



ANNUAL REPORT 2011 年報



高陽科技(中國)有限公司*

HI SUN TECHNOLOGY (CHINA) LIMITED

(於百慕達註冊成立之有限公司) (Incorporated in Bermuda with limited liability)

(股份代號 Stock code: 00818)

* For Identification Purpose Only
僅供識別

CONTENTS 目錄

2	Corporate Information	公司資料
4	Simplified Corporate Chart	公司架構簡表
5	Directors and Senior Management	董事及高層管理人員
9	Letter from the Board	董事會函件
11	Management Discussion and Analysis	管理層之討論與分析
25	Corporate Governance Report	企業管治報告
36	Report of the Directors	董事會報告
50	Independent Auditor's Report	獨立核數師報告
54	Consolidated Income Statement	綜合收益表
56	Consolidated Statement of Comprehensive Income	綜合全面收益表
57	Consolidated Balance Sheet	綜合資產負債表
59	Balance Sheet	資產負債表
61	Consolidated Statement of Changes in Equity	綜合權益變動表
63	Consolidated Cash Flow Statement	綜合現金流量表
65	Notes to the Consolidated Financial Statements	綜合財務報表附註
168	Summary Financial Information	財務資料摘要

Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

CHEUNG Yuk Fung (*Chairman*)
KUI Man Chun (*Chief Executive Officer*)
XU Wensheng
LI Wenjin
XU Chang Jun

Non-Executive Directors

YANG Lei, Raymond (ceased on 26 November 2011)
CHANG Kai-Tzung, Richard

Independent Non-Executive Directors

TAM Chun Fai
LEUNG Wai Man, Roger
XU Sitao

COMPANY SECRETARY

CHAN Yiu Kwong
HUI Lok Yan

AUTHORISED REPRESENTATIVES

LI Wenjin
CHAN Yiu Kwong

BERMUDA RESIDENT REPRESENTATIVE

John Charles Ross Collis

AUDITOR

PricewaterhouseCoopers

LEGAL ADVISERS

As to Hong Kong Law

Woo, Kwan, Lee & Lo
Reed Smith Richards Butler
Leung & Lau, Solicitors

As to Bermuda Law

Conyers Dill & Pearman

董事會

執行董事

張玉峰(*主席*)
渠萬春(*行政總裁*)
徐文生
李文晉
徐昌軍

非執行董事

楊鑄(於二零一一年十一月二十六日離任)
張楷淳

獨立非執行董事

譚振輝
梁偉民
許思濤

公司秘書

陳耀光
許諾恩

授權代表

李文晉
陳耀光

百慕達註冊處代表

John Charles Ross Collis

核數師

羅兵咸永道會計師事務所

法律顧問

香港法律

胡關李羅律師事務所
禮德齊伯禮律師行
梁寶儀劉正豪律師行

百慕達法律

Conyers Dill & Pearman

Corporate Information 公司資料

PRINCIPAL BANKERS

Industrial and Commercial Bank of China (Asia) Limited
Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
China Construction Bank Corporation

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2515, 25th Floor
Sun Hung Kai Centre
30 Harbour Road
Wanchai
Hong Kong

SHARE REGISTRAR IN BERMUDA

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Tengis Limited
Level 25
Three Pacific Place
No.1 Queen's Road East
Hong Kong

COMPANY'S WEBSITE

www.hisun.com.hk

STOCK CODE

818

主要往來銀行

中國工商銀行(亞洲)有限公司
恒生銀行有限公司
香港上海滙豐銀行有限公司
中國建設銀行股份有限公司

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港主要營業地點

香港
灣仔
港灣道30號
新鴻基中心
25樓2515室

百慕達股份過戶登記處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

股份過戶登記處香港分處

卓佳登捷時有限公司
香港
皇后大道東1號
太古廣場三座
25樓

公司網站

www.hisun.com.hk

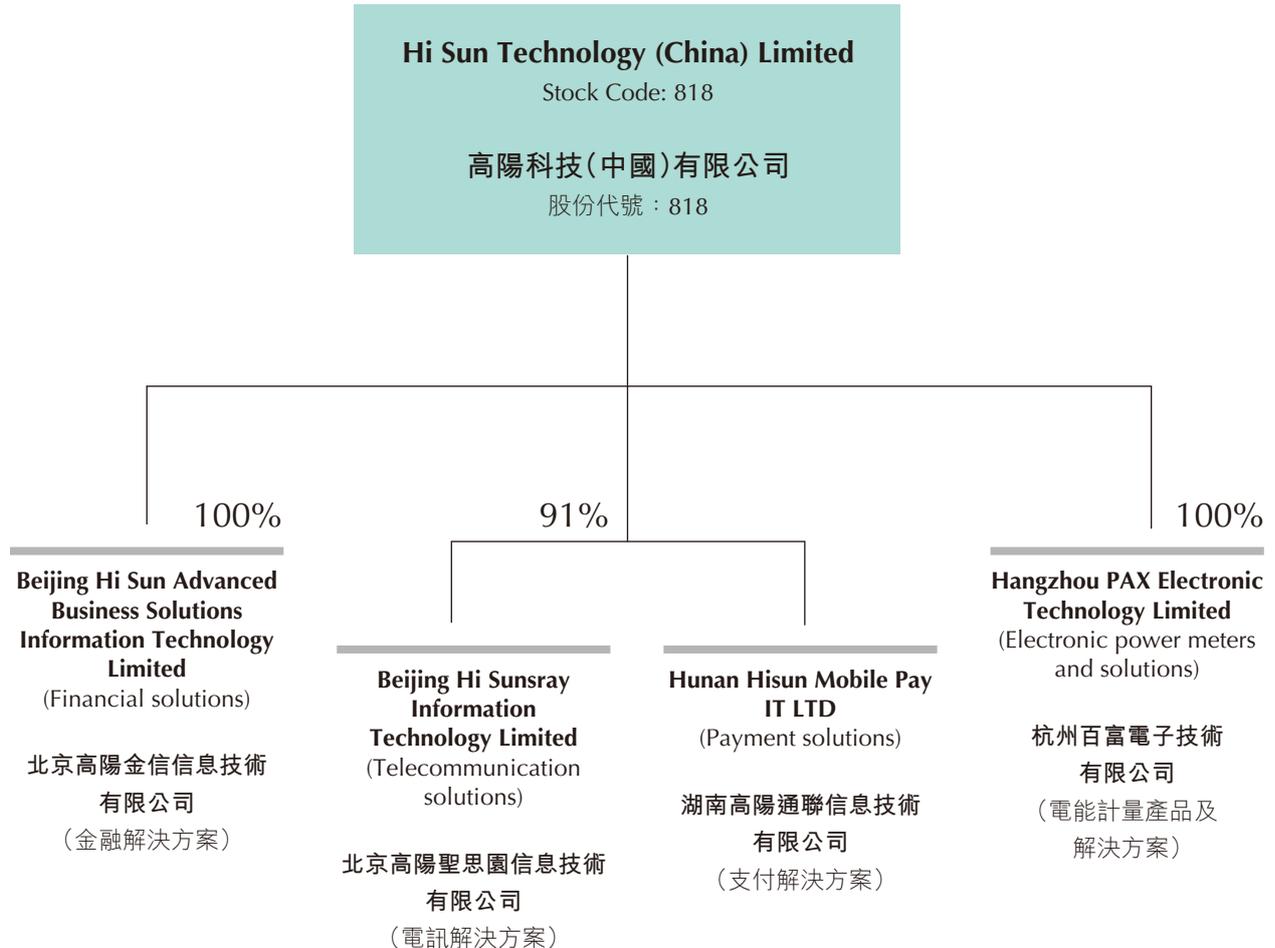
股份代號

818

Simplified Corporate Chart 公司架構簡表

The following is a simplified corporate chart of Hi Sun Technology (China) Limited (the “Company”) and its subsidiaries (the “Group”) showing the principal operating subsidiaries up to the date of this report.

下表為截至本報告日期高陽科技(中國)有限公司(「本公司」)及其附屬公司(「本集團」)之公司架構簡表，以展示其主要營運附屬公司：



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

As at 15 March 2012, the date of the Report of the Directors, the biographical details of the Directors and senior management of the Company are as follows:

BOARD OF DIRECTORS

Executive Directors

CHEUNG YUK FUNG Chairman

Mr. Cheung, aged 65, is the Chairman and an Executive Director of the Company. He graduated from the Faculty of Radio Electronics at Peking University in the People's Republic of China (the "PRC") and worked as a professor at Peking University thereafter. Prior to joining the Group in 2001, Mr. Cheung was a chairman of a company listed in the PRC, namely Founder Technology Group Corporation and a director of a company listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), namely Founder Holdings Limited, and has working experience in international trade, finance, asset management and strategic planning. Mr. Cheung was honoured with many awards, including being selected as the young entrepreneur with outstanding contribution to China, and won the first prize of national golden award for enterprise initiators in the 4th National Technology Industrialist Award and many other awards.

KUI MAN CHUN

Mr. Kui, aged 45, is the Chief Executive Officer and an Executive Director of the Company. He graduated from Peking University in the PRC with a master degree in international relations and has over 20 years of experience in the information technology industry and investment activities. Mr. Kui is also the chairman and chief executive officer of Hi Sun Limited ("HSL"), the Company's substantial shareholder. Prior to joining HSL in 2000, Mr. Kui was the president of an enterprise in the PRC. He joined the Group in 2000.

XU WENSHENG

Mr. Xu, aged 43, is an Executive Director of the Company. He graduated from the Dalian University of Technology with a bachelor degree in computer science and engineering. Mr. Xu is also the director of HSL. Prior to joining the Group in 2003, Mr. Xu was the president of a system integration company and has extensive experience in computer systems integration of the financial industry.

於二零一二年三月十五日(即董事會報告日期), 本公司董事及高層管理人員之履歷詳情如下:

董事會

執行董事

張玉峰主席

張先生, 65歲, 為本公司主席兼執行董事。彼畢業於中華人民共和國(「中國」)北京大學之無線電系, 並於其後出任北京大學之教授。於二零零一年加入本集團前, 張先生分別為一間於中國上市公司一方正科技集團股份有限公司之董事長及一間於香港聯合交易所有限公司(「聯交所」)上市公司一方正控股有限公司之董事, 擁有國際貿易、金融、資產管理及策劃籌謀之經驗。張先生曾獲選為對中國具傑出貢獻之中青年企業家, 並於第四屆國家科技企業家大獎榮獲企業創辦人金獎及多項其他殊榮。

渠萬春

渠先生, 45歲, 為本公司行政總裁兼執行董事。彼畢業於中國北京大學, 持有國際關係學碩士學位, 在資訊科技業及投資業務方面積逾二十年豐富經驗。渠先生亦為本公司之主要股東Hi Sun Limited(「HSL」)之主席兼行政總裁。在二零零零年加入HSL前, 渠先生乃國內一家企業之董事長。彼於二零零零年加入本集團。

徐文生

徐先生, 43歲, 為本公司執行董事。彼畢業於大連理工大學, 持有電腦科學及工程學士學位。徐先生亦為HSL的董事。於二零零三年加入本集團前, 徐先生為一間系統集成公司之總裁, 於金融業之電腦系統集成方面擁有豐富經驗。

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

LI WENJIN

Mr. Li, aged 48, is an Executive Director of the Company. He graduated from Peking University in the PRC with a master degree in law. He has over 20 years of experience in investment and administrative affairs. Mr. Li is also the managing director of HSL. Prior to joining HSL in 1999, he had worked for several companies in the PRC and Hong Kong. He joined the Group in 2000. Mr. Li has also been appointed as an executive director of PAX Global Technology Limited, an associated corporation of the Company since 24 February 2010.

XU CHANG JUN

Mr. Xu, aged 45, is an Executive Director of the Company. He graduated from Peking University in the PRC with a master degree in international economics. Prior to joining the Group in 2001, Mr. Xu had worked for several companies in the PRC and Hong Kong. He has over 20 years of experience in corporate management of enterprises in Hong Kong and the PRC.

Non-Executive Directors

CHANG KAI -TZUNG, RICHARD

Mr. Chang, aged 57, is a Non-Executive Director of the Company. Mr. Chang graduated from the University of Texas at Austin with a bachelor degree in Statistics and Operations Research. Mr. Chang possesses more than 17 years of experience in electronic payments industry in Southeast Asia, Japan and the Great China. Mr. Chang is currently the Senior Executive, Global Clients APCEMEA of VISA Inc. ("VISA") in Singapore. He was previously VISA's Greater China General Manager, Japan General Manager, and senior country manager for Singapore, Thailand, Philippines, Indochina. He joined the Group in 2009.

Independent Non-Executive Directors

TAM CHUN FAI

Mr. Tam, aged 49, is an Independent Non-Executive Director of the Company. He graduated from the Hong Kong Polytechnic University with a bachelor of arts degree in accountancy. Mr. Tam is a member of Hong Kong Institute of Certified Public Accountants and is a member of Chartered Financial Analyst and has over 20 years' experience in auditing, corporate advisory services as well as financial management and compliance work. Mr. Tam is currently an executive director of Beijing Enterprises Holdings Limited (a major red chip company) and an independent non-executive director of KWG Property Holding Limited, both companies are listed on the Main Board of the Hong Kong Stock Exchange. He joined the Group in 2004.

李文晉

李先生，48歲，為本公司執行董事。彼畢業於中國北京大學，持有法律碩士學位，於投資及行政事務方面積逾二十年豐富經驗。李先生亦為HSL董事總經理。在一九九九年加入HSL前，彼曾任職中港兩地多家公司。彼於二零零零年加入本集團。李先生亦獲委任為百富環球科技有限公司執行董事，該公司自二零一零年二月二十四日起為本公司之聯營公司。

徐昌軍

徐先生，45歲，為本公司執行董事。彼畢業於中國北京大學，持有國際經濟學碩士學位。於二零零一年加入本集團前，徐先生曾任職中港兩地多家公司。彼於中港兩地企業管理方面積逾二十年豐富經驗。

非執行董事

張楷淳

張先生，57歲，為本公司非執行董事。張先生畢業於德克薩斯大學奧斯汀分校，持有統計及運籌學學士學位。張先生於東南亞、日本及大中華之電子付款行業積逾17年之經驗。張先生現時為新加坡VISA Inc. (「VISA」) 全球客戶總經理。彼曾出任VISA於大中華、日本之總經理；以及VISA於新加坡、泰國、菲律賓及印度支那之高級區域經理。彼於二零零九年加入本集團。

獨立非執行董事

譚振輝

譚先生，49歲，為本公司獨立非執行董事。彼畢業於香港理工大學，持有會計文學士學位。譚先生為香港會計師公會會員及特許金融分析師成員。彼於核數、公司顧問服務以及財務管理及守章方面積逾二十年經驗。彼現為北京控股有限公司(一家大紅籌公司)之執行董事及合景泰富地產控股有限公司之獨立非執行董事，該兩家公司均於香港聯交所主板上市。彼於二零零四年加入本集團。

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

LEUNG WAI MAN, ROGER

Mr. Leung, aged 55, is an Independent Non-Executive Director of the Company. He obtained a bachelor degree in Law and a Postgraduate Certificate in Laws from the University of Hong Kong. He also obtained a Juris Doctor degree from the University of Western Ontario, Canada. Mr. Leung has been a practicing solicitor in Hong Kong since 1984 and is now a partner of the law firm, Messrs Foo, Leung & Yeung. He was also admitted as a solicitor in England and Wales and as a barrister, solicitor and notary public in Ontario, Canada. Mr. Leung has extensive working experience in law both in Hong Kong and in Canada. He served as a member of the Inland Revenue Board of Review from 1997 to 2005 and has been appointed as a China-appointed Attesting Officer since January 2003. Mr. Leung is currently an independent non-executive director of China Flavors and Fragrances Company Limited, a company listed on the Hong Kong Stock Exchange. He joined the Group in 2004.

XU SITAO

Mr. Xu, aged 48, is an Independent Non-Executive Director of the Company. He graduated from Peking University in the PRC with a bachelor of arts degree in economics and from the University of Connecticut with a master of arts degree in economics. He also holds a master of science degree in Finance from Boston College. Mr. Xu is currently the chief representative of china of the Economist Group and a director of Advisory Services (China) of Economist Intelligence Unit. Prior to joining the Economist Group, he was a senior economist at Industrial and Commercial Bank of China (Asia) Limited in Hong Kong from May 2003 to May 2004 and was the chief asian economist of Societe Generale from September 2000 to November 2002. Between 1996 and 2000, he was a regional treasury economist at Standard Chartered Bank. Prior to that, he was an emerging asia economist of Standard & Poor's MMS International in Singapore. He joined the Group in 2001.

梁偉民

梁先生，55歲，為本公司獨立非執行董事。彼畢業於香港大學，取得法律學士學位及法學專業證書。彼亦畢業於加拿大University of Western Ontario，取得法律博士學位。自一九八四年開始，梁先生為香港執業律師，現為傅梁楊律師行之合夥人。彼亦為英格蘭及威爾斯認可律師及加拿大安大略省之大律師、律師及公證人。梁先生分別在香港和加拿大擁有豐富之法律經驗。一九九七年至二零零五年間，彼為稅務上訴委員會會員。自二零零三年一月起獲委任為中國委託公證人。梁先生現為中國香精香料有限公司的獨立非執行董事，該公司於香港聯交所上市。彼於二零零四年加入本集團。

許思濤

許先生，48歲，為本公司獨立非執行董事。彼畢業於中國北京大學，持有經濟學文學學士學位，並持有University of Connecticut頒發之經濟學文學碩士學位。彼亦持有Boston College頒發之金融理學碩士學位。許先生現為經濟學人集團之中國首席代表兼經濟學人企業組織之中國諮詢服務總監。在經濟學人集團之前，彼於二零零三年五月至二零零四年五月曾為香港中國工商銀行(亞洲)有限公司高級經濟師，並於二零零零年九月至二零零二年十一月出任法國興業銀行之首席亞洲經濟師。一九九六年至二零零零年間，彼曾出任渣打銀行之地區庫務經濟師，之前則擔任新加坡之標準普爾博訊國際之新興亞洲市場經濟師。彼於二零零一年加入本集團。

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

SENIOR MANAGEMENT

As at the date of the Report of the Directors, Mr. Li Xiaoguang, Mr. Xiao Chang Xing, Mr. Zhao Yue Hui and Ms. Hui Lok Yan were the Company's senior management.

LI XIAOGUANG

Mr. Li, aged 49, is the chairman of Beijing Hi Sunray Information Technology Limited. He graduated from Peking University in the PRC with a master's degree in Computer Science. Prior to joining the Group in 2000, Mr. Li was a member of a company's senior management in Beijing. He has over 20 years of experience in corporate management.

XIAO CHANG XING

Mr Xiao, aged 40, is the chairman of Beijing Hi Sun Advanced Business Solutions Information Technology Limited. He graduated from Peking University in the PRC with a bachelor degree in Economics. Prior to joining the Group in 2000, Mr Xiao was a president assistant of Beijing Founder Order Computer System Co., Ltd. He has over 15 years of experience in corporate management.

ZHAO YUE HUI

Mr. Zhao, aged 48, is the chief executive officer of Hangzhou PAX Electronic Technology Limited. He graduated from Zhejiang University with a bachelor degree in engineering, and received a master degree in engineering from Tongji University. He has over 12 years of experience in corporate management.

HUI LOK YAN

Ms. Hui, aged 33, is the Group Financial Controller and Joint Company Secretary of the Company. She graduated from the Chinese University of Hong Kong with a bachelor degree in Business Administration. Ms. Hui is currently a certified public accountant of the Hong Kong Institute of Certified Public Accountants. Prior to joining the Group, she was a manager of an international public accountancy firm.

高層管理人員

於董事會報告日期，李曉光先生、肖常興先生、趙悅輝先生及許諾恩女士均為本公司高層管理人員。

李曉光

李先生，49歲，為北京高陽聖思園信息技術有限公司董事長。彼畢業於中國北京大學，獲授計算機科學碩士學位。於二零零零年加入本集團前，李先生曾任北京一家公司的高級管理人員成員。彼擁有逾20年企業管理經驗。

肖常興

肖先生，40歲，為北京高陽金信信息技術有限公司主席。彼畢業於中國北京大學，獲授經濟學學士學位。於2000年加入本集團前，肖先生曾任北京奧德計算機技術有限公司總裁助理。彼擁有逾15年企業管理經驗。

趙悅輝

趙先生，48歲，為杭州百富電子技術有限公司行政總裁。彼畢業於浙江大學，獲授工學學士學位，並獲授同濟大學工學碩士學位。彼擁有逾12年企業管理經驗。

許諾恩

許女士，33歲，為本公司之集團財務總監兼聯席公司秘書。彼畢業於香港中文大學，獲授工商管理學士學位。許女士現為香港會計師公會執業會計師。加入本集團前，彼為一家國際執業會計師行經理。

Letter from the Board 董事會函件

Dear Shareholders,

I am pleased to present the Company's Annual Report for the year ended 31 December 2011 ("the Year").

While economy in China continued to improve in 2011, tightened regulatory policies and measures in China continued to present challenges for our telecommunication solutions and payment solutions businesses there. The Group continued to invest in new innovative wireless value-added solutions and services to meet the ever changing technology and market demand. Following the spin-off of the POS terminal solution business (the "discontinued operation") in 2010 through a separate listing of PAX Global Technology Limited ("PAX Global"), the consolidated turnover from continuing operations amounted to HK\$838.7 million, representing a decline of 7% over 2010. Segmental operating loss from continuing operations totaled HK\$325.6 million in 2011 as compared to a segmental operating loss of HK\$168.5 million in 2010. Loss for the year from continuing operations totaled HK\$279.7 million as compared to a loss of HK\$217.5 million in 2010, which was mainly due to a decline in operating profit of telecommunication solutions business and increase in operating loss from the payment solutions business for the year ended 31 December 2011. Profit for the year from discontinued operation amounted to HK\$1,096.5 million in prior year, which was mainly attributable to the share of result from the discontinued operation and recognition of a gain of on the deemed disposal of the Company's interest in PAX Global upon the spin-off.

During the Year, the telecommunication solutions segment recorded turnover of HK\$177.2 million, a decline of 49% as compared to 2010. Segmental operating profit amounted to HK\$11.7 million as compared to HK\$60.2 million in 2010. The decline in operating profit was mainly contributed by decline in traffic volume and certain restriction measures and policies changes in the sector. During the Year, additional resources have been placed for developing new and innovative products and services, such as mobile games, animation and comics etc.

The financial solutions segment reported turnover of HK\$178.1 million in 2011, an increase of 26% as compared to last year. Segmental operating profit amounted to HK\$0.2 million as compared to HK\$0.8 million in 2010. We expect that commercial banks in China will continue to increase investment in the building of electronic channels infrastructure and accelerating the building of overseas branch netbook. Besides, other new sources of income are expected to be brought into the business with the development of cross-industry value added solutions.

各位股東：

本人欣然提呈本公司截至二零一一年十二月三十一日止年度(「本年度」)的年報。

當中國經濟於二零一一年持續改善時，中國的監管政策及措施收緊，繼續為我們於該地區的電訊解決方案及支付解決方案帶來挑戰。本集團繼續投資全新及創新的無線增值方案及服務，以應付瞬息萬變的技術及市場需求。隨著於二零一零年透過百富環球科技有限公司(「百富環球」)獨立上市分拆POS終端解決方案業務(「已終止經營業務」)，來自持續經營業務之綜合營業額為838,700,000港元，較二零一零年減少7%。二零一一年持續經營業務之分類經營虧損合共為325,600,000港元，二零一零年之分類經營虧損則為168,500,000港元。持續經營業務之年內虧損合共為279,700,000港元，二零一零年虧損則為217,500,000港元，主要由於截至二零一一年十二月三十一日止年度電訊解決方案業務之經營溢利減少及支付解決方案業務之經營虧損增加所致。於上年度，來自已終止經營業務之年內溢利為1,096,500,000港元，主要為分佔已終止經營業務業績及以及確認於分拆時視作出售本公司於百富環球之權益的收益。

本年度內，電訊解決方案分類錄得營業額177,200,000港元，較二零一零年減少49%。分類經營溢利為11,700,000港元，二零一零年則為60,200,000港元。經營溢利減少主要由於自流量下跌及業內若干限制措施及政策轉變所致。本年度內，我們已投放額外資源開發全新及創新的產品與服務，例如手機遊戲、手機動漫等。

金融解決方案分類於二零一一年之營業額為178,100,000港元，較去年增加26%。分類經營溢利為200,000港元，二零一零年則為800,000港元。我們預計國內商業銀行將會持續加大投入於電子渠道建設及加快海外分行的佈局。除此，隨著跨行業增值解決方案的發展，預期將為金融解決方案業務帶來其他新收入來源。

Letter from the Board 董事會函件

Regarding our payment solutions segment, subsequent to our successful launch of the first nation-wide mobile payment platform and solution with China Mobile in 2010 in all provinces in China, coverage of our payment solutions is now extended to the public transportation, retail merchants and other fields. Segmental turnover amounted to HK\$48.4 million, an increase of 21% as compared to last year. Segmental operating loss amounted to HK\$251.8 million, including an one time non-cash impairment charge of HK\$154.8 million against the Group's carrying value of certain intangible assets, which reflects a prudent conservative management judgment as to the future value of these assets.

Year 2011 was a transitional year to our electronic power meter and solutions segment. This segment reported turnover of HK\$419.1 million in 2011, an increase of 13% as compared to last year. Segmental operating loss amounted to HK\$58.2 million as compared to HK\$134.4 million in 2010. During the year, gross profit margin was improved as compared to last year. Besides, we have been focusing on the research and development of low voltage power line carrier wave communication technology ("PLC"). During the year, we have reached an advanced stage on PLC and we expect that those new technologies may be gradually launched in the market in 2012.

Looking forward, with our solid financial position, we believe that there is enormous room for growth in various businesses of the Group. Management will remain focused on financial and operation disciplines with extra exertion on product innovation and continuous input on research and development.

On behalf of the Board, I would like to take this opportunity to express my utmost gratitude to our customers, bankers, suppliers, business associates and most valued shareholders for their continuous trust and support to the Group.

On behalf on the Board
Cheung Yuk Fung
Chairman

Hong Kong, 15 March 2012

至於付款解決方案，我們於二零一零年成功與中國移動攜手在中國各省推行首個全國移動付款平台後，我們付款方案之覆蓋範圍現時延伸至公共運輸、零售商戶及其他範疇。分類營業額為48,400,000港元，較去年增加21%。分類經營虧損為251,800,000港元，當中包括本集團若干無形資產之賬面值錄得一次性非現金減值開支154,800,000港元，反映管理層就該等資產未來價值作出審慎保守判斷。

二零一一年是我們電能計量產品及解決方案分類的過渡年。此分類於二零一一年錄得營業額為419,100,000港元，較去年增加13%。分類經營虧損為58,200,000港元，二零一零年則為134,400,000港元。年內，毛利率比較去年有所改善。除此，我們一直專注研發低壓電力線載波通信技術（「PLC」）。年內，我們PLC研發已進入成熟階段，我們預期該等新技術或會於二零一二年逐步推出市場。

展望未來，憑藉我們穩健的財務狀況，我們相信本集團各業務均有龐大增長空間。管理層將繼續集中於金融及營運方面，並竭力於產品創新及不斷投入產品研發。

本人藉此機會代表董事會向各客戶、銀行、供應商、業務夥伴及最尊貴的股東對本集團的持續信賴及支持致以由衷感謝。

代表董事會
主席
張玉峰

香港，二零一二年三月十五日

Management Discussion and Analysis 管理層之討論與分析

FINANCIAL HIGHLIGHTS

財務概覽

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	Change 變動 + / (-)
RESULTS	業績			
Continuing operations	持續經營業務			
Revenue	收入	838,674	901,521	-7%
Gross profit	毛利	174,195	170,406	+2%
Segmental EBITDA (before unallocated items)	分類EBITDA(扣除未分配項目前)	(270,057)	(116,322)	+132%
Loss before income tax	除所得稅前虧損	(287,531)	(219,270)	+31%
Loss for the year from continuing operations	來自持續經營業務之年內虧損	(279,722)	(217,528)	+29%
Discontinued operation	已終止經營業務			
Profit from discontinued operation	已終止經營業務溢利	–	1,096,476	-100%
(Loss)/profit for the year	年內(虧損)/溢利	(279,722)	878,948	-132%
(Loss)/profit attributable to:	應佔(虧損)/溢利:			
– Equity holders of the Company	– 本公司權益持有人	(255,493)	850,275	-130%
– Non-controlling interests	– 非控股權益	(24,229)	28,673	-185%
		(279,722)	878,948	
(Loss)/earnings per share for (loss)/profit attributable to the equity holders of the Company:	本公司權益持有人應佔(虧損)/溢利之每股(虧損)/盈利:	HK\$ per share 每股港元	HK\$ per share 每股港元	
Basic and diluted (loss)/earnings per share	每股基本及攤薄(虧損)/盈利			
From continuing operations	來自持續經營業務	(0.096)	(0.071)	+35%
From discontinued operation	來自已終止經營業務	–	0.389	-100%
		(0.096)	0.318	-130%

Management Discussion and Analysis

管理層之討論與分析

As at 31 December
於十二月三十一日

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	Change 變動 + / (-)
HIGHLIGHTS OF FINANCIAL POSITION	財務狀況概覽			
Total equity	權益總額	2,939,042	3,167,806	-7%
Net current assets	流動資產淨值	1,288,642	1,457,821	-12%
Total assets	資產總值	3,392,509	3,657,369	-7%
<hr/>				
		2011 二零一一年	2010 二零一零年	Change 變動 + / (-)
Net assets per share (HK\$)	每股資產淨值(港元)	1.099	1.185	-7%

The board of directors (the "Board") of Hi Sun Technology (China) Limited (the "Company") hereby announces the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2011 together with the comparative figures for the year ended 31 December 2010. The annual results have been reviewed by the Company's Audit Committee (the "Audit Committee").

高陽科技(中國)有限公司(「本公司」)董事會(「董事會」)謹此公佈本公司及其附屬公司(「本集團」)截至二零一一年十二月三十一日止年度之經審核綜合業績，連同截至二零一零年十二月三十一日止年度之比較數字。全年業績已經由本公司審核委員會(「審核委員會」)審閱。

Management Discussion and Analysis
管理層之討論與分析

CONDENSED CONSOLIDATED INCOME STATEMENT

簡明綜合收益表

		Turnover 營業額			EBITDA EBITDA		
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	Change 變動 +(-)	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	Change 變動 +(-)
Continuing operations	持續經營業務						
Telecommunication solutions	電訊解決方案	177,204	349,569	-49%	20,855	70,897	-71%
Financial solutions	金融解決方案	212,079	186,402	+14%	16,603	18,353	-10%
Payment solutions	支付解決方案	48,493	39,971	+21%	(239,526)	(72,554)	+230%
Electronic power meters and solutions	電能計量產品及解決方案	419,149	370,439	+13%	(43,900)	(119,204)	-63%
Others	其他	15,881	-	N/A不適用	(24,089)	(13,814)	+74%
Segmental results	分類業績	872,806	946,381	-8%	(270,057)	(116,322)	+132%
Less: Inter-segment revenue	減：分類間收益	(34,132)	(44,860)	-24%	-	-	N/A不適用
Total	合計	838,674	901,521	-7%	(270,057)	(116,322)	+132%
Depreciation	折舊				(39,419)	(38,995)	+1%
Amortisation	攤銷				(16,078)	(13,138)	+22%
Segmental operating loss	分類經營虧損				(325,554)	(168,455)	+93%
Unallocated other income	未分配其他收入				3,052	10,256	-70%
Unallocated corporate expenses	未分配企業開支				(41,042)	(67,458)	-39%
Share of profit of an associated company	應佔一間聯營公司溢利				77,809	6,860	+1,034%
Finance cost	融資成本				(1,796)	(473)	+280%
Loss before income tax	除所得稅前虧損				(287,531)	(219,270)	+31%
Income tax credit	所得稅抵免				7,809	1,742	+348%
Loss for the year from continuing operations	來自持續經營業務之年內虧損				(279,722)	(217,528)	+29%
Discontinued operation	已終止經營業務						
Profit from discontinued operation	已終止經營業務溢利				-	1,096,476	-100%
(Loss)/profit for the year	年內(虧損)/溢利				(279,722)	878,948	-132%

Management Discussion and Analysis

管理層之討論與分析

During the year ended 31 December 2011, the Group focused on the four key business segments being telecommunication solutions, financial solutions, payment solutions and electronic power meters and solutions. For the presentation of the consolidated financial statements for the year ended 31 December 2010, the POS terminal solutions business was regarded as “discontinued operation”, following the completion of the spin-off of PAX Global Technology Limited (“PAX Global”) on 20 December 2010 (the “Spin-off”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The consolidated turnover from continuing operations amounted to HK\$838.7 million, representing a decline of 7% over 2010. Segmental operating loss from continuing operations totaled HK\$325.6 million in 2011 as compared to a segmental operating loss of HK\$168.5 million in 2010. Loss for the year from continuing operations totaled HK\$279.7 million as compared to a loss of HK\$217.5 million in 2010. Increase in loss for the year from continuing operations as compare to that in 2010 was mainly due to a decline in segmental operating profit of telecommunication solutions and increase in segmental operating loss from the payment solutions for the year ended 31 December 2011. Profit for the year from discontinued operation amounted to HK\$1,096.5 million in prior year, which was mainly attributable to the share of result from the discontinued operation and recognition of a gain of on the deemed disposal upon the Spin-off.

With regard to our consolidated balance sheet, the total assets as at 31 December 2011 amounted to HK\$3,392.5 million, compared with HK\$3,657.4 million as at 31 December 2010. As at 31 December 2011, the net current assets amounted to HK\$1,288.6 million, compared with HK\$1,457.8 million as at 31 December 2010.

截至二零一一年十二月三十一日止年度，本集團專注四大主要業務分類，即電訊解決方案、金融解決方案、支付解決方案及電能計量產品及解決方案。就呈列截至二零一零年十二月三十一日止年度之綜合財務報表而言，隨着於二零一零年十二月二十日完成分拆百富環球科技有限公司（「百富環球」）在香港聯合交易所有限公司（「聯交所」）主板上市（「分拆」）後，POS終端機解決方案業務被視為「已終止經營業務」。

來自持續經營業務之綜合營業額為838,700,000港元，較二零一零年減少7%。二零一一年持續經營業務之分類經營虧損合共為325,600,000港元，二零一零年之分類經營虧損則為168,500,000港元。持續經營業務之年內虧損合共為279,700,000港元，二零一零年虧損則為217,500,000港元。持續經營業務之年內虧損較二零一零年增加，主要由於截至二零一一年十二月三十一日止年度電訊解決方案之分類經營溢利減少及支付解決方案之分類經營虧損增加所致。於上年度，來自已終止經營業務之年內溢利為1,096,500,000港元，主要由於分佔已終止經營業務業績及分拆後確認視作出售之收益。

至於本集團之綜合資產負債表，於二零一一年十二月三十一日的資產總值為3,392,500,000港元，於二零一零年十二月三十一日則為3,657,400,000港元。流動資產淨值於二零一一年十二月三十一日為1,288,600,000港元，於二零一零年十二月三十一日則為1,457,800,000港元。

Management Discussion and Analysis 管理層之討論與分析

INVESTING AND FINANCING ACTIVITIES

On 20 December 2010, PAX Global (a then 60% owned subsidiary of the Group) was listed on the Main Board of the Stock Exchange by way of the Spin-off. Following the Spin-off, the effective interest held by the Group in PAX Global reduced from 60% to 44.4%. This has resulted in the Group losing control over PAX Global and PAX Global is accounted by the Group as an associated company since 20 December 2010. On 12 January 2011, the over-allotment option of PAX Global was partially exercised by the global coordinator of the Spin-off and the Company's interest in PAX Global was further diluted from 44.4% to approximately 42.8%.

On 11 January 2011, the Company entered into a sale and purchase agreement with a vendor, pursuant to which the vendor agreed to sell and the Company conditionally agreed to purchase the entire issued share capital of Merchant Support Co., Ltd. ("Merchant Support"), a company incorporated in Japan, and the sales claims thereof which comprise (i) the loan claims (which represent the vendor's loan claims against Merchant Support and Merchant Capital Limited ("Merchant Capital") under certain loan agreements between the vendor and Merchant Support or between the vendor and Merchant Capital; and (ii) AM claims (which represent the vendor's right to demand payment of remuneration incurred up to the completion date (inclusive) under the cost reimbursement agreement between the vendor and Merchant Support). The acquisition was completed on 13 May 2011 and the total consideration was JPY1,730.8 million (equivalent to approximately HK\$166.1 million).

On 29 January 2010, Success Bridge Limited ("Success Bridge") allotted 600 preference shares ("SBL Preference Shares") at a total subscription price of US\$60 million (equivalent to approximately HK\$465 million) to a subscriber. The SBL Preference Shares shall represent 6% of the total issued share capital of Success Bridge as enlarged by the subscription. On the same date, the Company, the subscriber and Success Bridge entered into a shareholders agreement (the "Shareholders Agreement") relating to, among other things, (i) the grant of exchange rights by the Company to the holders of SBL Preference Shares; (ii) the transfer of a specified number of ordinary shares of Success Bridge ("SBL Ordinary Shares") equal to up to 3% of the aggregate number of shares of Success Bridge in issue as at completion at an aggregate consideration of HK\$1.00 by the Company to the holders of SBL Preference Share if the 2010 net profit of Success Bridge is less than RMB450,000,000 (the "Ratchet Disposal"); and (iii) the transfer of a specified number of SBL Preference Shares and/or SBL Ordinary Shares equal to up to 2% of the aggregate number of shares of Success Bridge in issue as at completion at an aggregate consideration of HK\$1.00 by the holders of SBL Preference Shares to the Company if the 2010 net profit of Success Bridge is RMB500,000,000 or more (the "Ratchet Acquisition"). As the net profit of Success Bridge in 2010

投資及融資活動

於二零一零年十二月二十日，百富環球(其當時為本集團擁有60%權益的附屬公司)透過分拆於聯交所主板上市。分拆後，本集團持有百富環球的實際權益由60%減至44.4%，並導致失去百富環球之控制權。百富環球自二零一零年十二月二十日起被本集團視為聯營公司列賬。於二零一一年一月十二日，百富環球之超額配股權由分拆之全球協調人部分行使，而本公司於百富環球之權益由44.4%進一步攤薄至約42.8%。

於二零一一年一月十一日，本公司與一名賣方訂立買賣協議，據此，賣方同意出售及本公司有條件同意購買Merchant Support Co., Ltd (「Merchant Support」)(一間於日本註冊成立之公司)之全部已發行股本以及待售申索權。待售申索權包括(i)貸款申索權(即根據賣方與Merchant Support或賣方與Merchant Capital Limited(「Merchant Capital」)訂立之若干貸款協議，賣方對Merchant Support及Merchant Capital作出申索之申索權)；及(ii) AM索償權(即根據賣方與Merchant Support訂立之費用償還協議，賣方要求支付直至完成日期(包括該日)之酬金之權利)。收購已於二零一一年五月十三日完成，總代價為1,730,800,000日圓(相當於約166,100,000港元)。

於二零一零年一月二十九日，Success Bridge Limited (「Success Bridge」)按總認購價60,000,000美元(相當於約465,000,000港元)配發600股優先股(「SBL優先股」)給認購人。SBL優先股佔經認購事項擴大後Success Bridge全部已發行股本之6%。同日，本公司、認購人及Success Bridge訂立股東協議(「股東協議」)，內容有關(其中包括)，(i)本公司向SBL優先股持有人授出轉換權；(ii)倘二零一零年Success Bridge純利少於人民幣450,000,000元，則本公司將按總代價1.00港元向SBL優先股持有人轉撥特定數目之Success Bridge普通股(「SBL普通股」)，該數目相等於完成時已發行Success Bridge股份總數最多3%(「漸增出售事項」)；及(iii)倘二零一零年Success Bridge純利為人民幣500,000,000元或以上，則SBL優先股持有人將按總代價1.00港元向本公司轉撥特定數目之SBL優先股及/或SBL普通股，該數目相等於完成時已發行Success Bridge股份總數最多2%(「漸減收購事項」)。由於二零一零年Success Bridge純利少於人民幣375,000,000元，故本公司已根據股東協議向

Management Discussion and Analysis 管理層之討論與分析

was less than RMB375,000,000, the Company has transferred 300 SBL Ordinary Shares (representing 3% of the issued share capital of Success Bridge, assuming full conversion of all SBL Preference Shares into SBL Ordinary Shares) to the holders of SBL Preference Shares in accordance with the Shareholders Agreement. The SBL Ordinary Shares so transferred have, upon completion of the transfer, been re-designated into SBL Preference Shares. The SBL Ordinary Shares transferred and re-designated under the Ratchet Disposal were to be returned to the Company if the volume weighted average price of the shares of the Company exceeds HK\$4.50 for a period of thirty consecutive trading days during the period from (and including) 29 October 2010 (being the date falling nine months immediately following the date of completion) to (and excluding) 29 January 2012 (being the date falling on the second anniversary of the date of completion). Given that the volume weighted average price of the shares of the Company did not exceed HK\$4.50 for a period of thirty consecutive trading days during the period from (and including) 29 October 2010 to (but excluding) 29 January 2012, no SBL Ordinary Shares transferred and re-designated under the Ratchet Disposal were returned to the Company. The Company, the subscriber and Success Bridge entered into a supplemental agreement to the Shareholders Agreement dated 10 June 2011 in order to document the mechanics for such return, if any, of the SBL Ordinary Shares. The Ratchet Disposal was completed on 10 June 2011.

On 11 July 2011, Max Ascent Limited (“Max Ascent”), a subsidiary of the Company, entered into conditional subscription agreements with three independent third parties, pursuant to which these subscribers conditionally agreed to subscribe for 9%, 9% and 3% of the enlarged issued share capital of Max Ascent at the consideration of HK\$2,340,000, HK\$2,340,000 and HK\$780,000, respectively. The subscription was completed on 25 July 2011.

On 13 January 2012, the Company entered into two sale and purchase agreements with two vendors separately pursuant to which each of the vendors has conditionally agreed to sell, and the Company has conditionally agreed to purchase, in aggregate, 20% of the issued share capital of New Concept Services Limited (“New Concept”) at a total consideration of HK\$96,000,000. Upon completion, the Company’s shareholding interest in New Concept increased from 80% to 100% and accordingly, New Concept became a wholly-owned subsidiary of the Company. The acquisition was completed on 9 March 2012.

On 2 March 2012, Merchant Support entered into a sale and purchase agreement with a vendor, pursuant to which the vendor conditionally agreed to sell, and Merchant Support conditionally agreed to purchase 67% of the issued share capital of ITC Credit Co., Ltd. (“ITCC”) at a consideration of JPY70 million (equivalent to approximately HK\$7.1 million). Upon completion, Merchant Support’s shareholding interest in ITCC increased from 33% to 100%, and accordingly, ITCC became a wholly-owned subsidiary of the Company. The acquisition was completed on 5 March 2012.

SBL優先股持有人轉撥300股SBL普通股(假設所有SBL優先股均悉數轉換為SBL普通股,則相當於Success Bridge已發行股本3%)。所轉撥之SBL普通股已於轉撥完成時,重新指定為SBL優先股。倘本公司股份於緊隨完成日期後滿九個月當日(包括當日,即二零一零年十月二十九日)起直至完成日期滿第二週年當日(不包括當日,即二零一二年一月二十九日)止期間內,連續30個交易日期間之成交量加權平均價超逾4.50港元,則已根據漸增出售事項轉撥及重新指定之SBL普通股將退回本公司。基於本公司股份於二零一零年十月二十九日(包括當日)至二零一二年一月二十九日(但不包括當日)期間內,連續30個交易日期間之成交量加權平均價不超逾4.50港元,故概無已根據漸增出售事項轉撥及重新指定之SBL普通股退回本公司。本公司、認購人及Success Bridge就股東協議訂立日期為二零一一年六月十日之補充協議,以記錄SBL普通股有關退回之機制(如有)。漸增出售事項已於二零一一年六月十日完成。

於二零一一年七月十一日,本公司附屬公司展進有限公司(「展進」)與三名獨立第三方訂立有條件認購協議,據此,該三名認購方有條件同意認購展進經擴大後之已發行股本9%、9%及3%,代價分別為2,340,000港元、2,340,000港元及780,000港元。認購已於二零一一年七月二十五日完成。

於二零一二年一月十三日,本公司分別與兩名賣方訂立兩份買賣協議,據此,各賣方均有條件同意出售,而本公司有條件同意購買新創服務有限公司(「新創」)已發行股本合共20%,總代價為96,000,000港元。完成時,本公司於新創之持股權益由80%增至100%,因此,新創成為本公司之全資附屬公司。收購已於二零一二年三月九日完成。

於二零一二年三月二日,Merchant Support與一名賣方訂立買賣協議,據此,該名賣方有條件同意出售,而Merchant Support有條件同意購買ITC Credit Co., Ltd(「ITCC」)已發行股本67%,代價為70,000,000日圓(相當於約7,100,000港元)。完成後,Merchant Support於ITCC的持股權益由33%增至100%,因此,ITCC成為本公司之全資附屬公司。收購已於二零一二年三月五日完成。

Management Discussion and Analysis 管理層之討論與分析

CONTINUING OPERATIONS

The performance of the four key business segments under the continuing operations during the year is set out as below:

Telecommunications solutions

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	Change 變動 + / (-)
Turnover	營業額	177,204	349,569	-49%
EBITDA	EBITDA	20,855	70,897	-71%
Operating profit	經營虧損	11,678	60,165	-81%

During the year, the telecommunication solutions segment recorded turnover of HK\$177.2 million, a decline of 49% as compared to 2010. Segmental operating profit amounted to HK\$11.7 million as compared to HK\$60.2 million in 2010. The decline in segmental operating profit was mainly contributed by decline in traffic volume and certain restriction measures and policies changes in the sector. Meanwhile, certain new businesses are still under development. We anticipate that the provision of nationwide IVR platform and related services to China Mobile will continue to be one of the major revenue contributors of this segment and year 2012 will continue to be a challenging year.

Besides, additional resources have been placed for developing new and innovation products and services, such as mobile games, animation and comics etc. Looking ahead, we will continue to develop other innovative wireless value-added solutions and services to meet the everchanging technology and market demand.

Financial solutions

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	Change 變動 + / (-)
Turnover*	營業額*	178,077	141,542	+26%
EBITDA	EBITDA	16,603	18,353	-10%
Operating profit	經營虧損	194	793	-76%

* Turnover from external customers

持續經營業務

年內持續經營業務下四大主要業務分類之表現如下：

電訊解決方案

年內，電訊解決方案分類錄得營業額177,200,000港元，較二零一零年減少49%。分類經營溢利為11,700,000港元，二零一零年則為60,200,000港元。分類經營溢利減少主要由於流量下跌及業內若干限制措施及政策轉變所致。與此同時，若干新業務仍處於發展當中。我們預計，向中國移動提供全國IVR平台及相關服務將繼續成為此分類之主要收入來源之一，二零一二年將是充滿挑戰的一年。

此外，我們已投放額外資源以開發全新及創新的產品與服務，例如手機遊戲、動漫等。展望未來，我們將繼續發展其他創新的無線增值解決方案及服務，務求迎合千變萬化的科技及市場需求。

金融解決方案

* 來自外部客戶之營業額

Management Discussion and Analysis

管理層之討論與分析

The financial solutions segment reported turnover of HK\$178.1 million in 2011, representing an increase of 26% as compared to last year. Segmental operating profit amounted to HK\$0.2 million as compared to HK\$0.8 million in 2010. With the aim to create a more stable, sustainable and recurring income streams, we have placed more exertion on various development projects regarding cross-industry solutions, including industrial advisory, business operation solutions, system development and operation services, and other outsourcing services.

金融解決方案分類於二零一一年錄得營業額為178,100,000港元，較去年增加26%。分類經營溢利為200,000港元，二零一零則為800,000港元。為締造更穩定、可持續及經常性之收入來源，我們已竭力於跨行業解決方案的若干開發項目，包括行業諮詢、業務經營解決方案、系統開發及運營服務及其他外判服務。

Payment solutions

支付解決方案

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	Change 變動 + / (-)
Turnover*	營業額*	48,363	39,971	+21%
Impairment of intangible assets	無形資產減值	(154,836)	–	N/A不適用
EBITDA	EBITDA	(239,526)	(72,554)	+230%
Operating loss	經營虧損	(251,802)	(80,748)	+212%

* Turnover from external customers

* 來自外部客戶之營業額

Our payment solutions segment is principally engaged in the operation and development of the first nation-wide mobile payment platform and solution with China Mobile and other mobile and wireless payment solutions and services. Segmental turnover amounted to HK\$48.4 million, representing an increase of 21% as compared to last year. Segmental operating loss amounted to HK\$251.8 million, which included a one time non-cash impairment charge of HK\$154.8 million against the Group's carrying value of certain intangible assets. Such impairment loss reflects a prudent conservative management judgment as to the future value of these assets with regard to the rapid evolution of business models in the industry and the current economic environment. Currently, our payment solutions segment is awaiting for the building up of transaction volume and operation scale.

我們的支付解決方案分類主要與中國移動攜手運營和發展首個全國移動支付平台及解決方案以及其他移動與無線支款解決方案及服務。分類營業額為48,400,000港元，較去年增加21%。分類營運虧損為251,800,000港元，其中包括本集團對若干無形資產賬面值的一次性非現金減值費用154,800,000港元。此等減值虧損反映管理層就有關行業業務模式及現時經濟環境之快速發展對該等資產未來價值作出審慎保守判斷。目前，我們的支付解決方案分類仍有待累積交易量及經營規模。

Management Discussion and Analysis 管理層之討論與分析

Electronic power meters and solutions

電能計量產品及解決方案

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	Change 變動 + / (-)
Turnover	營業額	419,149	370,439	+13%
Impairment of intangible assets	無形資產減值	-	(29,593)	-100%
EBITDA	EBITDA	(43,900)	(119,204)	-63%
Operating loss	經營虧損	(58,171)	(134,434)	-57%

Year 2011 was a transitional year to our electronic power meters and solutions segment. This segment reported turnover of HK\$419.1 million in 2011, an increase of 13% as compared to last year. Segmental operating loss amounted to HK\$58.2 million as compared to HK\$134.4 million in 2010.

During the year, gross profit margin was improved as compared to last year. Evolving new standards of smart meters conforming to the smart grid infrastructure launched by the State Grid were becoming more mature and stable, and the tender prices of smart meters were moderately increased. Meanwhile, we remain focused on our R&D effort through better product design engineering, to streamline product cost and improve product quality, so as to be in line with the needs of the development of power grids.

OUTLOOK

It is anticipated that the business environment in Year 2012 will continue to be challenging. With the enormous room for growth in various businesses, combined with our strong financial position, Hi Sun will keep its momentum with various business opportunities ahead.

二零一一年是我們電能計量產品及解決方案分類的過渡年。此分類於二零一一年錄得營業額為419,100,000港元，較去年增加13%。分類經營虧損為58,200,000港元，二零一零年則為134,400,000港元。

年內，毛利率比較去年有所改善。國家電網基於智慧電網基建要求而不斷發展的智慧電能表技術標準趨於成熟穩定，智慧電能表的中標價格亦略有提高。同時，我們繼續致力於研發更優秀的產品設計方案，以縮減產品成本和提高產品品質，從而滿足電網發展的需要。

展望

預期二零一二年度之營商環境將繼續挑戰重重。鑑於各業務均有龐大增長空間，加上憑藉我們的穩健財務狀況，高陽將於未來處處商機中維持動力。

Management Discussion and Analysis 管理層之討論與分析

Telecommunication solutions

China Mobile's IVR business has been transitted to the Jiangsu Base of China Mobile since 1 January 2012. Currently, IVR platform will be redefined as an ability platform providing audio-oriented integrated services. As a result, we will upgrade our IVR platform step by step into WAVE (Web Audio Video Engine) platform, which will provide integrated services including audio, data, video and web contents. With the application of the platform getting mature, we expect more business revenue could be generated effectively. In addition, we will promote the wireless application business in various aspects. In 2011, our animation and comic business also achieved encouraging progress, making us an excellent partner to the Animation and Comic Station Base of China Mobile. Going forward, we will further explore the mobile internet business such as mobile games, animation and comics.

Financial solutions

In 2012, we expect that commercial banks in China will continue to increase the systemic investment in two areas. Firstly, this is the electronic channels infrastructure in China with respect to e-banking and mobile banking. Given the Group's experience in constructing China Mobile's mobile payment platform, we will be able to extend our edge in the area of mobile banking. Meanwhile, domestic banks are accelerating the building of overseas branch network. Having solid experience in constructing the core systems of overseas branches of domestic banks, as well as an in-depth knowledge of foreign regulatory and accounting standards, we will continue to strengthen our leading edge in this aspect.

Payment solutions

Subsequent to China Mobile's successful application of the third party payment licence issued by The People's Bank of China ("PBOC"), we anticipate that China Mobile will focus on opening up capabilities and centralising resources in its overall strategy regarding its payment related business, thus benefiting the participants of the payment industry chain. We will utilise our abundant reserve of professional talents on internet and payment areas and our profound experience in system operation and maintenance so as to reinforce our leading position and create greater values. Meanwhile, we have attempted to introduce mobile payment, mobile advertisements and mobile coupons as pioneer programs in China. With the popularity of smart phones and the formation of online shopping practice, we expect that rapid development of mobile payment will gradually be on track. There is a strong demand in online shopping, daily-lives payment,

電訊解決方案

中國移動IVR業務從二零一二年一月一日起轉入中國移動江蘇基地管理。現時，IVR平台將重新定義為能力平台，並提供以語音為主的綜合服務。為此，我們計劃將我們的IVR平台逐步升級為WAVE(Web Audio Video Engine)平台，該平台將提供語音、數據、視頻、互聯網內容等綜合服務。隨著該平台的成熟應用，我們預計可以更有有效的促進業務收入。此外，我們在無線應用業務上在不同領域進行推廣。於2011年，我們的動漫業務也取得了鼓舞進展，成為中國移動動漫基地的客戶端優秀合作夥伴。我們今後將進一步拓展手機遊戲及動漫等移動互聯網業務的發展。

金融解決方案

於2012年，我們預計國內商業銀行會持續在兩個領域加大系統投入。首先是國內以網上銀行，手機銀行為代表的電子渠道建設。由於我們在承建中國移動手機支付平台的經驗，使得我們在手機銀行領域有更大領先優勢。同時，國內銀行加快了海外分行的佈局。由於我們在建設國內銀行海外分行的核心系統擁有豐富經驗，加上對海外監管和會計準則的深刻瞭解，我們將會持續擴大在此領域的領先優勢。

支付解決方案

伴隨中國移動成功申請由中國人民銀行(「央行」)頒發的第三方支付牌照，我們預期中國移動在支付相關業務將以能力開放、資源聚合為整體戰略佈局，支付產業鏈參與方均因此利好。我們會利用在互聯網及支付專門技術上雄厚的專業人才儲備、支付系統運維經驗豐富等優勢，在支付領域鞏固領先地位，創造更多價值。我們同時在國內嘗試以試點形式作出手機支付、手機廣告、手機優惠券等業務探索。伴隨智能手機的普及及網上購物習慣形成，我們預期手機支付將會逐漸進入高速發展軌道。網上購物、生活繳費、手機匯款金融服務及近距離支付等市場需求旺盛。中國移動用戶規模龐大，奠定了手機支付業務的良好發展基礎。央行頒發第三方支付牌照後，行業更為

Management Discussion and Analysis 管理層之討論與分析

mobile remittance financial service and near field payment etc. The huge number of China Mobile's subscribers lays a solid foundation for a positive development of mobile payment business. Upon the issuance of third party payment licences by PBOC, the industry order is facilitated. We anticipate that, through the concerted and powerful efforts continuously made by the third party payment providers and market participants such as commercial banks, China UnionPay and telecommunication carriers, the development of mobile payment will be even more robust and fast-growing in the coming years.

Electronic power meters and solutions

The development of smart meter was greatly driven by China's investment in the smart grid. In 2012, the State Grid will continue to devise plans for pushing the smart grid infrastructure forward, perfecting the launching plan of smart grid, standardising the infrastructure and management models, completing the installation and application of the smart meters with high quality and accelerating the buildup pace of the power consumption information collecting system simultaneously. China Southern Power Grid will also conduct a large-scale tendering for the smart meter construction in 2012 to propel the development of smart grid. In this regard, year 2012 means a growing year to the smart meter and power consumption information collecting equipment market. During the year, we have reached an advanced stage on low voltage power line carrier wave communication technology ("PLC") which has passed certain examinations in the fourth quarter of 2011. We expect that this new technology may be gradually launched in the market in 2012 and are optimistic about its application. Besides, we will strive to enhance the quality of our products, enhance productivity, strengthen our craftsmanship, accelerate the life cycle of our products and actively explore the application of other new technologies while consolidating the existing technologies, in order to overcome the challenges from the rapidly developing smart grid market.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2011, the Group reported total assets of HK\$3,392.5 million (2010: HK\$3,657.4 million), which were financed by total liabilities of HK\$453.5 million (2010: HK\$489.6 million) and equity of HK\$2,939.0 million (2010: HK\$3,167.8 million). The net asset value was HK\$2,939.0 million (2010: HK\$3,167.8 million). Net assets per share amounted to HK\$1.099 as at 31 December 2011 as compared to HK\$1.185 per share as at 31 December 2010.

有序。我們預計在第三方支付公司、商業銀行、銀聯、電信運營商等業內參與者的共同強力持續推動下，未來數年手機支付會更加迅猛發展。

電能計量產品及解決方案

中國在智能電網的投資有力的帶動了智能電錶的發展。於2012年，國家電網將繼續統籌推進智能電網建設，完善智能電網推廣計劃，規範建設和管理模式，高質量地完成智能電錶安裝應用，及同時加快用電信息採集系統建設。南方電網也將在2012年進行規模化智能電錶招標，推進智能電網建設。因此，2012年對智能電錶和用電信息採集設備市場來說，可謂方興未艾。年內，我們低壓電力線載波通信技術(「PLC」)研發已進入成熟階段，有關技術並於2011年第四季通過若干測試。我們預期該等新技術或會於2012年逐步推出市場，並對其應用感到樂觀。此外，我們將不遺餘力提升產品質量，提高製造能力，增強工藝控制，加快產品更新換代，在鞏固原有技術的基礎上，積極探索其他新技術的應用研究，以迎接飛速發展的智能電網市場的挑戰。

流動資金及財務資源

於二零一一年十二月三十一日，本集團錄得資產總值為3,392,500,000港元(二零一零年：3,657,400,000港元)，相應負債總額為453,500,000港元(二零一零年：489,600,000港元)及權益總額2,939,000,000港元(二零一零年：3,167,800,000港元)。資產淨值則為2,939,000,000港元(二零一零年：3,167,800,000港元)。於二零一一年十二月三十一日，每股資產淨值為1.099港元，相對於二零一零年十二月三十一日則為每股1.185港元。

Management Discussion and Analysis 管理層之討論與分析

As at 31 December 2011, the Group had cash and cash equivalents of HK\$1,167.2 million (2010: cash and cash equivalents and short-term bank deposits of HK\$1,459.2 million) and short term borrowings of HK\$23.4 million (2010: HK\$22.5 million). The net cash position as at 31 December 2011 was HK\$1,143.8 million as compared to HK\$1,436.7 million as at 31 December 2010.

CAPITAL STRUCTURE AND DETAILS OF CHARGES

As at 31 December 2011, the Group's bank borrowings of RMB19 million (2010: RMB19 million) and banking facilities of RMB18 million (2010: Nil) which were denominated in Renminbi, were equivalent to HK\$23.4 million (2010: HK\$22.5 million) and HK\$22.3 million (2010: Nil), respectively. The bank borrowings were charged at an interest rate of 7.544% per annum (2010: 6.372% per annum). The bank borrowings and banking facilities were secured by the leasehold land and buildings of the subsidiaries of the Group, with a net book amount of HK\$10.9 million and HK\$27.8 million (2010: HK\$3.6 million and HK\$16.3 million), respectively.

Approximately HK\$417.6 million, HK\$298.9 million, HK\$327.8 million, HK\$122.7 million and HK\$0.2 million of the Group's cash balances were denominated in Renminbi, Hong Kong dollar, US dollar, Japanese yen and Euro respectively as at 31 December 2011.

Approximately HK\$363.7 million, HK\$392.1 million, HK\$525.4 million and HK\$0.4 million of the Group's cash balances were denominated in Renminbi, Hong Kong dollar, US dollar and Euro respectively as at 31 December 2010.

SIGNIFICANT INVESTMENT

Save as disclosed in this annual report, the Group has no significant investment held as at 31 December 2011.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

Save as disclosed in this annual report, the Group does not have any material acquisition or disposal of subsidiaries or associates during the year ended 31 December 2011.

於二零一一年十二月三十一日，本集團有現金及現金等價物1,167,200,000港元（二零一零年：現金及現金等價物以及短期銀行存款1,459,200,000港元）及短期借款23,400,000港元（二零一零年：22,500,000港元）。於二零一一年十二月三十一日之現金淨額為1,143,800,000港元，相對二零一零年十二月三十一日則為1,436,700,000港元。

資本架構及抵押詳情

於二零一一年十二月三十一日，本集團之銀行借款人民幣19,000,000元（二零一零年：人民幣19,000,000元）及銀行信貸人民幣18,000,000元（二零一零年：無）以人民幣列值，分別相當於23,400,000港元（二零一零年：22,500,000港元）及22,300,000港元（二零一零年：無）。該等銀行借款乃按7.544厘（二零一零年：6.372厘）之年利率計息。銀行借款及銀行信貸由本集團附屬公司之租賃土地及樓宇（賬面淨值分別為10,900,000港元（二零一零年：3,600,000港元）及27,800,000港元（二零一零年：16,300,000港元））作抵押。

於二零一一年十二月三十一日，本集團之現金結餘分別約417,600,000港元、298,900,000港元、327,800,000港元、122,700,000港元及200,000港元乃分別以人民幣、港元、美元、日圓及歐元列值。

於二零一零年十二月三十一日，本集團之現金結餘分別約363,700,000港元、392,100,000港元、525,400,000港元及400,000港元乃分別以人民幣、港元、美元及歐元列值。

重大投資

除已於本年報所披露外，於二零一一年十二月三十一日，本集團並無持有任何重大投資。

重大收購及出售附屬公司

除已於本年報所披露外，於截至二零一一年十二月三十一日止年度，本集團並無任何重大收購或出售附屬公司或聯營公司。

Management Discussion and Analysis 管理層之討論與分析

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this annual report, there was no specific plan for material investments or capital assets as at 31 December 2011.

EXCHANGE RATES EXPOSURE

The Group derives its revenue, makes purchases, incurs expenses and has its assets and liabilities denominated mainly in US dollars, Renminbi, Hong Kong dollars and Japanese Yen. Currently, the Group has not entered into agreements or purchased instruments to hedge the Group's exchange rate risks. Any material fluctuation in the exchange rates of Hong Kong dollar, Renminbi or Japanese Yen may have an impact on the operating results of the Group.

CONTINGENT LIABILITIES

The Group had no material contingent liability as at 31 December 2011.

EMPLOYEES

The total number of employees of the Group as at 31 December 2011 was 2,486. The breakdown of employees by division is as follows:

Telecommunication solutions	電訊解決方案	398
Financial solutions	金融解決方案	436
Payment solutions	支付解決方案	610
Electronic power meters and solutions	電能計量產品及解決方案	862
Others	其他	144
Corporate office	總部	36
		2,486

重大投資或股本資產之未來計劃

除已於本年報所披露外，於二零一一年十二月三十一日，本集團並無就重大投資或股本資產制定任何特定計劃。

匯率風險

本集團產生之收益、所作採購及支付之費用以及其資產及負債主要以美元、人民幣、港元及日圓列值。目前，本集團並無訂有任何協議或購買任何工具對沖本集團之匯率風險。倘港元、人民幣或日圓之匯率出現任何重大波動，均可能對本集團之經營業績造成影響。

或然負債

於二零一一年十二月三十一日，本集團並無任何重大或然負債。

僱員

本集團於二零一一年十二月三十一日之僱員總數為2,486人。僱員按部門細分如下：

Management Discussion and Analysis 管理層之討論與分析

The Group ensures that its remuneration packages are comprehensive and competitive. Employees are remunerated with a fixed monthly income plus annual performance related bonuses. The Group also sponsors selected employees to attend external training courses that suit the needs of the Group's businesses.

Disclaimer:

Non-GAAP measures

Certain non-GAAP (generally accepted accounting principles) measures, such as EBITDA, are used for assessing the Group's performance. These non-GAAP measures are not expressly permitted measures under GAAP in Hong Kong and may not be comparable to similarly titled measures for other companies. Accordingly, such non-GAAP measures should not be considered as an alternative to operating income as an indicator of the operating performance of the Group or as an alternative to cash flows from operating activities as a measure of liquidity. The use of non-GAAP measures is provided solely to enhance the overall understanding of the Group current financial performance. Additionally because the Group has historically reported certain non-GAAP results to investors, the Group considers the inclusion of non-GAAP measures provides consistency in our financial reporting.

本集團確保其薪酬待遇全面且具有競爭性，而僱員之薪酬包括每月固定薪金，另加與表現有關之年度花紅。本集團亦資助獲挑選之僱員參與符合本集團業務所需之外界培訓課程。

免責聲明：

非公認會計原則指標

若干非公認會計原則指標乃用於評估本集團的表現，例如EBITDA。但該等非公認會計原則指標並非香港公認會計原則所明確認可的指標，故未必可與其他公司的同類指標作比較，因此，該等非公認會計原則指標不應視作經營收入（作為本集團經營表現指標）的替補或經營活動現金流量（作為衡量流動資金）的替補。提供非公認會計原則指標純粹為加強對本集團現時財務表現的整體理解。此外由於本集團以往曾向投資者報告若干採用非公認會計原則計算的業績，因此本集團認為包括非公認會計原則指標可為本集團的財務報表提供一致性。

Corporate Governance Report 企業管治報告

The Board is pleased to present this Corporate Governance Report in the Group's annual report for the year ended 31 December 2011.

The Company wishes to highlight the importance of its board of Directors (the "Board") in ensuring effective leadership and control of the Company and transparency and accountability of all operations.

The Company recognises the importance of good corporate governance to the Company's healthy growth and has devoted considerable efforts to identifying and formulating corporate governance practices appropriate to the Company's needs.

CORPORATE GOVERNANCE PRACTICES

The Company's corporate governance practices are based on the principles (the "Principles") and code provisions (the "Code Provisions") as set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Listing Rules. The Board has approved the adoption of the revised CG Code which will be effective from 1 April 2012.

The Company has applied in formulating its corporate governance practices the Principles and complied with most of the Code Provisions for the year and up to the date of this report save for the limited deviation(s) on the grounds and causes explained in this report.

The Board periodically reviews and monitors the Company's policies and practices on corporate governance or compliance with legal and regulatory requirements. The Board also reviews the employee handbook, training and continuous professional development of directors and senior management, to ensure that the operations are conducted in accordance with the standards of the CG Code.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

Specific enquiry had been made to all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2011.

The Company has also established written guidelines with exact terms at set out in Appendix 10 to the Listing Rules for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company.

董事會欣然於本集團截至二零一一年十二月三十一日止年度之年報提呈其企業管治報告。

本公司謹此表明，董事會(「董事會」)確保本公司有效領導及監控以及所有營運之透明度及問責性之重要性。

本公司明瞭良好企業管治對本公司穩健發展之重要性，並已努力確立及制定符合本公司需要之企業管治常規。

企業管治常規

本公司之企業管治常規乃按照上市規則附錄14企業管治常規守則(「企業管治守則」)所載之原則(「原則」)及守則條文(「守則條文」)訂立。董事會已批准採納將自二零一二年四月一日起生效的經修訂企業管治守則。

除基於本報告所述理由及原因產生之有限偏離外，於本年度及截至本報告日期，本公司在制定其企業管治常規時已應用原則，並一直遵守大部分守則條文。

董事會定期檢討及監察本公司有關企業管治或遵守法律及監管規定的政策及慣例。董事會亦檢討董事及高級管理人員的僱員手冊、培訓及持續專業發展，確保業務根據企業管治守則的標準進行。

董事的證券交易

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)。

經向全體董事作出具體查詢後，董事已確認彼等於截至二零一一年十二月三十一日止年度一直符合標準守則。

本公司亦已制定有關可能取得本公司未公佈股價敏感資料之僱員進行證券交易之書面指引，該等指引與上市規則附錄10所載條款相同。

Corporate Governance Report 企業管治報告

The key corporate governance principles and practices of the Company are summarised as follows:

THE BOARD

Responsibilities

The overall management of the Company's business is vested in the Board, which assumes the responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. All Directors should make decisions objectively in the interests of the Company.

The Board reserves for its decisions all major matters of the Company which include the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters.

All Directors are provided with full and timely access to board papers and relevant information as well as the advice and services of the Company Secretary, with a view to ensuring that Board procedures and all applicable rules and regulations are followed.

Each Director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making of a request to the Board.

The day-to-day management, administration and operation of the Company are delegated to the senior management. The delegated functions and work tasks are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the senior management officers.

The Board has the full support of the senior management to discharge its responsibilities.

Composition

The composition of the Board ensures a balance of skills and experience appropriate to the requirements of the business of the Company and to the exercising of independent judgement.

The Board currently comprises 9 members, consisting of 5 Executive Directors, 1 Non-Executive Director and 3 Independent Non-Executive Directors.

本公司主要企業管治原則及常規概述如下：

董事會

職責

本公司業務整體管理賦予董事會負責，董事會承擔領導及監控本公司之責任，並透過指導及監管事務，集體負責促進本公司之成就。全體董事均客觀就本公司利益作出決定。

董事會保留就本公司所有重要事項作出決策之權力，包括批准及監控所有政策、整體策略及預算、內部監控及風險管理制度、重大交易（特別是或涉及利益衝突者）、財務資料、委任董事及其他重大財務與營運事宜。

全體董事可全面及時獲得所有董事會文件及相關資料以及獲取公司秘書之意見及服務，以確保董事會程序及所有適用規則及規例獲得遵守。

各董事一般可於合適情況下，經向董事會提出要求，徵求獨立專業意見，而費用由本公司承擔。

本公司日常管理、行政及營運授權予高級管理人員負責。獲指派之職能及工作會定期檢討。高級管理人員訂立任何重大交易前，須獲得董事會批准。

董事會履行職責時可獲得高級管理人員全面支援。

組成

董事會之組成確保在技巧和經驗方面取得平衡，適合本公司業務所需及行使獨立判斷。

董事會現由9名成員組成，包括5名執行董事、1名非執行董事及3名獨立非執行董事。

Corporate Governance Report 企業管治報告

The Board comprises the following directors of the Company (the “Directors”):

Executive Directors:

Cheung Yuk Fung (*Chairman*)
Kui Man Chun (*Chief Executive Officer*)
Xu Wensheng
Li Wenjin
Xu Chang Jun

Non-Executive Directors:

Yang Lei, Raymond (ceased on 26 November 2011)
Chang Kai-Tzung, Richard

Independent Non-Executive Directors:

Tam Chun Fai
Leung Wai Man, Roger
Xu Sitao

The list of Directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time.

The biographical information of the Directors and their relationship among the members of the Board, if any, are provided in the “Directors and Senior Management” section of this annual report.

Appointment, Re-election and Removal of Directors

The Company has established formal and transparent procedures for the appointment and succession planning of Directors.

Code provision A.4.1 of CG Code on Corporate Governance Practices stipulates that Non-Executive Director should be appointed for a specific term subject to re-election.

All Directors of the Company are appointed for specific tenures which shall expire with retirement by rotation once every three years and subject to re-election.

Code provision A.4.3 of CG Code on Corporate Governance Practices which will be effective from 1 April 2012 stipulates that serving more than 9 years could be relevant to the determination of the independence of an Independent Non-Executive Director. If an Independent Non-Executive Director has served for more than 9 years, his further appointment should be subject to a separate resolution to be approved by the shareholders.

董事會由以下本公司董事(「董事」)組成：

執行董事：

張玉峰(主席)
渠萬春(行政總裁)
徐文生
李文晉
徐昌軍

非執行董事：

楊鏞(於二零一一年十一月二十六日離任)
張楷淳

獨立非執行董事：

譚振輝
梁偉民
許思濤

上列董事(按類別計)亦於本公司根據上市規則不時發出之所有企業通訊披露。

董事之履歷資料及彼等與董事會成員之關係(若有)在本年報「董事及高層管理人員」一節已有披露。

董事委任、重選及罷免

本公司已訂立正式且具透明度之董事委任及繼任規劃程序。

企業管治常規之企業管治守則條文第A.4.1條訂明非執行董事須按特定任期委任，並可膺選連任。

本公司全體董事均通過委任產生，特定任期應於每三年輪席告退一次時屆滿並可膺選連任。

企業管治常規之企業管治守則條文第A.4.3將於二零一二年四月一日起生效，其訂明在釐定獨立非執行董事的獨立性時，擔任超過九年足以作為一個考慮界線。若獨立非執行董事擔任超過九年，其繼續委任應經股東以獨立決議案批准。

Corporate Governance Report 企業管治報告

Training for Directors

Each newly appointed Director receives induction on the first occasion of his/her appointment, so as to ensure that he/she has appropriate understanding of the business and operations of the Company. Besides, the Company will arrange and fund suitable training, placing an appropriate emphasis on the roles, functions and duties of its Directors.

Board Meetings and Directors' Attendance

Regular Board meetings were held four times during the year for reviewing and approving the financial and operating performance, for approving the final results for the year ended 31 December 2010, interim results for the period ended 30 June 2011 and considering and approving the overall strategies and policies of the Company.

The individual attendance record of each Director at the four regular quarterly meetings of the Board (not including other ad hoc meetings of the Board held from time to time), Audit Committee Meetings, Nomination Committee Meetings, Remuneration Committee Meeting and Independent Board Committee Meeting during the year ended 31 December 2011 is set out below:

董事培訓

各新委任董事於最初獲委任時獲得就職介紹，確保彼恰當瞭解本公司業務及運作。此外，本公司將安排及撥付適合培訓，適當地強調董事的角色、職能與職責。

董事會會議及董事出席情況

年內曾舉行四次常規董事會會議，審閱及批准財務及營運表現，批准截至二零一零年十二月三十一日止年度全年業績、截至二零一一年六月三十日止期間中期業績，並考慮及批准本公司整體策略及政策。

各董事於截至二零一一年十二月三十一日止年度出席四個常規季度董事會會議（不包括其他不時舉行之不定期董事會會議）、審核委員會會議、提名委員會會議、薪酬委員會會議及獨立董事委員會會議之個別記錄載列如下：

Name of Directors	董事姓名	Attendance/Number of meetings 會議出席／舉行次數				Regular Meetings 常規會議
		Audit Committee Meetings 審核委員會會議	Nomination Committee Meeting 提名委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Independent Board Committee Meeting 獨立董事委員會會議	
Cheung Yuk Fung	張玉峰	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	4/4
Kui Man Chun	渠萬春	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	4/4
Xu Wensheng	徐文生	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	4/4
Li Wenjin	李文晉	N/A 不適用	2/2	1/1	N/A 不適用	4/4
Xu Chang Jun	徐昌軍	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	4/4
Yang Lei, Raymond (ceased on 26 November 2011)	楊鐳 (於二零一一年十一月二十六日離任)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	4/4
Chang Kai-Tzung, Richard	張楷淳	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	4/4
Tam Chun Fai	譚振輝	2/2	2/2	1/1	1/1	4/4
Leung Wai Man, Roger	梁偉民	2/2	2/2	1/1	1/1	4/4
Xu Sitao	許思濤	2/2	N/A 不適用	N/A 不適用	1/1	4/4

Corporate Governance Report 企業管治報告

Practices and Conduct of Meetings

Annual meeting schedules and draft agenda of each meeting are normally made available to Directors in advance.

Notices of regular Board meetings are served to all Directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notice is generally given.

Board papers together with all appropriate, complete and reliable information are sent to all Directors at least 3 days before each Board meeting or committee meeting to keep the Directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions. The Board and individual Directors also have separate and independent access to the senior management whenever necessary.

The Company Secretary attends all regular Board meetings and when necessary, other Board and committee meetings to advise on business developments, financial and accounting matters, statutory compliance, corporate governance and other major aspects of the Company.

The Company Secretary is responsible to take and keep the minutes of all Board meetings and committee meetings. Draft minutes are normally circulated to Directors for comment within a reasonable time after each meeting and the final version is open for Directors' inspection.

According to current Board practice, any material transaction, which involves a conflict of interests for a substantial shareholder or a Director, will be considered and dealt with by the Board at a duly convened Board meeting. The Company's bye-laws also contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

會議常規及程序

週年會議時間表及每次會議議程草擬本一般預先發給董事。

常規董事會會議通告最少於會議日期前十四天發給全體董事。其他董事會及委員會會議，則一般給予合理通知。

董事會文件連同所有合適、完整及可靠資料，最少於各董事會會議或委員會會議前三天交予全體董事，致令董事知悉本公司最新發展及財務狀況，以便作出知情決定。董事會及各董事亦可於有需要時個別及獨立接觸高級管理人員。

公司秘書出席所有常規董事會會議及於有需要時出席其他董事會會議及委員會會議，就業務發展、財務及會計事宜、法定守章、企業管治及本公司其他重大事宜提供意見。

公司秘書負責於所有董事會會議及委員會會議作出會議記錄並加以存管。會議記錄草擬本一般於各會議後合理時間內，交董事傳閱，作出意見，而最終會議記錄可供董事查閱。

根據現行董事會常規，任何涉及主要股東或董事利益衝突之重大交易，須經由董事會於正式召開之董事會會議考慮及處理。本公司之公司細則亦載有要求董事就批准該董事或彼等任何聯繫人士擁有重大權益之交易之會議放棄表決及不計入法定人數內。

Corporate Governance Report 企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code Provision A.2.1 stipulates that the roles of Chairman and Chief Executive should be separate and should not be performed by the same individual. During the year, Mr. Cheung Yuk Fung acted as the Chairman, and Mr. Kui Man Chun acted as the Chief Executive Officer.

The Chairman provides leadership and is responsible for the effective functioning of the Board in accordance with good corporate governance practice. With the support of the Company Secretary and the senior management, the Chairman is also responsible for ensuring that the Directors receive, in a timely manner, adequate information, which must be accurate, clear, complete and reliable and appropriate briefing on issues arising at Board meetings, and that all key and appropriate issues are discussed by the Board in a timely manner.

The role of the Chief Executive focuses on implementing objectives, policies and strategies approved and delegated by the Board. He/She is in charge of the Company's day-to-day management and operations. The Chief Executive is also responsible for developing strategic plans and formulating the organisational structure, control systems and internal procedures and processes for the Board's approval.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Independent Non-Executive Directors bring a wide range of business and financial expertise, experiences and independent judgement to the Board. By taking the lead in managing issues involving potential conflict of interests and serving on Board committees, all Independent Non-Executive Directors make various contributions to the effective direction of the Company.

During the year ended 31 December 2011, the Board at all times met the requirements of Rule 3.10(1) and Rule 3.10(2) of the Listing Rules relating to the appointment of at least three Independent Non-Executive Directors with at least one Independent Non-Executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The Company has received written annual confirmation from each Independent Non-Executive Director of his independence pursuant to the requirements of Rule 3.13 of the Listing Rules, which confirmed to the Company that he has met the independence guidelines set out in the Listing Rules. Accordingly, the Company considers the Independent Non-Executive Directors to be independent.

主席及行政總裁

守則條文第A.2.1條訂明主席及行政總裁之角色應加以劃分，不應由同一人擔任。於本年度，張玉峰先生擔任主席，而渠萬春先生擔任行政總裁。

主席領導及對董事會根據良好企業管治常規有效運作負責。在公司秘書及高級管理人員之支援下，主席亦負責確保董事適時獲得充分資料，其必須準確、清晰、完備及可靠，並獲適當簡介董事會會議事宜，而所有主要及合適事務均由董事會適時討論。

行政總裁之職務集中於推行董事會批准及授權之目標、政策及策略。彼負責本公司日常管理及營運。行政總裁亦負責拓展策略計劃以及制定組織架構、監控制度及內部監控程序及董事會審批程序。

獨立非執行董事

獨立非執行董事為董事會帶來廣泛商業及財務專業知識、經驗及獨立判斷。全體獨立非執行董事透過主導處理涉及潛在利益衝突事宜及參與董事會委員會，對本公司有效方針作出各方面貢獻。

截至二零一一年十二月三十一日止年度，董事會一直遵守上市規則第3.10(1)及3.10(2)條有關委任最少三名獨立非執行董事而其中最少一名獨立非執行董事須具備合適專業資歷或會計或相關財務管理專業知識之規定。

本公司已接獲各獨立非執行董事根據上市規則第3.13條規定所作出有關其獨立身分之年度確認書向本公司確認，彼等均符合上市規則所載獨立身分指引。因此，本公司認為獨立非執行董事為身分獨立。

BOARD COMMITTEES

The Board has established 3 committees, namely, the Nomination Committee, Remuneration Committee and Audit Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees are posted on the Company's website and the Stock Exchange's website and are available to shareholders upon request.

The majority of the members of each Board committee are Independent Non-Executive Directors and the list of the chairman and members of each Board committee as at the date of this report is set out below:

Audit Committee

Tam Chun Fai (*Chairman*)
Leung Wai Man, Roger
Xu Sitao

Nomination Committee

Leung Wai Man, Roger (*Chairman*)
Tam Chun Fai
Li Wenjin

Remuneration Committee

Tam Chun Fai (*Chairman*)
Leung Wai Man, Roger
Li Wenjin

The Board committees are provided with sufficient resources to perform their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

Audit Committee

The Audit Committee comprises three Independent Non-Executive Directors (including one Independent Non-Executive Director who possesses the appropriate professional qualifications or accounting or related financial management expertise). None of the members of the Audit Committee is a former partner of the Company's existing external auditor.

董事會委員會

董事會下設3個委員會：提名委員會、薪酬委員會及審核委員會，以掌管本公司特定事務。本公司所有董事會委員會均設有明確書面職權範圍，其於本公司網站及聯交所網站刊載，亦可供股東索閱。

各董事會委員會大部分成員均為獨立非執行董事，而於本報告日期，各董事會委員會主席及成員名單如下：

審核委員會

譚振輝(*主席*)
梁偉民
許思濤

提名委員會

梁偉民(*主席*)
譚振輝
李文晉

薪酬委員會

譚振輝(*主席*)
梁偉民
李文晉

董事會委員會獲提供充足資源履行職責及可於適當情況下，合理要求徵求獨立專業意見，費用由本公司承擔。

審核委員會

審核委員會由三名獨立非執行董事組成，當中包括一名具備合適專業資歷或會計或相關財務管理專業知識之獨立非執行董事。審核委員會全體成員均非本公司現任外聘核數師之前合夥人。

Corporate Governance Report 企業管治報告

The main duties of the Audit Committee include the following:

- (a) To review the financial statements and reports and consider any significant or unusual items raised by the qualified accountant or external auditor before submission to the Board.
- (b) To review the relationship with the external auditor by reference to the work performed by the external auditor, its fees and terms of engagement, and make recommendation to the Board on the appointment, re-appointment and removal of external auditor.
- (c) To review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures.

The Audit Committee held two meetings during the year ended 31 December 2011 to review the financial results and reports, financial reporting and compliance procedures, internal control system and risk management review and processes and the reappointment of the external auditor.

There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

There is no different view taken by the Audit Committee from the Board regarding the selection, appointment, resignation or dismissal of external auditor.

The Company's annual results for the year ended 31 December 2011 has been reviewed by the Audit Committee.

Nomination Committee

The principal duties of the Nomination Committee include reviewing the structure, size and composition of the Board, developing and formulating relevant procedures for nomination and appointment of Directors, making recommendations to the Board on the appointment and succession planning of Directors, and assessment of the Independence of the Independent Non-Executive Directors.

審核委員會之主要職責包括：

- (a) 審閱財務報表及報告，並於提交董事會前，考慮合資格會計師或外聘核數師提出之任何重大或不尋常項目。
- (b) 參考外聘核數師所進行工作、費用及聘用條款，檢討與外聘核數師之關係，並就委任、續聘及罷免外聘核數師向董事會提出意見。
- (c) 審閱本公司財務報告制度、內部監控制度、風險管理制度及相關程序是否充分及具備效益。

審核委員會於截至二零一一年十二月三十一日止年度曾舉行兩次會議，審閱財務業績及報告、財務報告及守章程序、內部監控制度及風險管理審閱與程序以及續聘外聘核數師。

並無有關或會對本公司按持續基準經營之能力產生重大疑問之事件或情況。

審核委員會就外聘核數師甄選、委任、辭任或罷免所持意見與董事會無異。

本公司截至二零一一年十二月三十一日止年度之全年業績已經由審核委員會審閱。

提名委員會

提名委員會之主要職責包括審閱董事會之架構、規模及組成、制定有關董事提名及委任程序以及就董事委任及繼任規劃向董事會作出意見，並評估獨立非執行董事之獨立身分。

Corporate Governance Report 企業管治報告

The Nomination Committee carries out the process of selecting and recommending candidates for directorships by making reference to the balance of expertise, skills, experience, professional knowledge, personal integrity and time commitments of such individuals, the requirements of the business of the Group and other relevant statutory requirements and regulations. An external recruitment agency may be engaged to carry out the recruitment and selection process when necessary. The Nomination Committee held two meetings during the year ended 31 December 2011.

In accordance with the Company's bye-laws 87(1) and 87(2), Mr. Li Wenjin and Mr. Xu Wensheng, Executive Directors of the Company, and Mr. Tam Chun Fai, Independent Non- Executive Director of the Company, shall retire by rotation and being eligible, will offer themselves for re-election at the 2012 annual general meeting.

In accordance with Code Provision A.4.3 of CG Code on Corporate Governance Practices, Mr. Xu Sitao, an independent non-executive Director, has served for more than 9 years since July 2001, and his re-appointment shall be subject to re-election at the 2012 annual general meeting.

The Board recommended the re-appointment of the Directors standing for re-election at the 2012 annual general meeting of the Company.

The Company's circular dated 23 March 2012 contains detailed information of the Directors standing for re-election.

Remuneration Committee

The primary objectives of the Remuneration Committee include making recommendations on and approving the remuneration policy and structure and remuneration packages of the Directors and the senior management. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his associates will participate in deciding his own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions.

提名委員會負責就均衡專業知識、技能、經驗、專業知識、個人誠信及投入時間以及就本集團業務需要及其他相關法定規則及規例，甄選及推薦候任董事人選。有需要時或會委任外界招聘代理進行招聘及甄選程序。提名委員會於截至二零一一年十二月三十一日止年度內舉行兩次會議。

根據本公司之公司細則第87(1)及87(2)條，本公司執行董事李文晉先生及徐文生先生、以及本公司獨立非執行董事譚振輝先生將輪值告退，惟符合資格並將願意於二零一二年股東週年大會膺選連任。

根據企業管治常規之企業管治守則條文第A.4.3，獨立非執行董事許思濤先生自二零零一年七月起已擔任超過九年，其連任須於二零一二年股東週年大會膺選。

董事會推薦重選於本公司二零一二年股東週年大會膺選連任之董事。

本公司日期為二零一二年三月二十三日之通函載有膺選連任董事詳細資料。

薪酬委員會

薪酬委員會主要職責包括就董事及高級管理人員薪酬政策及結構與薪酬待遇作出推薦意見及加以批准。薪酬委員會亦負責就該等薪酬政策及結構制定具透明度之程序，確保並無董事或彼任何聯繫人士參與釐定本身薪酬，而薪酬將參考個人及公司表現以及市場常規及情況後釐定。

Corporate Governance Report 企業管治報告

The Remuneration Committee normally meets for reviewing the remuneration policy and structure and determination of the annual remuneration packages of the Directors and the senior management and other related matters. The Human Resources Department is responsible for collection and administration of the human resources data and making recommendations to the Remuneration Committee for consideration. The Remuneration Committee shall consult the Chairman and/or the Board about these recommendations on remuneration policy and structure and remuneration packages. The Remuneration Committee held one meeting during the year ended 31 December 2011.

RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, price-sensitive announcements and other disclosures required under the Listing Rules and other regulatory requirements.

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2011.

The statement of the external auditor of the Company about their reporting responsibilities on the financial statements is set out in the "Independent Auditor's Report" on pages 50 to 53.

INTERNAL CONTROL

For the internal control system of the Company, the Board has developed the Group's internal control systems and risk assessment and management. The Board has overall responsibility for reviewing and maintaining an adequate and effective internal control system to safeguard the interests of the shareholders and the assets of the Group. During the year, the Board has conducted reviews of the internal control system and considered the internal control system of the Group has been implemented effectively.

AUDITOR'S REMUNERATION

The remuneration paid to the external auditor of the Company in respect of audit services for the year ended 31 December 2011 amounted to approximately HK\$2,880,000.

薪酬委員會一般就審閱薪酬政策及結構以及釐定董事及高級管理人員年度薪酬待遇與其他相關事務舉行會議。人力資源部門負責收集及管理人力資源數據，並向薪酬委員會作出意見，以供其考慮。薪酬委員會須就該等薪酬政策及結構與薪酬待遇意見諮詢主席及／或董事會。薪酬委員會於截至二零一一年十二月三十一日止年度內舉行一次會議。

有關財務報表之責任

董事會須負責提呈年報及中期報告的均衡、清晰及易於理解的評估、上市規則與其他監管規則所規定的股價敏感公佈及其他披露資料。

董事明瞭彼等編製本公司截至二零一一年十二月三十一日止年度財務報表之責任。

本公司外聘核數師有關彼等申報財務報表責任之聲明載於第50至53頁「獨立核數師報告」。

內部監控

董事會就本公司內部監控制度制定本集團的內部監控及風險評估及管理制度，董事會對檢討及維持足夠及有效的內部監控措施負有全面責任，以保障股東利益及本集團資產。年內，董事會曾檢討其內部監控制度，並認為本集團之內部監控制度一直行之有效。

核數師酬金

本公司就截至二零一一年十二月三十一日止年度的核數服務而向外聘核數師支付的酬金約為2,880,000港元。

Corporate Governance Report 企業管治報告

SHAREHOLDER RIGHTS AND INVESTOR RELATIONS

The rights of shareholders and the procedures for demanding a poll on resolutions at shareholders' meetings are contained in the Company's bye-laws. Details of such rights and procedures to demand a poll are included in all circulars to shareholders during the year and the procedures for conducting a poll will be explained during the proceedings of meetings.

Poll results will be posted on the website of the Stock Exchange on the business day following the shareholders' meeting.

Deviation from Code Provision E.1.2 and the reason thereof:

Code E.1.2 stipulates that the Chairman of the Board should attend the annual general meeting. The Chairman did not attend the annual general meeting held on 29 April 2011, however, Mr. Li Wenjin, an Executive Director of the Company, took the chair pursuant to the bye-laws of the Company.

The Board recognises that the general meetings of the Company provide a forum for communication between the shareholders and the Board. The Chairman of the Board, or at his absence, an Executive Director of the Company, as well as chairmen of the Nomination Committee, Remuneration Committee and Audit Committee, or in their absence, other members of the respective committees, and where applicable, the Independent Board Committee, will be available to answer questions at future shareholders' meetings.

Separate resolutions are proposed at shareholders' meetings on each substantial issue.

The Company continues to enhance communications and relationships with its investors. Designated senior management maintains regular dialogue with institutional investors and analysts to keep them abreast of the Company's developments. Enquiries from investors are dealt with in an informative and timely manner.

To promote effective communication, the Company maintains a website at www.hisun.com.hk, where extensive information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are posted.

On behalf of the Board

Cheung Yuk Fung
Chairman

Hong Kong, 15 March 2012

股東權利及投資者關係

股東權利及在股東大會要求按股數投票表決之程序，載於本公司之公司細則。要求按股數投票表決之權利及程序詳情，載於年內致各股東之所有通函，並將於會上講解按股數投票表決之程序。

按股數投票表決結果將於股東大會後之營業日，在聯交所網站刊載。

偏離守則條文第E.1.2條(及原因)：

守則第E.1.2條訂明董事會主席須出席股東週年大會，而主席並未出席於二零一一年四月二十九日舉行之股東週年大會，然而，本公司執行董事李文晉先生已根據本公司之公司細則出席會議並擔任主席。

董事會確認，本公司股東大會提供股東與董事會溝通之平台。董事會主席或(倘彼未能出席)本公司執行董事以及提名委員會、薪酬委員會及審核委員會與(如適用)獨立董事委員會主席或(倘彼等未能出席)各委員會其他成員，將出席日後股東會議，回答提問。

須於股東大會就各重大事項提呈獨立決議案。

本公司繼續加強與投資者之溝通及關係。指定高級管理人員與機構投資者及分析員經常聯繫，以簡報本公司發展。投資者查詢均適時處理以提供有用資料。

為促進有效溝通，本公司設有網站 www.hisun.com.hk，刊載本公司業務發展及營運、財務資料、企業管治常規之廣泛及最新資料與其他資料。

代表董事會

主席
張玉峰

香港，二零一二年三月十五日

Report of the Directors 董事會報告

The Directors submit their report together with the audited financial statements for the year ended 31 December 2011.

董事會謹此提呈彼等之報告及截至二零一一年十二月三十一日止年度之經審核財務報表。

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holdings. The principal activities of the Group are provision of telecommunication solutions, provision of financial solutions, provision of payment solutions and sales of electronic power meters and solutions.

主要業務及地區業務分析

本公司之主要業務為投資控股。本集團之主要業務包括提供電訊解決方案、提供金融解決方案、提供支付解決方案及銷售電能計量產品及解決方案。

An analysis of the Group's performance for the year by business and geographical segments is set out in note 6 to the financial statements.

本集團於本年度之表現按業務及地區劃分之分析載於財務報表附註6。

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2011 are set out in the consolidated income statement on page 54.

業績及分配

本集團截至二零一一年十二月三十一日止年度之業績載於第54頁之綜合收益表。

The Directors do not recommend the payment of a dividend (2010: Nil).

董事並不建議派付任何股息(二零一零年：無)。

RESERVES

Details of the movements in the reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity and in note 28 to the financial statements.

儲備

年內本集團及本公司之儲備變動詳情載於綜合權益變動表及財務報表附註28。

DONATIONS

Charitable and other donations of HK\$649,000 is made by the Group during the year (2010: HK\$580,000).

捐獻

本集團於本年度作出慈善及其他捐獻為649,000港元(二零一零年：580,000港元)。

PROPERTY, PLANT AND EQUIPMENT

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

物業、廠房及設備

本集團物業、廠房及設備之變動詳情載於財務報表附註16。

Report of the Directors 董事會報告

SHARE CAPITAL AND SHARE OPTIONS

The Company operates a share option scheme 2011 (the “Scheme”) for the purpose of attracting, retaining and motivating talented employees in order to strive for future developments and expansion of the Group. Eligible participants of the Scheme (the “Participants”) include the Group’s full-time employees, and executive and non-executive Directors. The Scheme became effective on 29 April 2011 and unless otherwise cancelled or amended, will remain valid and effective for a period of 10 years from that date. Further details of the Scheme can be found in the circular of the Company dated 28 March 2011.

The share option scheme for the Company and its subsidiaries which was adopted by the Company at its special general meeting on 29 November 2001 was terminated on 29 April 2011.

No share option of the Company was granted or exercised during the year and there was no issued and outstanding share option under the Scheme which has not been exercised or lapsed at the date of this report.

The total number of Shares which may be issued upon exercise of all options to be granted under the Scheme, and any other share option schemes of the Company in issue, shall not in aggregate exceed 10% of the relevant class of securities of the Company in issue as at the date of approval of the Scheme unless the Company obtains a fresh approval from its shareholders.

The maximum number of Shares which may be issued and to be issued upon exercise of all exercised and/or outstanding options granted to each Participant shall not in aggregate exceed 1% of the relevant class of securities of the Company in issue in any 12-month period. Any further grant of options in excess of the aforesaid 1% limit shall be subject to the approval of the shareholders of the Company with such Participant and his/her associates abstaining from voting.

As at the date of this report, 267,342,983 Shares, representing 10% of the issued share capital of the Company, were available for issue under the Scheme.

The exercise period of the options granted is determinable by the Directors, and such period shall commence on the date of the offer of the options (the “Offer Date”) and expire on the last day of such period.

股本及購股權

本公司設立二零一一年購股權計劃(「該計劃」)，旨在吸引、留聘及激勵有潛質之僱員，以助推動日後發展及擴充本集團業務。該計劃之合資格參與者(「參與者」)包括本集團全職僱員以及執行及非執行董事。該計劃於二零一一年四月二十九日生效，除另行取消或修訂外，將由該日起計10年期間仍然有效及生效。該計劃的進一步詳情可參閱本公司日期為二零一一年三月二十八日的通函。

本公司於二零一一年十一月二十九日之股東特別大會中採納本公司及其附屬公司之購股權計劃，該計劃於二零一一年四月二十九日終止。

本公司並無於年內獲授出或行使之購股權，於本報告日期亦無根據購股權計劃發出而尚未行使或失效之購股權。

除非本公司獲股東重新批准，否則因行使根據該計劃及本公司任何其他購股權計劃將予授出之全部購股權後可予發行之已發行股份總數合共不得超過於批准該計劃之本公司已發行相關類別證券之10%。

因悉數行使已行使之購股權及/或已授予各參與者之尚未行使購股權而可予發行及將予發行的最高股份數目合共不得超過於任何十二個月期間本公司已發行相關類別證券總數的1%。任何購股權之進一步授出如超越上述1%限額，須待本公司股東批准方可作實，而該等參與者及其聯繫人須放棄投票。

於本報告日期，267,342,983股股份根據該計劃可供發行，相當於本公司已發行股本之10%。

已授出購股權之行使期由董事釐定，而該期間應由授予購股權之日起計算(「授予日期」)，並於該期間的最後一日屆滿。

Report of the Directors 董事會報告

There is no minimum period for which an option must be held before it can be exercised and no performance target need to be achieved by the grantee before the options can be exercised.

A share option shall be deemed to have been accepted and to have taken effect when the duplicate letter comprising acceptance of the option duly signed by the Participant together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company.

The exercise price of an option shall be determined at the discretion of the Board and shall be the highest of (i) the closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotations sheet on the Offer Date, which must be a day on which the Hong Kong Stock Exchange is open for the business of dealing in securities ("Trading Day"); and (ii) a price being the average of the closing prices of the Shares as stated in the Hong Kong Stock Exchange's daily quotation sheets for the five Trading Days immediately preceding the Offer Date; and (iii) the nominal value of a Share.

As at 31 December 2011, and up to the date of this report, there was no outstanding share option.

EMPLOYEE'S INCENTIVE PROGRAMME

On 1 September 2011, Mega Hunt Microelectronics Limited ("Mega Hunt Microelectronics"), an indirectly owned subsidiary of the Group entered into six option deeds with certain directors and employees of Mega Hunt Microelectronics and its subsidiary. 3,500,000 ordinary shares of Mega Hunt Microelectronics may be issued upon the exercise of all options granted under the option deeds at an exercise price of HK\$1.00 per share. Unless otherwise cancelled or amended, the option deeds will remain valid and effective for the period of 36 months from 1 September 2011.

The option deeds are designed to provide incentive to the employees towards the contribution to Mega Hunt Microelectronics, Mega Hunt Microelectronics wishes to grant the options to the employees so as to entitle them to subscribe for the option shares in Mega Hunt Microelectronics.

Under the option deeds, 50% of the options shall vest upon the expiry of a period of 12 months from the date of the option deeds; and the balance of 50% of the options shall vest upon the expiry of a period of 24 months from the date of the option deeds. Prior to exercise of the option, the option holders are not entitled to dividends. There are also no accelerated vesting rights in case of winding of Mega Hunt Microelectronics.

Up to the date of this report, no option was vested under the option deeds.

概無設有行使前須持有購股權的最短期限規定，且承授人於行使購股權前毋須達致任何表現目標。

參與者於簽署有關接納購股權的複印函件，並向本公司匯款1.00港元支付授予代價後，有關購股權應被視為已獲接納及生效。

購股權行使價應由董事會酌情釐定，並應為下列的最高者(i)授予日期當日(須為香港聯交所開放買賣證券的日子(「交易日」))香港聯交所每日報價表所列股份收市價；及(ii)截至授予日期當日止五個交易日香港聯交所每日報價表所列股份收市價的平均數；及(iii)股份面值。

於二零一一年十二月三十一日及截至本報告日期，概無尚未行使之購股權。

僱員獎勵計劃

於二零一一年九月一日，兆訊微電子有限公司(「兆訊微電子」)，本集團的間接附屬公司與兆訊微電子及其附屬公司的若干董事及僱員訂立六份購股權契據。3,500,000股兆訊微電子普通股可於根據購股權契據授出的所有購股權按行使價每股1.00港元獲行使時發行。除另有註銷或修訂者外，購股權契據將自二零一一年九月一日起一直有效及生效，為期36個月。

購股權契據乃為向僱員就彼等對兆訊微電子之貢獻提供獎勵而設，兆訊微電子擬向僱員授出購股權以賦予彼等認購兆訊微電子購股權股份之權利。

根據購股權計劃，50%購股權將自購股權契據日期起計12個月屆滿後歸屬；餘下50%購股權則自購股權契據日期起計24個月屆滿後歸屬。購股權獲行使前，購股權持有人無權獲派股息。倘兆訊微電子清盤，亦無加速歸屬權利。

截至本報告日期，概無購股權根據購股權契據歸屬。

Report of the Directors 董事會報告

DISTRIBUTABLE RESERVES

As at 31 December 2011, the Company had no reserves available for distribution as calculated under the Companies Act 1981 of Bermuda (as amended) (2010: NIL). However, the Company's share premium account, in the amount of HK\$1,157,724,000 (2010: HK\$1,157,724,000) may be distributed in the form of fully paid bonus shares.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's bye-laws and there was no restriction relating to such rights under the laws of Bermuda.

FIVE YEARS 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 168.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year ended 31 December 2011.

DIRECTORS

The Directors during the year ended 31 December 2011 and up to the date of this report were:

Executive Directors:

CHEUNG Yuk Fung
KUI Man Chun
XU Wensheng
LI Wenjin
XU Chang Jun

Non-Executive Directors:

YANG Lei, Raymond (ceased on 26 November 2011)
CHANG Kai-Tzung, Richard

Independent Non-Executive Directors:

TAM Chun Fai
LEUNG Wai Man, Roger
XU Sitao

可供分派儲備

根據百慕達一九八一年公司法(經修訂)計算，本公司於二零一一年十二月三十一日並無儲備可供分派(二零一零年：無)。然而，本公司可以繳足紅股方式分派股份溢價賬中為數1,157,724,000港元(二零一零年：1,157,724,000港元)之款項。

優先認股權

本公司之公司細則並無有關優先認股權之條文規定，而百慕達法例亦無有關該等權利之限制。

五年財務概要

本集團於過去五個財政年度之業績及資產與負債概要載於第168頁。

購買、出售或贖回證券

本公司於年內並無贖回其任何股份。於截至二零一一年十二月三十一日止年度，本公司或其任何附屬公司概無購買或出售本公司任何股份。

董事

於截至二零一一年十二月三十一日止年度內及直至本報告日期之董事為：

執行董事：

張玉峰
渠萬春
徐文生
李文晉
徐昌軍

非執行董事：

楊鏞(於二零一一年十一月二十六日離任)
張楷淳

獨立非執行董事：

譚振輝
梁偉民
許思濤

Report of the Directors 董事會報告

In accordance with the Company's bye-laws 87(1) and 87(2), one-third of the Directors are subject to retirement by rotation and re-election at the annual general meeting of the Company.

Mr. Li Wenjin and Mr. Xu Wensheng, Executive Directors of the Company, and Mr. Tam Chun Fai, Independent Non-Executive Director of the Company, shall retire by rotation and being eligible, will offer themselves for re-election at the 2012 annual general meeting.

In accordance with Code Provision A.4.3 of CG Code on Corporate Governance Practices, Mr. Xu Sitao, an independent non-executive Director, has served for more than 9 years since July 2001, and his re-appointment shall be subject to re-election at the 2012 annual general meeting.

DIRECTORS' SERVICE CONTRACTS

As at the date of this report, each of Mr. Kui Man Chun, Mr. Li Wenjin, Mr. Xu Wensheng and Mr. Xu Chang Jun has entered into a service contract with the Company for a term of one year from 1 January 2004 and shall continue thereafter unless and until terminated by either the Company or the Directors giving to the other not less than a notice of three months.

Save as disclosed herein, none of the Directors had any existing or proposed service contracts with the Company or any member of the Group (excluding contracts expiring or determinable within one year without payment of compensation, other than statutory compensation).

DIRECTORS' INTERESTS IN CONTRACTS

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

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of Directors and senior management are set out on pages 5 to 8.

根據本公司之公司細則第87(1)及第87(2)條，三分之一董事須於本公司股東週年大會上輪值告退並可膺選連任。

本公司執行董事李文晉先生及徐文生先生、以及本公司獨立非執行董事譚振輝先生將輪值告退，惟符合資格並將願意於二零一二年股東週年大會膺選連任。

根據企業管治常規之企業管治守則條文第A.4.3，獨立非執行董事許思濤先生自二零零一年七月起已擔任超過九年，其連任須於二零一二年股東週年大會膺選。

董事之服務合約

於本報告日期，渠萬春先生、李文晉先生、徐文生先生及徐昌軍先生已各自與本公司訂立服務合約，任期自二零零四年一月一日起計，為期一年，並於其後繼續有效，除非及直至本公司或董事向對方發出不少於三個月之通知而終止。

除本報告披露者外，董事概無與本公司或本集團任何成員公司訂有或擬訂立任何服務合約，惟不包括於一年內屆滿或可遭本公司終止而毋須賠償（法定賠償除外）之合約。

董事於合約之權益

本公司、其同系附屬公司或其控股公司概無於本年度末或年內任何時間訂有任何董事於當中直接或間接擁有任何重大權益且與本集團業務有關之重大合約。

董事及高級管理人員之履歷詳情

董事及高級管理人員之履歷詳情載於第5頁至8頁。

Report of the Directors 董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

董事及行政總裁於股份、相關股份及債券之權益及淡倉

As at 31 December 2011, the interests and short positions of each Director and Chief Executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company under Section 352 of the SFO or as notified to the Company were as follows:

於二零一一年十二月三十一日，各董事及行政總裁於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」))之股份、相關股份及債券中擁有已記入本公司根據證券及期貨條例第352條存置之登記冊或已知會本公司之權益及淡倉如下：

Ordinary shares of HK\$0.0025 each in the Company

本公司每股面值0.0025港元之普通股

Name of Director	董事姓名	Number of shares held 所持股份數目		
		Personal interest 個人權益	Corporate interest 公司權益	Total 總數
Kui Man Chun	渠萬春	28,650,000	617,083,636 (note (i))(附註(i))	645,733,636
Xu Wensheng	徐文生	4,566,000	—	4,566,000
Li Wenjin	李文晉	6,400,000	—	6,400,000
Xu Chang Jun	徐昌軍	16,563,000	—	16,563,000
Xu Sitao	許思濤	700,000	—	700,000

Note:

(i) These shares are held by Kui Man Chun through Hi Sun Limited, a company which Kui Man Chun holds a 99.16% interest, and Rich Global Limited, a wholly-owned subsidiary of Hi Sun Limited.

附註：

(i) 該等股份由渠萬春透過Hi Sun Limited(渠萬春持有99.16%權益之公司)及Hi Sun Limited之全資附屬公司Rich Global Limited持有。

Report of the Directors 董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 31 December 2011, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors and Chief Executive.

主要股東於股份及相關股份之權益及淡倉

按本公司根據證券及期貨條例第336條存置之主要股東登記冊所顯示，於二零一一年十二月三十一日，本公司獲知會下列主要股東擁有本公司已發行股本5%或以上之權益及淡倉。該等權益不包括上文所披露有關董事及行政總裁之權益。

Name of Shareholder 股東名稱／姓名	Number of ordinary shares 普通股數目	Approximate percentage of shareholding** 股權之概約百分比**
Rich Global Limited ("RGL")***	617,083,636(L)*	23.08%
Hi Sun Limited ("HSL")*** (Note 1) (附註1)	617,083,636(L)*	23.08%
Mr. Kui Man Chun (Note 1) 渠萬春先生(附註1)	645,733,636(L)*	24.15%
Ever Union Capital Limited ("Ever Union")	320,572,000(L)*	11.99%
Mr. Che Fung (Note 2) 車峰先生(附註2)	320,572,000(L)*	11.99%
Atlantis Capital Holdings Limited	292,903,000(L)	10.96%
Ms. Liu Yang (Note 3) 劉央女士(附註3)	292,903,000(L)	10.96%

Report of the Directors 董事會報告

Notes:

- 1 HSL has interested in the Company's share capital by virtue of its control of 100% shareholding in RGL, such capital were deemed interests of HSL and in turn of Kui Man Chun through his control of 99.16% interest in HSL, in addition to his partner's interest as disclosed in the section above.
 - 2 Mr. Che Fung is interested in the Company's share capital by virtue of his control of 100% shareholding in Ever Union.
 - 3 The 292,903,000 shares were held by Atlantis Investment Management (Hong Kong) Limited ("Atlantis Investment") in the capacity of investment manager. Atlantis Investment is wholly owned by Atlantis Capital Holdings Limited ("Atlantis Capital") which is in turn wholly owned by Liu Yang. Liu Yang and Atlantis Capital were, therefore, deemed to be interested in such Shares which Atlantis Investment was interested under Part XV of the SFO.
- * The Letter "L" denotes a long position in shares.
- ** The percentage is calculated based on the total number of issued shares of the Company as at 31 December 2011, which was 2,673,429,835 ordinary shares.
- *** Mr. Kui Man Chun and Mr. Li Wenjin are directors of RGL and Mr. Kui Man Chun, Mr. Li Wenjin and Mr. Xu Wensheng are directors of HSL which were deemed or taken to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

附註：

- 1 HSL 因控制 RGL 之 100% 股權而於本公司股本擁有權益，該等股本被視為 HSL 權益，而渠萬春除上文所披露之合夥人權益外，彼通過所控制 HSL 99.16% 權益擁有該等股本之權益。
 - 2 車峰先生因控制 Ever Union 之 100% 股權而於本公司股本擁有權益。
 - 3 該等 292,903,000 股股份由 Atlantis Investment Management (Hong Kong) Limited (「Atlantis Investment」) 以投資經理身分持有。Atlantis Investment 由 Atlantis Capital Holdings Limited (「Atlantis Capital」) 全資擁有，Atlantis Capital 由劉央全資擁有。因此，根據證券及期貨條例第 XV 部，劉央及 Atlantis Capital 被視為於該等 Atlantis Investment 擁有權益之股份中擁有權益。
- * 「L」表示股份之好倉。
- ** 百分比乃根據本公司於二零一一年十二月三十一日之已發行股份總數 2,673,429,835 股普通股計算。
- *** 渠萬春先生及李文晉先生均為 RGL 董事，渠萬春先生、李文晉先生及徐文生先生則均為 HSL 董事，而其於本公司股份或相關股份中，被視作或當作擁有須根據證券及期貨條例第 XV 部第 2 及 3 分部規定披露之權益或淡倉。

CONNECTED TRANSACTIONS

Details of the related party transactions which constitute connected transactions or continuing connected transactions not exempted under Rule 14A.31 or Rule 14A.33 of the Listing Rules are disclosed below. The Group has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in respect of such transactions.

Acquisition of 20% shares of New Concept Services Limited

On 13 January 2012, the Company entered into a 18% sale and purchase agreement with Rich Giant Investments Limited (the "Rich Giant") and 2% sales and purchase agreement with Billion Rosy Limited (the "Billion Rosy"), both being individual third parties, pursuant to which Rich Giant conditionally agreed to sell, and the Company conditionally agreed to purchase, 45 shares of New Concept Services Limited (the "New Concept"), representing 18% of the issued share capital of New Concept, at the consideration of HK\$86,400,000, and Billion Rosy conditionally agreed to sell, and the Company has conditionally agreed to purchase, 5 shares of New Concept representing 2% of the issued share capital of the New Concept at the consideration of HK\$9,600,000. The transactions was approved by independent shareholders in a special general meeting held on 24 February 2012. Upon completion of the transaction, New Concept became a wholly-owned subsidiary of the Company. The acquisition was completed on 9 March 2012.

關連交易

構成關連交易或持續關連交易但未能根據上市規則第 14A.31 條或 14A.33 條獲豁免之關連方交易之詳情披露如下。本集團已遵守根據上市規則第 14A 關於該等交易之披露規定。

收購新創服務有限公司 20% 股份

於二零一二年一月十三日，本公司分別與兩名獨立第三方 Rich Giant Investments Limited (「Rich Giant」) 及 Billion Rosy Limited (「Billion Rosy」) 訂立 18% 買賣協議及 2% 買賣協議，據此，Rich Giant 有條件同意出售，而本公司有條件同意購買新創服務有限公司 (「新創」) 45 股股份，相當於新創已發行股本之 18%，代價為 86,400,000 港元；另 Billion Rosy 有條件同意出售，而本公司有條件同意購買新創 5 股股份，相當於新創已發行股本之 2%，代價為 9,600,000 港元。交易已於二零一二年二月二十四日舉行的股東特別大會獲獨立股東批准。完成時，新創成為本公司之全資附屬公司。收購已於二零一二年三月九日完成。

Report of the Directors 董事會報告

Disposal and Issue of Convertible Preference Shares of Success Bridge Limited

As disclosed in the announcement of the Company of 30 December 2009 and the circular of 8 January 2010, the Company and Wise World Group Limited (the “Subscriber”) entered into a conditional subscription agreement (the “Subscription Agreement”) on 24 December 2009, pursuant to which the Company shall procure the issue and allotment by Success Bridge Limited (“Success Bridge”) (a wholly-owned subsidiary of the Company) of, and the Subscriber shall subscribe for 600 preference shares of US\$0.001 each in the share capital of Success Bridge (“SBL Preference Shares”) at a total consideration of US\$60 million (equivalent to approximately HK\$465 million) (the “Subscription”). The 600 SBL Preference Shares represent 6.0% of the issued share capital of Success Bridge as enlarged by the Subscription. The 600 SBL Preference Shares have been issued on 29 January 2010.

On completion of the Subscription Agreement (“Completion”), the Company, the Subscriber and Success Bridge would enter into a shareholders’ agreement (the “Shareholders’ Agreement”), pursuant to which the Company agreed to grant the rights to shareholders of SBL Preference Shares (other than the Company) (“SBL Preference Shareholders”) to, within a prescribed time frame, transfer to the Company all SBL Preference Shares conversion of the SBL Preference Shares then in issue and held by such SBL Preference Shareholders in consideration of the issue of new ordinary shares of the Company (“Shares”) at the initial exchange price of HK\$4.5 per Share (subject to adjustments). The Company also agree, (i) if the audited consolidated net profit after taxation of Success Bridge and its subsidiaries for the financial year ending 31 December 2010 (the “2010 SBL Net Profit”) is less than RMB450,000,000, the Company shall transfer to the SBL Preference Shareholders such aggregate number of additional SBL Ordinary Shares equal to up to 3% of the aggregate number of ordinary and preference shares of Success Bridge (“SBL Shares”) in issue as at Completion at a consideration of HK\$1.00 (the “Ratchet Disposal”); and (ii) if the 2010 SBL Net Profit is RMB500,000,000 or more, the SBL Preference Shareholders shall transfer to the Company such aggregate number of SBL Preference Shares and/or SBL Ordinary Shares equal to up to 2% of the aggregate number of SBL Shares in issue as at Completion at a consideration of HK\$1.00 (the “Ratchet Acquisition”).

出售及發行Success Bridge Limited可換股優先股

誠如本公司日期為二零零九年十二月三十日之公佈及日期為二零一零年一月八日之通函所披露，本公司與Wise World Group Limited(「認購人」)於二零零九年十二月二十四日訂立有條件認購協議(「認購協議」)，據此，本公司須促使Success Bridge Limited(「Success Bridge」，本公司之全資附屬公司)發行及配發而認購人須認購Success Bridge股本中600股每股面值0.001美元之優先股(「SBL優先股」)，總代價為60,000,000美元(相等於約465,000,000港元)(「認購事項」)。600股SBL優先股佔Success Bridge經認購事項擴大之已發行股本6.0%。600股SBL優先股已於二零一零年一月二十九日發行。

於認購協議完成(「完成」)時，本公司、認購人及Success Bridge將訂立股東協議(「股東協議」)，據此，本公司同意授予本公司以外之SBL優先股股東(「SBL優先股股東」)權利，於指定時限內，將當時已發行並由該等SBL優先股股東持有之全部SBL優先股轉讓予本公司，作為本公司按初步轉換價每股4.5港元(可予調整)發行新普通股(「股份」)之代價。本公司亦同意，(i)倘Success Bridge及其附屬公司截至二零一零年十二月三十一日止財政年度之經審核綜合除稅後純利(「二零一零年SBL純利」)少於人民幣450,000,000元，本公司將按代價1.00港元向SBL優先股股東轉讓總數相等於完成時Success Bridge已發行之普通股及優先股總數(「SBL股份」)最多3%之額外SBL普通股(「漸增出售事項」)；及(ii)倘二零一零年SBL純利為人民幣500,000,000元或以上，則SBL優先股股東將按代價1.00港元向本公司轉讓總數相等於完成時已發行SBL股份總數最多2%之SBL優先股及/或SBL普通股(「漸減收購事項」)。

Report of the Directors 董事會報告

Pursuant to the Shareholders' Agreement, at any time during a period from (and including) the day falling nine months after the date of the first issue of the SBL Preference Shares to (and excluding) the date falling on the third anniversary thereof and subject to the number of SBL Preference Shares then outstanding exceeding 50% in number of the aggregate number of such SBL Preference Shares and SBL Ordinary Shares (that have arisen on the conversion of the SBL Preference Shares), the majority SBL Preference Shareholders may, at their sole option, require the Company to acquire all SBL Preference Shares then in by the SBL Preference Shareholders (other than the Company) in consideration of the issue to the relevant SBL Preference Shareholder or the person (not being a connected person of the Company) designated by it of such number of new Shares to be calculated by US\$60 million (or its HK\$ equivalent calculated at the exchange rate of US\$1: HK\$7.7553) divided by the initial exchange price of HK\$4.5 per Share (subject to adjustments) ("Exchange Rights"). There will be no Ratchet Disposal or Ratchet Acquisition if the Exchange Rights are exercised in full.

The Subscriber was wholly-owned by Hao Capital Fund II L.P., Hao Capital Fund II L.P. and Hao Capital China Fund L.P. (being funds under common control) through their wholly owned subsidiaries were substantial shareholders of a then subsidiary of the Company. Accordingly, each of the Subscription, the Ratchet Disposal, the Ratchet Acquisition, the purchase of SBL Shares on exercise of the Exchange Rights, constituted a connected transaction of the Company, subject to reporting, announcement and independent shareholders approval requirements under Chapter 14A of the Listing Rules. The Completion took place on 29 January 2010.

As the 2010 SBL Net Profit was less than RMB375,000,000, the Company has transferred 300 SBL Ordinary Shares (representing 3% of the issued share capital of Success Bridge, assuming full conversion of all SBL Preference Shares into SBL Ordinary Shares) to the SBL Preference Shareholders in accordance with the Shareholders' Agreement. The SBL Ordinary Shares so transferred have, upon completion of the transfer, been re-designated into SBL Preference Shares, the principal terms of which are set out in the circular dated 8 January 2010. The SBL Ordinary Shares transferred and re-designated under the Ratchet Disposal are to be returned to the Company if the volume weighted average price of the Shares exceeds HK\$4.50 for a period of thirty consecutive trading days during the period from (and including) 29 October 2010 (being the date falling nine months immediately following the date of Completion) up to (and excluding) 29 January 2012 (being the date falling on the second anniversary of the date of Completion). Given that the volume weighted average price of the shares of the Company did not exceed HK\$4.50 for a period of thirty consecutive trading days during the period from (and including) 29 October 2010 to (but excluding) 29 January 2012, no SBL Ordinary Shares transferred and re-designated under the Ratchet Disposal were returned to the Company. The Company, the Subscriber and Success Bridge entered into a supplemental agreement to the Shareholders Agreement dated 10 June 2011 in order to document the mechanics for such return, if any, of the SBL Ordinary Shares. The Ratchet Disposal was completed on 10 June 2011.

根據股東協議，於由首次發行SBL優先股日期後九個月屆滿當日(包括當日)起至發行SBL優先股日期第三週年屆滿當日(不包括當日)止期間任何時候及須受當時此等尚未轉換SBL優先股之數目超過SBL優先股及SBL普通股(因轉換SBL優先股而產生)總數之50%之差額所限，主要SBL優先股股東可全權要求本公司收購當時由SBL優先股股東(本公司除外)持有之全部SBL優先股，代價為向有關SBL優先股股東或其指定的人士(非本公司的關連人士)發行新股份，相關股份數目則按60,000,000美元(或其按匯率1美元兌7.7553港元計算的相應港元金額)除以初步轉換價每股股份4.5港元(可予調整)計算(「轉換權」)。倘悉數行使轉換權，則漸增出售事項或漸減收購事項將不會出現。

認購人乃由Hao Capital Fund II L.P.全資擁有。Hao Capital Fund II L.P. 及 Hao Capital China Fund L.P.(受共同控制之基金)透過彼等之全資附屬公司成為本公司當時一家附屬公司之主要股東。因此，認購事項、漸增出售事項、漸減收購事項及因行使轉換權而購買SBL股份各自構成本公司之關連交易，根據上市規則第14A章，須遵守申報、公告及獨立股東批准之規定。完成已於二零一零年一月二十九日生效。

由於二零一零年SBL純利不足人民幣375,000,000元，故本公司已根據股東協議向SBL優先股股東轉讓300股SBL普通股(假設所有SBL優先股均悉數轉換為SBL普通股，則相當於Success Bridge已發行股本3%)。按上述方式轉讓之SBL普通股已於轉讓完成時，重新指定為SBL優先股，其主要條款載於日期為二零一零年一月八日之通函。倘股份於緊隨完成日期後滿九個月當日(包括當日，即二零一零年十月二十九日)起直至完成日期起計滿第二週年當日(不包括當日，即二零一二年一月二十九日)止期間內，連續三十個交易日期間之成交量加權平均價超過4.50港元，則根據漸增出售事項轉讓及重新指定之SBL普通股將退回本公司。基於本公司股份於二零一零年十月二十九日(包括當日)至二零一二年一月二十九日(但不包括當日)期間內，連續30個交易日期間之成交量加權平均價不超過4.50港元，故概無已根據漸增出售事項轉讓及重新指定之SBL普通股退回本公司。本公司、認購人與Success Bridge就股東協議訂立日期為二零一一年六月十日之補充協議，以記錄SBL普通股有關退回(如有)之機制。漸增出售事項已於二零一一年六月十日完成。

Report of the Directors 董事會報告

OTHER TRANSACTIONS DURING THE YEAR

(a) Acquisition of Merchant Support Co., Ltd.

On 11 January 2011, the Company entered into a sale and purchase agreement with an independent third party (the "Vendor"), pursuant to which the Vendor agreed to sell and the Company conditionally agreed to purchase the entire issued share capital (the "Sales Share") of Merchant Support Co., Ltd. ("Merchant Support"), a company incorporated in Japan, and the sales claims, which comprised (i) the loan claims (which represented the Vendor's loan claims against Merchant Support and Merchant Capital Limited ("Merchant Capital") under certain loan agreements between the Vendor and Merchant Support or between the Vendor and Merchant Capital which remained outstanding as at three business days before the completion date); and (ii) the Vendor's right to demand payment of remuneration incurred until the completion date (inclusive) under the cost reimbursement agreement between the Vendor and Merchant Support.

The acquisition was completed on 13 May 2011 and the total consideration was JPY1,730.8 million (equivalent to approximately HK\$166.1 million).

(b) Exercise of over-allotment option of Pax Global Technology Limited

On 12 January 2011, the over-allotment option as detailed in the Prospectus dated 8 December 2010 of PAX Global Technology Limited ("PAX Global"), an associated company of the Company, was partially exercised by the global coordinator of the global offering of PAX Global. PAX Global issued an aggregate of 37,728,000 additional shares at offer price of HK\$2.88 per share and the Company's interest in PAX Global was reduced from 44.4% to approximately 42.8%.

(c) Disposal of 21% shares of Max Ascent Limited with several independent third parties

On 11 July 2011, Max Ascent Limited ("Max Ascent"), a subsidiary of the Company, entered into conditional subscription agreements with three independent third parties, pursuant to which the three subscribers conditionally agreed to purchase 9%, 9% and 3% of the enlarged issued share capital of Max Ascent at the consideration of HK\$2,340,000, HK\$2,340,000 and HK\$780,000, respectively. The subscription was completed on 25 July 2011. This represents a transaction with non-controlling interests. The difference between the net proceeds received and the share of net asset value of Max Ascent transferred to the three subscribers will be recognised in equity.

年內其他交易

(a) 收購Merchant Support Co., Ltd.

於二零一一年一月十一日，本公司與一名獨立第三方（「賣方」）訂立買賣協議，據此，賣方同意出售及本公司有條件地同意購買Merchant Support Co., Ltd.（「Merchant Support」，一間於日本註冊成立之公司）之全部已發行股本（「待售股份」）以及待售申索權。待售申索權包括(i)貸款申索權（即根據賣方與Merchant Support或賣方與Merchant Capital Limited（「Merchant Capital」）訂立之若干貸款協議，於完成日期前三個營業日賣方就仍未償還之貸款對Merchant Support及Merchant Capital作出申索之申索權）及(ii)根據賣方與Merchant Support訂立之費用償還協議，賣方要求支付直至完成日期（包括該日）所產生酬金之權利。

收購於二零一一年五月十三日完成，總代價為1,730,800,000日圓（相等於約166,100,000港元）。

(b) 行使百富環球科技有限公司之超額配股權

於二零一一年一月十二日，百富環球科技有限公司（「百富環球」，本公司之聯營公司）日期為二零一零年十二月八日之招股章程中所詳述之超額配股權，部分由百富環球全球發售之全球協調人行使。百富環球按發售價每股2.88港元發行總共37,728,000股額外股份，而本公司於百富環球之權益由44.4%減少至約42.8%。

(c) 向數名獨立第三方出售展進有限公司之21%股份

於二零一一年七月十一日，本公司附屬公司展進有限公司（「展進」）與三名獨立第三方訂立有條件認購協議，據此，該三名認購方分別已有條件同意購入展進經擴大已發行股本9%、9%及3%，代價分別為2,340,000港元、2,340,000港元及780,000港元。認購已於二零一一年七月二十五日完成。這交易代表與非控股權益進行之交易。所收款項淨額與向該三名認購方轉讓彼等所佔展進之資產淨值之差額，將於權益中確認。

Report of the Directors 董事會報告

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2011.

MAJOR CUSTOMERS AND SUPPLIERS

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

Purchases

– the largest supplier	11%
– five largest suppliers combined	35%

Sales

– the largest customer	25%
– five largest customers combined	54%

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

SUBSEQUENT EVENTS

(a) Acquisition of 20% shares of New Concept Services Limited

On 13 January 2012, the Company entered into a 18% sales and purchase agreement with Rich Giant Investments Limited (the "Rich Giant") and 2% sales and purchase agreement with Billion Rosy Limited (the "Billion Rosy"), both being individual third parties, pursuant to which Rich Giant conditionally agreed to sell, and the Company conditionally agreed to purchase, 45 shares of New Concept Services Limited (the "New Concept") representing 18% of the issued share capital of New Concept, at a consideration of HK\$86,400,000, and Billion Rosy conditionally agreed to sell, and the Company conditionally agreed to purchase, 5 shares of New Concept representing 2% of the issued share capital of New Concept at the consideration of HK\$9,600,000. The transactions was approved by independent shareholders in a special general meeting held on 24 February 2012. Upon completion of the transaction, New Concept became a wholly owned subsidiary of the Company. The acquisition was completed on 9 March 2012. The difference between the consideration paid and the share of net asset value acquired will be recognised within equity.

管理合約

於截至二零一一年十二月三十一日止年度內，概無訂立或存在任何與本公司全部或任何重大業務部分相關之管理及行政合約。

主要客戶及供應商

年內，本集團主要供應商和客戶的應佔採購和銷售百分比如下：

採購

– 最大供應商	11%
– 五大供應商合計	35%

銷售

– 最大客戶	25%
– 五大客戶合計	54%

董事、彼等之聯繫人士或據董事所知擁有本公司股本超過5%之股東，概無於上述主要客戶或供應商中擁有任何權益。

結算日後事項

(a) 收購新創服務有限公司20%股份

於二零一二年一月十三日，本公司分別與兩名獨立第三方Rich Giant Investments Limited (「Rich Giant」) 及 Billion Rosy Limited (「Billion Rosy」) 訂立18%買賣協議及2%買賣協議，據此，Rich Giant有條件同意出售，而本公司有條件同意購買新創服務有限公司(「新創」)45股股份，相當於新創已發行股本之18%，代價為86,400,000港元；另Billion Rosy有條件同意出售，而本公司有條件同意購買新創5股股份，相當於新創已發行股本之2%，代價為9,600,000港元。交易已於二零一二年二月二十四日舉行的股東特別大會獲獨立股東批准。完成時，新創成為本公司之全資附屬公司。收購已於二零一二年三月九日完成。已付代價與應佔所收購資產淨值之間的差額將於權益確認。

Report of the Directors 董事會報告

(b) Acquisition of 67% shares of ITC Credit Co., Ltd

On 2 March 2012, Merchant Support, a subsidiary of the Group, entered into a conditional subscription agreement with IT Cars Co., Ltd (“ITC”), an independent third party, pursuant to which ITC conditionally agreed to sell, and Merchant Support conditionally agreed to purchase 67% of the issued share capital of ITC Credit Co., Ltd (“ITCC”) at a consideration of JPY 70 million (equivalent to approximately HK\$7.1 million). Upon completion, Merchant Support’s shareholding interest in ITCC increased from 33% to 100% and accordingly ITCC became a wholly owned subsidiary of the Group. The acquisition was completed on 5 March 2012 and will be accounted for using method of acquisition accounting. Management is still in the process of completing the purchase price allocation of the acquisition.

PENSION SCHEME

The subsidiaries operating in Hong Kong are required to participate in a defined contribution retirement scheme or the Group or Company set up in accordance with the Hong Kong Mandatory Provident Fund Ordinance. Under the scheme, the employees are required to contribute 5% of their monthly salaries up to a maximum of HK\$1,000 and they can choose to make additional contributions. The employer’s monthly contributions are calculated at 5% of the employee’s monthly salaries up to a maximum of HK\$1,000 (the “Mandatory Contributions”). The employees are entitled to 100% of the employer’s Mandatory Contributions upon their retirement at the age of 65 years old, death or total incapacity.

In addition, pursuant to the government regulations in the People’s Republic of China (the “PRC”), the Group is required to contribute an amount to certain retirement benefit schemes based on approximately 7% to 20% of the wages for the year of those workers in the PRC. The local municipal government undertakes to assume the retirement benefits obligations of those workers of the Group.

DIRECTORS’ INTEREST IN COMPETING BUSINESS

None of the Directors have an interest in any business constituting a competing business to the Group.

(b) 收購ITC Credit Co., Ltd 67%股份

於二零一二年三月二日，本集團的附屬公司 Merchant Support 與一名獨立第三方 IT Cars Co., Ltd (「ITC」) 訂立有條件認購協議，據此，ITC 有條件同意出售，而 Merchant Support 有條件同意購買 ITC Credit Co., Ltd (「ITCC」) 已發行股本 67%，代價為 70,000,000 日圓（相當於約 7,100,000 港元）。完成後，Merchant Support 於 ITCC 的持股權益由 33% 增至 100%，因此，ITCC 成為本集團的全資附屬公司。收購已於二零一二年三月五日完成，並將採用收購會計法列賬。管理層尚在進行收購的購買價分配。

退休金計劃

於香港營運之附屬公司須參加本集團或本公司根據香港強制性公積金條例成立之定額供款退休計劃。根據計劃，僱員須按月薪 5% 作出供款，上限為 1,000 港元，而彼等可選擇作出額外供款。僱主每月供款按僱員月薪 5% 計算，上限為 1,000 港元（「強制性供款」）。僱員年屆 65 歲退休、身故或喪失工作能力時，可獲得全部僱主強制性供款。

此外，根據中華人民共和國（「中國」）政府法規規定，本集團須按中國僱員該年度薪金約 7% 至 20%，向若干退休福利計劃作出供款。當地市政府對本集團的該類僱員作出退休福利責任保證。

董事於競爭業務之權益

概無任何董事於任何與本集團業務構成競爭之業務中擁有任何權益。

Report of the Directors 董事會報告

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, the Directors confirm that the Company has maintained during the year the amount of public float as required under the Listing Rules.

AUDITOR

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

On behalf of the Board

Cheung Yuk Fung

Chairman

Hong Kong, 15 March 2012

足夠公眾持股量

根據本公司現有公開資料及就董事所知，董事確認，本公司於年內維持上市規則規定的公眾持股量。

核數師

羅兵咸永道會計師事務所已審核財務報表，而羅兵咸永道會計師事務所即將任滿告退，惟符合資格且願意於本公司應屆股東週年大會獲續聘連任。

代表董事會

主席

張玉峰

香港，二零一二年三月十五日

Independent Auditor's Report 獨立核數師報告



羅兵咸永道

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF HI SUN TECHNOLOGY (CHINA) LIMITED

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Hi Sun Technology (China) Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 54 to 167, which comprise the consolidated and company balance sheets as at 31 December 2011, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's

Independent Auditor's Report 獨立核數師報告

preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2011, and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 15 March 2012

Independent Auditor's Report 獨立核數師報告



獨立核數師報告

致高陽科技(中國)有限公司股東

(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核列載於第54至167頁高陽科技(中國)有限公司(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,此綜合財務報表包括於二零一一年十二月三十一日的綜合及公司資產負債表與截至該日止年度的綜合收益表、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附註解釋資料。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的披露規定編製綜合財務報表,以令綜合財務報表作出真實而公平的反映,及落實其認為編製綜合財務報表所必要的內部控制,以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

羅兵咸永道

核數師的責任

我們的責任是根據我們的審計對該等綜合財務報表作出意見,並按照百慕達《一九八一年公司法》第90條僅向整體股東報告我們的意見,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

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

審計涉及執执行程序以獲取有關綜合財務報表所載金額及披露資料的審計憑證。所選定的程序取決於核數師的判斷,包括評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險。在評估該等風險時,核數師考慮與該公司編製綜合

Independent Auditor's Report 獨立核數師報告

財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的合適性及作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零一一年十二月三十一日的事務狀況，及 貴集團截至該日止年度的虧損及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零一二年三月十五日

Consolidated Income Statement

綜合收益表

For the year ended
31 December
截至十二月三十一日止年度

		Note	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
		附註		
Continuing operations	持續經營業務			
Revenue	收入	5, 6	838,674	901,521
Cost of sales	銷售成本	7	(664,479)	(731,115)
Gross profit	毛利		174,195	170,406
Other income	其他收入	5	16,072	16,957
Other (loss)/gains, net	其他(虧損)/收益淨額	5	(4,262)	6,913
Selling expenses	銷售開支	7	(85,350)	(89,797)
Administrative expenses	行政費用	7	(309,363)	(300,543)
Impairment of intangible assets	無形資產減值	7, 18	(154,836)	(29,593)
Operating loss	經營虧損		(363,544)	(225,657)
Share of profit of an associated company	應佔一間聯營公司之溢利	21	77,809	6,860
Finance costs	融資成本	10	(1,796)	(473)
Loss before income tax	除所得稅前虧損		(287,531)	(219,270)
Income tax credit	所得稅抵免	11	7,809	1,742
Loss for the year from continuing operations	持續經營業務之年內虧損		(279,722)	(217,528)
Discontinued operation	已終止經營業務			
Profit from discontinued operation	已終止經營業務溢利	37	–	1,096,476
(Loss)/profit for the year	年內(虧損)/溢利		(279,722)	878,948

The notes on pages 65 to 167 are an integral part of these consolidated financial statements.

第65至167頁之附註乃綜合財務報表之其中部分。

Consolidated Income Statement
綜合收益表

For the year ended
31 December
截至十二月三十一日止年度

	Note 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
(Loss)/profit attributable to:	應佔(虧損)/溢利：		
– Equity holders of the Company	– 本公司權益持有人	(255,493)	850,275
– Non-controlling interests	– 非控股權益	(24,229)	28,673
		(279,722)	878,948
		HK\$ per share 每股港元	HK\$ per share 每股港元
(Loss)/earnings per share for (loss)/ profit attributable to the equity holders of the Company:	本公司權益持有人應佔 (虧損)/溢利之 每股(虧損)/盈利：		
Basic and diluted (loss)/earnings per share	每股基本及攤薄(虧損) /盈利		
From continuing operations	來自持續經營業務	14 (0.096)	(0.071)
From discontinued operation	來自已終止經營業務	14 –	0.389
		(0.096)	0.318

The notes on pages 65 to 167 are an integral part of these consolidated financial statements.

第65至167頁之附註乃綜合財務報表之其中部分。

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended
31 December
截至十二月三十一日止年度

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
(Loss)/profit for the year	年內(虧損)/溢利	(279,722)	878,948
Other comprehensive (loss)/income, net of tax	其他全面(虧損)/收益 (扣除稅項)		
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	33,437	59,404
Fair value gain on revaluation of available-for-sale financial assets	重估可供出售金融資產公平值收益	300	100
Release of reserve upon disposal of subsidiaries	出售附屬公司之儲備解除	–	(36,551)
Share of other comprehensive income of an associated company	所佔一間聯營公司之其他全面收益	11,728	134
Total comprehensive (loss)/income for the year, net of tax	年內全面(虧損)/收益總額 (扣除稅項)	(234,257)	902,035
Total comprehensive (loss)/income attributable to:	應佔全面(虧損)/ 收益總額：		
– Equity holders of the Company	– 本公司權益持有人	(213,297)	873,093
– Non-controlling interests	– 非控股權益	(20,960)	28,942
		(234,257)	902,035
Total comprehensive (loss)/income attributable to equity holders of the Company arises from:	來自下列各項之本公司權益 持有人應佔全面(虧損)/ 收益總額：		
– Continuing operations	– 持續經營業務	(213,297)	(141,935)
– Discontinued operation	– 已終止經營業務	–	1,015,028
		(213,297)	873,093

The notes on pages 65 to 167 are an integral part of these consolidated financial statements.

第65至167頁之附註乃綜合財務報表之其中部分。

Consolidated Balance Sheet

綜合資產負債表

As at 31 December

於十二月三十一日

			2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
		Note 附註		
ASSETS	資產			
Non-current assets	非流動資產			
Investment properties	投資物業	15	2,409	2,438
Property, plant and equipment	物業、廠房及設備	16	110,184	116,733
Leasehold land	租賃土地	17	38,277	38,826
Intangible assets	無形資產	18	100,845	252,595
Interest in an associated company	於一間聯營公司之權益	21	1,373,366	1,285,714
Available-for-sale financial asset	可供出售金融資產	19	23,800	23,500
Long-term deposits	長期按金	23	2,839	1,596
Total non-current assets	非流動資產總值		1,651,720	1,721,402
Current assets	流動資產			
Inventories	存貨	22	121,752	168,426
Trade and other receivables, prepayments and deposits	應收賬款及其他應收款項、預付款項及按金	23	441,345	291,880
Tax recoverable	可收回稅項		-	3,590
Financial assets at fair value through profit or loss	按公平值計入溢利或虧損之金融資產	24	10,491	12,898
Short-term bank deposits	短期銀行存款	25	-	177,557
Cash and cash equivalents	現金及現金等價物	26	1,167,201	1,281,616
Total current assets	流動資產總值		1,740,789	1,935,967
Total assets	資產總值		3,392,509	3,657,369
EQUITY	權益			
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔股本及儲備			
Share capital	股本	27	6,684	6,684
Reserves	儲備	28	2,806,303	3,043,776
Non-controlling interests	非控股權益		2,812,987	3,050,460
Total equity	權益總額		126,055	117,346
			2,939,042	3,167,806

The notes on pages 65 to 167 are an integral part of these consolidated financial statements.

第65至167頁之附註乃綜合財務報表之其中部分。

Consolidated Balance Sheet
綜合資產負債表

As at 31 December
於十二月三十一日

			2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	31	1,320	11,417
Total non-current liabilities	非流動負債總額		1,320	11,417
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項	29	423,107	455,520
Taxation payable	應付稅項		5,595	136
Borrowings	借款	30	23,445	22,490
Total current liabilities	流動負債總額		452,147	478,146
Total liabilities	負債總額		453,467	489,563
Total equity and liabilities	權益及負債總額		3,392,509	3,657,369
Net current assets	流動資產淨值		1,288,642	1,457,821
Total assets less current liabilities	資產總值減流動負債		2,940,362	3,179,223

On behalf of the Board
代表董事會

XU WENSHENG
徐文生
Director
董事

LI WENJIN
李文晉
Director
董事

The notes on pages 65 to 167 are an integral part of these consolidated financial statements.

第65至167頁之附註乃綜合財務報表之其中部分。

Balance Sheet 資產負債表

As at 31 December
於十二月三十一日

		2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元
		Note 附註	
ASSETS	資產		
Non-current assets	非流動資產		
Investment properties	投資物業	15	3,857
Leasehold land	租賃土地	17	26,549
Available-for-sale financial asset	可供出售金融資產	19	23,800
Investments in subsidiaries	於附屬公司之投資	20	755,737
Investment in an associated company	於一間聯營公司之投資	21	316,862
Total non-current assets	非流動資產總值		1,126,805
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	23	1,514
Financial assets at fair value through profit or loss	按公平值計入溢利或虧損之金融資產	24	495
Amount due from subsidiaries	應收附屬公司款項	20	270,552
Cash and cash equivalents	現金及現金等價物	26	255,531
Total current assets	流動資產總值		528,092
Total assets	資產總值		1,654,897
EQUITY	權益		
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔股本及儲備		
Share capital	股本	27	6,684
Reserves	儲備	28	1,117,422
Total equity	權益總額		1,124,106

The notes on pages 65 to 167 are an integral part of these financial statements.

第65至167頁之附註乃財務報表之其中部分。

Balance Sheet
資產負債表

		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
	Note 附註		
LIABILITIES	負債		
Current liabilities	流動負債		
Financial liability at fair value through profit or loss	按公平值計入溢利或虧損之金融負債	35(a) –	18,145
Other payables and accruals	其他應付款項及應計款項	29 1,952	25,655
Amount due to a subsidiary	應付一間附屬公司款項	20 528,839	528,844
Total current liabilities	流動負債總額	530,791	572,644
Total liabilities	負債總額	530,791	572,644
Total equity and liabilities	權益及負債總額	1,654,897	1,713,012
Net current liabilities	流動負債淨額	2,699	2,775
Total assets less current liabilities	資產總值減流動負債	1,124,106	1,140,368

On behalf of the Board
代表董事會

XU WENSHENG

徐文生
Director
董事

LI WENJIN

李文晉
Director
董事

The notes on pages 65 to 167 are an integral part of these financial statements.

第65至167頁之附註乃財務報表之其中部分。

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

For the year ended 31 December 2011

截至二零一一年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔							Non- controlling interests	Total
		Share capital	Share premium	Contributed surplus	Other reserves	Exchange reserve	Retained earnings	Total		
		股本	股份溢價	實繳盈餘	其他儲備	外匯儲備	保留盈利	非控股權益	合計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Balance at	於二零一一年									
1 January 2011	一月一日之結餘	6,684	930,020	168,434	533,412	104,393	1,307,517	117,346	3,167,806	
Comprehensive income	全面收益									
Loss for the year	年內虧損	-	-	-	-	-	(255,493)	(24,229)	(279,722)	
Other comprehensive income	其他全面收益									
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	-	-	-	-	30,168	-	3,269	33,437	
Fair value gain on revaluation of available-for-sale financial asset (Note 19)	重估可供出售金融資產公平值收益(附註19)	-	-	-	300	-	-	-	300	
Share of other comprehensive income of an associated company (Note 21)	所佔一間聯營公司之其他全面收益(附註21)	-	-	-	-	11,728	-	-	11,728	
Total comprehensive income	全面收益總額	-	-	-	300	41,896	(255,493)	(20,960)	(234,257)	
Transfer of additional interest of a subsidiary to non-controlling interest (Note 35(a))	轉讓一間附屬公司予非控股權益之額外權益(附註35(a))	-	-	-	(26,678)	-	-	26,678	-	
Deemed disposal of interest in a subsidiary (Note 35(b))	視作出售一間附屬公司之權益(附註35(b))	-	-	-	2,476	-	-	2,984	5,460	
Employee share option scheme of a subsidiary (Note 27(b))	一間附屬公司之僱員購股權計劃(附註27(b))	-	-	-	26	-	-	7	33	
Balance at	於二零一一年									
31 December 2011	十二月三十一日之結餘	6,684	930,020	168,434	509,536	146,289	1,052,024	126,055	2,939,042	

The notes on pages 65 to 167 are an integral part of these consolidated financial statements.

第65至167頁之附註乃綜合財務報表之其中部分。

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

For the year ended 31 December 2010
截至二零一零年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔							Non- controlling interests 非控股權益	Total 合計
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 實繳盈餘 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Exchange reserve 外匯儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元			
Balance at	於二零一零年									
1 January 2010	一月一日之結餘	6,684	930,020	168,434	108,785	81,675	457,242	162,936	1,915,776	
Comprehensive income	全面收益									
Profit for the year	年內溢利	-	-	-	-	-	850,275	28,673	878,948	
Other comprehensive income	其他全面收益									
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	-	-	-	-	48,813	-	10,591	59,404	
Release of reserve upon disposal of subsidiaries	出售附屬公司所產生之儲備解除	-	-	-	-	(26,229)	-	(10,322)	(36,551)	
Fair value gain on revaluation of available-for-sale financial asset (Note 19)	重估可供出售金融資產公平值收益(附註19)	-	-	-	100	-	-	-	100	
Share of other comprehensive income of an associated company (Note 21)	所佔一間聯營公司之其他全面收益(附註21)	-	-	-	-	134	-	-	134	
Total comprehensive income	全面收益總額	-	-	-	100	22,718	850,275	28,942	902,035	
Issue of convertible preference shares by a subsidiary	一間附屬公司發行可換股優先股	-	-	-	407,354	-	-	55,440	462,794	
Acquisition of a subsidiary	收購一間附屬公司	-	-	-	17,173	-	-	91,042	108,215	
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	(221,014)	(221,014)	
Balance at	於二零一零年									
31 December 2010	十二月三十一日之結餘	6,684	930,020	168,434	533,412	104,393	1,307,517	117,346	3,167,806	

The notes on pages 65 to 167 are an integral part of these consolidated financial statements.

第65至167頁之附註乃綜合財務報表之其中部分。

Consolidated Cash Flow Statement 綜合現金流量表

For the year ended
31 December
截至十二月三十一日止年度

		Note	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
		附註		
Cash flows from operating activities	經營業務之現金流量			
Cash used in operations	經營所用現金	32(a)	(195,169)	(59,499)
Hong Kong income tax paid	已付香港所得稅		-	(2,074)
Overseas income tax refunded/(paid)	已退回/(支付)海外所得稅		6,710	(39,825)
Net cash used in operating activities	經營業務所用現金淨額		(188,459)	(101,398)
Cash flows from investing activities	投資活動之現金流量			
Purchase of property, plant and equipment	購置物業、 廠房及設備	16	(25,222)	(43,393)
Purchase of intangible assets	購置無形資產	18	(132)	(12)
Proceeds from disposals of property, plant and equipment and leasehold land	出售物業、廠房及 設備及租賃土地 所得款項	32(b)	1,358	13,200
Acquisition of subsidiaries, net cash paid	收購附屬公司， 淨額現金付出	36	(103,430)	(48,516)
Disposal of subsidiaries	出售附屬公司		-	(281,907)
Interest received	已收利息		9,495	10,900
Net cash used in investing activities	投資活動所用現金淨額		(117,931)	(349,728)

The notes on pages 65 to 167 are an integral part of these consolidated financial statements.

第65至167頁之附註乃綜合財務報表之其中部分

Consolidated Cash Flow Statement

綜合現金流量表

For the year ended
31 December
截至十二月三十一日止年度

			2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
	Note 附註			
Cash flows from financing activities	融資活動之現金流量			
Proceeds from inception of short-term bank loan	訂立短期銀行貸款所得款項		22,875	21,850
Repayment of short-term bank loan	償還短期銀行貸款		(22,875)	–
Proceeds from deemed disposal of interest in a subsidiary	視作出售一間附屬公司權益所得款項	35(b)	5,460	–
Interest paid	已付利息		(1,796)	(473)
Net proceeds from issue of convertible preference shares by a subsidiary	一間附屬公司發行可換股優先股之所得款項淨額		–	462,794
Increase in restricted cash	受限制現金增加		–	(1,023)
Decrease in short-term bank deposits	短期銀行存款減少		181,007	84,184
Net cash generated from financing activities	融資活動所得現金淨額		184,671	567,332
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物之(減少)／增加淨額		(121,719)	116,206
Exchange gains on cash and cash equivalents	現金及現金等價物之匯兌收益		7,304	25,436
Cash and cash equivalents at beginning of the year	年初現金及現金等價物		1,281,616	1,139,974
Cash and cash equivalents at end of the year	年終現金及現金等價物	26	1,167,201	1,281,616

The notes on pages 65 to 167 are an integral part of these consolidated financial statements.

第65至167頁之附註乃綜合財務報表之其中部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

1 GENERAL INFORMATION

The principal activity of Hi Sun Technology (China) Limited (the “Company”) is investment holdings.

The Company and its subsidiaries (collectively referred to as the “Group”), are principally engaged in the provision of telecommunication solutions, provision of financial solutions, provision of payment solutions and sales of electronic power meters and solutions.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company is listed on the Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK\$'000), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 15 March 2012.

In 2010, the Group spun off its point-of-sale (“POS”) terminal solutions business through a separate listing of PAX Global Technology Limited (the “PAX Global”), a then subsidiary of the Company, on the Main Board of The Stock Exchange of Hong Kong Limited (the “Spin-off”).

The Spin-off was completed on 20 December 2010. Upon the completion of the Spin-off, the Group’s interest in PAX Global was diluted from 60.0% to 44.4% and resulted in a loss of control of PAX Global. PAX Global was deconsolidated from the date that control ceased and was accounted as an associated company. On 12 January 2011, the over-allotment option of PAX Global was partially exercised by the global coordinator of the Spin-off and the Company’s interest in PAX Global was reduced from 44.4% to approximately 42.8% (Note 21). For the presentation of the consolidated financial statements for the year end 31 December 2010, the POS terminal solutions business was regarded as “discontinued operation” (Note 37).

1 一般資料

高陽科技(中國)有限公司(「本公司」)之主要業務為投資控股。

本公司及其附屬公司(統稱為「本集團」)主要從事提供電訊解決方案、提供金融解決方案、提供支付解決方案及銷售電能計量產品及解決方案。

本公司為於百慕達註冊成立的有限公司，其註冊辦事處地址為 Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

本公司於香港聯合交易所有限公司上市。

除另有所指外，此等綜合財務報表以千港元(千港元)為單位呈列。此等綜合財務報表於二零一二年三月十五日獲董事會批准刊發。

於二零一零年，本集團透過將本公司當時之附屬公司百富環球科技有限公司(「百富環球」)在香港聯合交易所有限公司主板獨立上市以分拆其POS終端機解決方案業務(「分拆」)。

分拆已於二零一零年十二月二十日完成。分拆完成後，本集團佔百富環球之權益由60.0%攤薄至44.4%，並導致失去百富環球之控制權。百富環球自該控制權終止之日起不再綜合入賬，而作為聯營公司列賬。於二零一一年一月十二日，百富環球之超額配股權由分拆之全球協調人部分行使而本公司於百富環球之權益由44.4%減少至約42.8%(附註21)。對於呈列截至二零一零年十二月三十一日止年度之綜合財務報表，POS終端解決方案業務被視為「已終止經營業務」(附註37)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss and available-for-sale financial asset.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

(a) New and amended standards adopted by the Group:

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2011 but do not have a material impact on the Group:

HKAS 24 (Revised)	Related Party Disclosures
HKAS 32 (Amendment)	Classification of Rights Issues
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters
HK(IFRIC)-Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments
Annual Improvements Project	Third annual improvements projects (2010) published in May 2010

2 重大會計政策概要

編製此等綜合財務報表時採用之主要會計政策載列如下。除另有所指外，該等政策於呈報之所有年度貫徹採用。

2.1 編製基準

本公司之綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」）而編製。此等綜合財務報表按歷史成本法編製，並就按公平值計入溢利或虧損之金融資產及金融負債（包括衍生工具）以及可供出售金融資產之重估作修訂。

為與香港財務報告準則相符，編製財務報表時須作出若干重要之會計估計，管理層亦須在應用本集團會計政策之過程中作出判斷。涉及高度判斷或高度複雜性之範疇，或涉及對綜合財務報表作出重大假設和估計之範疇於附註4中披露。

(a) 本集團採納之新訂及經修訂準則：

以下新準則、準則之修訂於二零一一年一月一日開始之財政年度首次強制採納，但對本集團並無重大影響。

香港會計準則第24號(經修訂)	關連方披露
香港會計準則第32號(修訂本)	供股之分類
香港財務報告準則第1號(修訂本)	首次採納者有關香港財務報告準則第7號比較披露資料之有限豁免
香港(國際財務報告詮釋委員會)第14號(修訂本)	最低資金規定的預付款
香港(國際財務報告詮釋委員會)第19號	以權益工具取代金融負債
年度改進計劃	於二零一零年五月公佈之第三次年度改進計劃(二零一零年)

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 2 重大會計政策概要(續)

2.1 Basis of preparation (continued)

(b) *New and amended standards have been issued but are not effective for the financial year beginning 1 January 2011 and have not been early adopted:*

- HKFRS 9, 'Financial instruments' addresses the classification, measurement and recognition of financial assets and financial liabilities. HKFRS 9 was issued in November 2009 and October 2010. It replaces the parts of HKAS 39 that relate to the classification and measurement of financial instruments. HKFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the HKAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Group is yet to assess HKFRS 9's full impact and intends to adopt HKFRS 9 upon its effective date, which is for the accounting period beginning on or after 1 January 2015.

2.1 編製基準(續)

(b) 以下為於二零一一年一月一日開始之財政年度已頒佈但尚未生效，且並無提早採納之新訂及經修訂準則：

- 香港財務報告準則第9號「金融工具」闡述金融資產及金融負債之分類、計量及確認。香港財務報告準則第9號於二零零九年十一月及二零一零年十月頒佈。該準則取代香港會計準則第39號中與金融工具之分類及計量相關部分。香港財務報告準則第9號規定金融資產分類為兩個計量類別：按公平值計量類別及按攤銷成本計量類別，於初步確認時作釐定。分類視乎實體管理其金融工具之業務模式及該工具之合約現金流量特徵而定。就金融負債而言，該準則保留香港會計準則第39號之大部分規定。主要變動為倘金融負債選擇以公平值列賬，則因實體本身信貸風險而產生之公平值變動部分於其他全面收益而非收益表入賬，除非會導致會計錯配。本集團尚未評估香港財務報告準則第9號之全面影響及擬於其生效日期（即二零一五年一月一日或之後開始之會計期間）後採納香港財務報告準則第9號。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

(b) *New and amended standards have been issued but are not effective for the financial year beginning 1 January 2011 and have not been early adopted:* (continued)

- HKFRS 10 ‘Consolidated financial statements’ builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The Group is yet to assess HKFRS 10’s full impact and intends to adopt HKFRS 10 no later than the accounting period beginning on or after 1 January 2013.

- HKFRS 12 ‘Disclosures of interests in other entities’ includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The Group is yet to assess HKFRS 12’s full impact and intends to adopt HKFRS 12 no later than the accounting period beginning on or after 1 January 2013.

2 重大會計政策概要(續)

2.1 編製基準(續)

(b) 以下為於二零一一年一月一日開始之財政年度已頒佈但尚未生效，且並無提早採納之新訂及經修訂準則：(續)

- 香港財務報告準則第10號「綜合財務報表」以現有原則為基礎，確定將控制權之概念作為釐定實體是否應計入母公司之綜合財務報表之因素。該準則在此難以評估之情況下提供協助釐定控制權之額外指引。本集團尚未評估香港財務報告準則第10號之全面影響及擬不遲於二零一三年一月一日或之後開始之會計期間採納香港財務報告準則第10號。

- 香港財務報告準則第12號「於其他實體權益之披露」包括就於共同安排、聯營公司、特殊目的工具及其他資產負債表外工具等其他實體之所有形式權益披露規定。本集團尚未評估香港財務報告準則第12號之全面影響及擬不遲於二零一三年一月一日或之後開始之會計期間採納香港財務報告準則第12號。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

(b) *New and amended standards have been issued but are not effective for the financial year beginning 1 January 2011 and have not been early adopted:* (continued)

- HKFRS 13 'Fair value measurement' aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across HKFRS. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within HKFRS. The Group is yet to assess HKFRS 13's full impact and intends to adopt HKFRS 13 no later than the accounting period beginning on or after 1 January 2013.

There are no other HKFRS or HK(IFRIC) interpretations that are not yet effective that would be expected to have a material impact on the Group.

2 重大會計政策概要(續)

2.1 編製基準(續)

(b) 以下為於二零一一年一月一日開始之財政年度已頒佈但尚未生效，且並無提早採納之新訂及經修訂準則：(續)

- 香港財務報告準則第13號「公平值計量」旨在透過提供公平值之精確定義及公平值計量之單一來源及於香港財務報告準則使用之披露規定而提升一致性及減低複雜性。該等規定並不擴大公平值會計之使用，惟就其使用在已由香港財務報告準則內其他準則規定或准許之情況下應如何應用提供指引。本集團尚未評估香港財務報告準則第13號之全面影響及擬不遲於二零一三年一月一日或之後開始之會計期間採納香港財務報告準則第13號。

並無其他香港財務報告準則或香港財務報告詮釋委員會之詮釋尚未生效而預期將對本集團產生重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Subsidiaries

2.2.1 Consolidation

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(a) Business combination

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

2 重大會計政策概要(續)

2.2 附屬公司

2.2.1 綜合賬目

附屬公司乃指本集團有權監管其財務及營運政策之所有實體，通常附帶半數以上投票權之股權。於評估本集團是否控制另一實體時，已考慮現時可予行使或轉換之潛在投票權之是否存在及其影響。

附屬公司之賬目自控制權轉讓予本集團之日起綜合計入，而有關賬目將於該控制權終止之日不再綜合計入賬目。

集團內公司間之交易、集團內公司間交易之結餘及未變現收益均予以對銷。未變現虧損亦會對銷，惟有證據顯示所轉讓資產出現減值之交易除外。附屬公司之會計政策於有需要時已作出更改，以確保與本集團採納之政策貫徹一致。

(a) 業務合併

本集團採用收購會計法計算業務合併。收購附屬公司之轉讓代價為轉讓資產之公平值、被收購方先前擁有人產生之負債及本集團發行之股權。所轉讓代價包括或然代價安排產生之任何資產或負債的公平值。於業務合併收購之可識別資產以及承擔之負債及或然負債初步按收購日期之公平值計量。本集團按逐項收購基準，以公平值或按已確認被收購方可識別資產淨值中非控股權益之比例，確認被收購方中任何非控股權益。收購相關成本為於產生時支銷。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Subsidiaries (continued)

2.2.1 Consolidation (continued)

(a) Business combination (continued)

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the income statement. Goodwill is included in "Intangible assets" in the consolidated balance sheet.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in the income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associated company, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the income statement.

2 重大會計政策概要(續)

2.2 附屬公司(續)

2.2.1 綜合賬目(續)

(a) 業務合併(續)

商譽初步按總轉讓代價及超出所收購可識別資產淨值及所承擔負債之非控股權益公平值計量。倘此代價低於所收購附屬公司資產淨值之公平值，則差額於收益表中確認。商譽乃計入綜合資產負債表中之「無形資產」。

(b) 不導致失去控制權之附屬公司擁有權權益之變動

不導致失去控制權之非控股權益交易入賬列作權益交易一即以彼等為擁有人之身分與擁有人進行交易。任何已付代價公平值及所收購相關應佔附屬公司資產淨值賬面值之差額列作權益。向非控股權益出售之盈虧亦列作權益。

(c) 出售附屬公司

本集團失去控制權時，於實體之任何保留權益按失去控制權當日之公平值重新計量，有關賬面值變動在收益表確認。就其後入賬列作聯營公司、合資企業或金融資產之保留權益，其公平值為初始賬面值。此外，先前於其他綜合收益確認與該實體有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。此可能意味先前在其他綜合收益確認之金額重新分類至收益表。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Subsidiaries (continued)

2.2.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. The results of subsidiaries are accounted for by the Company on the basis of dividend and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.3 An associated company

An associated company is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investment in an associated company is accounted for using the equity method of accounting and is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in an associated company includes goodwill identified on acquisition, net of any accumulated impairment loss.

In the Company's balance sheet, the investment in an associated company is stated at cost less provision for impairment losses.

If the ownership interest in an associated company is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

2 重大會計政策概要(續)

2.2 附屬公司(續)

2.2.2 獨立財務報表

於附屬公司之投資按成本值扣除減值列賬。成本予以調整以反映修訂或然代價所產生之代價變動。附屬公司之業績乃由本公司按股息及應收款項基準入賬。

倘於附屬公司宣派股息期間股息超出其全面收益總額，或倘獨立財務報表中投資賬面值超出綜合財務報表所示被投資公司資產淨值(包括商譽)之賬面值，則須於自該等投資收取股息時對該等附屬公司之投資進行減值測試。

2.3 聯營公司

聯營公司指所有本集團對其有重大影響力而無控制權之實體，通常附帶20%-50%投票權之股權。於聯營公司之投資以權益會計法入賬，初步按成本確認，並增加或減少賬面值以確認於收購日期後投資者應佔被投資公司的溢利或虧損。本集團於聯營公司之投資包括收購時識別之商譽扣除任何累計減值虧損。

在本公司之資產負債表內，於聯營公司之投資以成本值減去減值虧損撥備入賬。

倘對聯營公司的擁有權減少但仍保留重大影響，則先前於其他全面收益確認的金額僅有按比例計算的份額重新分類至溢利或虧損(如適用)。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 An associated company (continued)

The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associated company.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associated company is impaired. Such objective evidence includes whether there has been any significant adverse changes in the technological, market, economic or legal environment in which the associated company operates or whether there has been a significant or prolonged decline below its cost. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associated company and its carrying amount (including goodwill) and recognises the amount adjacent to 'share of profit of an associated company' in the income statement. The recoverable amount is determined as the higher of the associated company's fair value less costs to sell or its value in use.

Impairment testing of the investment in the associated company is required upon receiving dividends from this investment if the dividend exceeds the total comprehensive income of the associated company in the period the dividend is declared or if the carrying amount of the investment in the Company's separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2 重大會計政策概要(續)

2.3 聯營公司(續)

本集團應佔收購後溢利或虧損於收益表確認，而應佔收購後其他全面收益之變動則於其他全面收益內確認，並對投資賬面值作出相應調整。當本集團分佔聯營公司虧損等於或超過其佔該聯營公司之權益(包括任何其他無抵押應收款項)時，本集團不再進一步確認虧損，除非本集團代聯營公司承擔法律或建設性之責任或支付款項。

本集團在每個報告日期釐定於聯營公司之投資是否存在客觀減值證據。該等客觀證據包括聯營公司經營業務所處的技術、市場、經濟或法律環境有否出現任何重大不利變動，或聯營公司的價值大幅或持續下降至其成本以下。一旦存在減值證據，本集團會按聯營公司可收回金額與其賬面值間(包括商譽)之差額計算減值金額，並於收益表「應佔一間聯營公司溢利」確認有關金額。可收回金額為聯營公司的公平值減出售成本與使用價值兩者的較高者。

倘於聯營公司宣派股息期間股息超出其全面收益總額，或倘本公司獨立財務報表中投資賬面值超出綜合財務報表所示被投資公司資產淨值(包括商譽)之賬面值，則須於自該等投資收取股息時對該聯營公司之投資進行減值測試。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 An associated company (continued)

Profits and losses resulting from upstream and downstream transactions between the Group and its associated company are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associated company. Accounting policies of associated companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in associated companies are recognised in the income statement.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Directors that makes strategic decisions.

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available-for-sale, are included in other comprehensive income.

2 重大會計政策概要(續)

2.3 聯營公司(續)

本集團及其聯營公司之間之上游及下游交易所產生溢利及虧損於本集團財務報表確認，惟僅以非關連投資者於聯營公司之權益為限。在必要時，聯營公司之會計政策已被改變，以確保與本集團所採納的政策保持貫徹一致。

於聯營公司之投資所產生攤薄盈虧於收益表確認。

2.4 分類報告

經營分類之申報方式與向主要經營決策者提供之內報報告所採用者貫徹一致。主要經營決策者(負責分配經營分類資源及評估其表現)已確定為作出策略決定之執行董事。

2.5 外幣換算

(a) 功能和呈報貨幣

本集團旗下各實體之財務報表所列項目均採用有關實體營業所在主要經濟環境通用之貨幣(「功能貨幣」)為計算單位。綜合財務報表以港元呈報，而港元為本公司的功能貨幣及呈報貨幣。

(b) 交易及結餘

外幣交易按交易當日適用之匯率換算為功能貨幣。因結算交易及按結算日匯率換算貨幣資產和負債產生之外匯溢利及虧損均於收益表確認。

非貨幣金融資產及負債(例如按公平值計入溢利或虧損之股本)之換算差額乃於溢利或虧損中確認為公平值溢利或虧損之部分。非貨幣金融資產(例如分類為可供出售金融資產之股本)之換算差額則計入其他全面收益。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Foreign currency translation (continued)

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in equity.

2 重大會計政策概要(續)

2.5 外幣換算(續)

(c) 集團旗下公司

集團旗下所有功能貨幣與呈報貨幣不同之實體(全部均非高通脹經濟之貨幣)之業績及財務狀況,按以下方式換算為呈報貨幣:

- (i) 各資產負債表所呈列資產及負債,按該資產負債表結算日期之收市匯率換算;
- (ii) 各收益表之收入及支出,按平均匯率換算,惟此平均值並非該等交易日期當時匯率具累積效果之合理約數除外。在此情況下,收入及開支於交易日期換算;及
- (iii) 所有匯兌差額確認為獨立權益項目。

收購海外實體產生之商譽及公平值調整視為該海外實體之資產和負債,並按收市匯率換算。匯兌差額乃於權益中確認。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Foreign currency translation (continued)

(d) *Disposal of foreign operation and partial disposal*

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a disposal involving loss of joint control over a jointly controlled entity that includes a foreign operation, or a disposal involving loss of significant influence over an associated company that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the equity holders of the company are reclassified to the income statement.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in the income statement. For all other partial disposals (that is, reductions in the Group's ownership interest in associated companies or jointly controlled entities that do not result in the Group losing significant influence or joint control) the proportionate share of the accumulated exchange difference is reclassified to the income statement.

2.6 Property, plant and equipment

All property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the income statement during the financial period in which they are incurred.

2 重大會計政策概要(續)

2.5 外幣換算(續)

(d) *出售及部分出售海外業務*

於出售海外業務(即出售本集團於海外業務之全部權益或涉及失去對一間設有海外業務之附屬公司之控制權出售、涉及失去對設有海外業務之共同控制實體之共同控制權出售、或失去對一間設有海外業務之聯營公司之重大影響力出售)時,就本公司權益持有人應佔該業務而於權益內確認之所有匯兌差額重新分類至收益表。

倘此乃部分出售而不導致本集團失去設有海外業務之附屬公司之控制權,該累計匯兌差額之應佔比例重新歸於非控股權益及不會於收益表確認。就所有其他部分出售(即本集團於聯營公司或共同控制實體擁有權權益減少而不會導致本集團失去重大影響或共同控制權)而言,該累計匯兌差額之應佔比例須重新分類至收益表。

2.6 物業、廠房及設備

所有物業、廠房及設備按歷史成本減折舊及減值虧損入賬。歷史成本包括收購此等項目直接應佔開支。

當與項目有關之未來經濟利益可能流入本集團,以及該項目成本能可靠計算時,其後成本才會計入資產之賬面值或確認為獨立資產(視適用情況而定)。所有其他維修及保養費於產生之財政期間在收益表支銷。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Property, plant and equipment (continued)

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost to their residual values over their estimated useful lives, as follows:

Buildings	5-10%
Leasehold improvements	20% or over lease terms, whichever is shorter
Office furniture and equipment	18%-25%
Plant and equipment	9%-25%
Motor vehicles	18%-25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.10). Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within administrative expenses in the income statement.

If an owner occupied building becomes held for long-term yield or for capital appreciation or both, it is reclassified as investment property.

2.7 Investment properties

Property that is held for long-term yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated group, is classified as investment property. The cost of an investment property comprises its purchase price and any costs directly attributable to bringing the property to its intended use. After initial recognition, investment property is stated at cost less accumulated depreciation and impairment losses.

Depreciation is calculated using the straight line method to allocate cost of the investment property over its estimated useful lives, as follows:

Buildings	5%
-----------	----

2 重大會計政策概要(續)

2.6 物業、廠房及設備(續)

物業、廠房及設備之折舊以直線法於其估計可用年內分配其成本至剩餘價值。所採用品率如下：

樓宇	5-10%
租賃物業裝修	20%或 按租賃年期 (以較低者為準)
辦公室家具及設備	18%-25%
廠房及設備	9%-25%
汽車	18%-25%

資產之剩餘價值及可用年期會於各結算日審閱及調整(如適用)。

倘資產賬面值超過其估計可收回金額，則其賬面值將即時撇減至其可收回金額(附註2.10)。出售資收益或虧損透過比較所得款項與有關資產賬面值釐定，並於收益表之行政費用確認。

倘業主自用樓宇變為持作長期回報或資本升值或兩者，則分類為投資物業。

2.7 投資物業

持作取得長期收益或資本升值或兩者之物業，及並非由綜合集團旗下成員公司佔用之物業，均分類為投資物業。投資物業成本包括其買入價及與令物業達致其擬定用途直接有關之成本。初步確認後，投資物業按成本扣減累計折舊及減值虧損列賬。

投資物業乃按以下比率，就其估計可用年期，以直線法分配成本計算折舊：

樓宇	5%
----	----

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Investment properties (continued)

Subsequent expenditure is included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

If an investment property becomes owner occupied, it is reclassified as property, plant and equipment.

2.8 Leasehold land

Leasehold land is stated at cost less accumulated amortisation and impairment losses. Cost represents up-front prepayments made for the rights to use the land for periods varying from 40 to 50 years. Amortisation of leasehold land is expensed in the income statement on a straight-line basis over the period of the lease or when there is impairment, the impairment is expensed in the income statement.

2.9 Intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries, associated companies and joint ventures and represents the excess of the consideration transferred over the Company's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

2 重大會計政策概要(續)

2.7 投資物業(續)

其後開支僅於與項目有關之未來經濟利益可能流入本集團，以及該項目成本能可靠計量時，自資產賬面值扣除。所有其他維修及保養成本於產生之財政期間在收益表支銷。

倘投資物業成為業主自用，則重新分類為物業、廠房及設備。

2.8 租賃土地

租賃土地按成本減累計攤銷及減值虧損列賬。成本指就使用土地權利而支付之預付款項，為期40至50年。租賃土地攤銷於租期內按直線法在損益表支銷，或當出現減值，有關減值在損益表支銷。

2.9 無形資產

(a) 商譽

商譽於收購附屬公司、聯營公司及合資企業時產生，指已轉讓代價超出本集團於被收購方可識別資產淨值、負債及或然負債之權益之公平淨值及被收購方非控股權益公平值之數額。

為進行減值測試，於業務合併中收購之商譽乃分配至預期自合併協同效應受惠之各現金產生單位(或現金單位組別)。各獲分配商譽之單位或單位組別指就內部管理而言實體監察商譽之最低層面。商譽於經營分類層面監察。

商譽每年進行減值檢討，或當有事件出現或情況改變顯示可能出現減值時，作出更頻密檢討。商譽賬面值與可收回金額作比較，可收回金額為使用價值與公平值扣減出售成本之較高者。任何減值即時確認為開支，且其後不會撥回。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Intangible assets (continued)

(b) *Brand name, customer list and contracts, patents and in-progress technology*

Acquired brand name, customer list and contracts, patents and in-progress technology are shown at historical cost. Brand name, customer list and contracts, patent and in-progress technology acquired in a business combination are recognised at fair value at the date of acquisition. They have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over their estimated useful lives (2 – 5 years).

(c) *Software*

Acquired software are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (five years). Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

2.10 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation, which are at least tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2 重大會計政策概要(續)

2.9 無形資產(續)

(b) *品牌、顧客名單及合約、專利及研發中技術*

所收購品牌、顧客名單及合約、專利及研發中技術按歷史成本列賬。業務合併中收購的品牌、顧客名單及合約、專利及研發中技術於收購日期按公平值確認。其有限定可使用年期，並按成本扣減累計攤銷列賬。攤銷利用直線法將其成本分攤至其估計可使用年期(2至5年)計算。

(c) *軟件*

購入的軟件根據購買及使用該特定軟件所引起的成本撥充資本。有關成本按其估計可用年期(五年)攤銷。與開發或維修電腦軟件程式相關的成本已確認於產生時支銷。

2.10 非金融資產之減值

並無可用期限的資產毋須攤銷，惟此等資產每年均作出至少一次減值測試。如發生任何可能導致未能收回資產賬面值的事項或情況變化，則會檢討資產是否已減值。減值虧損為資產賬面值超越其可收回價值之數額。可收回金額為資產公平值扣減出售成本後之價值，與其使用價值之間的較高者。就評估資產減值而言，本集團按可個別可識別其現金流量(現金產生單位)的最低水平劃分資產類別。除商譽外，已蒙受減值的非金融資產在每個報告日期均就減值是否可以撥回進行檢討。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Financial assets and liabilities

Classification:

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The Group's and the Company's financial liabilities are classified as "financial liabilities at fair value through profit or loss" and "other financial liabilities at amortised cost".

Details of classifications and measurements are as follows:

(a) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

(b) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'trade, other receivables and deposits', 'long term deposits', 'restricted cash', 'short term bank deposits' and 'cash and cash equivalents' in the balance sheet.

2 重大會計政策概要(續)

2.11 金融資產及負債

分類:

本集團把金融資產分為以下幾類：按公平值計入溢利或損益、貸款及應收款項以及可供出售。分類視乎購入金融資產之目的。管理層在初步確認時決定金融資產的分類。

本集團及本公司金融負債分類為「按公平值計入溢利或虧損之金融負債」及「其他按攤銷成本列賬之金融負債」。

分類及計量之詳情如下：

(a) *按公平值計入溢利或虧損之金融資產*

按公平值計入溢利或虧損之金融資產乃持作出售的金融資產。倘收購主要旨在於短期內售出，則於此類別分類。除指定為對沖者外，衍生工具亦分類為持作出售。於此類中之資產倘預期於十二個月內結算，則分類為流動資產，否則一概分類為非流動資產。

(b) *貸款及應收款項*

貸款及應收款項為有固定或可釐定付款且並無在活躍市場上報價的非衍生金融資產。此等項目計入在流動資產內，惟倘結算或預期結算款項於報告期末後超過十二個月者，則分類為非流動資產。本集團之貸款及應收款項包括資產負債表中之「應收賬款及其他應收款項及按金」、「長期按金」、「受限制現金」、「短期銀行存款」及「現金及現金等價物」。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 2 重大會計政策概要(續)

2.11 Financial assets and liabilities (continued)

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

(d) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are initially measured at fair value. At each balance sheet date subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in the income statement in the period in which they arise.

(e) Other financial liabilities at amortised cost

Other financial liabilities at amortised cost are initially measured at fair value and subsequently measured at amortised cost, using the effective interest method. The Group's other financial liabilities at amortised cost comprise 'trade and other payables' and 'borrowings' in the balance sheet.

2.11 金融資產及負債(續)

(c) 可供出售金融資產

可供出售金融資產為被指定為此分類或並無分類為任何其他類別之非衍生工具。除非投資到期或管理層有意在報告期末十二個月內出售該項投資，否則此等資產計入非流動資產。

(d) 按公平值計入溢利或虧損之金融負債

按公平值計入溢利或虧損之金融負債初步按公平值計量。於首次確認後之每個結算日，按公平值計入溢利或虧損之金融負債按公平值計量，公平值變動直接於當期收益表確認。

(e) 其他按攤銷成本列賬之金融負債

其他按攤銷成本列賬之金融負債初步按公平值計量及，並後採用實際利率法按攤銷成本計量。本集團按攤銷成本計量的其他金融負債包括資產負債表中的「應付賬款及其他應付款項」以及「借款」。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Financial assets and liabilities (continued)

Recognition and measurement:

Regular way purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'other (loss)/gain, net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of 'other (loss)/gain, net' when the Group's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income and equity.

When securities classified as available-for-sale are sold or impaired, the fair value adjustments accumulated in equity are reclassified to the income statement as 'other (loss)/gains, net'.

Dividends on available-for-sale equity instruments are recognised in the income statement as part of 'other gains, net' when the Group's right to receive payments is established.

2 重大會計政策概要(續)

2.11 金融資產及負債(續)

確認及計量：

以日常方式買賣的金融資產於交易日確認，交易日為本集團承諾購買或出售資產之日。就所有並非按公平值計入溢利或虧損之金融資產而言，投資初步按公平值加交易成本確認。按公平值計入溢利或虧損之金融資產初步按公平值確認，交易成本則於收益表支銷。倘收取投資現金流量之權利屆滿或轉移而本集團已將絕大部分風險及所有回報權轉移，則終止確認金融資產。可供出售金融資產及按公平值計入溢利或虧損之金融資產其後按公平值列賬。貸款及應收款項其後採用實際利率法按攤銷成本列賬。

「按公平值計入溢利或虧損之金融資產」之公平值變動所產生的盈虧會於產生期間在收益表的「其他(虧損)/收益淨額」內呈列。自按公平值計入溢利或虧損之金融資產收取的股息收入在本集團確立收款權利後於收益表確認為「其他(虧損)/收益淨額」一部分。

分類為可供出售的貨幣及非貨幣證券的公平值變動於其他全面收益及權益確認。

當分類為可供出售的證券獲出售或減值時，在權益確認的累計的公平值調整將重新分類於收益表作為「其他(虧損)/收益淨額」。

當本集團確立收款權利時，可供出售權益工具的股息於收益表確認為「其他收益淨額」一部分。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.13 Impairment of financial assets

(a) *Assets carried at amortised cost*

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement.

2 重大會計政策概要(續)

2.12 抵銷金融工具

金融資產及負債於擁有合法可強制執行權利抵銷已確認金額及於擬按淨值基準結算或同時變現資產及結算負債時予以抵銷；有關淨額則於資產負債表內列賬。

2.13 金融資產減值

(a) *按攤銷成本列賬之資產*

本集團於每個報告期結束時評估是否有客觀證據證明某項金融資產或某組金融資產已減值。只有當存在客觀證據證明於首次確認資產後發生之一宗或多宗事件導致出現減值(「虧損事項」)，而該宗(或該等)虧損事項對該項或該組金融資產之估計未來現金流量構成之影響可以合理估計，有關金融資產或金融資產組別才算出現減值及產生減值虧損。

減值證據可包括債務人或一組債務人正面臨重大財務困難、違約或拖欠利息或本金、可能破產或進行其他財務重組，以及可觀察數據顯示估計未來現金流量出現可計量的減少，例如欠款數目變動或出現與違約相關的經濟狀況。

就貸款及應收款類別而言，虧損金額乃根據資產賬面值與按金融資產原實際利率貼現而估計未來現金流量(不包括仍未產生之未來信用虧損)之現值兩者之差額計量。資產賬面值予以削減，而虧損金額則在收益表確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Impairment of financial assets (continued)

(a) Assets carried at amortised cost (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

(b) Assets classified as available-for-sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work-in-progress comprises raw materials, direct labour and related production overhead. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2 重大會計政策概要(續)

2.13 金融資產減值(續)

(a) 按攤銷成本列賬之資產(續)

如在往後期間，減值虧損之金額減少，而此減少可客觀地聯繫至減值確認後才發生之事件（例如債務人之信用評級有所改善），則先前已確認減值虧損可在收益表中撥回。

(b) 分類為可供出售之資產

本集團於各報告期末時評估金融資產或一組金融資產有否出現客觀之減值證據。就分類為可供出售股本投資而言，證券公平值之大幅或持續下跌至低於其成本亦為資產出現減值之憑證。倘可供出售金融資產出現任何該等憑證，其累計虧損（收購成本與當前公平值兩者之差額扣除該金融資產先前於溢利或虧損內確認之任何減值虧損）乃自權益剔除並於收益表確認。於收益表確認的權益工具減值虧損不會透過收益表撥回。

2.14 存貨

存貨乃以成本值及可變現淨值兩者中較低者列賬。成本以加權平均方法釐定。製成品及在製品之成本包括原材料、直接工資及相關生產經常開支。變現淨值為日常業務過程中之估計售價扣除適用之可變銷售開支。

Notes to the Consolidated Financial Statements
綜合財務報表附註**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**2 重大會計政策概要**(續)**2.15 Trade and other receivables**

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within administrative expenses. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited against administrative expenses in the income statement.

2.16 Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks with original maturities of three months or less.

2.17 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.15 應收賬款及其他應收款項

應收賬款乃於日常業務過程中就銷售商品或提供服務而應收客戶之款項。倘應收賬款及其他應收款項預計將在一年或以內收回(或若更長則在業務正常經營週期內)，則分類為流動資產。否則，在非流動資產中列報。應收賬款及其他應收款項初步按公平值確認，其後利用實際利率法按攤銷成本扣除減值撥備計量。當有客觀證據顯示本集團將未能根據應收款項之原訂條款收回所有應收款項，即就應收賬款及其他應收款項進行減值撥備。債務人之重大財務困難、債務人可能破產或進行債務重組，以及拖欠或逾期付款，均被視為應收款項已減值的跡象。撥備金額為資產之賬面值與按原實際利率貼現之估計未來現金流量現值之差額。資產之賬面值通過備抵賬調減，虧損金額在收益表中行政費用內確認。當應收款項不可收回時，該金額在款項備抵賬中撇銷。其後收回早前撇銷的金額則撥回收益表中之行政費用。

2.16 現金及現金等價物

現金及現金等價物包括手頭現金及原定到期日為三個月或以下的銀行活期存款。

2.17 股本

普通股分類為權益。發行新股份或購股權直接有關的增量成本於權益列示為自所得款項扣除稅項之扣減。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.19 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the acquisition and issue of borrowings including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

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

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

2 重大會計政策概要(續)

2.18 應付賬款及其他應付款項

應付賬款為在日常業務過程中向供應商購買商品或服務而應支付之責任。如付款之支付日期在一年或以內(或若更長則在業務正常週期內)，應付款項被分類為流動負債；否則分類為非流動負債。

應付賬款及其他應付款項初步按公平值確認，其後利用實際利率法按攤銷成本計量。

2.19 借款

借款初步按公平值確認(減去所產生之交易成本)。交易成本為收購及發行借款的增量直接成本，包括支付予代理人、顧問、經紀及經銷商之費用及佣金、監管機構及證券交易所徵收之徵費，以及轉讓稅項及徵稅。借款其後按攤銷成本列賬。所得款項(扣除交易成本)與贖回價值間之任何差額，乃以實際利率法於借款期間在收益表確認。

借款歸類為流動負債，除非本集團有權無條件將債項延長至結算日後最少十二個月後清償則作別論。

可直接歸屬且需經較長時間的購建活動方能達至預定可使用或出售狀態的合資格資產購建或生產的一般及特定借款成本，計入該等資產的成本，直至該等資產達至其預定可使用或出售狀態為止。

所有其他借款成本於產生期內在溢利或虧損確認。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and an associated company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Inside basis differences

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

2 重大會計政策概要(續)

2.20 當期及遞延所得稅

當期稅項開支包括當期及遞延稅項。稅項於綜合收益表確認，除非有關稅項是關於在其他全面收益確認或直接計入權益之項目。在此情況下，稅項亦各自於其他全面收益或直接於權益內確認。

(a) 當期所得稅

當期所得稅支出根據本公司附屬公司及聯營公司營運及產生應課稅收入所在國家於結算日已頒佈或實質頒佈之稅務法例計算。管理層就適用稅務法例詮釋所規限之情況定期評估報稅表狀況，並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

(b) 遞延所得稅

內部基準差額

遞延所得稅乃就資產與負債的稅基及有關資產與負債於財務報表中賬面值兩者的暫時差額，以負債法作出全數撥備。然而，倘遞延所得稅乃產生自於交易(業務合併除外)初步確認資產或負債，而當時之交易並無影響會計或應課稅溢利或虧損，則不會列賬。遞延所得稅乃以於結算日訂明或實質訂明之稅率(及法例)釐定，並預期於變現相關遞延所得稅資產或償還遞延所得稅負債時適用。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Current and deferred income tax (continued)

(b) *Deferred income tax* (continued)

Outside basis differences

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and an associated company, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

(c) *Offsetting*

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.21 Employee benefits

(a) *Employee leave entitlements*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision, where appropriate, is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

2 重大會計政策概要(續)

2.20 當期及遞延所得稅(續)

(b) *遞延所得稅(續)*

外部基準差額

遞延所得稅就於附屬公司及聯營公司投資產生之暫時差異進行撥備，惟本集團可控制暫時差額之撥回時間而暫時差額在可預見將來有可能不會撥回的遞延所得稅除外。

(c) *抵銷*

當有合法可強制執行權利將當期稅項資產與當期稅項負債抵銷，且遞延所得稅涉及稅務機關向同一應課稅實體或不同應課稅實體徵收但擬按淨額基準結算結餘，則可將遞延所得稅資產與負債互相抵銷。

2.21 僱員福利

(a) *僱員有薪假期*

僱員獲享之年度休假在僱員可享有時確認。本集團會對僱員服務至結算日所累積之年度休假估算負債作出撥備(倘適用)。

僱員獲享之病假及產假不會確認，直至僱員休假之時。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重大會計政策概要(續)

2.21 Employee benefits (continued)

(b) Pension obligations

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "Pension Scheme") set up pursuant to the Mandatory Provident Fund Schemes Ordinance, for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the Pension Scheme. The assets of the Pension Scheme are held separately from those of the Group in an independently administrated fund. The Group's employer contributions vest fully with the employees when contributed to the Pension Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to vesting fully in the contributions, in accordance with the rules of the Pension Scheme.

The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

In addition, pursuant to the government regulations in the People's Republic of China (the "PRC"), the Group is required to contribute an amount to certain retirement benefit schemes based on approximately 7% to 20% of the wages for the year of those employees in the PRC. The local municipal government undertakes to assume the retirement benefits obligations of those employees of the Group. Contributions to these retirement benefits schemes are charged to the income statement as incurred.

2.21 僱員福利(續)

(b) 退休金責任

本集團為其所有香港僱員運作一個根據強制性公積金計劃條例設立之定額供款強制性公積金退休福利計劃(「退休計劃」)。退休計劃供款按僱員基本薪金之某個百分比計算，並於根據退休計劃規則應支付供款時在收益表扣除。退休計劃之資產與本集團資產分開持有，並由獨立管理基金保管。本集團之僱主供款在向退休計劃作出供款時悉數歸屬僱員，惟本集團作出之僱主自願供款，會按照退休計劃之規則在僱員於有關供款全數歸屬前離職時退回予本集團。

本集團於支付供款後即無其他付款責任。供款於到期時確認為僱員福利支出，並扣減僱員於供款全數歸屬前離職而被沒收之供款。預付供款於退回現金或削減未來供款時確認為資產。

此外，根據中華人民共和國(「中國」)政府之規例，本集團須按中國僱員該年度之工資約7%至20%就若干退休福利計劃作出供款，由當地市政府承擔該等本集團僱員之退休福利責任。就該等退休福利計劃作出之供款於產生時在收益表中扣除。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Employee benefits (continued)

(c) *Profit sharing and bonus plans*

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable for the year after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.22 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2 重大會計政策概要(續)

2.21 僱員福利(續)

(c) *溢利分享及花紅計劃*

本集團按照特定計算方法就花紅及溢利分享確認負債及開支，該計算方法已計入應佔年內溢利並作出若干調整。當出現合約責任或過往慣例引致推定責任時，本集團即確認撥備。

2.22 撥備

當本集團因過往事件承擔現有法律或推定責任，而解除責任很有可能導致資源流出，且金額能夠可靠計算之情況下，便會確認撥備。

倘承擔若干類似責任，於釐定解除責任是否需要流出資源時，將以整類責任類別為考慮。即使同類責任當中任何一項導致資源流出可能性甚低，亦會確認撥備。

撥備採用稅前利率按照預期需結算有關責任之支出現值計量，該利率反映當時市場對金錢時間值和有關責任固有風險的評估。隨著時間過去而增加之撥備確認為利息開支。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重大會計政策概要(續)

2.23 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value added tax, returns, rebates and discounts and after eliminating sales within the Group. Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the group's activities, as described below:

(a) Sales of goods

Sales of goods are recognised when a group entity has delivered products to the customer, the customer has accepted the products and collectibility of the related receivables is reasonably assured.

(b) Provision of services

Revenue from fixed-price contracts is recognised using the stage of completion method, measured by reference to the agreed milestones of work performed and is shown after eliminating sales within the Group.

If circumstances arise that may change the original estimates of revenues, costs or extent of progress toward completion, estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in the income statement in the period in which the circumstances that give rise to the revision become known by management.

2.24 Other Income

(a) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

(b) Lease income – operating lease

Lease income under operating lease is recognised over the term of the lease on a straight line basis.

2.23 收入確認

收入包括本集團於日常業務中銷售貨品及提供服務收回或應收之代價的公平值。所示收入已扣除增值稅、退貨、回扣及折扣，並抵銷本集團內公司間之銷售。收入於收入數額能夠可靠計量；未來經濟利益將流入有關實體；及本集團每項業務均符合具體條件時按以下方式確認：

(a) 銷售貨品

當集團旗下實體交付產品予客戶及客戶接納產品時，且合理確定可以收回相關應收款項，即確認銷售貨品收入。

(b) 提供服務

來自固定價格合約的收入乃按完成階段方法確認，經參考工作所達致的協定重要階段作出計量，並於對銷本集團內的銷售後列賬。

倘發生情況，使收入、成本或完工進度的原有估計有所變動，便會對估計作出修改。有關修改可能導致估計收入或成本增加或減少，以及在管理層得悉引致修改的情況期間在收益表中反映。

2.24 其他收入

(a) 利息收入

利息收入以實際利率法按時間比例確認。

(b) 租金收入—經營租約

經營租約項下租金收入按直線法於租期內確認。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.25 Leases (as the lessee for operating leases)

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are expensed in the income statement on a straight line basis over the period of the lease.

2.26 Government grants

Grants from the government for high-tech companies are recognised in "other income" in the income statements at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants relating to the purchase of property, plant and equipment are deducted from the carrying amount of the asset. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

2.27 Research and development

Research expenditure is expensed as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and costs can be measured reliably. Other development expenditures are expensed as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

2.28 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

2 重大會計政策概要(續)

2.25 租約(經營租約之承租人)

凡擁有權所涉及及絕大部分風險及回報由出租人保留之租約，均列作經營租約。根據經營租約所付租金在扣除來自出租人之任何優惠後，在租約年內以直線法在收益表支銷。

2.26 政府資助

倘有合理保證可收到政府資助而本集團亦將會遵行所有附帶條件時，該對高科技企業之政府資助會按公平值於收益表「其他收入」確認。

與收購物業、廠房及設備有關之政府資助會於資產賬面值扣除。有關資助會以扣減折舊法，按該須予折舊資產可用年期確認為收入。

2.27 研發

研究開支於產生時支銷。考慮其商業及技術可行性而認為該項目將成功且成本能可靠地計量時，於發展項目產生之成本(有關設計及測試新產品或改良產品)確認為無形資產。其他發展開支於產生時支銷。過往確認為開支之發展成本不會於往後期間確認為資產。

2.28 股息分派

向本公司股東分派之股息於本集團財務報表內於本公司股東或董事(如適用)批准股息期內，確認為負債。

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

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The activities of the Group exposed it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The overall risk management programme of the Group focused on the unpredictability of financial markets and sought to minimise potential adverse effects on the financial performance of the Group.

Risk management was carried out by the Executive Directors. The Directors identified and evaluated financial risks in close co-operation with the operating units of the Group.

(i) Market risk

(a) Foreign exchange risk

The Group's foreign currency transactions are mainly denominated in Renminbi ("RMB"), HK\$, Japanese Yen ("JPY") and US dollar ("US\$"). The majority of assets and liabilities are denominated in RMB, HK\$, JPY and US\$, and there are no significant assets and liabilities denominated in other currencies. The Group is subject to foreign exchange rate risk arising from future commercial transactions and recognised assets and liabilities which are denominated in a currency other than HK\$, JPY or RMB, which are the functional currencies of the major operating companies within the Group. As a result of the acquisition of Merchant Support during the year (Note 36), the Group is exposed to foreign exchange risk arising from JPY. The Group currently does not hedge its foreign currency exposure.

3 財務風險管理

3.1 財務風險因素

本集團的活動面對多種財務風險：市場風險(包括外幣風險、公平值利率風險、現金流量利率風險與價格風險)、信貸風險及流動資金風險。本集團的整體風險管理計劃針對財務市場難以預測的特性，並盡量減低對本集團財務表現的潛在不利影響。

執行董事負責風險管理。董事透過與本集團營運單位緊密合作，識別及評估財務風險。

(i) 市場風險

(a) 外匯風險

本集團主要以人民幣、港元、日圓(「日圓」)及美元計值進行外匯交易。資產及負債大部分以人民幣、港元、日圓及美元計值。本集團並無其他貨幣定值之重大資產及負債。本集團面對並非以港元、日圓或人民幣(為本集團內主要營運公司之功能貨幣)計值之未來商業交易及已確認資產及負債所產生之外匯風險。由於年內收購 Merchant Support(附註36)，本集團面對以日圓所產生之外幣風險。本集團現時並無對沖其外匯風險。

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

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(i) Market risk (continued)

(a) Foreign exchange risk (continued)

As HK\$ is pegged to US\$, management believes that the exchange rate risk for translations between HK\$ and US\$ do not have material impact to the Group. The exchange rate of RMB to HK\$ is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates.

For companies with HK\$ as their functional currency

At 31 December 2011, if RMB had weakened/strengthened by 5% against the HK\$ with all other variables held constant, post-tax loss from continuing operations for the year would have been approximately HK\$1,907,000 higher/lower (2010: post-tax loss from continuing operations for the year would have been HK\$1,522,000 higher/lower), mainly as a result of the foreign exchange difference on translation of RMB denominated current account with group companies which have foreign currency other than HK\$.

As at 31 December 2011, if JPY had weakened/strengthened by 1% against the HK\$ with all other variables held constant, post-tax loss from continuing operations for the year would have been approximately HK\$1,955,000 higher/lower, mainly a result of the foreign exchange difference on translation of JPY denominated receivables. There was no material exposure to fluctuation in exchange rate between HK\$ and JPY during the year ended 31 December 2010.

3 財務風險管理(續)

3.1 財務風險因素(續)

(i) 市場風險(續)

(a) 外匯風險(續)

由於港元與美元掛鈎，故管理層認為港元與美元進行換算之匯率風險對本集團並無重大影響。人民幣兌港元須遵守中國政府頒佈之外匯管制規則及規例。本集團透過密切監控外幣匯率之變動來控制其外幣風險。

就以港元為其功能貨幣之公司

於二零一一年十二月三十一日，若人民幣兌港元貶值／升值5%，其他所有變數維持不變，年內持續經營業務除稅後虧損將上升／下跌約1,907,000港元（二零一零年：年內持續經營業務除稅後虧損將上升／下跌1,522,000港元），主要由於兌換以人民幣計值之與集團公司之往來賬（以港元以外之外幣計值）產生匯兌差額。

於二零一一年十二月三十一日，若日圓兌港元貶值／升值1%，其他所有變數維持不變，年內持續經營業務除稅後虧損將上升／下跌約1,955,000港元，主要由於兌換以日圓計值之應收款項產生匯兌差額。截至二零一零年十二月三十一日止年度，港元及日圓概無重大匯率波動風險。

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

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(i) Market risk (continued)

(a) Foreign exchange risk (continued)

For companies with RMB as their functional currency

At 31 December 2011, if HK\$ had weakened/strengthened by 5% against the RMB with all other variables held constant, post-tax loss from continuing operations for the year would have been approximately HK\$325,000 lower/higher (2010: post-tax loss from continuing operations for the year would have been HK\$1,954,000 higher/lower), mainly as a result of the foreign exchange difference on translation of HK\$ denominated cash and cash equivalents trade and other receivables and borrowings as well as the current accounts with group companies.

At 31 December 2011, if US\$ had weakened/strengthened by 5% against the RMB with all other variables held constant, post-tax loss from continuing operations for the year would have been approximately HK\$1,090,000 higher/lower (2010: post-tax loss from continuing operations for the year would have been HK\$596,000 higher/lower), mainly as a result of the foreign exchange difference on translation of US\$ denominated cash and cash equivalents and trade and other receivables as well as the current account with group companies.

(b) Price risk

The Group is exposed to equity securities price risk because investments held by the Group are classified on the consolidated balance sheet either as available-for-sale or at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the investment portfolio is continuously reviewed and carefully monitored in accordance with the limits set by the Executive Directors.

3 財務風險管理(續)

3.1 財務風險因素(續)

(i) 市場風險(續)

(a) 外匯風險(續)

就以人民幣為其功能貨幣之公司

於二零一一年十二月三十一日，若港元兌人民幣貶值／升值5%，其他所有變數維持不變，年內持續經營業務除稅後虧損將下跌／上升約325,000港元（二零一零年：年內持續經營業務除稅後虧損將上升／下跌1,954,000港元），主要由於兌換以港元計值之現金及現金等價物、應收賬款及其他應收款項、貸款以及與集團公司之往來賬產生匯兌差額。

於二零一一年十二月三十一日，若美元兌人民幣貶值／升值5%，其他所有變數維持不變，年內持續經營業務除稅後虧損將上升／下跌約1,090,000港元（二零一零年：年內持續經營業務除稅後虧損將上升／下跌596,000港元），主要由於兌換以美元計值之現金及現金等價物以及應收賬款及其他應收款項及與集團公司之往來賬產生匯兌差額。

(b) 價格風險

由於本集團所持投資在綜合資產負債表分類為可供出售或按公平值計入溢利或虧損，故本集團面對權益證券價格風險。為管理權益證券投資產生之價格風險，本集團按照執行董事制定之限制，持續審閱及審慎監控投資組合。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(i) Market risk (continued)

(c) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group has no significant interest-bearing assets, except for cash placed with banks.

At 31 December 2011, if interest rates on all interest-bearing cash and cash equivalents had been 100 basis points higher/lower with all other variables held constant, post-tax loss for the year of the Group would have been HK\$11,660,000 lower/higher (2010: post-tax loss from continuing operations for the year would have been HK\$12,803,000 lower/higher) due to interest income earned on market interest rate.

As at 31 December 2011, the Group's borrowings are all issued at fixed rates which expose the Group to fair value interest rate risk. Management considers the fair value exposure of the fixed rate borrowings is insignificant to the Group (2010: same).

(ii) Credit risk

The Group is exposed to credit risk in relation to its trade and other receivables, and deposits with banks.

The carrying amounts of trade and other receivables, restricted cash, short-term bank deposits, cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets.

3 財務風險管理(續)

3.1 財務風險因素(續)

(i) 市場風險(續)

(c) 現金流及公平值利率風險

本集團的收入及經營現金流量大部分不受市場利率變動影響，而本集團亦無重大計息資產(存於銀行的現金除外)。

於二零一一年十二月三十一日，若所有計息現金及現金等價物之利率下降/上升100個基點，而其他所有變數維持不變，本集團年內除稅後虧損將下跌/上升11,660,000港元(二零一零年：年內持續經營除稅後虧損下跌/上升12,803,000港元)，乃由於市場利率賺取之利息收入所致。

於二零一一年十二月三十一日，本集團之借款全部按固定利率作出，令本集團承受公平值利率風險。管理層認為本集團就固定利率借款承受之公平值風險並不重大(二零一零年：相同)。

(ii) 信貸風險

本集團承受與其應收賬款及其他應收款項以及銀行存款有關的信貸風險。

應收賬款及其他應收款項、受限制現金、短期銀行存款、現金及現金等價物之賬面值乃本集團面對與金融資產有關之最大信貸風險。

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

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(ii) Credit risk (continued)

To manage this risk, deposits are mainly placed with state-owned financial institutions and reputable banks. The Group has policies in place to ensure that sales are made to reputable and credit-worthy customers with an appropriate financial strength, credit history and appropriate percentage of down payments. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews regularly the authorisation of credit limits to individual customers and recoverable amount of each individual trade receivables to ensure that adequate impairment losses are made for irrecoverable amounts.

The Group has concentration of credit risk. Sales of goods and services to the largest customer accounted for 25% (2010: 42%) for the total revenue, and top five customers constituted 54% of the Group's turnover for the year ended 31 December 2011 (2010: 51%).

(iii) Liquidity risk

With prudent liquidity risk management, the Group aims to maintain sufficient cash and cash equivalents and ensure the availability of funding through an adequate amount of available financing, including short-term bank loans. Due to the dynamic nature of the underlying businesses, the Group's finance department maintains flexibility in funding by maintaining adequate amount of cash and cash equivalents and flexibility in funding through having available sources of financing.

3 財務風險管理(續)

3.1 財務風險因素(續)

(ii) 信貸風險(續)

為控制該風險，存款主要存入國有金融機構及有良好信譽的銀行。本集團制定政策以確保銷售予擁有相當財政實力、信用歷史及支付適當百分比首期付款的信譽良好客戶。本集團亦制定其他監控程序以確保採取跟進措施收回逾期債務。此外，本集團定期審閱個別客戶的信用限額授權及每項個別應收賬款的可收回金額，以確保已就不可收回款項計提充分的減值虧損。

本集團有信貸集中風險。向最大客戶銷售的貨物及服務佔本集團截至二零一一年十二月三十一日止年度總收入的25% (二零一零年：42%)，五大客戶則構成本集團營業額54% (二零一零年：51%)。

(iii) 流動資金風險

透過審慎的流動資金風險管理，本集團致力維持充足的現金及現金等價物，或透過充足融資金額(包括短期銀行貸款)取得資金。由於有關業務的多變性質，本集團的融資部門透過維持充足的現金及現金等價物以及可動用融資來源維持資金的靈活性。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(iii) Liquidity risk (continued)

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to interest bearing bank deposits with appropriate maturities to manage its overall liquidity position. As at 31 December 2011, the Group maintained cash at bank and on hand of HK\$1,167,201,000 (2010: HK\$1,281,616,000) that is expected to be readily available to meet the cash outflows of its financial liabilities.

The table below analyses the Company's and the Group's non-derivative financial liabilities into relevant maturity grouping based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Group

		Less than 1 year 少於一年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2011	於二零一一年十二月三十一日		
Borrowings	借款	24,547	24,547
Trade and other payables	應付賬款及其他應付款項	368,624	368,624
Total	總計	393,171	393,171
At 31 December 2010	於二零一零年十二月三十一日		
Borrowings	借款	23,354	23,354
Trade and other payables	應付賬款及其他應付款項	365,698	365,698
Total	總計	389,052	389,052

3 財務風險管理(續)

3.1 財務風險因素(續)

(iii) 流動資金風險(續)

經營實體持有超過營運資金管理所需之現金盈餘，將撥入具有適當期限之計息銀行存款以管理其整體流動資金狀況。於二零一一年十二月三十一日，本集團之銀行存款及手頭現金為1,167,201,000港元(二零一零年：1,281,616,000港元)，預期足以應付其金融負債之現金流出。

下表根據結算日餘下期間至合約到期日的分析，將本公司及本集團的非衍生金融負債分為有關到期日組別。該表所披露的金額為合約未貼現現金流。由於貼現的影響不大，故於十二個月內到期的結餘相等於其賬面結餘。

本集團

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

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(iii) Liquidity risk (continued)

Company

		Less than 1 year 少於一年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2011	於二零一一年十二月三十一日		
Other payables and accruals	其他應付款項及應計款項	1,952	1,952
At 31 December 2010	於二零一零年十二月三十一日		
Other payables and accruals	其他應付款項及應計款項	25,655	25,655

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total borrowings divided by total equity. Management considers the gearing ratios as at 31 December 2011 and 2010 as reasonable.

3.2 資本風險管理

本集團管理資本的目的為保障本集團繼續以持續經營方式為權益所有人提供回報以及為其他利益相關者帶來利益，並且維持最佳資本結構以減少資金成本。

為維持或調整資本結構，本集團可調整向股東支付股息的金額、向股東退回股本、發行新股份或出售資產以減少債項。

本集團根據資本負債比率監控資本。資本負債比率乃按借款總額除以權益總額計算。管理層認為於二零一一年及二零一零年十二月三十一日的資本負債比率屬合理。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Capital risk management (continued)

The gearing ratios as at 31 December 2011 and 2010 were as follows:

		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Total borrowings	借款總額	23,445	22,490
Total equity	總權益	2,939,042	3,167,806
Gearing ratio (%)	資本負債比率(百分比)	0.8	0.7

3.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

3 財務風險管理(續)

3.2 資本風險管理(續)

於二零一一年及二零一零年十二月三十一日之資本負債比率如下：

		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Total borrowings	借款總額	23,445	22,490
Total equity	總權益	2,939,042	3,167,806
Gearing ratio (%)	資本負債比率(百分比)	0.8	0.7

3.3 公平值估計

下表分析以估值法按公平值列賬的金融工具。已確定的不同等級如下：

- 相同資產或負債的活躍市場報價(未經調整)(第一級)。
- 除包含於第一級的報價外，資產或負債的可觀察直接(即價格)或間接(即源自價格者)輸入資料(第二級)。
- 並非根據可觀察市場資料而釐定的資產或負債的輸入資料(即不可觀察的輸入資料)(第三級)。

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

3 FINANCIAL RISK MANAGEMENT (continued)

3 財務風險管理(續)

3.3 Fair value estimation (continued)

The following table presents the Group's assets that were measured at fair value at 31 December 2011.

3.3 公平值估計(續)

下表呈列本集團於二零一一年十二月三十一日按公平值計量的資產。

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產				
Financial assets at fair value through profit or loss	按公平值計入溢利或虧損之金融資產				
– Trading securities	– 證券買賣	495	–	–	495
– Collective investment scheme	– 集合投資計劃	9,996	–	–	9,996
Available-for-sale financial asset	可供出售金融資產				
– Equity securities	– 權益證券	–	–	23,800	23,800
Total	合計	10,491	–	23,800	34,291

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

The following table presents the Group's assets that were measured at fair value at 31 December 2010.

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產				
Financial assets at fair value through profit or loss	按公平值計入溢利或虧損之金融資產				
– Trading securities	– 證券買賣	568	–	–	568
– Collective investment scheme	– 集合投資計劃	12,330	–	–	12,330
Available-for-sale financial asset	可供出售金融資產				
– Equity securities	– 權益證券	–	–	23,500	23,500
Total	合計	12,898	–	23,500	36,398

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

在活躍市場買賣的金融工具之公平值根據結算日的市場報價計算。倘市場報價可從交易所、交易商、經紀、行業組織、定價服務或監管機構隨時及定期查詢，且為實際及定期進行的公平市場交易報價，則有關市場視為活躍市場。本集團所持金融資產的市場報價為當時買盤價，有關工具按第一級計量。

3 財務風險管理(續)

3.3 公平值估計(續)

下表呈列本集團於二零一零年十二月三十一日按公平值計量的資產。

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

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value level 3 financial instruments include techniques such as discounted cash flow analysis.

In applying the discounted cash flow technique, management has taken into account the estimated amount that the Group would receive to sell the instrument at the balance sheet date, taking into account current interest rates and the current credit worthiness of the counterparties. Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market related rate for a similar instrument at the balance sheet date.

There were no significant transfers of financial assets between the fair value hierarchy classifications during the year.

3 財務風險管理(續)

3.3 公平值估計(續)

並非於活躍市場內買賣之金融工具(如場外衍生工具)以估值技術釐定公平值。該等估值技術盡量採用可觀察市場數據(如有),並盡量減少依賴實體之特定估計。若工具之公平值所需之所有重大數據均為可觀察數據,有關之工具則計入第二級。

若一項或多項重大數據並非以可觀察之市場數據為準,有關之工具將計入第三級。

用以就第三級金融工具估值之特定估值技術包括貼現現金流量分析等技術。

應用貼現現金流量技術時,管理層已計及本集團會收取以於結算日出售的估計金額、現時利率以及對手方現時信用狀況。倘運用貼現現金流量技術,估計未來現金流量按管理層於結算日的最佳估計及與類似工具相關的市場貼現率作出。

年內,概無公平值等級分類間之金融資產進行重大轉讓。

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

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

The following table presents the changes in level 3 financial instruments for the years ended 31 December 2011 and 2010:

		Available- for-sale financial assets 可供出售 金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 1 January 2011	於二零一一年一月一日	23,500	23,500
Fair value gain on revaluation recognised in other comprehensive income	於其他全面收益確認之重估公平值收益	300	300
As at 31 December 2011	於二零一一年十二月三十一日	23,800	23,800
Total gain/(loss) for the year included in the income statement for assets held at the end of the year	於年終就所持資產計入收益表的年內總收益/(虧損)	-	-
As at 1 January 2010	於二零一零年一月一日	23,400	23,400
Fair value gain on revaluation recognised in other comprehensive income	於其他全面收益確認之重估公平值收益	100	100
As at 31 December 2010	於二零一零年十二月三十一日	23,500	23,500
Total gain/(loss) for the year included in the income statement for assets held at the end of the year	於年終就所持資產計入收益表的年內總收益/(虧損)	-	-

3 財務風險管理(續)

3.3 公平值估計(續)

下表呈列截至二零一一年及二零一零年十二月三十一日止年度第三級金融工具之變動：

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements used in preparing the financial statements are evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Income taxes and deferred taxation

Significant judgement is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred tax provision in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different.

(b) Contract revenue recognition

According to the accounting policies of fixed price contracts as stated in note 2.23, the Group uses the “percentage of completion method” to determine the appropriate revenues, costs and work-in-progress (“WIP”) to be recognised in a given period. The stage of completion is measured by reference to the service performed and accepted by the customers up to the balance sheet date as a percentage of total services to be performed.

Upon applying the percentage of completion method, the Group needs to estimate the gross profit margin of each contract, which is determined based on the estimated total contract costs and total contract sum. If the actual gross profit margin of each contract differs from the management’s estimates, the contract cost and WIP to be recognised within the next year will need to be adjusted accordingly.

4 關鍵會計估計及判斷

用於編製財務報表之估計及判斷，乃基於過往經驗及其他因素，包括預期日後在有關情況下相信合理出現之事件而作出。本集團作出有關未來之估計及假設。顧名思義，所作會計估計甚少與有關之實際結果相同。下文討論的估計及假設可能會對下一個財政年度資產與負債之賬面值造成重大影響。

(a) 所得稅及遞延稅項

對所得稅釐定撥備時，需要作出重大判斷。在日常業務過程中，許多交易及計算之最終釐定未能確定。當最終稅款結果與最初記賬金額不同時，有關差額將影響釐定期間之所得稅和遞延稅項撥備。

當管理層認為將來很有可能應課稅溢利以抵銷暫時性差額或可使用稅務虧損時，有關若干暫時性差額及稅務虧損之遞延稅項資產予以確認。實際使用之結果可能不同。

(b) 合約收入確認

根據固定價格合約之會計政策(如附註2.23列示)，本集團採用「完成百分比法」釐定在某段期間內應確認的適當收入、成本及在建工程(「在建工程」)。完成階段參考截至結算日止已進行並獲客戶接納之服務，佔應進行服務總額之百分比計算。

當應用完工百分比法時，本集團需要估計各合約之毛利率，其按估計合約總成本和合約總造價決定。倘若各合約之實際毛利率與管理層之估計不同，下一年度確認之合約成本及在建工程將需要作出相應調整。

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(b) **Contract revenue recognition** (continued)

In addition, the Directors of the Company are of the opinion that, except for the provision made, there were no expected losses, where the estimated total contract costs exceed the total estimated contract revenue, and needed to be recognised in the income statement.

(c) **Impairment of receivables**

The Executive Directors determine the provision for impairment of trade and other receivables based on the credit history of its customers and the current market condition. The Directors reassess the provision periodically.

(d) **Estimated impairment of intangible assets**

The Group tests annually for impairment of goodwill in accordance with accounting policy as stated in note 2.10. The recoverable amounts of cash-generating units have been determined based on the higher of the fair value less costs to sell and value-in-use calculation of the underlying assets.

An impairment charge of HK\$154,836,000 was made in the Group's payment solutions CGU during the year, resulting in the carrying amount of the CGU being written down to its recoverable amount. Full provision was made against the goodwill and intangible assets of this operation. Please refer to note 18 for more details.

(e) **Impairment of investment in an associated company**

The Group determines at each reporting date whether there is any objective evidence that the investment in the associated company is impaired. The recoverable amount is determined as the higher of the associated company's fair value less costs to sell or its value in use. Please refer to note 21 for more details.

4 關鍵會計估計及判斷(續)

(b) 合約收入確認(續)

此外，本公司董事認為，除已作出之撥備外，預計並無損失(即估計合約總成本超過估計合約總收入)需於收益表中確認。

(c) 應收款項減值

執行董事基於其客戶的信貸記錄及現行市況，釐定應收賬款及其他應收款項的減值撥備。董事定期重新評估撥備。

(d) 無形資產減值估計

本集團遵照附註2.10所述之會計政策就商譽減值進行年度測試。現金產生單位之可收回金額乃按相關資產之公平值減銷售成本與使用價值兩者中之較高者釐定。

由於現金產生單位之賬面值撇減至其可收回金額，於年內在本集團支付解決方案之現金產生單位產生減值費用154,836,000港元。該業務之商譽及無形資產獲全數撥備。詳情請參閱附註18。

(e) 於一間聯營公司投資減值

本集團於每個報告日期釐定於聯營公司的投資是否存在任何客觀減值證據。可收回金額為聯營公司的公平值減出售成本與使用價值兩者的較高者。詳情請參閱附註21。

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

5 REVENUE, OTHER INCOME, OTHER (LOSS)/
GAINS, NET

- (i) Subsequent to the Spin-off on 20 December 2010, the Group focuses its activities on the provision of telecommunication solutions, provision of financial solutions, provision of payment solutions and sales of electronic power meters and solutions. For the presentation of the consolidated financial statements for the year ended 31 December 2010, the POS terminal solutions business was regarded as “discontinued operation” (Note 37).
- (ii) Revenue, other income and other (loss)/gains, net recognised during the year are as follows:

5 收入、其他收入及其他(虧損)/
收益淨額

- (i) 於二零一零年十二月二十日進行分拆後，本集團之主要業務為提供電訊解決方案、提供金融解決方案、提供支付解決方案以及銷售電能計量產品及解決方案。對於呈列截至二零一零年十二月三十一日止年度之綜合財務報表，POS終端機解決方案業務被視為「已終止經營業務」(附註37)。
- (ii) 於年內已確認之收入、其他收入及其他(虧損)/收益淨額如下：

For the year ended
31 December
截至十二月三十一日止年度

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Continuing operations	持續經營業務		
Turnover	營業額		
Provision of telecommunication solutions	提供電訊解決方案	177,204	349,569
Provision of financial solutions	提供金融解決方案	178,077	141,542
Provision of payment solutions	提供支付解決方案	48,363	39,971
Sales of electronic power meters and solutions	銷售電能計量產品及解決方案	419,149	370,439
Provision of payment settlement services (Note)	提供支付結算服務 (附註)	15,881	—
		838,674	901,521
Other income	其他收入		
Interest income	利息收入	9,495	9,973
Value added tax refund	退還增值稅	—	1,059
Subsidy income	補貼收入	3,406	3,640
Rental income	租金收入	2,040	1,003
Others	其他	1,131	1,282
		16,072	16,957

Note: This represented revenue earned from the provision of payment settlement services in Japan.

附註：此乃來自於日本之支付結算服務收入。

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

5 REVENUE, OTHER INCOME, OTHER (LOSS)/ 5 收入、其他收入及其他(虧損)/
GAINS, NET (continued) 收益淨額(續)

		For the year ended 31 December 截至十二月三十一日止年度	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Other (loss)/gains, net	其他(虧損)/收益淨額		
(Loss)/gain on disposal of financial assets at fair value through profit or loss	出售按公平值計入溢利或虧損之金融資產之(虧損)/收益	(28)	6,328
Dividend income on financial assets at fair value through profit or loss	按公平值計入溢利或虧損之金融資產之股息收入	16	376
Fair value (loss)/gain on financial assets at fair value through profit or loss	按公平值計入溢利或虧損之金融資產之公平值(虧損)/收益	(2,365)	209
Loss on dilution of interests in an associated company (Note 21)	於一間聯營公司權益攤薄虧損(附註21)	(1,885)	-
		(4,262)	6,913
Turnover, other income and other (loss)/gains, net, from continuing operations	來自持續經營業務之營業額、其他收入及其他(虧損)/收益淨額	850,484	925,391

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

5 REVENUE, OTHER INCOME, OTHER (LOSS)/ 5 收入、其他收入及其他(虧損)/
GAINS, NET (continued) 收益淨額(續)

For the year ended
31 December
截至十二月三十一日止年度

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Discontinued operation	已終止經營業務		
Turnover	營業額		
Provision of POS terminal solutions	提供POS終端機解決方案	—	687,458
<hr/>			
Other income	其他收入		
Interest income	利息收入	—	927
Value added tax refund	退還增值稅	—	16,295
Others	其他	—	795
<hr/>			
		—	18,017
<hr/>			
Turnover and other income from discontinued operation	來自己終止經營業務之營業額及其他收入	—	705,475

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 SEGMENT INFORMATION

Management has determined the operating segments based on the internal reports reviewed by the Executive Directors that are used to make strategic decisions.

The Executive Directors consider the business from a product perspective.

The Group is organised into four main operating segments for continuing operations in these internal reports.

Continuing operations:

- (a) Telecommunication solutions – principally engaged in the provision of telecommunication platform operation services and operation value-added services;
- (b) Financial solutions – principally engaged in the provision of information system consultancy and integration services and sales of information technology products to financial institutions and banks;
- (c) Payment solutions – principally engaged in the provision of mobile payment platform operation services and mobile and wireless payment solutions and services; and
- (d) Electronic power meters and solutions – principally engaged in the manufacturing and sales of electronic power meters, data collection terminals and provision of information system consultancy services; and the research and development of low voltage power line carrier wave communication technology (“PLC”).

6 分類資料

管理層根據執行董事審閱以作出策略決定之內部報告而釐定業務分類。

執行董事從產品角度考慮業務。

本集團的持續經營業務，按內部報告分為四大類。

持續經營業務：

- (a) 電訊解決方案—主要從事提供電訊平台運營服務及運營增值服務；
- (b) 金融解決方案—主要從事向財務機構及銀行提供資訊系統諮詢及集成服務和銷售資訊科技產品；
- (c) 支付解決方案—主要從事提供移動付款平台運營服務以及移動與無線付款解決方案及服務；及
- (d) 電能計量產品及解決方案—主要從事產銷電能計量產品、數據收集終端及提供資訊系統諮詢服務；及研究及開發低壓電力線載波通信技術（「PLC」）。

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

6 SEGMENT INFORMATION (continued)

Discontinued operation:

POS terminal solutions – principally engaged in the development and sale of POS products and provision of related services.

An analysis of the Group's revenues and results for the year by operating segment is as follows:

6 分類資料(續)

已終止經營業務：

POS終端機解決方案—主要從事開發及銷售POS產品並提供相關服務。

本集團年內按業務分類之收入及業績分析如下：

		Continuing operations 持續經營業務					Total Group 集團總計
		Telecom- munication solutions 電訊解決 方案 HK\$'000 千港元	Financial solutions 金融解決 方案 HK\$'000 千港元	Payment solutions 支付解決 方案 HK\$'000 千港元	Electronic power meters and solutions 電能計量 產品及解決 方案 HK\$'000 千港元	Others 其他 HK\$'000 千港元	
Year ended 31 December 2011	截至二零一一年十二月三十一日 止年度						
Segment turnover	分類營業額	177,204	212,079	48,493	419,149	15,881	872,806
Inter-segment turnover	分類間營業額	-	(34,002)	(130)	-	-	(34,132)
Turnover from external customers	來自外部客戶之營業額	177,204	178,077	48,363	419,149	15,881	838,674
Segmental earning/(loss) before interest expense, taxes, depreciation and amortisation ("EBITDA") before impairment of intangible assets	扣除無形資產減值前之分類 除利息支出、稅項、折舊及 攤銷前溢利/(虧損) (「EBITDA」)	20,855	16,603	(84,690)	(43,900)	(24,089)	(115,221)
Impairment of intangible assets	無形資產減值	-	-	(154,836)	-	-	(154,836)
Segmental EBITDA	分類EBITDA	20,855	16,603	(239,526)	(43,900)	(24,089)	(270,057)
Depreciation	折舊	(9,177)	(16,409)	(3,516)	(6,953)	(3,364)	(39,419)
Amortisation	攤銷	-	-	(8,760)	(7,318)	-	(16,078)
Segmental operating profit/(loss)	分類經營溢利/(虧損)	11,678	194	(251,802)	(58,171)	(27,453)	(325,554)
Unallocated other income	未分配其他收入						3,052
Unallocated corporate expenses	未分配企業開支						(41,042)
Share of profit of an associated company	應佔一間聯營公司溢利						77,809
Finance costs	融資成本						(1,796)
Loss before income tax	除所得稅前虧損						(287,531)
Income tax credit	所得稅抵免						7,809
Loss for the year	年內虧損						(279,722)

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

6 SEGMENT INFORMATION (continued)

6 分類資料(續)

		Continuing operations					Total	Discontinued operation	Total Group
		Telecom- munication solutions	Financial solutions	Payment solutions	Electronic power meters and solutions	Others		已終 止 經 營 業 務	
		電訊解決 方案	金融解決 方案	支付解決 方案	電能計量 產品及 解決方案	其他	POS terminal solutions POS 終端機 解決方案	集團總計	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Year ended 31 December 2010	截至二零一零年 十二月三十一日止年度								
Segment turnover	分類營業額	349,569	186,402	39,971	370,439	-	946,381	687,458	1,633,839
Inter-segment turnover	分類間營業額	-	(44,860)	-	-	-	(44,860)	-	(44,860)
Turnover from external customers	來自外部客戶之營業額	349,569	141,542	39,971	370,439	-	901,521	687,458	1,588,979
Segmental EBITDA before impairment of intangible assets	扣除無形資產減值前之分類 EBITDA	70,897	18,353	(72,554)	(89,611)	(13,814)	(86,729)	159,046	72,317
Impairment of intangible assets	無形資產減值	-	-	-	(29,593)	-	(29,593)	-	(29,593)
Segmental EBITDA	分類EBITDA	70,897	18,353	(72,554)	(119,204)	(13,814)	(116,322)	159,046	42,724
Depreciation	折舊	(10,732)	(17,560)	(1,912)	(8,374)	(417)	(38,995)	(2,496)	(41,491)
Amortisation	攤銷	-	-	(6,282)	(6,856)	-	(13,138)	(5)	(13,143)
Segmental operating profit/(loss)	分類經營溢利/(虧損)	60,165	793	(80,748)	(134,434)	(14,231)	(168,455)	156,545	(11,910)
Gain on disposal of subsidiaries	出售附屬公司之收益						-	966,028	966,028
Unallocated other income	未分配其他收入						10,256	-	10,256
Unallocated corporate expenses	未分配企業開支						(67,458)	-	(67,458)
Share of profit of an associated company	應佔一間聯營公司溢利						6,860	-	6,860
Finance costs	融資成本						(473)	-	(473)
(Loss)/profit before income tax	除所得稅前(虧損)/溢利						(219,270)	1,122,573	903,303
Income tax credit/(expense)	所得稅抵免/(開支)						1,742	(26,097)	(24,355)
(Loss)/profit for the year	年內(虧損)/溢利						(217,528)	1,096,476	878,948

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

6 SEGMENT INFORMATION (continued)

The segment assets and liabilities at 31 December 2011 and additions to non-current assets for the year ended 31 December 2011 are as follows:

6 分類資料(續)

於二零一一年十二月三十一日之分類資產及負債與截至二零一一年十二月三十一日止年度之非流動資產的添置如下：

		Continuing operations 持續經營業務							Total Group
		Telecom- munication solutions	Financial solutions	Payment solutions	Electronic power meters and solutions	Others	Unallocated	Elimination	
		電訊解決方案	金融解決 方案	支付解決 方案	電能計量 產品及 解決方案	其他	未分配	抵銷	集團總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
As at 31 December 2011	於二零一一年 十二月三十一日								
Segment assets	分類資產	571,290	151,581	177,802	636,540	277,485	2,157,571	(579,760)	3,392,509
Segment liabilities	分類負債	(36,612)	(62,417)	(286,468)	(350,538)	(292,295)	(4,897)	579,760	(453,467)
Year ended 31 December 2011	截至二零一一年 十二月三十一日止年度								
Additions to non-current assets (excluding long-term deposits, interest in an associated company and available-for- sale financial asset)	非流動資產之添置 (不包括長期按金、 應佔一間聯營公司之 權益及可供出售 金融資產)	3,777	408	7,206	11,447	14,162	21	-	37,021

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

6 SEGMENT INFORMATION (continued)

The segment assets and liabilities at 31 December 2010 and additions to non-current assets for the year ended 31 December 2010 are as follows:

6 分類資料(續)

於二零一零年十二月三十一日之分類資產及負債與截至二零一零年十二月三十一日止年度之非流動資產的添置如下：

	Continuing operations								Discontinued operation		Total Group
	Telecom- solutions	Financial solutions	Payment solutions	Electronic power meters and solutions	Others	Unallocated	Elimination	Total	POS terminal solutions	已終止 經營業務	
	電訊解決 方案	金融解決 方案	支付解決 方案	電能計量 產品及解決 方案	其他	未分配	抵銷	總計	POS 終端機 解決方案	集團總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
As at 31 December 2010	於二零一零年十二月三十一日										
Segment assets	分類資產	541,728	162,622	226,345	694,884	11,620	2,136,466	(116,296)	3,657,369	-	3,657,369
Segment liabilities	分類負債	(38,650)	(60,383)	(113,239)	(359,700)	(5,959)	(27,928)	116,296	(489,563)	-	(489,563)
Year ended 31 December 2010	截至二零一零年十二月三十一日止年度										
Additions to non-current assets (excluding long-term deposits, interest in an associated company and available-for- sale financial asset)	非流動資產之添置 (不包括長期按金、 應佔一間聯營公司之 權益及可供出售 金融資產)	15,669	5,605	163,177	15,457	4,201	3,389	-	207,498	4,554	212,052

Additions to non-current assets comprises additions to property, plant and equipment and intangible assets including additions resulting from acquisition through business combinations.

Revenues of approximately HK\$212,983,000 (2010: HK\$377,069,000) are derived from a single external customer. These revenues are attributable to the telecommunication solutions segment of HK\$164,636,000 (2010: HK\$337,110,000) and payment solutions segment of HK\$48,347,000 (2010: HK\$39,959,000) in the PRC.

非流動資產的添置包括對物業、廠房及設備及無形資產的添置，包括透過業務合併進行收購產生的添置。

收入中約 212,983,000 港元(二零一零年：377,069,000 港元)產生自單一外部客戶。該等收入分別來自中國的電訊解決方案分類為 164,636,000 港元(二零一零年：337,110,000 港元)以及支付解決方案分類為 48,347,000 港元(二零一零年：39,959,000 港元)。

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

6 SEGMENT INFORMATION (continued)

Information provided to the Executive Directors is measured in a manner consistent with that of the financial statements. These assets and liabilities are allocated based on the operations of the segment.

Sales between segments are carried out at normal commercial terms. The revenue from external parties reported to the Executive Directors is measured in a manner consistent with that in the consolidated income statement.

The Group is principally domiciled in Hong Kong, Japan and Mainland China. The Group's turnover by geographical location, which is determined by the location in which the turnover are generated from, is as follows:

6 分類資料(續)

向執行董事提供之資料採用與財務報表一致的方法計量。該等資產及負債按分類的業務而分配。

分類間之銷售按一般商業條款進行。向執行董事匯報自外部客戶之收入採用與綜合收益表一致的方法計量。

本集團主要於香港、日本及中國大陸註冊。本集團按地區之營業額按該營業額產生之地區載列如下：

		For the year ended 31 December 截至十二月三十一日止年度	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Continuing operations	持續經營業務		
Mainland China	中國大陸	802,560	881,860
Hong Kong	香港	20,233	19,661
Japan	日本	15,881	-
		838,674	901,521
Discontinued operation	已終止經營業務		
Mainland China	中國大陸	-	529,688
Hong Kong	香港	-	154,461
US	美國	-	3,309
		-	687,458

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

6 SEGMENT INFORMATION (continued)

The Group's non-current assets (excluding long term deposits, interest in an associated company and available-for-sale financial asset) and current assets by geographical location, which is determined by the geographical location in which the asset is located, is as follows:

6 分類資料(續)

本集團按該資產所在地之非流動資產(不包括長期按金、應佔一間聯營公司之權益及可供出售金融資產)及流動資產按地區載列如下:

		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Non-current assets	非流動資產		
Mainland China	中國大陸	237,268	407,105
Hong Kong	香港	2,485	3,487
Japan	日本	11,962	–
		251,715	410,592
Current assets	流動資產		
Mainland China	中國大陸	854,756	1,033,908
Hong Kong	香港	627,485	902,059
Japan	日本	258,548	–
		1,740,789	1,935,967

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

7 EXPENSES BY NATURE

Expenses included in cost of sales, selling expenses, administrative expenses and impairment of intangible assets are analysed as follows:

7 以性質區分之開支

於銷售成本、銷售開支、行政費用及無形資產減值計入之開支，分析如下：

		For the year ended 31 December 截至十二月三十一日止年度	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Auditor's remuneration	核數師酬金	2,880	2,659
Depreciation of property, plant and equipment (Note 16)	物業、廠房及設備折舊 (附註16)	40,447	39,736
Depreciation of investment properties (Note 15)	投資物業折舊(附註15)	150	108
Amortisation of leasehold land (Note 17)	租賃土地攤銷(附註17)	1,031	1,073
Amortisation of intangible assets (Note 18)	無形資產攤銷(附註18)	15,807	12,825
Employee benefit expense (including Directors' emoluments) (Note 9)	僱員福利開支(包括董事酬金)(附註9)	343,400	287,574
Costs of inventories sold (Note 22)	售出存貨成本(附註22)	424,371	371,636
Operating lease rentals in respect of land and buildings	土地及樓宇之經營租約租金	23,483	26,676
Operating lease rentals in respect of equipment	設備之經營租約租金	22,505	13,200
Research and development costs	研究及開發成本	105,510	111,432
Gain on disposal of property, plant and equipment and leasehold land	出售物業、廠房及設備與租賃土地之收益	(1,243)	(5,073)
Provision for impairment of trade receivables, net	應收賬款減值撥備淨額	1,458	8,083
(Write back of provision)/provision for inventories	存貨(撥回撥備)/撥備	(5,784)	523
Impairment of intangible assets (Note 18)	無形資產減值(附註18)	154,836	29,593

8 NET FOREIGN EXCHANGE GAIN

The net foreign exchange gain recognised in the income statement and included in administrative expenses for the year ended 31 December 2011 amounted to HK\$12,645,000 (2010: HK\$5,004,000).

8 外匯淨收益

截至二零一一年十二月三十一日止年度，於收益表中確認入且計入行政費用之外匯淨收益達12,645,000港元(二零一零年：5,004,000港元)。

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

9 EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) 9 僱員福利開支(包括董事酬金)

		For the year ended 31 December 截至十二月三十一日止年度	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Wages and salaries	工資及薪金	297,115	251,658
Pension costs and social security costs	退休金成本及社會保障成本	46,252	35,916
Employee share option scheme of a subsidiary (Note 27(b))	一間附屬公司之僱員購股權計劃(附註27(b))	33	–
		343,400	287,574

Notes:

(a) **Directors' emoluments**
There was no arrangement under which a Director waived or agreed to waive any emolument during the year (2010: Nil).

The Directors' emoluments for the year are equivalent to key management compensation (2010: same). The remuneration of each Director for the year ended 31 December 2011 is set out below:

附註:

(a) **董事酬金**
年內並無董事放棄或同意放棄任何酬金安排(二零一零年:無)。

年內董事酬金相當於主要管理層的補償(二零一零年:相同)。截至二零一一年十二月三十一日止年度,每名董事的酬金如下:

Name of Director	董事姓名	Fees 袍金 HK\$'000 千港元	Salary 薪金 HK\$'000 千港元	Discretionary bonus 酌情花紅 HK\$'000 千港元	Employer's contribution to pension scheme 僱主之退休金 計劃供款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Executive Directors 執行董事						
Cheung Yuk Fung	張玉峰	360	–	–	4	364
Kui Man Chun	渠萬春	–	1,680	–	12	1,692
Xu Wensheng	徐文生	–	1,202	–	12	1,214
Li Wenjin	李文晉	–	1,080	–	12	1,092
Xu Chung Jun	徐昌軍	–	872	–	12	884
		360	4,834	–	52	5,246
Non-Executive Directors 非執行董事						
Yang Lei, Raymond (Note)	楊鍾(附註)	108	–	–	–	108
Chang Kai-Tzung, Richard	張楷淳	120	–	–	–	120
		228	–	–	–	228
Independent Non-Executive Directors 獨立非執行董事						
Tam Chun Fai	譚振輝	100	–	–	–	100
Leung Wai Man, Roger	梁偉民	100	–	–	–	100
Xu Sitao	許思濤	100	–	–	–	100
		300	–	–	–	300
		888	4,834	–	52	5,774

Note: Mr. Yang Lei, Raymond ceased to be a non-executive director of the Company on 26 November 2011.

附註: 楊鍾先生於二零一一年十一月二十六日離任本公司非執行董事。

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

9 EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (continued)

Notes: (continued)

(a) Directors' emoluments (continued)

The remuneration of each Director for the year ended 31 December 2010, is set out below:

Name of Director	董事姓名	Fees 袍金 HK\$'000 千港元	Salary 薪金 HK\$'000 千港元	Discretionary bonus 酌情花紅 HK\$'000 千港元	Employer's contribution to pension scheme 僱主之退休金 計劃供款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Executive Directors 執行董事						
Cheung Yuk Fung	張玉峰	360	-	-	12	372
Kui Man Chun	渠萬春	-	1,680	2,000	12	3,692
Xu Wensheng	徐文生	-	1,163	1,400	12	2,575
Li Wenjin	李文晉	-	1,080	1,250	12	2,342
Xu Chung Jun	徐昌軍	-	842	950	12	1,804
		360	4,765	5,600	60	10,785
Non-Executive Directors 非執行董事						
Yang Lei, Raymond	楊鑑	120	-	-	-	120
Chang Kai-Tzung, Richard	張楷淳	120	-	-	-	120
		240	-	-	-	240
Independent Non-Executive Directors 獨立非執行董事						
Tam Chun Fai	譚振輝	100	-	-	-	100
Leung Wai Man, Roger	梁偉民	100	-	-	-	100
Xu Sitao	許思濤	100	-	-	-	100
		300	-	-	-	300
		900	4,765	5,600	60	11,325

9 僱員福利開支(包括董事酬金)
(續)

附註:(續)

(a) 董事酬金(續)

截至二零一零年十二月三十一日止年度,每名董事的酬金如下:

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

9 EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (continued)

Notes: (continued)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year included three Directors (2010: four). The emoluments payable to the remaining two (2010: one) individuals during the year are as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	2,650	1,932
Pension cost – defined contribution plan	退休金成本 – 一定額供款計劃	158	22
		2,808	1,954

The emoluments fall within the following band:

酬金介乎下列組別：

		Number of individuals 人數	
		2011 二零一一年	2010 二零一零年
HK\$1,000,001 – HK\$1,500,000	1,000,001港元 – 1,500,000港元	2	–
HK\$1,500,001 – HK\$2,500,000	1,500,001港元 – 2,500,000港元	–	1
		2	1

10 FINANCE COSTS

10 融資成本

For the year ended

31 December

截至十二月三十一日止年度

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Interest on bank borrowings	銀行借款利息	1,796	473

9 僱員福利開支(包括董事酬金)
(續)

附註：(續)

(b) 五名最高薪人士

本集團本年度五名最高薪人士包括三名董事(二零一零年：四名)。本年度應付餘下二名(二零一零年：一名)人士之酬金載列如下：

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

11 INCOME TAX CREDIT

Hong Kong profits tax has been provided at the rate of 16.5% (2010: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

11 所得稅抵免

香港利得稅為以年內估計應課稅溢利按稅率16.5%(二零一零年:16.5%)計算。海外溢利稅項則以年內估計應課稅溢利,按本集團營運所在國家當時之稅率計算。

For the year ended
31 December
截至十二月三十一日止年度

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Current tax	現時稅項		
– Hong Kong profits tax	– 香港利得稅	–	–
– Overseas taxation	– 海外稅項	4,020	9,855
Deferred tax	遞延稅項	(10,348)	(2,948)
Adjustments in respect of prior years	過往年度調整	(1,481)	(8,649)
Income tax credit	所得稅抵免	(7,809)	(1,742)

Notes to the Consolidated Financial Statements

綜合財務報表附註

11 INCOME TAX CREDIT (continued)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

11 所得稅抵免(續)

本集團除所得稅前溢利的稅項與採用適用於綜合實體溢利的加權平均稅率所計算的理論稅額之差額如下：

		For the year ended 31 December 截至十二月三十一日止年度	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Loss before income tax	除所得稅前虧損	(287,531)	(219,270)
Tax calculated at domestic tax rates applicable to loss in the respective countries	按於各個國家產生虧損之適用當地稅率計算之稅項稅率變動之影響	(62,111)	(43,192)
Income not subject to taxation	毋須課稅收入	(19,698)	(3,575)
Expenses not deductible for taxation purposes	就課稅而言不可扣稅之開支	32,383	9,689
Utilisation of previously unrecognised tax losses	動用過往未確認之稅項虧損	(90)	—
Tax losses for which no deferred income tax was recognised	並無遞延稅獲確認之稅項虧損	43,188	43,985
Adjustments in respect of prior years	過往年度調整	(1,481)	(8,649)
Tax credit	稅項抵免	(7,809)	(1,742)

The weighted average applicable tax rate was 21.6% (2010: 19.7%). The change is caused by a change in the profitability mix of the Group's subsidiaries in the respective countries.

加權平均適用稅率為21.6%(二零一零年：19.7%)。變動原因乃本集團之附屬公司於相關國家之盈利能力組合出現變動所致。

12 LOSS ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY

The loss attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$16,562,000 (2010: HK\$52,056,000).

12 本公司權益持有人應佔虧損

本公司權益持有人應佔虧損16,562,000港元(二零一零年：52,056,000港元)於本公司財務報表處理。

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

13 DIVIDENDS

No dividend has been paid or declared by the Company during the year (2010: Nil).

14 (LOSS)/EARNINGS PER SHARE

(a) **Basic**

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

13 股息

年內，本公司並無派付或宣派任何股息（二零一零年：無）。

14 每股(虧損)/溢利

(a) **基本**

每股基本(虧損)/溢利乃按本公司權益持有人應佔(虧損)/溢利除年內已發行普通股加權平均數計算。

For the year ended
31 December
截至十二月三十一日止年度

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
(Loss)/profit attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔(虧損)/溢利(千港元)		
– Continuing operations	– 持續經營業務	(255,493)	(190,981)
– Discontinued operation	– 已終止經營業務	–	1,041,256
		(255,493)	850,275
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數(千股)	2,673,430	2,673,430
Basic (loss)/earnings per share (HK\$ per share)	每股基本(虧損)/溢利(每股港元)		
– Continuing operations	– 持續經營業務	(0.096)	(0.071)
– Discontinued operation	– 已終止經營業務	–	0.389
		(0.096)	0.318

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

14 (LOSS)/EARNINGS PER SHARE (continued)

(b) Diluted

Diluted (loss)/earnings per share is calculated by adjusting the number of ordinary shares outstanding to assume conversion of all potentially dilutive shares. The Company has two categories of potentially dilutive shares: convertible preference shares issued by a subsidiary and share options issued by a subsidiary. The convertible preference shares issued by a subsidiary are assumed to be converted into ordinary shares of the Company and share options are assumed to be fully vested and exercised into ordinary shares of that subsidiary.

Diluted loss per share for the year ended 31 December 2011 is the same as the basic loss per share (2010: same) as the conversion of potential ordinary shares in relation to the outstanding convertible preference shares issued by a subsidiary (Note 35(a)) and share options issued by a subsidiary would have an anti-dilutive effect to the basic loss per share.

14 每股(虧損)/溢利(續)

(b) 攤薄

每股攤薄(虧損)/溢利乃按轉換所有潛在攤薄股份之假設而調整發行在外普通股數目計算。本公司擁有兩類潛在攤薄股份：一間附屬公司發行之可換股優先股以及一間附屬公司發行之購股權。一間附屬公司發行之可換股優先股乃假設可轉換為本公司普通股，購股權則假設將悉數歸屬及獲行使至該附屬公司之普通股。

截至二零一一年十二月三十一日止年度之每股攤薄虧損與本年每股基本虧損相同(二零一零年：相同)，此乃因轉換與一間附屬公司發行之發行在外可換股優先股(附註35(a))以及一間附屬公司發行之購股權有關之潛在普通股將會對每股基本虧損產生反攤薄影響。

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

15 INVESTMENT PROPERTIES

15 投資物業

		Group 本集團 Buildings 樓宇 HK\$'000 千港元	Company 本公司 Buildings 樓宇 HK\$'000 千港元
At 1 January 2010	於二零一零年一月一日		
Cost	成本	2,153	5,157
Accumulated depreciation	累計折舊	(326)	(784)
Net book amount	賬面淨值	1,827	4,373
Year ended 31 December 2010	截至二零一零年 十二月三十一日止年度		
Opening net book amount	期初賬面淨值	1,827	4,373
Transfer from property, plant and equipment (Note 16)	轉自物業、廠房及設備(附註16)	719	-
Depreciation	折舊	(108)	(258)
Closing net book amount	期終賬面淨值	2,438	4,115
At 31 December 2010	於二零一零年十二月三十一日		
Cost	成本	3,055	5,157
Accumulated depreciation	累計折舊	(617)	(1,042)
Net book amount	賬面淨值	2,438	4,115
Year ended 31 December 2011	截至二零一一年 十二月三十一日止年度		
Opening net book amount	期初賬面淨值	2,438	4,115
Transfer from property, plant and equipment (Note 16)	轉自物業、廠房及設備(附註16)	121	-
Depreciation	折舊	(150)	(258)
Closing net book amount	賬面淨值	2,409	3,857
At 31 December 2011	於二零一一年十二月三十一日		
Cost	成本	3,217	5,157
Accumulated depreciation	累計折舊	(808)	(1,300)
Net book amount	期終賬面淨值	2,409	3,857
Fair value (Note)	公平值(附註)	9,193	14,732

Note:

The fair value of the investment properties located at Level 15 to 17, Yindu Building, No. 67 Fu Cheng Road, Haidian District, Beijing City, PRC (北京市海澱區阜成路67號銀都大廈15-17樓) as at 31 December 2011 was assessed by the independent and professionally qualified valuer, Asset Appraisal Limited, based on current prices in an active market.

附註:

於二零一一年十二月三十一日，位於北京市海澱區阜成路67號銀都大廈15-17樓之投資物業之公平價值，由獨立專業合資格估值師資產評估顧問有限公司，按於活躍市場之現行價格估值。

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

15 INVESTMENT PROPERTIES (continued)

All depreciation expense during the year has been all charged to administrative expense (2010: same).

Interests in investment properties at their net book values are analysed as follows:

15 投資物業(續)

年內所有折舊開支已全數計入行政費用(二零一零年：相同)。

投資物業權益按賬面淨值分析如下：

	Group 本集團		Company 本公司	
	As at 31 December 於十二月三十一日		As at 31 December 於十二月三十一日	
	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Outside Hong Kong, held on: Leases of between 10 to 50 years				
香港境外： 按10至50年租約持有	2,409	2,438	3,857	4,115

The following amounts have been recognised in the income statement:

以下金額已於收益表內確認：

		Group 本集團	
		For the year ended 31 December 截至十二月三十一日止年度	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Rental income	租金收入	1,981	1,003
Direct operating expenses arising from investment property that generated rental income	帶有租金收入之投資物業所產生之直接經營開支	(554)	(400)

There were no direct operating expenses arising from investment property that did not generate rental income during the year.

年內，並無帶有租金收入之投資物業並無產生任何直接經營開支。

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

15 INVESTMENT PROPERTIES (continued)

The period of leases whereby the Group and the Company leases out its investment properties under operating leases ranged from 1 to 2 years.

At 31 December 2011, the future aggregate minimum rentals receivables under non-cancellable operating leases are as follows:

15 投資物業(續)

本集團及本公司根據經營租約租出其投資物業之租期介乎1年至2年。

於二零一一年十二月三十一日，根據不可撤銷經營租約之未來最低應收租金總額如下：

		Group 本集團	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Not later than 1 year	不超過一年	1,416	710

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

16 PROPERTY, PLANT AND EQUIPMENT

16 物業、廠房及設備

		Group 本集團					Total
		Buildings	Leasehold improvements	Office furniture and equipment	Plant and equipment	Motor vehicles	
		樓宇	租賃物業裝修	辦公室家具及設備	廠房及設備	汽車	總計
		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
At 1 January 2010	於二零一零年一月一日						
Cost	成本	53,360	5,820	157,155	24,651	17,287	258,273
Accumulated depreciation	累計折舊	(7,871)	(5,346)	(98,075)	(11,806)	(9,441)	(132,539)
Net book amount	賬面淨值	45,489	474	59,080	12,845	7,846	125,734
Year ended	截至二零一零年						
31 December 2010	十二月三十一日止年度						
Opening net book amount	期初賬面淨值	45,489	474	59,080	12,845	7,846	125,734
Additions	添置	-	11,614	16,124	5,614	10,041	43,393
Transfer to investment properties (Note 15)	轉往投資物業(附註15)	(719)	-	-	-	-	(719)
Acquisition of subsidiaries	收購附屬公司	-	765	1,157	-	66	1,988
Disposals (Note 32(b))	出售(附註32(b))	(4,795)	-	(378)	(74)	(502)	(5,749)
Depreciation	折舊	(3,243)	(1,759)	(28,639)	(3,612)	(4,979)	(42,232)
Disposed as a part of the discontinued operation	作為已終止經營業務一部分之出售	(3,743)	(149)	(4,463)	(485)	(2,461)	(11,301)
Exchange realignment	匯兌調整	1,804	311	2,403	663	438	5,619
Closing net book amount	期終賬面淨值	34,793	11,256	45,284	14,951	10,449	116,733
At 31 December 2010	於二零一零年十二月三十一日						
Cost	成本	41,266	16,979	167,117	29,281	21,036	275,679
Accumulated depreciation	累計折舊	(6,473)	(5,723)	(121,833)	(14,330)	(10,587)	(158,946)
Net book amount	賬面淨值	34,793	11,256	45,284	14,951	10,449	116,733
Year ended	截至二零一一年						
31 December 2011	十二月三十一日止年度						
Opening net book amount	期初賬面淨值	34,793	11,256	45,284	14,951	10,449	116,733
Additions	添置	-	738	14,284	9,377	823	25,222
Transfer to investment properties (Note 15)	轉往投資物業(附註15)	(121)	-	-	-	-	(121)
Acquisition of a subsidiary (Note 36)	收購一間附屬公司(附註36)	-	-	4,279	-	-	4,279
Disposals (Note 32(b))	出售(附註32(b))	-	-	(115)	-	-	(115)
Depreciation	折舊	(2,372)	(4,278)	(27,017)	(3,381)	(3,399)	(40,447)
Exchange realignment	匯兌調整	1,353	358	1,831	773	318	4,633
Closing net book amount	期終賬面淨值	33,653	8,074	38,546	21,720	8,191	110,184
At 31 December 2011	於二零一一年十二月三十一日						
Cost	成本	42,767	17,617	191,055	40,105	17,498	309,042
Accumulated depreciation	累計折舊	(9,114)	(9,543)	(152,509)	(18,385)	(9,307)	(198,858)
Net book amount	賬面淨值	33,653	8,074	38,546	21,720	8,191	110,184

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

16 PROPERTY, PLANT AND EQUIPMENT (continued)

Depreciation expense of HK\$22,678,000 (2010: HK\$26,564,000) has been expensed in cost of sales, HK\$1,049,000 (2010: HK\$635,000) expensed in selling expenses and HK\$16,720,000 (2010: HK\$12,537,000) expensed in administrative expenses, respectively.

As at 31 December 2011, bank borrowings and banking facilities of RMB37,000,000 (approximately HK\$45,656,000) were secured by buildings with a net book value of HK\$27,836,000 (Note 30).

As at 31 December 2010, bank borrowings of RMB19,000,000 (approximately HK\$22,490,000) were secured on buildings with a total net book value of HK\$16,254,000 (Note 30).

17 LEASEHOLD LAND

The Group's interests in leasehold land represent operating lease prepayments and their net book amounts are analysed as follows:

16 物業、廠房及設備(續)

折舊開支中22,678,000港元(二零一零年：26,564,000港元)已於銷售成本中支銷、1,049,000港元(二零一零年：635,000港元)於銷售開支支銷；及16,720,000港元已於行政費用支銷(二零一零年：12,537,000港元)。

於二零一一年十二月三十一日，銀行借款及銀行信貸人民幣37,000,000元(約45,656,000港元)以賬面淨值27,836,000港元的樓宇作抵押(附註30)。

於二零一零年十二月三十一日，銀行借款人民幣19,000,000元(約22,490,000港元)乃由賬面淨值總額16,254,000港元之樓宇作抵押(附註30)。

17 租賃土地

本集團於租賃土地的權益相當於預繳經營租約款項，其賬面淨值分析如下：

		Group 本集團		Company 本公司	
		As at 31 December 於十二月三十一日		As at 31 December 於十二月三十一日	
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Outside Hong Kong, held on:	香港境外：				
Leases of between	按10至50年之				
10 to 50 years	租約持有	38,277	38,826	26,549	27,309

Notes to the Consolidated Financial Statements

綜合財務報表附註

17 LEASEHOLD LAND (continued)

The movement of the net book amount for leasehold land is as follows:

17 租賃土地(續)

租賃土地之賬面淨值變動如下：

		Group 本集團		Company 本公司	
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Opening net book amount	年初賬面淨值	38,826	42,007	27,309	28,068
Amortisation	攤銷	(1,031)	(1,078)	(760)	(759)
Disposals (Note 32(b))	出售(附註32(b))	–	(2,462)	–	–
Disposed as a part of the discontinued operation	作為已終止經營 業務一部分之出售	–	(231)	–	–
Exchange realignment	匯兌調整	482	590	–	–
Closing net book amount	期終賬面淨值	38,277	38,826	26,549	27,309

During the year, amortisation expense of HK\$57,000 (2010: HK\$54,000) has been expensed in cost of sales and HK\$974,000 (2010: HK\$1,019,000) in administrative expenses, respectively.

年內，57,000港元(二零一零年：54,000港元)之攤銷費用乃於銷售成本支銷及有974,000港元(二零一零年：1,019,000港元)之行政費用。

As at 31 December 2011, bank borrowings and banking facilities of RMB37,000,000 (approximately HK\$45,656,000) were secured by leasehold land with a total net carrying amount of HK\$10,944,000 (Note 30).

於二零一一年十二月三十一日，銀行借款及銀行信貸人民幣37,000,000元(約45,656,000港元)乃由賬面淨值總額10,944,000港元之租賃土地作抵押(附註30)。

As at 31 December 2010, bank borrowings of RMB19,000,000 (approximately HK\$22,490,000) were secured on leasehold land with a total net carrying amount of HK\$3,631,000 (Note 30).

於二零一零年十二月三十一日，銀行借款人民幣19,000,000元(約22,490,000港元)乃由賬面淨值總額3,631,000港元之租賃土地作抵押(附註30)。

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

18 INTANGIBLE ASSETS

18 無形資產

		Goodwill	Brand name	Customer list and contracts	Patents and capitalised software development costs 專利及已撥充資本之軟件 開發成本	In-progress technology	Total
		商譽 HK\$'000 千港元	品牌 HK\$'000 千港元	客戶名單及合約 HK\$'000 千港元	開發成本 HK\$'000 千港元	研發中技術 HK\$'000 千港元	總額 HK\$'000 千港元
At 1 January 2010	於二零一零年一月一日						
Cost	成本	102,113	4,520	4,520	22,625	-	133,778
Accumulated amortisation	累計攤銷	-	(4,520)	(2,185)	(11,009)	-	(17,714)
Net book amount	賬面淨值	102,113	-	2,335	11,616	-	116,064
Year ended	截至二零一零年						
31 December 2010	十二月三十一日止年度						
Opening net book amount	期初賬面淨值	102,113	-	2,335	11,616	-	116,064
Acquisition of subsidiaries	收購附屬公司	119,184	-	41,226	155	6,094	166,659
Additions	添置	-	-	-	12	-	12
Amortisation charge	攤銷支出	-	-	(7,182)	(4,615)	(1,028)	(12,825)
Impairment loss	減值虧損	(29,593)	-	-	-	-	(29,593)
Exchange realignment	匯兌調整	10,127	-	1,506	438	207	12,278
Closing net book amount	期末賬面淨值	201,831	-	37,885	7,606	5,273	252,595
At 31 December 2010	於二零一零年十二月三十一日						
Cost	成本	231,424	4,735	47,542	23,874	6,328	313,903
Accumulated amortisation	累計攤銷	-	(4,735)	(9,657)	(16,268)	(1,055)	(31,715)
Accumulated impairment loss	累積減值虧損	(29,593)	-	-	-	-	(29,593)
Net book amount	賬面淨值	201,831	-	37,885	7,606	5,273	252,595
Year ended	截至二零一一年						
31 December 2011	十二月三十一日止年度						
Opening net book amount	期初賬面淨值	201,831	-	37,885	7,606	5,273	252,595
Acquisition of a subsidiary (Note 36)	收購一間附屬公司(附註36)	7,388	-	-	-	-	7,388
Additions	添置	-	-	-	132	-	132
Amortisation charge	攤銷支出	-	-	(9,693)	(4,824)	(1,290)	(15,807)
Impairment loss	減值虧損	(125,722)	-	(29,006)	(108)	-	(154,836)
Exchange realignment	匯兌調整	9,574	-	1,389	216	194	11,373
Closing net book amount	期末賬面淨值	93,071	-	575	3,022	4,177	100,845
At 31 December 2011	於二零一一年十二月三十一日						
Cost	成本	249,642	4,935	49,559	25,022	6,596	335,754
Accumulated amortisation	累計攤銷	-	(4,935)	(19,978)	(21,892)	(2,419)	(49,224)
Accumulated impairment loss	累積減值虧損	(156,571)	-	(29,006)	(108)	-	(185,685)
Net book amount	賬面淨值	93,071	-	575	3,022	4,177	100,845

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

18 INTANGIBLE ASSETS (continued)

During the year, amortisation expense of HK\$5,864,000 (2010: HK\$5,412,000) has been expensed in cost of sales and HK\$9,943,000 (2010: HK\$7,413,000) in administrative expenses, respectively.

Impairment tests for goodwill

Goodwill is allocated to the Group's CGUs identified according to operating segment. As at 31 December 2011, goodwill of HK\$85,303,000 and HK\$7,768,000 are allocated to the electronic power meters and solutions segment, and arising from the acquisition of Merchant Support respectively.

As at 31 December 2010, goodwill of HK\$81,228,000 and HK\$120,603,000 are allocated to the electronic power meters and solutions segment and payment solutions segment, respectively.

The recoverable amount of a CGU is determined based on the higher of the fair value less costs to sell and value-in-use calculation. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Management prepared its budget within the five-year period using the estimated growth rates stated below. 3% growth rate is used to extrapolate cash flows beyond the five-year period. The growth rate does not exceed the long-term average growth rate for the countries for electronic power meters and solutions segment and for Merchant Support, respectively.

18 無形資產(續)

年內，5,864,000 港元(二零一零年：5,412,000 港元)之攤銷費用乃於銷售成本支銷及有 9,943,000 港元(二零一零年：7,413,000 港元)之行政費用。

商譽減值測試

商譽按照業務分類撥歸所識別之本集團現金產生單位。於二零一一年十二月三十一日，商譽 85,303,000 港元及 7,768,000 港元分別撥歸至電能計量產品及解決方案分類以及收購 Merchant Support 產生的業務。

於二零一零年十二月三十一日，商譽 81,228,000 港元及 120,603,000 港元已分別撥歸電能計量產品及解決方案分類以及支付解決方案分類。

現金產生單位之可收回款額基於公平值減出售成本與使用價值的較高者之計算釐定。該等計算根據管理層所批准之五年期財政預算案採用稅前現金流量預測進行計算。管理層編製的五年期內預算則採用下述估計增長率進行。五年期後現金流量之增長率推斷為 3%。增長率分別不會超過電能計量產品及解決方案分類所在國家及 Merchant Support 的長期平均增長率。

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

18 INTANGIBLE ASSETS (continued)

Impairment tests for goodwill (continued)

The key assumptions used for calculations in 2011 and 2010 are as follows:

Electronic power meters and solutions segment:

		2011 二零一一年	2010 二零一零年
Gross margin	毛利率	20–25%	12–21%
Compound annual growth rate	複合年增長率	30%	20%
Pre-tax discount rate	稅前貼現率	19.18%	20.67%

Payment solutions segment:

		2011 二零一一年	2010 二零一零年
Compound annual growth rate	複合年增長率	-3–9.4%	85%
Pre-tax discount rate	稅前貼現率	17.32%	20.39%

Merchant Support:

		2011 二零一一年
Compound annual growth rate	複合年增長率	30%
Pre-tax discount rate	稅前貼現率	29%

Management determined budgeted gross margin based on past performance and its expectations of the market development. The compound annual of growth rate used are consistent with the forecasts of the market. The discount rate used is pre-tax and reflects specific risks relating to the segment.

18 無形資產(續)

商譽減值測試(續)

二零一一年及二零一零年之計算法所採用關鍵假設如下：

電能計算產品及解決方案分類：

支付解決方案分類：

Merchant Support：

管理層按照過往表現及其對市況發展之預期釐定預算毛利率。所採用之複合年增長率與市場預測一致。所採用之貼現率為稅前，並反映分類相關之特定風險。

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

18 INTANGIBLE ASSETS (continued)

Impairment tests for goodwill (continued)

At year end 31 December 2011, the Group revised its cash flow forecasts of the payment solutions segment. Due to changes in market conditions and loss suffered by the payment solutions segment, goodwill of HK\$125,722,000 and other intangible assets of HK\$29,114,000 were considered impaired by the management on this segment during the year ended 31 December 2011.

For the electronic power meters and solutions segment, the recoverable amount calculated based on value-in-use exceeded carrying value as at 31 December 2011. A reduction in compound annual growth rate to 25.8% would remove the remaining headroom.

Due to changes in market conditions and loss suffered by the electronic power meters and solutions segment, goodwill of HK\$29,593,000 was considered impaired by the management on the electronic power meters and solutions segment during the year ended 31 December 2010.

For the goodwill arising from the acquisition of Merchant Support, the recoverable amount calculated based on value-in-use exceeded carrying value as at 31 December 2011. A decrease in compound annual growth rate to 25.5% would remove the remaining headroom.

18 無形資產(續)

商譽減值測試(續)

於截至二零一一年十二月三十一日止年度，本集團修訂其支付解決方案分類之現金流量預測。因市況變動及支付解決方案分類錄得虧損，截至二零一一年十二月三十一日止年度，此分類之商譽125,722,000港元及其他無形資產29,114,000港元已被管理層視為減值。

於二零一一年十二月三十一日，就電能計算產品及解決方案分類而言，基於使用金額計算得出之可收回金額超出賬面值。複合年增長率減少至25.8%將抵銷現有差額。

因市況變動及電能計量及解決方案錄得虧損，截至二零一零年十二月三十一日止年度內，電能計量及解決方案分類中29,593,000港元之商譽已被管理層視為減值。

就收購Merchant Support所產商譽而言，於二零一一年十二月三十一日按使用價值計算的可收回金額超過賬面值。複合年增長率下降至25.5%會消除剩餘差額。

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

19 AVAILABLE-FOR-SALE FINANCIAL ASSET

The Group's available-for-sale financial asset includes equity securities with the following details:

19 可供出售金融資產

本集團可供出售金融資產包括權益證券，詳情如下：

		Group 本集團		Company 本公司	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
At 1 January	於一月一日	23,500	23,400	23,500	23,400
Fair value gain on revaluation	重估之公平值收益	300	100	300	100
At 31 December	於十二月三十一日	23,800	23,500	23,800	23,500
Unlisted investment outside Hong Kong	香港境外之非上市投資	23,800	23,500	23,800	23,500

Available-for-sale financial asset is denominated in US\$. The fair value of unlisted security is based on future free cash flows attributable to shareholders discounted using a discount rate based on the risk free interest rate and the risk premiums attributable to the underlying investment.

可供出售金融資產以美元計值。非上市證券之公平值是根據股東應佔未來可動用之現金流量採用無風險利率以及相關投資獨有之風險溢價貼現計算。

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

20 INVESTMENTS IN SUBSIDIARIES AND DUE FROM/
TO SUBSIDIARIES 20 於附屬公司之投資及應收/
應付附屬公司款項

		Company 本公司 As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Investments at cost, unlisted shares	非上市股份，按投資成本	755,737	771,357
Amount due from subsidiaries (Note)	應收附屬公司款項(附註)	310,247	110,085
Less: Provision for impairment	減：減值撥備	(39,695)	(39,695)
		270,552	70,390
Amount due to a subsidiary (Note)	應付一間附屬公司款項(附註)	528,839	528,844

Note:

The balances with subsidiaries are unsecured, interest free, and repayable on demand.

The following is a list of the principal subsidiaries at 31 December 2011:

附註：

與附屬公司之來往結餘為無抵押、免息及須於索還時償付。

於二零一一年十二月三十一日，主要附屬公司之名單如下：

Name 名稱	Place of incorporation and type of legal entity 註冊成立地點及法定實體類別	Principal activities and place of operation 主要業務及營業地點	Particulars of issued share capital/registered capital 已發行股本/註冊資本詳情	Interest held 所持權益
Hi Sun Development Management Limited 高陽拓業管理有限公司	Hong Kong, limited liability company 香港，有限公司	Provision of management services in Hong Kong 在香港提供管理服務	2 ordinary shares of HK\$1 each 2股每股面值1港元之普通股	100%
Hi Sun Technology Holding Limited 高陽科技控股有限公司	Bermuda, limited liability company 百慕達，有限公司	Provision of financial services and related products in Hong Kong 在香港提供金融服務及相關產品	168,070,000 ordinary shares of HK\$0.1 each 168,070,000股每股面值0.1港元之普通股	100%
New Concept Services Limited 新創服務有限公司	BVI, limited liability company 英屬處女群島，有限公司	Investment holding in PRC 在中國從事投資控股	250 ordinary shares of US\$1 each 250股每股面值1美元之普通股	80% ¹
Success Bridge Limited	BVI, limited liability company 英屬處女群島，有限公司	Investment holding in Hong Kong 在香港從事投資控股	9,100 ordinary shares of US\$0.001 each 900 preference shares of US\$0.001 each 9,100股每股面值0.001美元之普通股 900股每股面值0.001美元之優先股	91% ¹

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

20 INVESTMENTS IN SUBSIDIARIES AND DUE FROM/
TO SUBSIDIARIES (continued) 20 於附屬公司之投資及應收/
應付附屬公司款項(續)

Name 名稱	Place of incorporation and type of legal entity 註冊成立地點及法定實體類別	Principal activities and place of operation 主要業務及營業地點	Particulars of issued share capital/registered capital 已發行股本/註冊資本詳情	Interest held 所持權益
Beijing Hi Sun Advanced Business Solutions Information Technology Limited 北京高陽金信信息技術有限公司	PRC, limited liability company 中國·有限公司	Provision of financial solutions, services and related products in PRC 在中國提供金融解決方案服務及相關產品	HK\$100,000,000 100,000,000港元	100%
Beijing Hi Sunray Information Technology Limited 北京高陽聖圓信息技術有限公司	PRC, limited liability company 中國·有限公司	Provision of telecommunication solutions, and operation value-added services in PRC 在中國提供電訊解決方案及運營增值服務	HK\$80,000,000 80,000,000港元	91%
Hangzhou Pax Data Limited 杭州佰福數據技術有限公司	PRC, limited liability company 中國·有限公司	Research & Development in PRC 在中國從事研究及開發	HK\$30,000,000 30,000,000港元	100%
Hangzhou PAX Electricity Technology Limited 杭州百富電力技術有限公司	PRC, limited liability company 中國·有限公司	Investment holding in PRC 在中國從事投資控股	RMB27,500,000 人民幣27,500,000元	80%
Hangzhou PAX Electronic Technology Limited 杭州百富電子技術有限公司	PRC, limited liability company 中國·有限公司	Manufacturing and sales of electronic power meters and solutions in PRC 在中國生產及銷售電能計量產品及 解決方案	RMB53,400,000 人民幣53,400,000元	80%
Hunan Hisun Mobile Pay IT Limited 湖南高陽通聯信息技術有限公司	PRC, limited liability company 中國·有限公司	Provision of mobile payment solutions and services in PRC 在中國提供手機支付解決方案及服務	HK\$20,000,000 20,000,000港元	91%
Beijing Hisun Mobile Pay IT Company 北京高陽通聯信息技術有限公司	PRC, limited liability company 中國·有限公司	Provision of payment solutions and services in PRC 在中國提供支付解決方案及服務	HK\$20,000,000 20,000,000港元	71.89%
Merchant Support Co., Ltd	Japan, limited liability company 日本·有限公司	Provision of early settlement service for credit card transactions in Japan 在日本提供信用卡交易提早結算服務	JPY30,000,000 30,000,000日圓	100% ¹

¹ Shares held directly by the Company.

¹ 本公司直接持有股份。

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

21 INTEREST IN AN ASSOCIATED COMPANY

21 於一間聯營公司之權益

		Group 本集團		Company 本公司	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
At 1 January	於一月一日	1,285,714	–	316,862	–
Addition	添置	–	1,278,720	–	316,862
Share of profit	應佔溢利	77,809	6,860	–	–
Share of other comprehensive income	應佔其他全面收益	11,728	134	–	–
Dilution of interest in an associated company	於一間聯營公司權益之攤薄	(1,885)	–	–	–
At 31 December (Note)	於十二月三十一日(附註)	1,373,366	1,285,714	316,862	316,862

The results of its associated company of the Group which is listed in Hong Kong and its aggregated assets and liabilities, is set out below:

本集團於香港上市之聯營公司之業績及其總資產及負債載列如下：

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點及法定實體類別	Particular of issued share capital 已發行股本詳情	As at 31 December 2011 於二零一一年十二月三十一日		Year ended 31 December 2011 截至二零一一年十二月三十一日止年度		As at 31 December 2011 於二零一一年十二月三十一日
			Assets HK\$'000 千港元	Liabilities HK\$'000 千港元	Turnover HK\$'000 千港元	Profit HK\$'000 千港元	Effective interest held 所持有之實際權益
PAX Global 百富環球	Bermuda, limited liability company 百慕達·有限公司	1,037,728,000 ordinary shares of HK\$0.1 each 1,037,728,000股每股面值0.1港元之普通股	2,006,038	404,884	1,103,180	181,795	42.8%

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

21 INTEREST IN AN ASSOCIATED COMPANY (continued) 21 於一間聯營公司之權益(續)

Name	Place of incorporation and kind of legal entity 註冊成立地點及 法定實體類別	Particular of issued share capital 已發行股本詳情	As at		Year ended		As at
			31 December 2010 於二零一零年 十二月三十一日	31 December 2010 於二零一零年 十二月三十一日	31 December 2010 截至二零一零年 十二月三十一日止年度	31 December 2010 於二零一零年 十二月三十一日	
			Assets	Liabilities	Turnover	Profit	Effective interest held
名稱			資產	負債	營業額	溢利	所持有之 實際權益
			HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
PAX Global	Bermuda, limited liability company	1,000,000,000 ordinary shares of HK\$0.1 each	1,505,360	218,249	723,610	145,423	44.4%
百富環球	百慕達·有限公司	1,000,000,000股每股 面值0.1港元之普通股					

As at 31 December 2011, the fair value of the Group's interest in PAX Global, which is listed on The Stock Exchange of Hong Kong Limited, was HK\$728,160,000 (2010: 1,256,520,000) and the carrying amount of the Group's interest was HK\$1,373,366,000 (2010: HK\$1,285,714,000).

Note:

On 12 January 2011, PAX Global allotted and issued 37,728,000 new shares to CITIC Securities International, the global coordinator of the Spin-off, as a result of its partial exercise of the over-allotment option in relation to the Spin-off. An amount of HK\$1,885,000, being the loss between the share of net proceeds received by PAX Global and the carrying value of the interest disposed, has been recognised in income statement (Note 5).

Impairment test for interest in an associated company

As at 31 December 2011, the fair value of the investment is less than its carrying value. An impairment test was performed to determine the recoverable amount of the investment. The recoverable amount calculated based on the value-in-use exceeded the carrying value as at 31 December 2011.

於二零一一年十二月三十一日，本集團的百富環球(在香港聯合交易所有限公司上市)權益公平值為728,160,000港元(二零一零年：1,256,520,000港元)，本集團權益的賬面值為1,373,366,000港元(二零一零年：1,285,714,000港元)。

附註：

於二零一一年一月十二日，本公司之聯營公司百富環球因部分行使分拆之超額配股權，向分拆之全球協調人中信證券國際配發及發行37,728,000股新股。應佔百富環球所得款項淨額與所出售權益賬面值間1,885,000港元之虧損已於收益表中確認(附註5)。

於一間聯營公司權益之減值測試

於二零一一年十二月三十一日，投資公平值低於其賬面值。已進行減值測試以釐定投資的可收回金額。可收回金額按於二零一一年十二月三十一日超出賬面值的使用價值計算。

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

22 INVENTORIES

22 存貨

		Group 本集團	
		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Raw materials	原材料	45,565	80,627
Work-in-progress	在製品	4,386	28,350
Finished goods	製成品	71,801	59,449
		121,752	168,426

The cost of inventories recognised as an expense and included in cost of sales amounted to HK\$424,371,000 (2010: HK\$371,636,000).

確認為開支及計入銷售成本的存貨成本達 424,371,000 港元（二零一零年：371,636,000 港元）。

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

23 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS 23 應收款項及其他應收款項、預付款項及按金

		Group 本集團		Company 本公司	
		As at 31 December 於十二月三十一日		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Current portion	即期部分				
Trade receivables (Note (a))	應收賬款(附註(a))	384,905	225,296	–	–
Less: provision for impairment of receivables (Note (b))	減：應收款項減值撥備(附註(b))	(21,248)	(19,333)	–	–
Bills receivables (Note (c))	應收票據(附註(c))	–	1,308	–	–
		363,657	207,271	–	–
Prepayments, deposits and other receivables:	預付款項、按金及其他應收款項：				
Prepayments	預付款項	16,302	10,391	551	558
Deposits	按金	16,632	19,587	–	–
Others	其他	44,754	54,631	963	–
		441,345	291,880	1,514	558
Non-current portion	非即期部分				
Long-term deposits	長期按金	2,839	1,596	–	–
Total	合計	444,184	293,476	1,514	558

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

23 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (continued)

The carrying amounts of the Group's trade and other receivables, prepayments and long-term deposits are denominated in the following currencies:

23 應收款項及其他應收款項、預付款項及按金(續)

本集團之應收賬款及其他應收款項、預付款項及長期按金之賬面值乃以下列貨幣列值：

		Group 本集團		Company 本公司	
		As at 31 December 於十二月三十一日		As at 31 December 於十二月三十一日	
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
HK\$	港元	6,696	4,487	1,514	558
RMB	人民幣	294,176	287,049	-	-
US\$	美元	3,136	1,785	-	-
JPY	日圓	140,176	-	-	-
Euro	歐元	-	155	-	-
		444,184	293,476	1,514	558

Note (a):

Trade receivables

The Group's credit terms to trade debtors range from 0 to 180 days. The ageing analysis of the trade receivables was as follows:

附註(a)：

應收賬款

本集團給予貿易債務人之信貸期由0至180日不等。應收賬款之賬齡分析如下：

		As at 31 December 於十二月三十一日	
		2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元
Current to 90 days	即期至90日	259,240	157,280
91 to 180 days	91至180日	19,114	31,348
181 to 365 days	181至365日	63,780	12,100
Over 365 days	365日以上	42,771	24,568
		384,905	225,296

As at 31 December 2011, trade receivables included retention money receivables of HK\$71,439,000 (2010: HK\$44,910,000), which represents approximately 10% to 20% (2010: approximately 10% to 20%) of the relevant contract sum granted to certain customers in the PRC that have a retention period of normally one year. As at 31 December 2011, the retention money receivables aged over 365 days amounted to HK\$33,373,000 (2010: HK\$15,121,000).

於二零一一年十二月三十一日，應收賬款包括應收保固金71,439,000港元(二零一零年：44,910,000港元)，佔授予若干中國客戶相關合約款項約10%至20%(二零一零年：約10%至20%)，該等客戶的保留期限一般為一年。於二零一一年十二月三十一日，賬齡超過365日以上的應收保固金為33,373,000港元(二零一零年：15,121,000港元)。

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

23 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (continued)

Note (a):(continued)

Trade receivables (continued)

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 Group does not hold any collateral over these balances.

As of 31 December 2011, trade receivables of HK\$75,615,000 (2010: HK\$47,381,000) were past due but not impaired. The ageing analysis of these trade receivables is as follows:

		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Up to 90 days	即時至90日	–	–
91 to 180 days	91至180日	8,329	30,097
181 to 365 days	181至365日	45,763	7,553
Over 365 days	365日以上	21,523	9,731
		75,615	47,381

Note (b):

Provision for impairment of receivables

As of 31 December 2011, trade receivables of HK\$21,248,000 (2010: HK\$19,333,000) were impaired. These impaired receivables mainly relate to individual customers who are delinquent in payment. The ageing of these receivables is as follows:

		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
91 to 180 days	91至180日	–	2
181 to 365 days	181至365日	–	4,494
Over 365 days	365日以上	21,248	14,837
		21,248	19,333

23 應收款項及其他應收款項、預付款項及按金(續)

附註(a):(續)

應收賬款(續)

逾期但未減值之應收款項涉及若干與本集團有良好交易記錄之獨立客戶。鑒於過往經驗，該部分客戶之信貸質素未發生重大變化，預計應收款項結欠仍可全數回收，故管理層認為該等應收款項不需就該等結餘作減值準備。本集團並無持有任何該等應收款項結餘之抵押品。

於二零一一年十二月三十一日，應收賬款75,615,000港元(二零一零年：47,381,000港元)乃逾期但未減值。該等應收賬款之賬齡分析如下：

附註(b):

應收款項減值撥備

於二零一一年十二月三十一日，應收賬款21,248,000港元(二零一零年：19,333,000港元)已減值。該等已減值應收款項主要與個別拖欠款項的客戶有關。該等應收賬款之賬齡分析如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

23 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (continued)

Note (b): (continued)

Provision for impairment of receivables (continued)

The movement on the provision for impairment of receivables are as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
At 1 January	於一月一日	19,333	13,380
Provision for impairment of trade receivables	應收款項減值撥備	1,458	8,457
Receivables written-off as uncollectible	應收款項撇銷作不可收回	-	(1,229)
Disposed as part of a discontinued operation	作為已終止經營業務之部分出售	-	(1,846)
Exchange realignment	匯兌調整	457	571
At 31 December	於十二月三十一日	21,248	19,333

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

Note (c):

Bills receivables

The balance represents bank acceptance notes with maturity dates within six months.

The maturity profile of the bills receivable of the Group is as follows:

		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Falling within 90 days	90日內	-	948
Falling within 91 to 180 days	91至180日	-	360
		-	1,308

23 應收款項及其他應收款項、預付款項及按金(續)

附註(b): (續)

應收款項減值撥備(續)

應收款項減值撥備變動如下:

於報告日期所面對之最大信貸風險乃上述各類應收款項之賬面值。本集團並無持有任何抵押品作為擔保。

附註(c):

應收票據

該結餘指到期日為少於六個月之銀行承兌票據:

本集團應收票據之到期情況如下:

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

24 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

24 按公平值計入溢利或虧損之金融資產

		Group 本集團		Company 本公司	
		As at 31 December 於十二月三十一日		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Listed securities:	上市證券：				
– Equity securities – U.S.	– 股本證券 – 美國	495	568	495	568
Unlisted securities:	非上市證券：				
Collective investment scheme	集合投資計劃				
– PRC	– 中國	9,996	12,330	–	–
Total	合計	10,491	12,898	495	568

Financial assets at fair value through profit or loss are presented in operating activities as part of changes in working capital in the consolidated cash flow statement (Note 32(a)).

Changes in fair values of financial assets at fair value through profit or loss are recorded as other (loss)/gains, net, in the income statement (Note 5).

The fair values of listed securities are based on their current bid price in active market. The fair values of unlisted securities are based on current bid price from banks.

25 SHORT-TERM BANK DEPOSITS

Short-term bank deposits are fixed deposits with banks maturing between three to twelve months. At as 31 December 2010, all of the short-term bank deposits were denominated in RMB. They are kept in the bank accounts opened with banks in the PRC where the remittance of funds is subject to foreign exchange control. There were no short-term bank deposits as at 31 December 2011.

The interest rates on short-term bank deposits were ranged from 2.25% to 2.75% per annum as at 31 December 2010. The deposit had an average maturity of 286 days.

按公平值計入溢利或虧損之金融資產乃於綜合現金流量表呈列為經營業務，作為營運資金部分變動(附註32(a))。

按公平值計入溢利或虧損之金融資產公平值變動於收益表記錄為其他(虧損)/收益淨額(附註5)。

上市證券的公平值根據其在活躍市場的當時買盤價計算。非上市證券的公平值則根據銀行所報當前買入價計算。

25 短期銀行存款

短期銀行存款乃為三至十二個月到期之銀行定期存款。於二零一零年十二月三十一日，所有短期銀行存款乃以人民幣計值。該等存款乃存放於在中國之銀行開立之銀行賬戶，而有關資金之付匯乃受到外匯管制。於二零一一年十二月三十一日，概無短期銀行存款。

於二零一零年十二月三十一日，短期銀行存款之年利率為2.25%至2.75%，而存款平均到期日為286日。

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

26 CASH AND CASH EQUIVALENTS

26 現金及現金等價物

		Group 本集團		Company 本公司	
		As at 31 December 於十二月三十一日			
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Cash at bank and in hand	銀行存款及手頭現金	1,167,201	1,281,616	255,531	498,353

Funds of the Group amounting to approximately HK\$430,542,000 (2010: HK\$384,564,000) are kept in the bank accounts opened with banks in the PRC where the remittance of funds is subject to foreign exchange control.

本集團之資金中約430,542,000港元(二零一零年: 384,564,000港元)·乃存放於在中國之銀行開立之銀行賬戶內·而有關資金之付匯乃受到外匯管制。

Cash and cash equivalents are denominated in the following currencies:

現金及現金等價物乃以下列貨幣計值:

		Group 本集團		Company 本公司	
		As at 31 December 於十二月三十一日			
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
HK\$	港元	298,860	392,125	221,425	280,359
RMB	人民幣	417,662	363,711	-	-
US\$	美元	327,809	525,416	29,817	217,994
JPY	日圓	122,661	-	4,289	-
Euro	歐元	209	364	-	-
		1,167,201	1,281,616	255,531	498,353

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

27 SHARE CAPITAL

27 股本

		Ordinary shares of HK\$0.0025 each 每股面值0.0025港元之 普通股	
		No. of shares 股數	HK\$'000 千港元
Authorised:	法定：		
As at 31 December 2011 and 31 December 2010	於二零一一年十二月三十一日及 二零一零年十二月三十一日	4,000,000,000	10,000
Issued and fully paid:	已發行及繳足：		
As at 31 December 2011 and 31 December 2010	於二零一一年十二月三十一日及 二零一零年十二月三十一日	2,673,429,835	6,684

Notes:

(a) Share options of the Company

The Company operates a share option scheme 2011 (the "Scheme") for the purpose of attracting, retaining and motivating talented employees in order to strive for future developments and expansion of the Group. Eligible participants of the Scheme include the Group's full-time employees, Executive and non-Executive Directors. The Scheme became effective on 29 April 2011 and unless otherwise cancelled or amended, will remain valid and effective for a period of 10 years from that date.

The share option scheme for the Company and its subsidiaries which was adopted by the Company at its special general meeting on 29 November 2001 was terminated on 29 April 2011.

During the year ended 31 December 2010 and 2011, no share option was granted. As at 31 December 2010 and 2011, there is no share option outstanding.

(b) Employee's Incentive Programme

On 1 September 2011, Mega Hunt Microelectronics Limited "Mega Hunt Microelectronics", an indirectly owned subsidiary of the Group entered into six option deeds with certain of directors and employees of Mega Hunt Microelectronics and its subsidiary. 3,500,000 ordinary shares of Mega Hunt Microelectronics may be issued upon the exercise of all options granted under the option deeds at an exercise price of HK\$1.00 per share. Unless otherwise cancelled or amended, the option deeds will remain valid and effective for the period of 36 months from 1 September 2011.

The option deeds are designed to provide incentive to the employees towards the contribution to Mega Hunt Microelectronics, Mega Hunt Microelectronics wishes to grant the options to the employees so as to entitle them to subscribe for the option shares in Mega Hunt Microelectronics.

Under the option deeds, 50% of the options shall vest upon the expiry of a period of 12 months from the date of the option deeds; and the balance of 50% of the options shall vest upon the expiry of a period of 24 months from the date of the option deeds. Prior to exercise of the option, the option holders are not entitled to dividends. There are also no accelerated vesting rights in case of winding of Mega Hunt Microelectronics.

Up to the date of this report, no option was vested. Employee share options expenses of HK\$33,000 was recognised in the income statement during the year.

附註：

(a) 本公司之購股權

本公司運作一項二零一一年購股權計劃(「該計劃」)，旨在吸引、留聘及激勵有才幹之僱員，以助本集團日後發展及擴充業務。該計劃的合資格參與者包括本集團的全職僱員以及執行及非執行董事。該計劃於二零一一年四月二十九日生效，除非該計劃取消或修訂，否則將由該日起計十年仍然有效及生效。

本公司於二零一零年十一月二十九日之股東特別大會採納之本公司及其附屬公司購股權計劃已於二零一一年四月二十九日終止。

於截至二零一零年及二零一一年十二月三十一日止年度，概無授出任何購股權。於二零一零年及二零一一年十二月三十一日，概無尚未行使之購股權。

(b) 僱員獎勵計劃

於二零一一年九月一日，兆訊微電子有限公司(「兆訊微電子」)，本集團的間接附屬公司與兆訊微電子及其附屬公司若干董事及僱員訂立六份兆訊微電子及其附屬公司購股權契據。3,500,000股兆訊微電子普通股可於根據購股權契據授出的所有購股權按行使價每股1.00港元獲行使時發行。除另有註銷或修訂者外，購股權契據將自二零一一年九月一日起一直有效及生效，為期36個月。

購股權契據乃為向僱員就彼等對兆訊微電子之貢獻提供獎勵而設，兆訊微電子擬向僱員授出購股權以賦予彼等認購兆訊微電子購股權股份之權利。

根據購股權計劃，50%購股權將自購股權契據日期起計12個月屆滿後歸屬；餘下50%購股權則自購股權契據日期起計24個月屆滿後歸屬。購股權獲行使前，購股權持有人無權獲派股息。倘兆訊微電子清盤，亦無加速歸屬權利。

截至本報告日期，概無購股權歸屬。於年內，已於收益表確認僱員購股權開支33,000港元。

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

28 RESERVES

(a) Group

		Share premium	Contributed surplus (Note(i)) 實繳盈餘 (附註(i))	Other reserves	Exchange reserve	Retained earnings	Total
		股份溢價	實繳盈餘	其他儲備	匯兌儲備	保留盈利	合計
		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
At 1 January 2010	於二零一零年一月一日	930,020	168,434	108,785	81,675	457,242	1,746,156
Profit for the year	年度溢利	-	-	-	-	850,275	850,275
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表之匯兌差額	-	-	-	48,813	-	48,813
Release of reserve upon disposal of subsidiaries	解除出售附屬公司所產生之儲備	-	-	-	(26,229)	-	(26,229)
Fair value gain on revaluation of available-for-sale financial asset (Note 19)	重估可供出售金融資產之公平值收益(附註19)	-	-	100	-	-	100
Share of other comprehensive income of an associated company (Note 21)	應佔一間聯營公司之其他全面收益(附註21)	-	-	-	134	-	134
Issue of convertible preferred shares by a subsidiary	由一間附屬公司發行可換股優先股	-	-	407,354	-	-	407,354
Acquisition of a subsidiary	收購一間附屬公司	-	-	17,173	-	-	17,173
At 31 December 2010	於二零一零年十二月三十一日	930,020	168,434	533,412	104,393	1,307,517	3,043,776

28 儲備

(a) 本集團

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

28 RESERVES (continued)

(a) Group (continued)

		Contributed					Total
		Share premium	surplus (Note (i)) 實繳盈餘 (附註(i))	Other reserves	Exchange reserve	Retained earnings	
		股份溢價 HK\$'000 千港元	其他儲備 HK\$'000 千港元	匯兌儲備 HK\$'000 千港元	保留盈利 HK\$'000 千港元	合計 HK\$'000 千港元	
At 1 January 2011	於二零一一年一月一日	930,020	168,434	533,412	104,393	1,307,517	3,043,776
Loss for the year	年度虧損	-	-	-	-	(255,493)	(255,493)
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表之匯兌差額	-	-	-	30,168	-	30,168
Fair value gain on revaluation of available-for-sale financial asset (Note 19)	重估可供出售金融資產之公平值收益(附註19)	-	-	300	-	-	300
Share of other comprehensive income of an associated company (Note 21)	應佔一間聯營公司之其他全面收益(附註21)	-	-	-	11,728	-	11,728
Employee share options scheme of a subsidiary	一間附屬公司之僱員購股權計劃	-	-	26	-	-	26
Transfer of additional interest of a subsidiary to non-controlling interest (Note 35(a))	轉讓一間附屬公司之額外權益予非控股權益(附註35(a))	-	-	(26,678)	-	-	(26,678)
Deemed disposal of interests in a subsidiary (Note 35(b))	視作出售一間附屬公司之權益(附註35(b))	-	-	2,476	-	-	2,476
At 31 December 2011	於二零一一年十二月三十一日	930,020	168,434	509,536	146,289	1,052,024	2,806,303

Note:

- (i) The contributed surplus of the Group represents the difference between the nominal value of the ordinary shares and share premium account of Hi Sun Holdings Limited ("HSHL") acquired pursuant to the group reorganisation (the "Reorganisation") on 17 October 2001 as set out in the circular to the shareholders of HSHL dated 9 August 2001, over the nominal value of the Company's shares issued in exchange thereof.
- (ii) PRC companies are required to allocate 10% of the companies' net profit to a statutory reserve fund until such fund reaches 50% of the companies' registered capital. The statutory reserve fund can be utilised upon approval by the relevant authorities, to offset accumulated losses or to increase registered capital of the companies, provided that such fund is maintained at a minimum of 25% of the companies' registered capital. As at 31 December 2011, retained earnings comprise of statutory reserve fund amounting to HK\$43,708,000 (2010: HK\$43,708,000).

附註:

- (i) 本集團之實繳盈餘指由高陽控股有限公司(「高陽控股」)股東寄發日期為二零一一年八月九日之通函所載，根據於二零一一年十月十七日進行之集團重組(「重組」)所收購之高陽控股之普通股面值及股份溢價賬，與本公司就此交換之已發行股份面值之差額。
- (ii) 中國公司必須將公司純利之10%分配至該儲備金直至該儲備金達至公司註冊資本之50%。法定儲備金經有關當局批准後可用於抵銷累計虧損或增加公司之註冊資本，惟該儲備金最低須維持於公司註冊資本之25%水平。於二零一一年十二月三十一日，保留盈利含有法定儲備金達43,708,000港元(二零一零年：43,708,000港元)。

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

28 RESERVES (continued)

(b) Company

		Share premium	Contributed surplus	Other reserves	Accumu- lated losses	Total
		股份溢價	實繳盈餘	其他儲備	累計虧損	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 January 2010	於二零一零年一月一日	1,157,724	46,417	34,223	(52,724)	1,185,640
Loss for the year	年度虧損	-	-	-	(52,056)	(52,056)
Fair value gain on revaluation of available-for-sale financial asset (Note 19)	重估可供出售金融資產之 公平值收益(附註19)	-	-	100	-	100
At 31 December 2010	於二零一零年十二月三十一日	1,157,724	46,417	34,323	(104,780)	1,133,684
At 1 January 2011	於二零一一年一月一日	1,157,724	46,417	34,323	(104,780)	1,133,684
Loss for the year	年度虧損	-	-	-	(16,562)	(16,562)
Fair value gain on revaluation of available-for-sale financial asset (Note 19)	重估可供出售金融資產之 公平值收益(附註19)	-	-	300	-	300
At 31 December 2011	於二零一一年十二月三十一日	1,157,724	46,417	34,623	(121,342)	1,117,422

Notes:

- (i) The contributed surplus of the Company represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the Reorganisation over the nominal value of the Company's shares issued in exchange thereof. Under the Companies Act 1981 of Bermuda, a company may make distributions to its members out of the contributed surplus under certain circumstances.

附註:

- (i) 本公司之實繳盈餘指根據重組所收購之附屬公司股份公平值與本公司就此交換之已發行股份面值之差額。根據百慕達一九八一年公司法，公司可在若干情況下從實繳盈餘中撥出款額以向其股東作出分派。

28 儲備(續)

(b) 本公司

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

29 TRADE AND OTHER PAYABLES

29 應付賬款及其他應付款項

		Group 本集團		Company 本公司	
		As at 31 December 於十二月三十一日		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Trade payables (Note (a))	應付賬款(附註(a))	232,417	251,749	-	-
Bills payables (Note (b))	應付票據(附註(b))	18,290	-	-	-
Other payables and accruals (Note (c))	其他應付款項及應計款項 (附註(c))	172,400	203,771	1,952	25,655
		423,107	455,520	1,952	25,655

Trade and other payables are denominated in the following currencies:

應付賬款及其他應付款項乃以下列貨幣列值：

		Group 本集團		Company 本公司	
		As at 31 December 於十二月三十一日		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
HK\$	港元	8,056	31,873	1,952	25,655
RMB	人民幣	330,503	423,647	-	-
US\$	美元	156	-	-	-
JPY	日圓	84,392	-	-	-
		423,107	455,520	1,952	25,655

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

29 TRADE AND OTHER PAYABLES (continued)

Note (a):

Trade payables

The ageing analysis of the trade payables was as follows:

		Group 本集團	
		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Current to 90 days	現時至90日	151,170	199,090
91 to 180 days	91至180日	41,331	42,508
181 to 365 days	181至365日	31,394	5,833
Over 365 days	超過365日	8,522	4,318
		232,417	251,749

The credit period granted by the suppliers ranges from 0 to 180 days.

獲供應商授予之信貸期介乎0至180日之間。

Note (b):

Bills payables

The balance represents bank acceptance notes due within 90 days:

附註(b):

應付票據

餘額指到期日為90日內的銀行承兌匯票：

		Group 本集團	
		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Due within 90 days	90日內到期	18,290	–

Note (c):

Other payables and accruals

附註(c):

其他應付款項及應計款項

		Group 本集團		Company 本公司	
		As at 31 December 於十二月三十一日		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Accrued staff costs and pension obligations	應計員工成本及退休金供款	75,545	62,156	544	6,169
Receipt in advance from customers	預先收取客戶款項	46,585	58,491	–	–
Accrued subcontracting costs	應計外包成本	13,075	8,983	–	–
Others	其他	37,195	74,141	1,408	19,486
		172,400	203,771	1,952	25,655

29 應付賬款及其他應付款項(續)

附註(a):

應付賬款

應付賬款之賬齡分析如下：

		Group 本集團	
		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Current to 90 days	現時至90日	151,170	199,090
91 to 180 days	91至180日	41,331	42,508
181 to 365 days	181至365日	31,394	5,833
Over 365 days	超過365日	8,522	4,318
		232,417	251,749

獲供應商授予之信貸期介乎0至180日之間。

附註(b):

應付票據

餘額指到期日為90日內的銀行承兌匯票：

		Group 本集團	
		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Due within 90 days	90日內到期	18,290	–

附註(c):

其他應付款項及應計款項

		Group 本集團		Company 本公司	
		As at 31 December 於十二月三十一日		As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Accrued staff costs and pension obligations	應計員工成本及退休金供款	75,545	62,156	544	6,169
Receipt in advance from customers	預先收取客戶款項	46,585	58,491	–	–
Accrued subcontracting costs	應計外包成本	13,075	8,983	–	–
Others	其他	37,195	74,141	1,408	19,486
		172,400	203,771	1,952	25,655

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

30 BORROWINGS

30 借款

		Group 本集團 As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Current	即期		
Short-term bank loans	短期銀行貸款		
– PRC, secured (Note)	– 中國，有抵押(附註)	23,445	22,490
Total borrowings	借款總額	23,445	22,490

Note:

The maturity of borrowings is as follows:

附註：

借款之到期日如下：

		Group 本集團 As at 31 December 於十二月三十一日	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Within 6 months	六個月內	–	–
6 months to 1 year	六個月至一年	23,445	22,490
		23,445	22,490

The effective interest rates at the balance sheet date are as follows:

於結算日之實際利率如下：

		Group 本集團 As at 31 December 於十二月三十一日	
		2011 二零一一年 % per annum 每年%	2010 二零一零年 % per annum 每年%
Short-term bank borrowings	短期銀行借款	7.544%	6.372%

The carrying amounts of the borrowings as at 31 December 2010 and 2011 were denominated in RMB.

As at 31 December 2011, bank borrowings and banking facilities of RMB37,000,000 (approximately HK\$45,656,000) were provided to the Group which was secured by certain leasehold land and buildings of the Group (Note 16 and 17).

於二零一零年及二零一一年十二月三十一日，借款賬面值以人民幣列值。

於二零一一年十二月三十一日，本集團獲授及銀行信貸人民幣37,000,000元(約45,656,000港元)乃由本集團若干租賃土地及樓宇作抵押(附註16及17)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

30 BORROWINGS (continued)

Note: (continued)

As at 31 December 2010, banking borrowings of RMB19,000,000 (approximately HK\$22,490,000) were provided to the Group which was secured by certain leasehold land and buildings of the Group (Note 16 and 17).

The carrying amounts of short-term borrowings approximate their fair values.

31 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

30 借款

附註：(續)

於二零一零年十二月三十一日，本集團獲授人民幣19,000,000元(約22,490,000港元)之銀行借款乃由本集團若干租賃土地及樓宇作抵押(附註16及17)。

短期借款賬面值與其公平值相若。

31 遞延所得稅

當有合法可強制執行權利將現有稅項資產與現有稅項負債抵銷，且遞延所得稅涉及同一財政機關，則可將遞延所得稅資產與負債互相抵銷。抵銷金額如下：

As at 31 December
於十二月三十一日

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Deferred tax assets to be recovered within 12 months	十二個月內將予撥回之遞延稅項資產	(543)	(648)
Deferred tax liabilities to be settled within 12 months	十二個月內將付之遞延稅項負債	1,002	3,577
Deferred tax liabilities to be settled after 12 months	十二個月後將付之遞延稅項負債	861	8,488
Deferred tax liabilities – net	遞延稅項負債 – 淨額	1,320	11,417

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

31 DEFERRED INCOME TAX (continued)

The movement in deferred tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year is as follows:

31 遞延所得稅(續)

年內，將相同稅項司法權區之結餘互相抵銷前，遞延稅項資產與負債之變動如下：

		2011 二零一一年			2010 二零一零年		
		Accelerated tax depreciation 加速稅項折舊	Revaluation of intangible assets 無形資產重估	Total 合計	Accelerated tax depreciation 加速稅項折舊	Revaluation of intangible assets 無形資產重估	Total 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Deferred tax liabilities	遞延稅項負債						
At 1 January	於一月一日	408	11,657	12,065	126	2,855	2,981
Additions on acquisition of subsidiaries	收購附屬公司之添置	-	-	-	-	11,259	11,259
(Credited)/charged to the income statement	自綜合收益表(計入)/扣除	(115)	(10,348)	(10,463)	282	(2,948)	(2,666)
Exchange realignment	匯兌差額	-	261	261	-	491	491
At 31 December	於十二月三十一日	293	1,570	1,863	408	11,657	12,065

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產		
At 1 January	於一月一日	(648)	(355)
Charged/(Credited) to the income statement	自綜合收益表扣除/(計入)	115	(282)
Exchange realignment	匯兌調整	(10)	(11)
At 31 December	於十二月三十一日	(543)	(648)

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

31 DEFERRED INCOME TAX (continued)

Deferred tax assets are recognised for tax losses carry forward to the extent that realisation of the related tax benefit through the future taxable profits is probable. As at 31 December 2011, the Group had unrecognised tax losses to be carried forward against future taxable income amounted to HK\$600,451,000 (2010: HK\$395,908,000). These tax losses have no expiry date except that HK\$486,954,000 will expire from 2012 to 2018 (2010: HK\$304,550,000 expire from 2011 to 2015). The potential deferred tax assets in respect of these tax losses which have not been recognised amounted to HK\$118,675,000 (2010: HK\$74,663,000).

As at 31 December 2011, deferred taxation has not been provided for in the consolidated financial statements in respect of the withholding tax that would be payable on unremitted earnings of certain PRC subsidiaries of the Group amounting to approximately HK\$26,271,000 (2010: HK\$24,821,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

31 遞延所得稅(續)

遞延稅項資產乃因應相關稅項利益有可能透過日後應課稅溢利變現而就所結轉之稅項虧損作確認。於二零一一年十二月三十一日，本集團將結轉以抵銷日後應課稅收入之未確認稅項虧損為600,451,000港元(二零一零年：395,908,000港元)。除486,954,000港元將於二零一二年至二零一八年期間屆滿(二零一零年：304,550,000港元於二零一一年至二零一五年期間屆滿)外，該等稅項虧損並無屆滿日期。就該等稅項虧損未確認的潛在遞延稅項資產為118,675,000港元(二零一零年：74,663,000港元)。

於二零一一年十二月三十一日，由於本集團可控制撥回暫時差額的時間且暫時差額可能不會於可見未來撥回，故尚未就本集團若干中國附屬公司未匯盈利的應付預扣稅於綜合財務報表作出遞延稅項撥備約26,271,000港元(二零一零年：24,821,000港元)。

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

32 NOTES TO CONSOLIDATED CASH FLOW STATEMENT 32 綜合現金流量表附註

(a) Reconciliation of loss before income tax to net cash used in operations

(a) 除所得稅前虧損與經營所用之淨現金對賬

For the year ended
31 December
截至十二月三十一日止年度

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Loss before income tax from continuing operations	持續經營業務 除稅前虧損	(287,531)	(219,270)
Profit before income tax from discontinued operation	已終止經營業務 除稅前溢利	–	1,122,573
Adjustments for:	調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	40,447	42,232
Depreciation of investment property	投資物業折舊	150	108
Amortisation of leasehold land	租賃土地攤銷	1,031	1,078
Amortisation of intangible assets	無形資產攤銷	15,807	12,825
Gain on disposal of subsidiaries	出售附屬公司之收益	–	(966,028)
Share of profit of an associated company	應佔一間聯營公司溢利	(77,809)	(6,860)
Gain on disposal of property, plant and equipment and leasehold land	出售物業、廠房及設備及租賃土地之收益	(1,243)	(4,989)
Provision for impairment of trade receivables	應收賬款 減值撥備	1,458	8,457
(Write-back of provision)/ provision for inventory	存貨(撥回撥備)/撥備	(5,784)	523
Impairment of intangible assets	無形資產減值虧損	154,836	29,593
Loss on dilution of interests in an associated company	於一間聯營公司權益 攤薄虧損	1,885	–
Employee share option scheme of a subsidiary	一間附屬公司的僱員購股權 計劃	33	–
Interest income	利息收入	(9,495)	(10,900)
Finance costs	融資成本	1,796	473
Operating (loss)/profit before working capital changes	營運資金變動前之經營 (虧損)/溢利	(164,419)	9,815
Increase in long-term deposits	長期按金增加	(1,149)	(1,596)
Decrease/(Increase) in inventories	存貨減少/(增加)	58,419	(133,669)
Decrease/(increase) in trade and other receivables, prepayments and deposits	應收賬款及其他應收 款項、預付款項及 按金減少/(增加)	50,981	(179,737)
Decrease/(increase) in financial assets at fair value through profit or loss	按公平值計入溢利或虧損之 金融資產減少/(增加)	2,867	(12,406)
(Decrease)/increase in trade and other payables	應付賬款及其他應付款項 (減少)/增加	(141,868)	258,094
Cash used in operations	經營所用之現金	(195,169)	(59,499)

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

32 NOTES TO CONSOLIDATED CASH FLOW STATEMENT (continued)

32 綜合現金流量表附註(續)

(b) In the cash flow statement, proceeds from sale of property, plant and equipment and leasehold land comprise:

(b) 於現金流量表內，出售物業、廠房及設備及租賃土地所得款項如下：

		For the year ended 31 December 截至十二月三十一日止年度	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Net book amount (Notes 16 and 17)	賬面淨值(附註16及17)	115	8,211
Gain on disposals of property, plant and equipment and leasehold land from continuing operations and discontinued operation	來自持續經營業務及已終止經營業務之出售物業、廠房及設備及租賃土地之收益	1,243	4,989
Proceeds from disposals of property, plant and equipment and leasehold land	出售物業、廠房及設備及租賃土地所得款項	1,358	13,200

33 CONTINGENT LIABILITIES

33 或然負債

As at 31 December 2011, the Group and the Company had no contingent liabilities (2010: Nil).

於二零一一年十二月三十一日，本集團及本公司並無或然負債(二零一零年：無)。

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

34 OPERATING LEASE COMMITMENTS

As at 31 December 2011, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Not later than one year	不超過一年	22,975	20,514
Later than one year and not later than five years	超過一年但不超過五年	28,433	28,921
		51,408	49,435

34 經營租約承擔

於二零一一年十二月三十一日，本集團於不可撤銷經營租約項下之未來最低租賃付款總額如下：

Land and buildings
土地及樓宇
As at 31 December
於十二月三十一日

35 TRANSACTION WITH NON-CONTROLLING INTERESTS

(a) **Transfer of additional interest of a subsidiary to non-controlling interest**

On 24 December 2009, the Company and Wise World Group Limited, an independent party (the "Subscriber") entered into a conditional subscription agreement, pursuant to which Success Bridge (the "Success Bridge") a then wholly-owned subsidiary of the Company, issued and the Subscriber subscribed for 600 convertible preference shares of US\$0.001 each in the share capital of Success Bridge (the "SBL Preference Shares") at a total consideration of US\$60 million (equivalent to approximately HK\$465 million) (the "Subscription"). The SBL Preference Shares are convertible into ordinary shares of Success Bridge (the "SBL Ordinary Shares") on a one to one basis. The SBL Preference Shares are also convertible to shares of the Company at a price of HK\$4.5 per share at any time during a period from (and including) the day falling nine months after the date of the first issue of the SBL Preference Shares to (and excluding) the date falling on the third anniversary thereof. These conversion rights are not mutually exclusive.

35 與非控股權益之交易

(a) **轉讓一間附屬公司之額外權益予非控股權益**

本公司與獨立第三方 Wise World Group Limited (「認購人」) 於二零零九年十二月二十四日訂立有條件認購協議，據此，本公司當時之全資附屬公司 Success Bridge (「Success Bridge」) 已發行而認購人已認購 600 股 Success Bridge 股本中每股面值 0.001 美元之可換股優先股 (「SBL 優先股」)，總代價為 60,000,000 美元 (相等於約 465,000,000 港元) (「認購事項」)。SBL 優先股可按一對一基準轉換為 Success Bridge 普通股 (「SBL 普通股」)。SBL 優先股亦可於由首次發行 SBL 優先股日期後九個月屆滿當日 (包括當日) 至發行 SBL 優先股日期第三週年屆滿日期 (不包括當日) 止期間任何時候，按每股 4.5 港元的價格轉換為本公司股份。該等轉換權並非互相排斥。

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

35 TRANSACTION WITH NON-CONTROLLING INTERESTS (continued)

(a) **Transfer of additional interest of a subsidiary to non-controlling interest** (continued)

In accordance with the subscription agreement, depending on the net profit of Success Bridge in 2010 and subject to certain conditions specified in the subscription agreement, the Company may need to transfer up to 3% additional SBL Preference Shares to the Subscriber at a consideration of HK\$1 ("Ratchet Disposal") or the Subscriber may need to return up to 2% SBL Preference Shares to the Company at a consideration of HK\$1 ("Ratchet Acquisition").

The SBL Preference Shares represent 6.0% of the total issued share capital of Success Bridge as enlarged by the Subscription. The Subscription was completed on 29 January 2010. As a result of the issuance of the SBL Preference Shares, the Group's shareholding in Success Bridge has been diluted to 94%.

As at 31 December 2010, the contingent Ratchet Disposal feature was recognised as a financial liability at fair value through profit and loss in the Company's balance sheet, of which the fair value was calculated by Binomial Option Pricing Model.

On 10 June 2011, the Group transferred 3% SBL Ordinary Shares in Success Bridge to the Subscriber as the conditions for Ratchet Disposal was met. As a result the Group's shareholding in Success Bridge was further reduced to 91%. An amount of HK\$26,678,000, being the difference between the net proceeds received from the transfer of the SBL Ordinary Shares and 3% of net asset value of Success Bridge has been recognised directly in equity in the Group's consolidated balance sheet, and the financial liability was de-recognised on the Company's balance sheet. The SBL Ordinary Shares so transferred were re-designated as SBL Preferences shares upon completion of the transfer in pursuant to the subscription agreement.

35 與非控股權益之交易(續)

(a) **轉讓一間附屬公司之額外權益予非控股權益**(續)

根據認購協議，視乎Success Bridge於二零一零年的純利及認購協議訂明的若干條件而定，本公司可能需向認購人轉讓達3%額外SBL優先股股份(「漸增出售事項」)或認購人可能需按代價1港元向本公司歸還達2%SBL優先股股份(「漸減收購事項」)。

SBL優先股佔Success Bridge經認購事項擴大後之全部已發行股本之6.0%。認購事項已於二零一零年一月二十九日完成。由於發行SBL優先股，本集團於Success Bridge之股權已攤薄至94%。

於二零一零年十二月三十一日，或然漸增出售事項在本公司資產負債表被確認為按公平值計入溢利或虧損之金融負債，當中公平值以二項式期權定價模式計算。

於二零一一年六月十日，由於漸增出售事項的條件已符合，本集團向認購人轉讓於Success Bridge的3% SBL普通股。因此，本集團於Success Bridge之股權進一步減至91%。來自轉讓SBL普通股之所得款項淨額與3%Success Bridge資產淨值之間差額為26,678,000港元，已直接於本集團綜合資產負債表之權益中確認，以及於本公司資產負債表中金融負債取消確認。所轉讓的SBL普通股於根據認購協議完成轉讓後重新指定為SBL優先股。

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

35 TRANSACTION WITH NON-CONTROLLING INTERESTS (continued)

(a) Transfer of additional interest of a subsidiary to non-controlling interest (continued)

The SBL Ordinary Shares transferred under the Ratchet Disposal were to be returned to the Company with no consideration if the volume weighted average price of the Company's shares exceeded HK\$4.50 for a period of thirty consecutive trading days during the period from (and including) 29 October 2010 (being the date falling nine months immediately following the date of completion) up to (and excluding) 29 January 2012 (being the date falling on the second anniversary of the date of completion). Such contingency has been resolved as at 31 December 2011 that the conditions could not be fulfilled. Thus no SBL Ordinary Shares shall be returned to the Company and accordingly, the financial liability at fair value through profit or loss was de-recognised.

(b) Deemed disposal of interest in a subsidiary

On 25 July 2011, the Group deemed disposed of approximately 19% of its equity interest in a subsidiary, Max Ascent Limited ("Max Ascent"), as a result of shares allotment to three independent third parties at a total consideration of HK\$5,460,000. This represents a transaction with non-controlling interests. Subsequent to the transaction, the Group's effective interest in Max Ascent was diluted to approximately 72%. The difference between the net proceeds received and the share of net asset value of Max Ascent transferred to the non-controlling interests of HK\$2,476,000 is recognised in equity in the Group's consolidated balance sheet.

35 與非控股權益之交易(續)

(a) 轉讓一間附屬公司之額外權益予非控股權益(續)

倘本公司股份於緊隨完成日期後滿九個月當日(包括當日,即二零一零年十月二十九日)起直至緊隨完成日期滿第二週年當日(不包括當日,即二零一二年一月二十九日)止期間內,連續三十個交易日期間之成交量加權平均價超逾4.50港元,則根據漸增出售事項轉撥之SBL普通股會無償退回本公司。有關或然事項已於二零一一年十二月三十一日議決為該等條件無法達成。因此,並無SBL普通股須退回本公司,故按公平值計入溢利或虧損之金融負債已終止確認。

(b) 視作出售於一間附屬公司之權益

於二零一一年七月二十五日,本集團因配發股份而視作向三名獨立第三方出售其於附屬公司展進有限公司(「展進」)約19%的股本權益,總代價為5,460,000港元。此為與非控股權益之交易。進行交易後,本集團於展進之實際權益已攤薄至約72%。所收款項淨額與向該非控股權益轉讓彼等所佔展進之資產淨值差額2,476,000港元,已於本集團綜合資產負債表之權益中確認。

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

35 TRANSACTION WITH NON-CONTROLLING INTERESTS (continued) 35 與非控股權益之交易(續)

		For the year ended 31 December 截至十二月三十一日止年度	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Carrying amount of non-controlling interests disposed of	出售非控股權益之賬面值	2,984	—
Consideration received from non-controlling interests	已收非控股權益之代價	5,460	—
Gain on disposal within equity	計入權益內之出售收益	2,476	—

36 BUSINESS COMBINATION

On 13 May 2011, the Group acquired 100% of the share capital and the shareholder's loan in Merchant Support at a cash consideration of JPY1,730.8 million (equivalent to approximately HK\$166.1 million). The acquisition is a strategic move to enable the Group to gain access in the payment services industry in Japan and establish relationships with players, in particular, the credit card companies, banks and other financial institutions.

The goodwill of HK\$7,388,000 arises from a number of factors. Most significant amongst these is the premium attributable to a pre-existing, well positioned business operating in a competitive market. Other important elements include expected synergies through combining a highly skilled workforce.

36 業務合併

於二零一一年五月十三日，本集團收購 Merchant Support 所有股本及股東貸款，現金代價為 1,730,800,000 日圓（相等於約 166,100,000 港元）。該收購乃策略行動，使本集團可進軍日本支付服務行業，並與業者（尤其是信用卡公司、銀行及其他財務機構）建立關係。

7,388,000 港元之商譽來自多個因素。其中最主要的因素為於具競爭性市場營運之已有、定位良好之業務產生之溢價。其他重要因素包括透過合併高技能勞動力產生之預期協同作用。

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

36 BUSINESS COMBINATION (continued)

None of the goodwill recognised is expected to be deductible for income tax purposes. The following table summarise the consideration paid for Merchant Support and the amounts of the assets acquired and liabilities assumed as at the acquisition date.

36 業務合併(續)

概無已確認商譽預期將於計算所得稅時予以扣除。下表概括於收購日期向Merchant Support支付之代價以及假設之已收購資產及已承擔負債金額。

		HK\$'000 千港元
Purchase consideration:	購買代價：	
– Cash paid	– 已付現金	166,102
Total purchase consideration	購買代價總額	166,102

Recognised amounts of identifiable assets acquired and liabilities assumed

可識別已收購資產及已承擔負債之已確認金額

		Fair value 公平值 HK\$'000 千港元
Cash and cash equivalents	現金及現金等價物	62,672
Property, plant and equipment (Note 16)	物業、廠房及設備(附註16)	4,279
Trade receivables and other receivables	應收賬款及其他應收款項	181,170
Trade payables	應付賬款	(88,676)
Accruals and other payables	應計費用及其他應付款項	(731)
Total identifiable net assets	可識別資產淨值總額	158,714
Goodwill (Note 18)	商譽(附註18)	7,388
Acquisition-related costs included in administrative expenses	收購相關成本計入之行政費用	2,244
Outflow of cash to acquire business, net of cash acquired	收購業務之現金流出，已收購現金淨額	
Cash consideration	現金代價	166,102
Less: cash and cash equivalents in the subsidiary acquired	減：已收購附屬公司之現金及現金等價物	(62,672)
Net cash outflow on acquisition	收購產生之現金流出淨額	103,430

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

36 BUSINESS COMBINATION (continued)

(a) Acquired receivables

The fair value of trade and other receivables is HK\$181,170,000 and includes trade receivables with a fair value of HK\$180,926,000. The gross contractual amount for trade receivables due is HK\$180,926,000, all of which is expected to be collectible.

(b) Turnover and profit contribution

The acquired business contributed turnover of JPY158,653,000 (equivalent to approximately HK\$15,881,000) and net loss of JPY51,092,000 (equivalent to approximately HK\$5,114,000) to the Group for the period from 14 May 2011 to 31 December 2011. If the acquisition had occurred on 1 January 2011, consolidated turnover and consolidated loss of the Group for the year ended 31 December 2011 would have been HK\$846,464,000 and HK\$281,800,000, respectively.

37 DISCONTINUED OPERATION

Upon the completion of the Spin-Off, the effective interest held by the Group in PAX Global reduced from 60% to 44.4%. This has resulted in the Group losing control over PAX Global and PAX Global has been accounted by the Group as an associated company since 20 December 2010. On 12 January 2011, the over-allotment option of PAX Global was partially exercised by the global coordinator of the Spin-off and the Company's interest in PAX Global was further diluted from 44.4% to approximately 42.8%.

36 業務合併(續)

(a) 已收購應收款項

應收賬款及其他應收款項公平值為181,170,000港元，包括應收賬款公平值180,926,000港元。應收賬款之到期合約總額為180,926,000港元，預期可收回所有該等款項。

(b) 營業額及溢利貢獻

自二零一一年五月十四日至二零一一年十二月三十一日期間，已收購業務向本集團貢獻營業額158,653,000日圓（相等於約15,881,000港元）及淨虧損51,092,000日圓（相等於約5,114,000港元）。倘收購於二零一一年一月一日發生，截至二零一一年十二月三十一日止年度本集團之綜合營業額及綜合虧損將會分別為846,464,000港元及281,800,000港元。

37 已終止經營業務

完成分拆後，本集團持有百富環球的實際權益由60%減至44.4%，並導致失去百富環球之控制權。百富環球自二零一零年十二月二十日起被本集團作為聯營公司列賬。於二零一一年一月十二日，百富環球之超額配股權由分拆之全球協調人部分行使，而本公司於百富環球之權益由44.4%進一步攤薄至約42.8%。

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

37 DISCONTINUED OPERATION (continued)

37 已終止經營業務(續)

		For the period from 1 January to 20 December 2010 二零一零年一月一日至 十二月二十日止期間 HK\$'000 千港元
Results of the discontinued operation:	已終止經營業務業績：	
Revenue	收入	687,458
Cost of sales	銷售成本	(407,692)
Gross profit	毛利	279,766
Other income	其他收入	18,017
Selling expenses	銷售開支	(72,504)
Administrative expenses	行政費用	(68,734)
Operating profit	經營溢利	156,545
Finance costs	融資成本	-
Profit before taxation	除稅前溢利	156,545
Taxation	稅項	(26,097)
Profit for the period	期內溢利	130,448
Gain on disposal of subsidiaries	出售附屬公司之收益	966,028
Profit from discontinued operation	已終止經營業務溢利	1,096,476
Profit from discontinued operation attributable to:	應佔已終止經營業務溢利：	
- Equity holders of the Company	- 本公司權益持有人	1,041,256
- Non-controlling interests	- 非控股權益	55,220
		1,096,476
Cash flows from discontinued operation:	已終止經營業務之現金流：	
Net cash inflow from operating activities	經營業務之現金流入淨額	35,641
Net cash outflow from investing activities	投資活動之現金流出淨額	(3,392)
Net cash outflow from financing activities	融資活動之現金流出淨額	(1,106)

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

38 RELATED PARTY TRANSACTIONS

As at 31 December 2011, Rich Global Limited (incorporated in British Virgin Islands) owns 23.08% of the Company's shares. The remaining 76.92% of the shares are widely held.

(a) Transactions with related parties during the year

Except for disclosed below, the Group has no significant transaction with related parties during the year ended 31 December 2011 (2010: Nil).

		2011 二零一一年 HK\$'000 千港元
Rental income from an associated company	來自一間聯營公司的租金收入	526

(b) Key management compensation

During the years ended 31 December 2010 and 2011, key management compensation is equivalent to the Directors' emolument as disclosed in note 9.

38 關連方交易

於二零一一年十二月三十一日，於英屬處女群島註冊成立之Rich Global Limited擁有本公司23.08%股份。餘下76.92%股份由公眾人士持有。

(a) 年內與關連方之交易

除下文披露者外，截至二零一一年十二月三十一日止年度本集團並無重大關連方交易(二零一零年：無)。

(b) 主要管理層補償

截至二零一零年及二零一一年十二月三十一日止年度，主要管理人員補償相等於附註9所披露之董事酬金。

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

39 SUBSEQUENT EVENTS

(a) Acquisition of 20% shares of New Concept Services Limited

On 13 January 2012, the Company entered into a 18% sales and purchase agreement with Rich Giant Investment Limited (the "Rich Giant") and 2% sales and purchase agreement with Billion Rosy Limited (the "Billion Rosy"), both being individual third parties, pursuant to which Rich Giant conditionally agreed to sell, and the Company conditionally agreed to purchase, 45 shares of New Concept Services Limited (the "New Concept") representing 18% of the issued share capital of New Concept, at a consideration of HK\$86,400,000, and Billion Rosy conditionally agreed to sell, and the Company conditionally agreed to purchase, 5 shares of New Concept representing 2% of the issued share capital of New Concept at the consideration of HK\$9,600,000. The transactions was approved by independent shareholders in a special general meeting held on 24 February 2012. Upon completion of the transaction, New Concept became a wholly owned subsidiary of the Company. The acquisition was completed on 9 March 2012. The difference between the consideration paid and the share of net asset value acquired will be recognised within equity.

(b) Acquisition of 67% shares of ITC Credit Co., Ltd

On 2 March 2012, Merchant Support, a subsidiary of the Group, entered into a conditional subscription agreement with IT Cars Co., Ltd ("ITC"), an independent third party, pursuant to which ITC conditionally agreed to sell, and Merchant Support conditionally agreed to purchase 67% of the issued share capital of ITC Credit Co., Ltd ("ITCC") at a consideration of JPY 70 million (equivalent to approximately HK\$7.1 million). Upon completion, Merchant Support's shareholding interest in ITCC increased from 33% to 100% and accordingly ITCC became a wholly owned subsidiary of the Group. The acquisition was completed on 5 March 2012 and will be accounted for using method of acquisition accounting. Management is still in the process of completing the purchase price allocation of the acquisition.

39 結算日後事項

(a) 收購新創服務有限公司20%股份

於二零一二年一月十三日，本公司分別與兩名獨立第三方 Rich Giant Investment Limited (「Rich Giant」) 及 Billion Rosy Limited (「Billion Rosy」) 訂立 18% 買賣協議及 2% 買賣協議，據此，Rich Giant 有條件同意出售，而本公司有條件同意購買新創服務有限公司(「新創」) 45 股股份，相當於新創已發行股本之 18%，代價為 86,400,000 港元；另 Billion Rosy 有條件同意出售，而本公司有條件同意購買新創 5 股股份，相當於新創已發行股本之 2%，代價為 9,600,000 港元。交易已於二零一二年二月二十四日舉行的股東特別大會獲獨立股東批准。完成時，新創成為本公司之全資附屬公司。收購已於二零一二年三月九日完成。已付代價與應佔所收購資產淨值之間的差額將於權益確認。

(b) 收購 ITC Credit Co., Ltd 67% 股份

於二零一二年三月二日，本集團的附屬公司 Merchant Support 與一名獨立第三方 IT Cars Co., Ltd (「ITC」) 訂立有條件認購協議，據此，ITC 有條件同意出售，而 Merchant Support 有條件同意購買 ITC Credit Co., Ltd (「ITCC」) 已發行股本 67%，代價為 70,000,000 日圓(相當於約 7,100,000 港元)。完成後，Merchant Support 於 ITCC 的持股權益由 33% 增至 100%，因此，ITCC 成為本集團的全資附屬公司。收購已於二零一二年三月五日完成，並將採用收購會計法列賬。管理層尚在進行收購的購買價分配。

Summary Financial Information

財務資料摘要

A summary of the published consolidated results and of the consolidated assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements and restated as appropriate, is set as below:

摘錄自經審核財務報表及按適用情況重列的本集團過去五個財政年度已公佈綜合業績及綜合資產與負債概要如下：

		Year ended 31 December 截至十二月三十一日止年度														
		2011 二零一一年			2010 二零一零年			2009 二零零九年 (Restated) (重列)			2008 二零零八年 (Restated) (重列)			2007 二零零七年 (Restated) (重列)		
		Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total
		持續經營	經營業務 已終止	總計	持續經營	經營業務 已終止	總計	持續經營	經營業務 已終止	總計	持續經營	經營業務 已終止	總計	持續經營	經營業務 已終止	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Results	業績															
(Loss)/profit attributable to equity holders	權益持有人應佔溢利/(虧損)	(255,493)	-	(255,493)	(190,981)	1,041,256	850,275	36,663	49,182	85,845	29,500	84,850	114,350	128,250	56,026	184,276
Assets and liabilities	資產及負債															
Total assets	總資產	3,392,509	-	3,392,509	3,657,369	-	3,657,369	1,752,623	565,707	2,318,330	1,178,467	490,149	1,668,616	1,133,106	357,639	1,490,745
Total liabilities	總負債	(453,467)	-	(453,467)	(489,563)	-	(489,563)	(259,908)	(142,646)	(402,554)	(252,308)	(151,639)	(403,947)	(255,444)	(134,441)	(389,885)
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔股本及儲備	2,812,987	-	2,812,987	3,050,460	-	3,050,460	1,668,227	84,613	1,752,840	926,160	270,807	1,196,967	876,289	178,558	1,054,847

高陽科技(中國)有限公司

HI SUN TECHNOLOGY (CHINA) LIMITED

Website 網址 : www.hisun.com.hk

