufacture and sales of electronic components 製造及銷售電子元件
石岩光星電子(深圳) 有限公司 (note (g)) 石岩光星電子(深圳) 有限公司 (附註(g))	PRC 中國	Ordinary 普通股	US\$824,370 824,370美元	—	—	100%	—	Manufacture and sales of electronic components 製造及銷售電子元件
*Kwang Sung Group Investment Co., Limited (Note (h)) *光星集團投資有限公司 (附註(h))	Hong Kong 香港	Ordinary 普通股	HK\$1 1港元	—	—	—	100%	Investment holding 投資控股
*Baoying Kwang Sung “寶應光星電子公司” (note (i)) *寶應光星 (附註(i))	PRC 中國	Ordinary 普通股	US\$10,000,000 10,000,000美元	—	—	—	100%	Manufacture and sales of electronic components 製造及銷售電子元件
*Jay Star Holdings Limited (note (j)) *Jay Star Holdings Limited (附註(j))	Bermuda 百慕達	Ordinary 普通股	HK\$ 3,238,969 3,238,969港元	—	—	—	—	Investment holding 投資控股

Notes to the Financial Statements 財務報表附註

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

20. INTERESTS IN SUBSIDIARIES (Continued)

Notes:

- (a) It is established on 14 September 2011.
 - (b) It is a wholly foreign owned enterprise established in the PRC. All interests were transferred to Kwang Sung Electronics at net book value on 14 November 2011.
 - (c) It is a wholly foreign owned investment commercial enterprise. All interests were transferred to Kwang Sung Electronics at net book value on 14 November 2011.
 - (d) The Company's name has been changed since 15 September 2011.
 - (e) All interests were transferred to Kwang Sung Holdings at net book value on 25 November 2011.
 - (f) All interests were transferred to Kwang Sung Holdings at net book value on 25 November 2011.
 - (g) It is established on 25 April 2012.
 - (h) It is established on 31 March 2011.
 - (i) It is established on 18 July 2011.
 - (j) The company was set up and disposed of on Distribution In Specie of shares in a subsidiary (note 38) during the year ended 31 December 2012.
- * These companies are disposed of through Distribution In Specie on 11 December 2012.

None of the subsidiaries had issued any debt securities at the end of both years or during both years.

20. 於附屬公司之權益 (續)

附註：

- (a) 該公司於二零一一年九月十四日成立。
 - (b) 該公司為中國之外商獨資企業。所有權益已於二零一一年十一月十四日按賬面淨值轉撥至 Kwang Sung Electronics。
 - (c) 該公司為外商獨資商業企業。所有權益已於二零一一年十一月十四日按賬面淨值轉撥至 Kwang Sung Electronics。
 - (d) 本公司自二零一一年九月十五日起變更名稱。
 - (e) 所有權益已於二零一一年十一月二十五日按賬面淨值轉撥至光星控股。
 - (f) 所有權益已於二零一一年十一月二十五日按賬面淨值轉撥至光星控股。
 - (g) 該公司於二零一二年四月二十五日成立。
 - (h) 該公司於二零一一年三月三十一日成立。
 - (i) 該公司於二零一一年七月十八日成立。
 - (j) 該公司於截至二零一二年十二月三十一日止年度成立，並於實物分派附屬公司股份時出售（附註38）。
- * 該等公司於二零一二年十二月十一日透過實物分派出售。

沒有任何附屬公司於兩個年度末期或期間發行任何債務證券。

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財務報表附註

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

21. GOODWILL

21. 商譽

		The Group 本集團 HK\$'000 千港元
COST	成本	
At 31 December 2011 and 1 January 2012	於二零一一年十二月三十一日 及二零一二年一月一日	5,857
Distribution In Specie of shares in a subsidiary (note 38)	附屬公司股份實物分派 (附註38)	(5,857)
At 31 December 2012	於二零一二年十二月三十一日	-
IMPAIRMENT	減值	
At 1 January 2011	於二零一一年一月一日	-
Impairment loss recognised	已確認減值虧損	5,857
At 31 December 2011	於二零一一年十二月三十一日	5,857
Eliminated on the Distribution In Specie of shares in a subsidiary (note 38)	實物分派附屬公司股份時撇銷 (附註38)	(5,857)
At 31 December 2012	於二零一二年十二月三十一日	-
CARRYING VALUES	賬面值	
At 31 December 2012	於二零一二年十二月三十一日	-
At 31 December 2011	於二零一一年十二月三十一日	-

The carrying amount of goodwill as at the end of reporting periods are attributable to the Group's cash generating unit ("CGU") representing sale of products using WireTape™ cabling technology.

The recoverable amount of the CGU is determined by reference to value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a ten-year period, and at a pre-tax discount rate of approximately 14.3% for the year ended 31 December 2011. The cash flows beyond the ten-year period were assumed constant with zero growth rate. This average growth rate is based on the relevant industry growth rate. Since CGU benefits from the possession of 17-year patents on its primary product registered in 2009, management of the Group believes that the average growth rate is reasonable. Other key assumptions for the value-in-use calculations relate to the estimation of each inflows/outflows including budgeted sales and gross margin, such estimation is based on the management's expectations for the market development and the directors considered appropriate.

商譽於報告期末之賬面值來自本集團銷售使用 WireTape™ 纜線技術產品之現金產生單位（「現金產生單位」）。

現金產生單位之可收回金額，乃參考使用價值進行計算後釐定。這些計算使用經管理層批准之十年期財務預算為基準之現金流量未來預測，於截至二零一一年十二月三十一日止年度之按稅前貼現率約14.3%計算。超逾該十年期之現金流量則以假設不變的零增長率推斷。該平均增長率乃基於相關行業的增長率且不超出相關行業的平均長期增長率而計算所得。由於現金產生單位因於二零零九年就其首項產品獲授十七年期專利權而受惠，故本集團管理層相信此平均增長率屬合理。其他使用價值計算的主要假設與每項估計現金流入／流出有關，有關估計乃基於管理層對市場發展的預期，董事亦認為估計屬適當。

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21. GOODWILL (Continued)

During the year ended 31 December 2011, impairment loss on goodwill of approximately HK\$5,857,000 was recognised.

During the year ended 31 December 2012, the goodwill was released upon the Distribution In Specie of shares in a subsidiary (note 38).

21. 商譽 (續)

於截至二零一一年十二月三十一日止年度內，商譽減值虧損約5,857,000港元已確認。

於截至二零一二年十二月三十一日止年度內，商譽於實物分派附屬公司股份時轉撥(附註38)。

22. CLUB MEMBERSHIPS

22. 會所會籍

		The Group 本集團		The Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Club memberships, at cost	會所會籍·按成本				
At 1 January	於一月一日	759	759	344	759
Transfer to its subsidiary upon Group Reorganisation	於集團重組時 轉撥至其附屬公司	-	-	(344)	(415)
At 31 December	於十二月三十一日	759	759	-	344
Accumulated impairment loss	累計減值虧損				
At 1 January	於一月一日	159	159	61	159
Written off for the year	年內撇銷	-	-	-	(98)
Transfer to its subsidiary	轉撥至其附屬公司	-	-	(61)	-
At 31 December	於十二月三十一日	159	159	-	61
Carrying values	賬面值				
At 31 December	於十二月三十一日	600	600	-	283

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23. INTANGIBLE ASSETS

23. 無形資產

		Patents 專利權		The Company 本公司	
		The Group 本集團	2011 二零一一年	2012 二零一二年	2011 二零一一年
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Cost	成本值				
At 1 January	於一月一日	19,478	19,644	–	11,371
Exchange adjustments	匯兌調整	529	(166)	–	–
Transfer to its subsidiaries upon Group Reorganisation	於集團重組時轉撥至其附屬公司	–	–	–	(11,371)
Disposal on the Distribution In Specie of shares in a subsidiary (note 38)	於實物分派附屬公司股份時出售 (附註38)	(20,007)	–	–	–
At 31 December	於十二月三十一日	–	19,478	–	–
Amortisation	攤銷				
At 1 January	於一月一日	3,151	2,021	–	1,171
Exchange adjustments	匯兌調整	105	(38)	–	–
Charge for the year	本年度攤銷	1,095	1,168	–	474
Impairment losses	減值虧損	5,929	–	–	–
Eliminated on the Distribution In Specie of shares in a subsidiary (note 38)	於實物分派附屬公司股份時撤銷 (附註38)	(10,280)	–	–	–
Transfer to its subsidiaries upon Group Reorganisation	於集團重組時轉撥至其附屬公司	–	–	–	(1,645)
At 31 December	於十二月三十一日	–	3,151	–	–
Carrying values	賬面值				
At 31 December	於十二月三十一日	–	16,327	–	–

The patents entitle the Group to manufacture products using WireTape™ cabling technology over 17 years from the date of acquisition. The carrying values will therefore be amortised over the useful lives of 17 years.

During the year ended 31 December 2012, all patents were disposed of on Distribution In Specie of shares in a subsidiary (note 38).

該等專利權授權本集團於收購日期起17年使用Wiretape™纜線技術製造產品。故此，其賬面值將於可使用年期17年內攤銷。

於截至二零一二年十二月三十一日止年度，所有專利權於實物分派附屬公司股份時出售 (附註38)。

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

24. AVAILABLE-FOR-SALE INVESTMENTS

24. 可供出售投資

		The Group and the Company 本集團及本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Unlisted equity securities in Hong Kong, at cost	於香港之非上市股本證券，按成本值		
At 1 January	於一月一日	1,500	1,500
Less: impairment loss recognised	減：已確認減值虧損	(1,500)	(1,500)
At 31 December	於十二月三十一日	–	–

In view of significant operating losses incurred by the investee, full impairment loss had been made for the cost of investment in that entity of HK\$1,500,000 in previous years.

由於接受投資者產生重大經營虧損，故已於過往年度就投資於該實體之成本1,500,000港元作出全數減值撥備。

25. INVENTORIES

25. 存貨

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Raw materials	原材料	10,277	17,102
Work in progress	在製品	5,230	22,273
Finished goods	製成品	10,877	24,634
		26,384	64,009

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26. TRADE AND OTHER RECEIVABLES

26. 應收貿易及其他賬款

		The Group 本集團		The Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Trade and bills receivables	應收貿易及票據賬款	66,479	122,339	–	–
Less: provision for impairment loss	減：減值虧損撥備	(11,194)	(10,000)	–	–
		55,285	112,339	–	–
Short-term loans to key management personnel and employees	向主要管理人員及僱員提供短期貸款	–	553	–	–
Tax reserve certificates (note 11(b))	儲稅券(附註11(b))	–	23,380	–	23,380
Deposits, prepayments and other receivables	按金、預付款項及其他應收賬款	10,193	13,967	–	–
		65,478	150,239	–	23,380

(a) Ageing analysis

The Group allows an average credit period of 30-90 days to its trade customers. The Group does not hold any collateral or other credit enhancements over its trade receivables. Trade and bills receivables (net of provision for impairment loss) presented based on the invoice date, which approximated the respective revenue recognition dates, with the following ageing analysis as of the end of the reporting period:

(a) 賬齡分析

本集團給予其貿易客戶之平均信貸期為30至90日。本集團並無就其應收貿易賬款持有任何抵押品或其他信用增強措施。應收貿易及票據賬款按發票日期(與相應收入確認日期相若)呈列(扣除減值虧損撥備)，於報告期末之賬齡分析如下：

		The Group 本集團		The Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
0-90 days	0至90日	52,961	98,537	–	–
91-180 days	91至180日	2,103	13,802	–	–
181-365 days	181至365日	221	–	–	–
		55,285	112,339	–	–

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26. TRADE AND OTHER RECEIVABLES (Continued)

(a) Ageing analysis (Continued)

Trade and bills receivables that are neither past due nor impaired have the best credit scoring attributable under the external credit scoring system used by the Group.

Included in the above ageing analysis, there are bills receivables of approximately HK\$345,000, which are aged less than 90 days as at 31 December 2011. No bills receivable is outstanding at 31 December 2012.

(b) Impairment of trade and bills receivables

Impairment losses in respect of trade and bills receivables are recorded using an allowance account unless the Group and the Company are satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade and bills receivables directly.

At 31 December 2012, the Group's trade and bills receivables of approximately HK\$11,194,000 (2011: HK\$10,000,000) were individually determined to be impaired.

The movements in impairment losses recognised during the year are as follows:

26. 應收貿易及其他賬款 (續)

(a) 賬齡分析 (續)

根據本集團使用之外部信貸評分系統，未過期或無減值之應收貿易及票據賬款具有最佳信貸得分。

上述賬齡分析包括於二零一一年十二月三十一日賬齡少於90日約345,000港元之應收票據。於二零一二年十二月三十一日並無尚未收款之應收票據。

(b) 應收貿易及票據賬款之減值

有關應收貿易及票據賬款之減值虧損乃使用備抵賬記錄，惟本集團及本公司認為收回款項之機會甚微則除外，在此情況下減值虧損直接在應收貿易及票據賬款中撇銷。

於二零一二年十二月三十一日，本集團之應收貿易及票據賬款約11,194,000港元（二零一一年：10,000,000港元）已予個別決定為須予減值。

年內確認減值虧損之變動如下：

		The Group 本集團		The Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At 1 January	於一月一日	10,000	13,194	—	13,194
Impairment loss recognised	已確認減值虧損	1,365	156	—	134
Transfer to subsidiaries upon Group Reorganisation	於集團重組時轉撥至其附屬公司	—	—	—	(12,962)
Amounts written off as uncollectible	因無法收回而撇減之金額	—	(2,497)	—	—
Reversal of impairment loss	減值虧損回撥	(142)	(853)	—	(366)
Exchange adjustments	外匯調整	(29)	—	—	—
At 31 December	於十二月三十一日	11,194	10,000	—	—

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26. TRADE AND OTHER RECEIVABLES (Continued)

26. 應收貿易及其他賬款 (續)

(c) The ageing analysis of trade and bills receivables which are past due but not impaired:

(c) 已過期但無減值之應收貿易及票據賬款之賬齡分析：

	The Group 本集團		The Company 本公司		
	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	
0-30 days	0至30日	12,377	26,692	—	—
31-90 days	31至90日	3,781	11,085	—	—
91-365 days	91至365日	1,408	2,358	—	—
		17,566	40,135	—	—

Included in the Group's trade and bills receivables balance are debtors with aggregate carrying amount of approximately HK\$ 17,566,000 (2011: HK\$40,135,000) which are past due as at the end of the reporting period for which the Group has not provided for impairment loss.

計入本集團應收貿易賬款及票據結餘為賬面總值約17,566,000港元(二零一一年：40,135,000港元)，於報告日期末屬過期之應收賬款，而本集團並無就此計提減值虧損。

No Company's trade and bills receivables were past due as at 31 December 2012 and 2011.

於二零一二年及二零一一年十二月三十一日，本公司概無已過期之應收貿易及票據賬款。

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The average age of these receivables is 50 days (2011: 50 days).

已逾期但無減值之應收賬款是與本集團及本公司有良好還款紀錄之多名獨立客戶有關。根據以往經驗，由於信貸質素並無重大變化，加上有關結餘仍被認為可全數收回，故管理層相信毋須就該等結餘作減值撥備。該等應收賬款之平均賬齡為50天(二零一一年：50天)。

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27. BANK BALANCES AND CASH

27. 銀行結餘及現金

		The Group 本集團		The Company 本公司	
		2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Bank balances and cash	銀行結餘及現金	110,250	110,182	–	–
Less: restricted deposit (note)	減：受限制銀行 存款(附註)	(11,009)	(472)	–	–
Cash and cash equivalents as per cash flow statement	現金流量表內之 現金及現金等價物	99,241	109,710	–	–

Note: As at 31 December 2012, bank deposit amounted to approximately HK\$11,009,000 (2011: HK\$472,000) was pledged as securities for certain banking facilities.

Bank balances of the Group represented short-term deposits with a maturity of three months or less. Bank balances carry interest at market rates which range from 0.001% to 0.36% (2011: 0.001% to 0.5%) per annum for the year.

附註：於二零一二年十二月三十一日，銀行存款約11,009,000港元(二零一一年：472,000港元)已抵押作為若干銀行融資之抵押品。

本集團之銀行結餘乃指三個月或以下到期之短期存款。於本年度，銀行結餘乃按市場利率每年0.001%至0.36%計息(二零一一年：0.001%至0.5%)。

28. TRADE AND OTHER PAYABLES

28. 應付貿易及其他賬款

		The Group 本集團		The Company 本公司	
		2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Trade payables	應付貿易賬款	46,322	76,314	–	–
Accrued expenses and other payables	應計費用及 其他應付賬款	28,191	25,495	225	–
		74,513	101,809	225	–

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28. TRADE AND OTHER PAYABLES (Continued)

An ageing analysis of the trade payables as of the end of the reporting period based on invoice date is as follows:

		The Group 本集團		The Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
0-90 days	0至90日	41,978	65,385	–	–
91-180 days	91至180日	2,709	9,971	–	–
181-365 days	181至365日	95	958	–	–
Over 365 days	365日以上	1,540	–	–	–
		46,322	76,314	–	–

The average credit period on purchases of goods is 0-90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

應付貿易賬款按發票日期於報告期末之賬齡分析如下：

購貨之平均信貸期為0至90日。本集團設有金融風險管理政策，確保所有應付賬款於信貸期限內結付。

29. BANK BORROWING

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Secured (Note)	有抵押 (附註)	16,652	40,262
Unsecured	無抵押	2,896	33,700
		19,548	73,962

The bank borrowing bears variable interest rate ranging from 5.2% to 9.06% (2011: 4.00% to 6.98%) per annum and is repayable within 1 year.

銀行借貸按浮動利率每年介乎5.2%至9.06% (二零一一年：4.00%至6.98%) 計息及須於一年內償還。

Note: Bank borrowing of KRW2,700,000,000 (equivalent to approximately HK\$19,548,000) (2011: KRW5,973,657,000, equivalent to approximately HK\$40,262,000; and RMB14,000,000, equivalent to approximately HK\$17,269,000) were secured by the Group's land and buildings in Korea of Nil (2011: approximately HK\$71,722,000) and the Group's investment property in Korea of approximately HK\$46,492,000 (2011: HK\$23,930,000).

附註：銀行借貸2,700,000,000韓圓（相等於約19,548,000港元）（二零一一年：5,973,657,000韓圓，相等於約40,262,000港元；及人民幣14,000,000元，相等於約17,269,000港元）已由本集團位於韓國之土地及樓宇零港元（二零一一年：約71,722,000港元）及本集團於韓國之投資物業約46,492,000港元（二零一一年：23,930,000港元）作抵押。

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29. BANK BORROWING (Continued)

During the year, the Group obtained new bank borrowing of KRW700,000,000 (equivalent to approximately HK\$5,026,000) (2011: KRW10,973,637,000 equivalent to approximately HK\$77,035,000) from Industrial Bank of Korea.

During the year ended 31 December 2012, the bank borrowing of approximately HK\$19,548,000 is used for financing the general working capital (2011: HK\$73,962,000 was used for financing the construction in progress in Korea).

30. SHARE CAPITAL

Authorised and issued share capital:

29. 銀行借貸 (續)

年內，本集團向Industrial Bank of Korea取得新銀行借貸700,000,000韓圓(相等於約5,026,000港元)(二零一一年：10,973,637,000韓圓(相等於約77,035,000港元))。

於截至二零一二年十二月三十一日止年度，銀行借貸約19,548,000港元(二零一一年：於韓國用於撥付韓國在建工程73,962,000港元)用作一般營運資金。

30. 股本

法定及已發行股本：

		2012 二零一二年		2011 二零一一年	
		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元	Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Authorised: Ordinary shares of HK\$0.1 each	法定： 每股面值0.1港元 之普通股	1,500,000	150,000	1,500,000	150,000
Ordinary shares, issued and fully paid: At 1 January and 31 December	已發行及繳足之 普通股： 於一月一日及 十二月三十一日	323,897	32,390	323,897	32,390

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派之股息，並於本公司大會上可就每股股份享有一票投票權。就本公司之剩餘資產而言，所有普通股享有同等權利。

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31. RESERVES OF THE COMPANY

31. 本公司儲備

		Share premium	Contribution reserve	Properties revaluation reserve	Statutory reserve	Exchange reserve	Retained profits	Total
		股份溢價	出資儲備	物業重估儲備	法定儲備	匯兌儲備	保留溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2011	於二零一一年一月一日	58,566	9,946	19,867	9,376	(12,384)	249,787	335,158
Total comprehensive income for the year	本年度全面收益總額	-	-	(341)	-	(1,784)	(41,287)	(43,412)
Realisation upon Group Reorganisation	集團重組時實現	-	-	-	(9,376)	-	9,376	-
Reduction of contributions from shareholders	削減股東出資	-	(1,468)	-	-	-	-	(1,468)
Realisation upon disposal of land and building	出售土地及樓宇時實現	-	-	(19,526)	-	-	21,505	1,979
At 31 December 2011	於二零一一年十二月三十一日	58,566	8,478	-	-	(14,168)	239,381	292,257
Total comprehensive income (expense) for the year	本年度全面收益(開支)總額	-	-	-	-	1,545	(47,649)	(46,104)
Special dividend by way of Distribution In Specie of shares in a subsidiary	以實物分派附屬公司股份方式派發特別股息	-	-	-	-	-	(111,773)	(111,773)
At 31 December 2012	於二零一二年十二月三十一日	58,566	8,478	-	-	(12,623)	79,959	134,380

32. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS

32. 按公允價值計入損益之金融負債

		The Group		The Company	
		本集團	本公司	本公司	本公司
		2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Fair value	公允價值				
At 1 January	於一月一日	5,908	6,452	-	6,452
Transfer to subsidiaries upon Group Reorganisation	於集團重組時轉撥至其附屬公司	-	-	-	(6,147)
Fair value change credited to the consolidated income statement	計入綜合損益表之公允價值變動	-	(544)	-	(305)
Release on acceptance of cash offer	於接納現金收購要約時轉撥	(5,908)	-	-	-
At 31 December	於十二月三十一日	-	5,908	-	-

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32. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS (Continued)

In March 2009, the Group and the Company entered into a patent transfer agreement (the “Agreement”) with an independent third party (the “Seller”). The consideration of approximately HK\$10,242,000 was partially satisfied by issuing 8,534,933 shares of the Company at HK\$0.41 per share (the “Consideration Shares”) to the Seller and the remaining consideration of approximately HK\$6,743,000 will be settled in cash along with put options (“Options”) on period from the end of third year to the end of fourth year after the transaction (i.e. March 2013), under either condition:

- (i) the Group and the Company will not be required to make further payment if the share price of the Company is higher than HK\$1.2; or
- (ii) if the share price of the Company is lower than HK\$1.2, the Group and the Company will be required to pay the difference of the basis price (being HK\$1.2) and the share price, multiple the number of Consideration Shares.

The details of the Options were set out in the Agreement and the Company’s announcement dated 30 March 2009.

The fair value of the Options granted is estimated at the date of grant using binomial model taking into account the terms and conditions upon which the Options were granted. The inputs into the model were as follows:

		2012 二零一二年	2011 二零一一年
Dividend yield	股息率	N/A 不適用	0%
Expected volatility	預期波幅	N/A 不適用	85%
Risk-free interest rate	無風險利息	N/A 不適用	0.9%
Expected life	預期年期	N/A 不適用	1.25 year 年
Weighted average share price	加權平均股價	N/A 不適用	HK\$0.600 港元

The binomial model has been used as at 31 December 2011 to estimate the fair value of the Options. The variables and assumptions used in computing the fair value of the Options are based on the directors’ best estimate. The value of an option varies with different variables of certain subjective assumptions.

32. 按公允價值計入損益之金融負債 (續)

於二零零九年三月，本集團及本公司與獨立第三方（「賣方」）訂立一份專利權轉讓協議（「協議」）。代價約10,242,000港元，部分按每股0.41港元發行8,534,933股本公司股份（「代價股份」）予賣方，代價餘額約6,743,000港元將於交易之後第三年底至第四年底期間（即二零一三年三月）以認沽期權（「期權」）於以下情況下以現金結付：

- (i) 倘本公司之股份價格高於1.2港元，本集團及本公司毋須支付餘額；或
- (ii) 倘本公司之股份價格低於1.2港元，本集團及本公司須支付基本價格（即1.2港元）與股份價格之間的差額，乘以代價股份數目。

期權之詳情載於協議及本公司於二零零九年三月三十日發出之公告。

所授出期權之公允價值乃採用二項式定價方法並計入授出期權之條款及條件進行估計。該模式之輸入數據包括：

於二零一一年十二月三十一日，二項式模式已用於估計期權之公允價值。計算期權公允價值所採用變數及假設乃按照董事最佳估算為準。期權價值因變數隨著若干主觀假設之不同而改變。

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32. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS (Continued)

During the year ended 31 December 2012, the Seller accepted cash offer of HK\$0.9263 per share and HK\$0.38 per share to sell the Consideration Shares to Ultra Harvest and Smart Top Investments Limited, a company which is wholly owned by Mr. Yang (former shareholder), respectively. Accordingly, obligation under the options was lapsed thereafter as the Seller no longer own the Consideration Shares according to the Agreement.

33. DEFERRED TAXATION

The components of deferred tax (assets) liabilities recognised in the Group's and the Company's statements of financial position and the movements during the year are as follows:

The Group

		Depreciation allowances in excess of related depreciation 超出有關折舊之折舊抵免額 HK\$'000 千港元	Revaluation of land and buildings held for own use and investment properties 重估持作自用之土地及樓宇以及投資物業 HK\$'000 千港元 (Restated) (重列)	Patents 專利權 HK\$'000 千港元	Total 總計 HK\$'000 千港元 (Restated) (重列)
At 1 January 2011 (Credited) charged to profit or loss (note 11) Debited to reserve	於二零一一年一月一日 於損益中(計入)扣減 (附註11) 在儲備中扣除	1,114 (288) -	4,338 4,206 884	2,428 (181) -	7,880 3,737 884
At 31 December 2011	於二零一一年十二月三十一日	826	9,428	2,247	12,501
Charged to profit or loss (note 11)	於損益中扣減(附註11)	(619)	548	(930)	(1,001)
Decrease in the Distribution In Specie of shares in a subsidiary (note 38)	於實物分派附屬公司股份時減少(附註38)	-	-	(1,317)	(1,317)
At 31 December 2012	於二零一二年十二月三十一日	207	9,976	-	10,183

32. 按公允價值計入損益之金融負債(續)

於截至二零一二年十二月三十一日止年度期間，賣方接受現金收購要約，分別按每股0.9263港元及每股0.38港元將代價股份售予Ultra Harvest及Smart Top Investments Limited(由前股東梁先生全資擁有之公司)。因此，購股權項下之責任已於隨後被廢除，因為賣方再無根據協議擁有代價股份。

33. 遞延稅項

於本集團及本公司之財務狀況表內確認之遞延稅項(資產)負債組成部份及於年內之變動如下：

本集團

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33. DEFERRED TAXATION (Continued)

33. 遞延稅項 (續)

The Company

本公司

		Depreciation allowances in excess of related depreciation 超出有關折舊之折舊抵免額 HK\$'000 千港元	Revaluation of land and buildings held for own use and investment 重估持作自用之土地及樓宇以及投資物業 HK\$'000 千港元	Patents 專利權 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2011	於二零一一年一月一日	1,114	2,306	1,684	5,104
Credited to reserve	在儲備中計入	-	(99)	-	(99)
Credited to profit or loss	於損益中計入	(1,114)	(228)	(1,684)	(3,026)
Credited to reserve of realisation upon disposal of land and building to subsidiaries	於向附屬公司出售土地及樓宇時實現儲備中計入	-	(1,979)	-	(1,979)
At 31 December 2011 and 31 December 2012	於二零一一年十二月三十一日及二零一二年十二月三十一日	-	-	-	-

At the end of the reporting period, the Group had unused tax losses of approximately HK\$51,862,000 (2011: HK\$35,701,000) in respect of the Korea Branch and the PRC subsidiaries, which will expire in 2016, subject to the approval and confirmation by the relevant tax authorities. No deferred tax asset has been recognised in respect of the above tax losses due to the unpredictability of future profit streams.

At the end of the reporting period, the Group had deductible temporary difference approximately of HK\$54,817,000 (2011: HK\$51,544,000). No deferred tax asset 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.

Effective from 1 January 2008, the Company is subject to a withholding tax at the rate of 5% for any dividend payment from its PRC subsidiaries. Deferred tax liabilities of approximately HK\$64,000 (2011: HK\$429,000) in respect of temporary differences relating to the undistributed profits of subsidiaries operating in the PRC of approximately HK\$1,280,000 (2011: HK\$8,585,000) have not been recognised as the Company controls the dividend policy of these subsidiaries and it has been determined that those profits will not be distributed in the foreseeable future.

於報告期末，本集團擁有韓國分公司及中國附屬公司之未使用稅項虧損約51,862,000港元（二零一一年：35,701,000港元）並將會於二零一六年到期，惟待有關稅務機構批准及確認。由於無法預計未來溢利來源，故並無就上述稅項虧損確認遞延稅項資產。

於報告期末，本集團有可扣稅臨時差額約54,817,000港元（二零一一年：51,544,000港元）。本集團未有就該可扣稅臨時差額確認遞延稅項資產，由於出現應課稅溢利以抵銷可扣稅臨時差額之機會不大。

由二零零八年一月一日起，本公司須就中國附屬公司所支付之任何股息按5%之預扣稅率繳付預扣稅。並無就與在中國營運之附屬公司之未分配利益有關之暫時性差異約1,280,000港元（二零一一年：8,585,000港元）確認遞延稅項負債約64,000港元（二零一一年：429,000港元），原因為本公司控制該等附屬公司之股息政策，且已決定不會在可見之將來分配該等溢利。

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34. AMOUNTS DUE FROM FORMER SHAREHOLDERS

The amounts are unsecured, interest-free and repayable on demand.

35. EMPLOYEE RETIREMENT BENEFITS

(a) Retirement benefit scheme contribution

Hong Kong

The Group operates a MPF scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$25,000 (2011: HK\$20,000). Contributions to the MPF scheme vest immediately.

Korea

Employees in Korea participate in a National Pension Scheme which is a mandatory insurance scheme under the National Pension Act (the "Scheme"). Under the Scheme, the employer and its employees are each required to make contributions to the Scheme at a specified rate of the employees' monthly income, subject to adjustments and a cap of monthly income stipulated in the Scheme.

The PRC

The Group's subsidiaries in the PRC participate in a defined contribution scheme organised by the PRC municipal government. The subsidiaries are required to contribute a specified percentage of its payroll costs to the scheme. The contributions are charged to the consolidated income statement as they become payable in accordance with the rules of the scheme.

34. 應收前股東款項

該款項乃無抵押、免息及須按要求償還。

35. 僱員退休福利

(a) 退休福利計劃之供款

香港

本集團根據《香港強制性公積金計劃條例》為根據香港《僱傭條例》所僱用之僱員提供強積金計劃。強積金計劃乃由獨立信托人管理之界定供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員相關收入之5%之比例就計劃作出供款，而每月相關收入之上限為25,000港元（二零一一年：20,000港元）。強積金計劃之供款即時成為既定僱員福利。

韓國

在韓國之僱員參與國家退休金計劃，其為一項按國家退休金法設立之強制性保險計劃（「該計劃」）。根據該計劃，僱主及其僱員各自須按僱員每月收入之特定比例就該計劃作出供款（可予調整，且以該計劃所規定每月收入之上限所限）。

中國

本集團於中國之附屬公司參與由中國市政府籌辦之定額供款計劃。附屬公司須按其僱員薪金成本之特定比例就計劃作出供款。該供款於其根據計劃規則支付時於綜合損益表內支銷。

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35. EMPLOYEE RETIREMENT BENEFITS (Continued)

35. 僱員退休福利 (續)

(b) Long Service payments

(b) 長期服務金

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Long Service Payments	長期服務金	451	690

Under the Hong Kong Employment Ordinance, the Group is obliged to make lump sum payments on cessation of employment in certain circumstances to certain employees who have completed at least five years of service with the Group. The amount payable is dependent on the employees' final salary and years of service, and is reduced by entitlements accrued under the Group's retirement plans that are attributable to contributions made by the Group.

根據香港僱傭條例，本集團須在若干情況下就終止僱用已為本集團完成至少五年服務的若干僱員支付一筆款項。須支付之款項數額視乎該等僱員的最後薪金及服務年期，並扣減按本集團退休計劃由本集團供款所累算之享有權。

(i) Movement for the year

(i) 年內變動：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At 1 January	於一月一日	690	600
(Decrease) increase in provision (included in staff cost)	撥備(減少)增加 (包括於員工成本)	(239)	90
At 31 December	於十二月三十一日	451	690

(ii) The directors' assumptions used for accounting purpose at 31 December are as follow:

(ii) 於十二月三十一日董事就會計目的所作之假設如下：

		2012 二零一二年 %	2011 二零一一年 %
Discounted rate applied to long service payment obligations	應用於長期服務金付款責任之貼現率	0.09	0.25
Expected rate of return on plan assets	計劃資產之預期回報率	3.40	2.50
Expected rate of salary increase	薪酬之預期增長率	4.68	3.30

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36. EQUITY SETTLED SHARE-BASED TRANSACTIONS

The Company has a share option scheme which was adopted on 16 June 2003 whereby the directors of the Company are authorised, at their discretion, to invite employees of the Group, including directors of any company in the Group, advisers and consultants, to take up options to subscribe for shares of the Company. The options are exercisable progressively between one to three years from the date of grant and will expire at the end of a period to be notified by the directors of the Company to each option-holder upon the grant of option, such period not to exceed ten years from the date of grant. Each option gives the holder the right to subscribe for one ordinary share of HK\$0.1 each of the Company.

No share option was granted, exercised, cancelled or lapsed during the years ended 31 December 2012 and 2011. In addition, as of 31 December 2012 and 2011, no share option under the share options scheme were outstanding.

37. GOVERNMENT GRANTS

The Group received Korean government grants with proceeds of approximately KRW48,834,000 (equivalent to approximately HK\$325,000) to finance the acquisition of certain plant and equipment of the discontinued operations through the acquisition of a subsidiary in 2009. The grant is initially measured at its fair value. The benefit derived from such grant was recognised as a deduction from carrying amount of the relevant asset in the consolidated statement of financial position and will be recognised in profit or loss on the same basis as depreciation for the related plant and equipment. Such a government grant is measured at amortised cost using the effective interest method at the end of reporting period. During the year ended 31 December 2012, government grant of approximately HK\$61,000 has been recognised in the consolidated income statement (2011: approximately HK\$69,000).

36. 以股份為基礎之股本付款交易

根據本公司一項於二零零三年六月十六日採納之購股權計劃，本公司董事獲授權酌情向本集團僱員（包括本集團內任何公司之董事）、顧問及諮詢人提出接納購股權之要約，以認購本公司股份。購股權可由授出日期起計一年至三年內逐步行使，並將於本公司董事授出購股權時知會各個購股權持有人之期間終結時屆滿，惟該期間不得超過由授出日期起計十年。各份購股權均授權持有人認購一股每股0.1港元之本公司普通股。

於截至二零一二年及二零一一年十二月三十一日止年度，概無購股權獲授權、行使、註銷及失效。此外，截至二零一二年及二零一一年十二月三十一日，根據購股權計劃概無購股權尚未行使。

37. 政府補貼

本集團收取韓國政府補貼之款項約為48,834,000韓圓（相當於約325,000港元），透過於二零零九年收購一間附屬公司，以撥資收購已終止經營業務之若干機器及設備。補貼款項初步按公允價值計量。款項所產生之利益已於綜合財務狀況表中確認為相關資產賬面值減少，並將按與就相關機器及設備進行折舊之相同基準於損益進行確認。於報告期末，政府貸款以實際利率法按攤銷成本計量。截至二零一二年十二月三十一日止年度，約61,000港元之政府補貼已於綜合收益表中確認（二零一一年：約69,000港元）。

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37. GOVERNMENT GRANTS (Continued)

In December 2011, the Group also received PRC government grants with proceeds of RMB543,000 (equivalent to approximately HK\$670,000) to finance the development of new software system of the continuing operations. The grant is initially measured at its fair value. The benefit derived from such grant will be recognised in profit or loss on the same basis as amortisation of the related software. Such a government grant is measured at amortised cost using the effective interest method at the end of reporting period. During the year ended 31 December 2012, government grant of approximately HK\$67,000 has been recognised in the consolidated income statement (2011: Nil).

38. DISTRIBUTION IN SPECIE OF SHARES IN A SUBSIDIARY

Pursuant to an extraordinary general meeting held on 5 December 2012, the shareholders of the Company approved the Group Reorganisation which involved the transfer of shares in a subsidiary carrying on composite components and unit electronic components operations in Korea and the PRC to a subsidiary of the Company, Jay Star. Pursuant to the Group Reorganisation, the Company distributed all of the ordinary shares in Jay Star to the shareholders of the Company. Details of the Distribution In Specie are set out in the Company's announcements dated 17 October 2012 and 11 December 2012 respectively.

As detailed in note 12, on 11 December 2012, the Group discontinued these operations at the time of disposal of the Jay Star Group. The net assets of Jay Star Group, at the date of disposal were as follows:

37. 政府補貼 (續)

於二零一一年十二月，本集團亦收取中國政府補貼之款項約人民幣543,000元（相當於約670,000港元），以為持續經營業務之開發新軟件系統提供資金。該補貼款項按其公允價值初步計量。相關補貼款項所得溢利將於損益中按相關軟件攤銷等同基準進行確認。該政府補貼採用實際利率法按攤銷成本於報告期末計量。於截至二零一二年十二月三十一日止年度，約67,000港元之政府補貼已於綜合收益表內確認（二零一一年：無）。

38. 實物分派附屬公司股份

根據於二零一二年十二月五日舉行之股東特別大會，本公司股東批准集團重組，當中涉及轉讓附屬公司股份予本公司一間附屬公司Jay Star，而該等被轉讓之附屬公司乃於韓國及中國從事複合元件及單位電子元件業務。根據是項集團重組，本公司將Jay Star全部普通股分派予本公司股東。有關實物分派之詳情分別載於本公司於二零一二年十月十七日及二零一二年十二月十一日發表之公布。

誠如附註12之詳述，於二零一二年十二月十一日，本集團於出售Jay Star集團時終止該等業務。Jay Star 集團於出售當日之資產淨值如下：

Notes to the Financial Statements 財務報表附註

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

38. DISTRIBUTION IN SPECIE OF SHARES IN A SUBSIDIARY (Continued)

**Analysis of assets and liabilities which were distributed
during the year:**

38. 實物分派附屬公司股份 (續)

年內分派之資產及負債之分析：

		11/12/2012 二零一二年 十二月十一日 HK\$'000 千港元
Property, plant and equipment	物業、機器及設備	166,542
Intangible assets	無形資產	9,727
Deposits paid for acquisition of property, plant and equipment	購置物業、機器及設備之按金	2,335
Inventories	存貨	29,597
Trade and other receivables	應收貿易及其他賬款	48,408
Bank balances and cash	銀行結餘及現金	7,731
Trade and other payables	應付貿易及其他賬款	(32,749)
Amount due to a former shareholder	應付一名前股東賬款	(53,578)
Bank borrowings – due within one year	銀行借貸 – 一年內到期	(64,431)
Deferred tax liabilities	遞延稅項負債	(1,317)
Non-controlling interests	非控股權益	(492)
Net assets attributable to the Group distributed to the shareholders	本集團應佔並已分派予股東 之資產淨值	111,773
Net cash outflow arising on the Distribution In Specie:	因實物分派而產生之現金淨流出：	
Bank balances and cash disposal of	出售銀行結餘及現金	7,731

39. MAJOR NON-CASH TRANSACTIONS

During the year, certain interests in subsidiaries have been distributed to the shareholders of the Company. Details of the distribution are set out in notes 12, 16 and 38.

39. 主要非現金交易

年內，附屬公司的若干權益已分派予本公司股東。分派詳情載於附註12、16及38。

Notes to the Financial Statements

財務報表附註

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

40. COMMITMENTS

- (a) Capital commitments outstanding at the end of the reporting period contracted for but not provided for in the financial statements in respect of the following:

		The Group 本集團		The Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Property, plant and equipment	物業、機器及設備	88	14,619	-	-

- (b) The Group and the Company as lessee

At the end of the reporting period, the Group and the Company had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		The Group 本集團		The Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Within one year	一年內	4,055	6,327	294	1,275
In the second to fifth year inclusive	於第二年至第五年 (包括首尾兩年)	6,359	4,751	-	2,306
		10,414	11,078	294	3,581

Operating lease payments represent rentals payables by the Group and the Company for certain of its office premises. Leases are negotiated for an average term of 8 years and 2 years for the Group and the Company respectively and rentals are fixed for an average of 8 years and 2 years for the Group and the Company respectively.

40. 承擔

- (a) 於報告期末於財務報表中已訂約但尚未提撥準備之資本承擔如下：

- (b) 本集團及本公司作為承租人

於報告期末，本集團及本公司根據不可解除經營租賃有日後應付之最低租賃款項之承擔如下：

經營租賃款項指本集團及本公司就若干辦公室物業之應付租金。本集團及本公司之租約經磋商後平均為期分別八年及兩年，而本集團及本公司之租金分別固定於平均八年及兩年。

Notes to the Financial Statements 財務報表附註

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

40. COMMITMENTS (Continued)

(c) The Group and the Company as lessor

Property rental income earned during the year was approximately HK\$2,078,000 (2011: HK\$977,000). The property is expected to generate rental yields of 4.9% (2011:6.12%) per annum on an ongoing basis. All of properties held have committed tenants for the next year.

At the end of the reporting period, the Group and the Company had contracted with tenants for the following future minimum lease receipts which fall due as follows:

40. 承擔 (續)

(c) 本集團及本公司作為出租人

本年度所賺取之物業租金收入約為2,078,000港元(二零一一年:977,000港元)。預期物業可持續帶來租金年率4.9%(二零一一年:6.12%)。全部所持有之物業於未來一年均有已承諾租戶。

於報告期末,本集團及本公司已與租戶訂約之日後最低租賃如下:

	The Group 本集團		The Company 本公司	
	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Within one year 一年內	1,490	1,638	252	1,638
In the second to fifth year inclusive 於第二年至第五年 (包括首尾兩年)	227	1,536	—	1,536
	1,717	3,174	252	3,174

Note: At the end of the reporting period, the Company had contracted with tenants on behalf of the subsidiary for the future minimum lease payments in respect of the investment properties.

附註: 於報告期末,本公司已代表附屬公司就有關投資物業的未來最低租金與租戶訂約。

Notes to the Financial Statements

財務報表附註

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

41. MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions.

(a) Transactions with shareholders

- (i) During the year, the Group entered into the following transactions with Kwang Sung Korea, a former major shareholder of the Company:

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Sales of finished goods 銷售製成品	241	410
Referral commission paid/payable 已付／應付轉介佣金	198	494
Subcontracting fee paid/payable 已付／應付外包費用	558	1,395

The directors of the Company are of the opinion that the above transactions were conducted in the ordinary course of business and were on normal commercial terms.

- (ii) Pursuant to a Deed of Indemnity dated 23 June 2003, two shareholders, Mr. Yang Jai Sung and Kwang Sung Korea, would indemnify the Group for any tax liabilities payable for periods prior to 30 June 2003. Amounts receivable from Mr. Yang Jai Sung and Kwang Sung Korea under the indemnity at 31 December 2011 are approximately HK\$3,452,000 and HK\$5,026,000 (2012: Nil) respectively.

41. 重大關連人士交易

除本財務報表其他地方所披露之交易外，本集團訂立以下重大關連人士交易。

(a) 與股東之交易

- (i) 於年內，本集團與本公司前主要股東韓國光星訂立以下交易：

本公司之董事認為，上述交易是在日常及一般業務過程中按正常商業條款進行。

- (ii) 根據日期為二零零三年六月二十三日之彌償保證契約，兩名股東梁在星先生及韓國光星就於二零零三年六月三十日前期間之任何稅務負債向本集團作出彌償。根據彌償保證於二零一一年十二月三十一日應收梁在星先生及韓國光星之款項分別約為3,452,000港元及5,026,000港元（二零一二年：無）。

Notes to the Financial Statements 財務報表附註

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

41. MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

(b) Transactions with other related parties

(i) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 14 and certain of the highest paid employees as disclosed in note 15, is as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Short-term employee benefits	短期僱員福利	9,864	6,839
Post-employment benefits	離職後福利	183	62
		10,047	6,901

Total remuneration is included in "staff costs" (see note 13).

- (ii) During the year, the Group paid a consultancy fee of approximately HK\$510,000 (2011: HK\$562,000) to Mr. Yang Han Mo, a close family member of Mr. Yang Jai Sung, a shareholder and a director of the Company. No consultancy fee was outstanding at 31 December 2012 and 2011.

41. 重大關連人士交易 (續)

(b) 與其他關連人士之交易

(i) 主要管理人員之酬金

主要管理人員酬金 (包括已於附註14中所披露支付予本公司董事之金額及已於附註15中披露支付予若干最高薪僱員之金額) 載列如下:

酬金總額乃計入「員工成本」(見附註13)。

- (ii) 於本年度，本集團向本公司之股東兼董事梁在星先生一名近親Yang Han Mo先生支付顧問費約510,000港元(二零一一年：562,000港元)。於二零一二年及二零一一年十二月三十一日並無尚未支付之顧問費。

Notes to the Financial Statements 財務報表附註

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

41. MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

(b) Transactions with other related parties

(Continued)

(iii) Loan to key management personnel

Included in other receivables were loans to key management personnel and the terms of which are as follows:

Name of Key management personnel 主要管理層人員名稱	Relationship 關係	Note 附註	2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Due from 應收以下人士款項 Mr. Lee Don Gi 李敦基先生	General Manager 總經理	(i)	—	67,000

Note:

- (i) As the general manager has authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, as well the directors of the Company consider the general manager of the Company is one of the key management personnel of the Group, accordingly the fund advance with the general manager of the Company constituted a related party transaction. The amounts are unsecured, interest-free and are repayable on demand.

附註：

- (i) 由於總經理有權及負責直接或間接規劃、指示及控制實體之業務活動，同時本公司董事認為本公司之總經理為本集團之主要管理層之一，因此本公司之總經理預付款項構成一項關連方交易。相關金額無抵押、免息且按要求須予償還。

42. EVENTS AFTER THE REPORTING PERIOD

Pursuant to a special resolution passed at the extraordinary general meeting held on 25 February 2013, the name of the Company was changed from “Kwang Sung Electronics H.K. Co. Limited 光星電子香港有限公司” to “Forebase International Holdings Limited” and “申基國際控股有限公司” was adopted as its Chinese name for identification purposes only. The “Certificate of Incorporation on Change of Name” has been issued by the Registrar of Companies in Hong Kong and the change of the Company’s name took effect on 12 March 2013. Details are set out in the Company’s announcements dated 25 February 2013 and 13 March 2013 respectively.

41. 重大關連人士交易 (續)

(b) 與其他關連人士之交易 (續)

(iii) 向主要管理人員提供貸款

其他應收款項包括向主要管理人員提供之貸款，其條款如下：

42. 報告期後事項

根據於二零一三年二月二十五日舉行之本公司股東特別大會通過之一項特別決議案，本公司之名稱由「Kwang Sung Electronics H.K. Co. Limited 光星電子香港有限公司」更改為「Forebase International Holdings Limited 申基國際控股有限公司」，並採納其中文名稱，僅供識別之用。香港公司註冊處處長已發出「更改名稱註冊證書」，更改本公司名稱於二零一三年三月十二日生效。有關詳情分別載於本公司日期為二零一三年二月二十五日及二零一三年三月十三日之公告內。

Five-year Financial Summary

五年財務概要

		2008 二零零八年	2009 二零零九年	2010 二零一零年	2011 二零一一年	2012 二零一二年
Consolidated Income Statement (HK\$'000)	綜合損益表 (千港元)					
Turnover	營業額	797,912	592,529	680,793	558,528	475,174
Profit (loss) from operations	經營溢利(虧損)	(1,538)	3,308	14,018	(57,389)	(51,187)
Profit (loss) after taxation and attributable to owners of the Company	除稅後本公司擁有人應佔溢利(虧損)	(2,298)	(35,774)	8,087	(52,946)	(52,339)
Basic earnings (loss) per share – HK cents	每股基本盈利(虧損) – 港仙	(0.73)	(11.13)	2.50	(16.35)	(16.16)
Diluted earnings (loss) per share – HK cents	每股攤薄盈利(虧損) – 港仙	(0.73)	(11.13)	2.50	(16.35)	(16.16)
Consolidated Statement of Financial Position (HK\$'000)	綜合財務狀況表 (千港元)					
Non-current assets	非流動資產	77,984	104,708	163,708	220,113	80,110
Current assets	流動資產	352,432	390,091	366,194	332,908	202,112
Current liabilities	流動負債	(69,262)	(128,360)	(141,586)	(215,813)	(104,818)
Net current assets	流動資產淨值	283,170	261,731	224,608	117,095	97,294
Long-term liabilities	非流動負債	(2,009)	(11,860)	(14,332)	(13,191)	(10,634)
Net assets	資產淨值	359,145	354,579	373,984	324,017	166,770
Share Information (HK\$)	股份資料 (港元)					
Highest share price	最高股價	\$3.27	\$2.70	\$0.98	\$0.76	\$1.61
Lowest share price	最低股價	\$1.11	\$0.33	\$0.41	\$0.21	\$0.38
Year end closing share price	年終收市股價	\$2.68	\$0.41	\$0.65	\$0.60	\$0.98

Corporate Information and Shareholders' Calendar 公司資料及股東日程表

Corporate Information

Board of Directors

Non-executive director

Mr. Yang Ho Sung (*Chairman*)*

Executive directors

Mr. Shen Yong (*Chairman*)⁺

Mr. Ronald Lew Podlas (*Chief Executive Officer*)[^]

Mr. Shen Ke[^]

Mr. Li Zhi[^]

Mr. Xu Li Jian[^]

Mr. Leung Kin Pang[^]

Mr. Yang Jai Sung^{*}

Mr. Lee Kyu Young^{*}

Mr. Hong Sang Joon[☆]

Independent non-executive directors

Mr. Yu Lei[#]

Dr. Jiang Ying[#]

Ms. Zhang Cui Lan[#]

Mr. Ernst Rudolf Zimmermann⁺

Dr. Han Byung Joon^{*}

Dr. Kim Chung Kweon^{*}

Mr. Kim Chan Su^{*}

Executive Committee

Mr. Shen Yong⁺

Mr. Ronald Lew Podlas^{#Δ}

Mr. Shen Ke[#]

Mr. Li Zhi[#]

Mr. Xu Li Jian[#]

Mr. Leung Kin Pang[#]

Mr. Yang Jai Sung^{*}

Mr. Lee Kyu Young^{*}

Mr. Hong Sang Joon[□]

Audit Committee

Ms. Zhang Cui Lan[#]

Mr. Yu Lei[#]

Dr. Jiang Ying[#]

Mr. Ernst Rudolf Zimmermann⁺

Mr. Kim Chan Su^{*}

Dr. Kim Chung Kweon^{*}

Dr. Han Byung Joon^{*}

Mr. Yang Ho Sung^{*}

公司資料

董事會

非執行董事

梁皓星先生 (主席)*

執行董事

申勇先生 (主席)⁺

包德榮先生 (行政總裁)[^]

申柯先生[^]

李智先生[^]

徐立堅先生[^]

梁健鵬先生[^]

梁在星先生^{*}

李圭英先生^{*}

洪祥準先生[☆]

獨立非執行董事

余磊先生[#]

蔣瑛博士[#]

張翠蘭女士[#]

司馬文先生⁺

韓丙濬博士^{*}

金正權博士^{*}

金瓚洙先生^{*}

執行委員會

申勇先生⁺

包德榮先生^{#Δ}

申柯先生[#]

李智先生[#]

徐立堅先生[#]

梁健鵬先生[#]

梁在星先生^{*}

李圭英先生^{*}

洪祥準先生[□]

審核委員會

張翠蘭女士[#]

余磊先生[#]

蔣瑛博士[#]

司馬文先生⁺

金瓚洙先生^{*}

金正權博士^{*}

韓丙濬博士^{*}

梁皓星先生^{*}

Remuneration Committee

Mr. Yu Lei[#]
 Dr. Jiang Ying[#]
 Ms. Zhang Cui Lan[#]
 Mr. Ernst Rudolf Zimmermann⁺
 Dr. Han Byung Joon^{*}
 Dr. Kim Chung Kweon^{*}
 Mr. Kim Chan Su^{*}
 Mr. Yang Jai Sung^{*}

Nomination Committee

Mr. Yu Lei[#]
 Dr. Jiang Ying[#]
 Ms. Zhang Cui Lan[#]
 Mr. Ernst Rudolf Zimmermann⁺
 Dr. Kim Chung Kweon^{*}
 Dr. Han Byung Joon^{*}
 Mr. Kim Chan Su^{*}
 Mr. Yang Jai Sung^{*}

Independent Board Committee

Mr. Yu Lei[#]
 Dr. Jiang Ying[#]
 Ms. Zhang Cui Lan[#]
 Mr. Ernst Rudolf Zimmermann⁺
 Mr. Kim Chan Su^{*}
 Dr. Han Byung Joon^{*}
 Dr. Kim Chung Kweon^{*}

- ☆ appointed on 20 January 2012
- appointed on 26 March 2012
- ^ appointed on 17 December 2012
- * resigned on 7 January 2013
- # appointed on 7 January 2013
- + appointed on 18 January 2013
- △ ceased to be the chairman of the Executive Committee and remained as one of its members on 18 January 2013

Company Secretary

Mr. Kwok Kim Hung Eddie

Authorised Representatives

Mr. Hong Sang Joon
 Mr. Kwok Kim Hung Eddie

Registered Office and Principal Place of Business

Units 208-209, 2/F., Bio-Informatics Centre
 No. 2 Science Park West Avenue
 Hong Kong Science Park
 Shatin, N.T.
 Hong Kong

薪酬委員會

余磊先生[#]
 蔣瑛博士[#]
 張翠蘭女士[#]
 司馬文先生⁺
 韓丙濬博士^{*}
 金正權博士^{*}
 金瓚洙先生^{*}
 梁在星先生^{*}

提名委員會

余磊先生[#]
 蔣瑛博士[#]
 張翠蘭女士[#]
 司馬文先生⁺
 金正權博士^{*}
 韓丙濬博士^{*}
 金瓚洙先生^{*}
 梁在星先生^{*}

獨立董事委員會

余磊先生[#]
 蔣瑛博士[#]
 張翠蘭女士[#]
 司馬文先生⁺
 金瓚洙先生^{*}
 韓丙濬博士^{*}
 金正權博士^{*}

- ☆ 於二零一二年一月二十日委任
- 於二零一二年三月二十六日委任
- ^ 於二零一二年十二月十七日委任
- * 於二零一三年一月七日辭任
- # 於二零一三年一月七日委任
- + 於二零一三年一月十八日委任
- △ 於二零一三年一月十八日停任執行委員會主席，但留任為其中一名成員

公司秘書

郭劍雄先生

授權代表

洪祥準先生
 郭劍雄先生

註冊辦事處及主要營業地點

香港
 新界沙田
 香港科學園
 科技大道西2號
 生物資訊中心2樓208-209室

Corporate Information and Shareholders' Calendar 公司資料及股東日程表

Auditors

SHINEWING (HK) CPA Limited
Certified Public Accountants

Share Registrar and Transfer Office

Tricor Standard Limited
26/F., Tesbury Centre
28 Queen's Road East
Hong Kong

Investor Relations Contact

Strategic Financial Relations Limited
Unit A, 29/F., Admiralty Centre I
18 Harcourt Road
Hong Kong
Tel: (852) 2864-4812
Fax: (852) 2804-2789

Stock Code

The Stock Exchange of Hong Kong Limited: 2310

Company Website

www.kse.com.hk

Shareholders' Calendar

Announcement of 2012 Final Results
26 March 2013

Closure of Register of Members
28 to 30 May 2013 (both days inclusive)

Annual General Meeting
30 May 2013

核數師

信永中和(香港)會計師事務所有限公司
執業會計師

股份過戶登記處

卓佳標準有限公司
香港
皇后大道東28號
金鐘匯中心26樓

投資者關係通訊

縱橫財經公關顧問有限公司
香港
夏慤道18號
海富中心一期29樓A室
電話：(852) 2864-4812
傳真：(852) 2804-2789

股份代號

香港聯合交易所有限公司：2310

公司網址

www.kse.com.hk

股東日程表

公布二零一二年末期業績
二零一三年三月二十六日

暫停辦理股份過戶登記
二零一三年五月二十八至三十日(包括首尾兩天)

股東週年大會
二零一三年五月三十日



FOREBASE INTERNATIONAL HOLDINGS LIMITED

申基國際控股有限公司

(Formerly known as Kwang Sung Electronics H.K. Co. Limited 光星電子香港有限公司)

(前稱為 Kwang Sung Electronics H.K. Co. Limited 光星電子香港有限公司)

(Incorporated in Hong Kong with limited liability) (於香港註冊成立之有限公司)