



TLT LOTTOTAINMENT GROUP LIMITED

彩娛集團有限公司

(Incorporated in Hong Kong with limited liability)

(於香港註冊成立之有限公司)

Stock Code 股份代號: 8022



年報 2012
Annual Report

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香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)之特色

創業板的定位，乃為相比起其他在聯交所上市之公司帶有更高投資風險的公司而設之市場。有意投資人士應了解投資於該等公司之潛在風險，並應經過審慎周詳考慮後始作出投資決定。創業板具有較高風險以及其他特色，表示較適合專業及其他富經驗的投資者。

鑑於在創業板上市的公司屬於新興性質，在創業板買賣的證券可能會較於聯交所主板買賣的證券承受較大的市場波動風險，同時無法保證在創業板買賣的證券有高流通量的市場。

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本報告乃根據聯交所創業板證券上市規則(「創業板上市規則」)提供有關彩娛集團有限公司(「本公司」)之資料，本公司董事對此共同及個別承擔全部責任。本公司董事(「董事」)經作出一切合理查詢後確認，就彼等所深知及確信：(1)本報告所載資料在各重大方面均屬準確完整且無誤導或欺騙成分；及(2)本報告並無遺漏其他事項致使本報告任何聲明有所誤導。

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Corporate Profile

公司介紹

TLT Lottotainment Group Limited (the “Company”) is principally engaged in investment holdings. The subsidiaries of the Company (together with the Company, the “Group”) are engaged in the provision of travel agent services, advertising and marketing services and trading of securities in Hong Kong during the year under review.

The Company has the following principal subsidiaries:

- Xuzhou China International Travel Service Limited*
- Hong Kong Marketing Service Limited
- Mircale Glorious Limited



彩娛集團有限公司(「本公司」)主要從事投資控股業務。本公司之附屬公司(與本公司合稱「本集團」)於回顧年內從事提供旅遊代理服務、廣告及營銷服務及買賣證券。

本公司旗下主要附屬公司如下：

- 徐州中國國際旅行社有限公司
- Hong Kong Marketing Service Limited
- Mircale Glorious Limited

* For identification purpose only

Corporate Structure

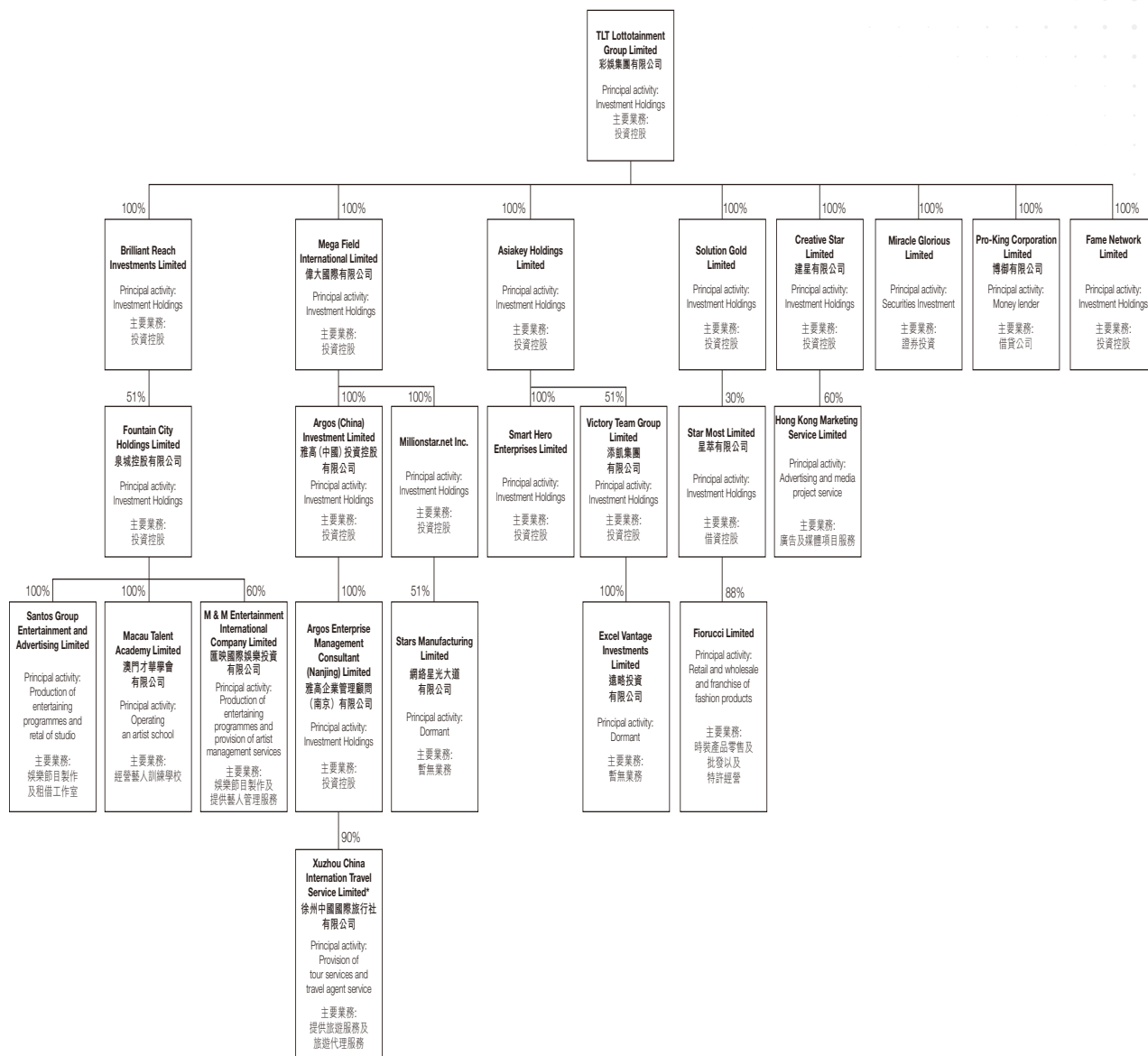
公司架構

The following is the organisation structure of the Group (with principal subsidiaries only):

As at 31 December 2012:

下圖顯示本集團之公司架構(僅包括主要附屬公司):

於二零一二年十二月三十一日:



* For identification purpose only

Corporate Information

公司資料

DIRECTORS

Executive Directors

Ms. Yip Man Yi (*Chairman*)
Mr. Chan Yun Fai
Mr. Au Yeung Yiu Chung

Non-executive Director

Mr. Lau Kin Hon

Independent Non-executive Directors

Mr. Li Kwok Chu
Mr. Chiu Koon Shou
Mr. Lau Shu Yan

COMPANY SECRETARY

Mr. Wong Po Keung

COMPLIANCE OFFICER

Mr. Au Yeung Yiu Chung

AUDIT COMMITTEE

Mr. Lau Shu Yan (*Chairman*)
Mr. Chiu Koon Shou
Mr. Li Kwok Chu

REMUNERATION COMMITTEE

Mr. Lau Shu Yan (*Chairman*)
Ms. Yip Man Yi
Mr. Chiu Koon Shou
Mr. Li Kwok Chu

NOMINATION COMMITTEE

Mr. Li Kwok Chu (*Chairman*)
Mr. Lau Shu Yan
Mr. Chiu Koon Shou

AUDITORS

Elite Partners CPA Limited

董事

執行董事
葉敏怡女士(主席)
陳潤輝先生
歐陽耀忠先生

非執行董事
劉建漢先生

獨立非執行董事

李國柱先生
趙貫修先生
劉樹人先生

公司秘書

黃保強先生

監察主任

歐陽耀忠先生

審核委員會

劉樹人先生(主席)
趙貫修先生
李國柱先生

薪酬委員會

劉樹人先生(主席)
葉敏怡女士
趙貫修先生
李國柱先生

提名委員會

李國柱先生(主席)
劉樹人先生
趙貫修先生

核數師

開元信德會計師事務所有限公司



PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited
16th Floor, The Center
99 Queen's Road Central
Central, Hong Kong

Wing Hang Bank, Limited
161 Queen's Road Central
Central, Hong Kong

SHARE REGISTRAR AND TRANSFER OFFICE

Hong Kong Registrars Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

REGISTERED OFFICE

Room A, 9th Floor
Fortis Tower
77-79 Gloucester Road
Wanchai
Hong Kong

WEBSITE

www.lottotainment.com.hk

STOCK CODE

8022

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香港中環
皇后大道中99號
中環中心16樓

永亨銀行有限公司
香港中環
皇后大道中161號

股份過戶登記處

香港證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓
1712-1716號舖

註冊辦事處

香港
灣仔
告士打道77-79號
富通大廈
9樓A室

網站

www.lottotainment.com.hk

股份代號

8022

Chairman's Statement

主席報告

On behalf of the board (the "Board") of the Directors, I hereby present to the shareholders the Group's annual report for the year ended 31 December 2012.

FINANCIAL HIGHLIGHTS OF 2012 FISCAL YEAR

Turnover of the Group for 2012 was approximately HK\$23 million which was decreased by 8% as compared to approximately HK\$25 million last year. Compared to a loss for the year of HK\$111 million in 2011, a loss for the year of HK\$56 million was recorded. Loss per share was approximately 70.36 HK cents, compared to a loss of 24.88 HK cents per share in 2011. The Board does not recommend any dividend payment for 2012.

OVERVIEW FOR 2012 OPERATION AND PROSPECT

Continued with difficult operating environment from last year, the financial year 2012 was strait to the Group. The prices of fuel in the global market were persistently in high level which led to adverse impact on margin and the loss in the travel agency business. With an under-performing result from Stage Drama and Entertainment businesses, the Group has exercised its right to put back those segments to the original vendors. In view of the difficult situation in financial year 2012, the Group has acquired a marketing and advertising business to broaden its business opportunity.

The Group has appointed certain new directors during the year. The new management team is going to review the current operation of the Group and to formulate new business strategy and direction. The Group is optimistic to 2013 onwards and has confidence that the Group will benefit from the new management extensive experience and widespread business connection within the market. The Group will continue to implement prudent financial control and enhance stringent cost control measures to cope with the challenge. The Group has the need to raise more funding to strengthen the capital base. While continuing the existing business, the Group will also seek possible investment opportunities to broaden the revenue base.

On behalf of the Board, I would like to express our sincere gratitude to all the Company's stakeholders for your support over the years. With your continued invaluable support, patience and encouragement, we commit to work hard and to maximize benefits for the Company and shareholders as a whole.

Yip Man Yi

Chairman and Executive Director

Hong Kong, 25 March 2013



本人謹此代表董事會(「董事會」)向股東提呈本集團截至二零一二年十二月三十一日止年度之年報。

二零一二財政年度財務摘要

於二零一二年，本集團營業額約為23,000,000港元，較去年約25,000,000港元減少8%。與二零一一年錄得年內虧損111,000,000港元相比，本年度錄得年內虧損56,000,000港元。每股虧損約70.36港仙，而二零一一年虧損為每股24.88港仙。董事會不建議派付二零一二年股息。

二零一二年業務回顧及前景

上年度經營環境持續惡劣，使本集團於二零一二年財政年度舉步維艱。環球市場燃油價值持續高企，致使旅遊代理業務利潤受挫，出現虧損。舞台表演及娛樂業務表現未如理想，本集團行使其權利向原賣方售回該等分部業務。鑑於二零一二年財政年度經營困難，本集團已收購市場營銷及廣告業務，以拓展商機。

本集團於年內委任若干名新董事。新管理層團體將檢討本集團現時營運及制訂新業務策略。本集團對二零一三年前景樂觀，並有信心可憑藉新管理層豐富之經驗及廣闊之市場業務聯繫獲益。本集團將繼續落實審慎之財務管理，並加強嚴緊之成本控制措施，迎接挑戰。本集團有需要籌集更多資金，加蜜資本基礎。本集團在持續經營現有業務之同時，將尋求潛在投資機會，以擴大收入基礎。

本人謹此代表董事會向本公司所有權益持有人致以衷心謝意，感謝多年來之鼎力支持。在各位持續支持、體諒及鼓勵下，我們會竭誠不懈為本公司及股東整體締造最佳利益。

葉敏怡

主席兼執行董事

香港，二零一三年三月二十五日

Management Discussion and Analysis

管理層論述及分析

BUSINESS REVIEW

Entertainment business

The uncertainty of granting the official school license to Macau Talent Academy leads to serious deferment of the development and has adverse effect on financial performance of this segment. Entertainment business has failed to provide any profits to the Group. As such, on 28 December 2012, the Group took corrective action by exercising the Fountain City Put Option to put back the whole entertainment business to the vendor to mitigate the loss. Disposal of the entertainment business will be subject to Shareholders' approval.

Stage drama business (disposed during the year)

In view of the unsatisfactory sales performance, failure to secure sponsorship and unexpected increase of operating cost, despite the Group's effort in tightening the cost control, stage drama business has failed to bring in economic benefits to the Group and has caused adverse financial result to the Group. As a result of unsatisfactory result of the stage drama business, on 28 December 2012, the Group has exercised the Dragon Gain Put Option to put back the whole business to the vendor and discontinued stage drama operation.

Travel agency business

Travel agency business operates with stable and internally generated cash flow and ranks first in revenue contribution to the Group. Business environment of the PRC travel industry remains competitive and the Group has to face a difficult environment, in particular, continuous growth in the operating costs due to inflation. However, given that annual disposal income per capita continues to grow in the PRC and more and more overseas locations are freely open for PRC citizen, the Directors are optimistic in the business growth of its travel agency operation.

Advertising and marketing services

Advertising and marketing business generates stable cash flow which ranks second in revenue contribution to the Group and becomes one of the core businesses of the Group. Following disposal of underperforming entertainment and stage drama businesses, the Group will focus and reallocate its resources for pursuing business development in advertising and marketing business, including reposition of its service mix and widening its scope of services to capture potential business opportunities in function organization for enhancing its performance with its internally generated cash flow.

業務回顧

娛樂業務

澳門才華學會申請正式學校牌照存在不明朗因素，嚴重拖慢其發展，且對該分部之財務表現造成不利影響。娛樂業務未能為本集團帶來任何收益。因此，於二零一二年十二月二十八日，本集團採取修正措施，行使泉城認沽權證，以向賣方售回全部娛樂業務，減少虧損。出售娛樂業務須待股東批准後，方可作實。

舞台表現業務(於年內出售)

鑑於銷售表現不理想、未能確保獲得贊助及營運成本意外增加，儘管本集團加緊成本控制，舞台表現業務未能為本集團帶來經濟收益，對本集團之財務業績亦造成不利影響。由於舞台表現業務之結果未如理想，於二零一二年十二月二十八日，本集團行使龍盈認沽期權，以向賣方售回全部業務，並終止舞台表現業務。

旅遊代理業務

旅遊代理業務以穩健之內部產生現金流營運，為本集團帶來第一最高收入。中國旅遊業之營商環境競爭激烈，面對重重困難，尤其是，因通脹引起之經營成本持續上升。然而，由於中國人均可支配年收入繼續增長，加上中國公民可自由到訪更多海外地方，故董事對旅遊代理營運之業務增長充滿信心。

廣告及市場推廣服務

廣告及市場推廣業務產生穩健現金流，為本集團帶來第二最高收入，亦為本集團其中一項核心業務。於出售表現不佳之娛樂及舞台表現業務後，本集團將集中在廣告及市場推廣方面分配資源拓展業務，包括就服務組合重新定位，並拓闊其服務範圍，抓緊在功能組織之潛在業務商機，以加強其內部產生現金流之效能。



Securities trading business

Due to the economic downturn in the United States and triggered by the unresolved European debt issue, the condition of Hong Kong stock market is relatively volatile. The Group will keep focusing and balancing the risk and return from its investment and will closely monitor the performance of its investment portfolio. Furthermore, the Group will take corrective action to change its investment portfolio to minimize the risk and maximize the return when appropriate.

FINANCIAL POSITION

Liquidity and Financial Resources

As at 31 December 2012, the total assets of the Group was approximately HK\$158 million (2011: HK\$230 million), including cash and bank balances and restricted bank deposits of approximately HK\$6 million (2011: HK\$39 million). The gearing ratio of the Group expressed in total debt as a percentage of net assets was nil (2011: Nil).

Charges on Group's Assets

As at 31 December 2012, the Company has charged its all the undertaking property, assets, goodwill, rights and revenues to the lender by way of fund floating charge to secure a unguaranteed loan facility.

Capital Structure

During the year, the Company issued 196,941,341 shares by way of Rights Issue on the basis of one rights share for every two existing shares held at the subscription price of HK\$0.05 per rights share.

The Company has carried out a share consolidation during the year, of every ten shares of HK\$0.05 each in the issued and unissued share capital of the Company were consolidated into one consolidation share of HK\$0.50 each in the issued and unissued share capital of the Company.

In addition, the Company entered into a placing agreement with a placing agent whereby the Company conditionally agreed to place, through the placing agent, on a fully underwritten basis, a total of 6,564,711 placing shares to not less than 6 independent places at a price of HK\$0.5 per placing share. The aggregate nominal value of the placing shares under the placing agreement will be approximately HK\$3,282,355, therefore, the number of issued share of the Company was 65,647,113 as at 31 December 2012 and the date of this report.

證券買賣業務

由於美國經濟低迷，加上歐債危機仍未解決，香港股票市場環境相對波動。本集團將繼續專注平衡風險，爭取投資回報，並將密切監察其投資組合表現。此外，本集團將採取修正措施，改變投資組合，以減低風險，並於適當時爭取最高回報。

財政狀況

流動資金及財務資源

於二零一二年十二月三十一日，本集團之資產總值約為158,000,000港元（二零一一年：230,000,000港元），包括現金及銀行結餘以及受限制銀行存款約6,000,000港元（二零一一年：39,000,000港元）。本集團之資產負債比率（以總債務佔資產淨值之百分比列示）為零（二零一一年：零）。

集團資產抵押

於二零一二年十二月三十一日，本公司已透過流動資金變動形式將其所有押記物業、資產、商譽、權利及儲備撥賬至借款人，以為取得無擔保貸款融資作出抵押。

資本結構

年內，本公司透過供股發行196,941,341股股份，基準為每持有兩股現有股份獲發一股供股股份，認購價為每股供股股份0.05港元。

本公司於年內進行股份合併，基準為每十股每股0.05港元之本公司已發行及尚未發行股本合併為一股每股0.50港元之本公司已發行及尚未發行股本之合併股份。

此外，本公司與配售代理訂立配售協議，據此，本公司有條件同意透過配售代理按全數包銷之基準不少於六個獨立承配人配售合共6,564,711股配售股份，每股配售股份配售價為0.5港元。根據配售協議之配售股份總面值為約3,282,355港元。因此，本公司於二零一二年十二月三十一日及本報告日期已發行股份數目為65,647,113股。

CAPITAL COMMITMENTS

The details of the capital commitments incurred during the year ended 31 December 2012 are set out in note 39 to the financial statements.

ACQUISITION OF CREATIVE STAR LIMITED

On 14 November 2011, the Group entered into a sale and purchase agreement with independent third party, pursuant to which the Group has conditionally agreed to acquire the entire issued share capital of Creative Star Limited ("Creative Star"). The total consideration paid for the acquisition of Creative Star was HK\$20,000,000. The acquisition, which constituted as a major transaction under the GEM Listing Rules, was completed on 28 February 2012. Creative Star become a wholly-owned subsidiary of the Group.

Creative Star is an investment holding company, incorporated in the Republic of Vanuatu with limited liability, and held as to 60% of the shares of Hong Kong Marketing Service Limited ("Hong Kong Marketing"). Hong Kong Marketing is incorporated in Hong Kong with limited liability and engaged in product advertising and promotion, marketing agency and planning, function organization and media project services.

Details of the transaction were disclosed in the Company's announcements dated 14 November 2011, 25 November 2011, 20 January 2012 and 28 February 2012 respectively.

ACQUISITION OF MASS APEX LIMITED

As disclosed in the Company announcement dated 26 November 2012, the Company, through its wholly owned subsidiary, Fame Network Limited to acquire the entire issued share capital of Mass Apex Limited which principally engaged in the trading of raw food material business in Hong Kong at a consideration of HK\$68,000,000.

The acquisition constitutes a very substantial acquisition pursuant to the terms and conditions set out in the conditional sale and purchase agreement and is subject to shareholder's approval at an extraordinary general meeting to be convened around second quarter of 2013.

資本承擔

於截至二零一二年十二月三十一日止年度所產生資本承擔之詳情載於財務報表附註39。

收購建星有限公司

於二零一一年十一月十四日，本集團與獨立第三方訂立買賣協議，據此，本集團有條件同意收購建星有限公司（「建星」）全部已發行股本。收購建星而支付之總代價為20,000,000港元。收購（其根據創業板上市規則構成一項主要交易）於二零一二年二月二十八日完成，而建星已成為本集團之全資附屬公司。

建星為一家投資控股公司，於瓦努阿圖共和國註冊成立為有限公司，並持有Hong Kong Marketing Service Limited（「Hong Kong Marketing」）60%股份。Hong Kong Marketing於香港註冊成立為有限公司，從事產品廣告及推廣、營銷代理及策劃、活動籌辦及媒體項目服務。

交易詳情已於本公司日期分別為二零一一年十一月十四日、二零一一年十一月二十五日、二零一二年一月二十日及二零一二年二月二十八日之公佈披露。

收購MASS APEX LIMITED

誠如本公司日期為二零一二年十一月二十六日之公佈所披露，本公司透過其全資附屬公司Fame Network Limited收購Mass Apex Limited全部已發行股本，代價為68,000,000港元。Mass Apex Limited主要於香港從事食物原材料買賣業務。

根據有條件買賣協議所載之條款及條件，是項收購構成非常重大收購事項，並須待股東在大約於二零一三年第二季度召開之股東特別大會上批准後，方可作實。



DISPOSAL OF 100% SHAREHOLDING INTEREST IN CIRCLE ONE INTERNATIONAL LIMITED

On 31 August 2012, an independent third party, agreed to purchase and the Company agreed to sell the 1 ordinary shares of US\$1.00 par value each in the issued share capital of Circle One International Limited (the “Disposal Company”).

The Disposed Company was a 100% owned subsidiary of the Group. The principal business of the Disposed Company and its subsidiaries is the provision of internet spot gaming. The completion of the Disposal took place on 31 August 2012.

DISPOSAL OF 100% SHAREHOLDING INTEREST IN DRAGON GAIN WORLDWIDE LIMITED

On 28 December 2012, the Company and the Vendors, have agreed on the early exercise by the Company of the Put Option of Dragon Gain Worldwide Limited (“the Disposed Company”) to put back the Sale Shares to the Vendors’ nominee at the Put Option Price of HK\$49,200,000 as the Vendors had acknowledged that it was their assessment that Consolidated Net Profit would not be able to meet with the Profit Guarantee.

The Disposed Company was a 100% owned subsidiary of the Group. The principal business of the Disposed Company and its subsidiaries is engaged in operation of stage drama.

Details of the transaction were published in the Company’s announcements dated 26 June 2012, 12 December 2012 and 28 December 2012 respectively.

SEGMENT INFORMATION

An analysis of the Group’s turnover and contribution to profit from operations of principal activities for the year ended 31 December 2012 is set out in note 13 to the financial statements.

POST BALANCE SHEET EVENTS

The details of the non-adjusting post balance sheet events are set out in note 43 to the financial statements.

DETAILS OF FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

Save as disclosed, the Directors do not have any future plans for material investment or capital assets.

出售於CIRCLE ONE INTERNATIONAL LIMITED之100%股份權益

於二零一二年八月三十一日，獨立第三方同意購買及本公司同意出售於Circle One International Limited(「出售公司」)之已發行股本中一股每股面值1.00美元之普通股。

出售公司為本集團全資附屬公司。出售公司及其附屬公司主要業務為提供網絡熱點遊戲。出售於二零一二年八月三十一日完成。

出售於龍盈國際有限公司之100%股份權益

於二零一二年十二月二十八日，本公司及賣方已就提早行使龍盈國際有限公司(「出售公司」)認沽權證，以向賣方代一人名人售回銷售股份，認沽權證價為49,200,000港元，原因是賣方已確認綜合純利將不會達成溢利保證。

出售公司為本集團全資附屬公司。出售公司及其附屬公司之主要業務為經營舞台表演。

交易詳情已刊載於本公司日期為二零一二年六月二十六日、二零一二年十二月十二日及二零一二年十二月二十八日之公佈。

分部資料

本集團截至二零一二年十二月三十一日止年度按主要業務劃分之營業額及經營溢利貢獻分析載於財務報表附註13。

結算日後事項

非調整結算日後事項之詳情載於財務報表附註43。

重大投資或資本資產之未來計劃詳情

除已披露者外，董事並無任何重大投資或資本資產之未來計劃。

FOREIGN CURRENCY RISK

Since most of the transactions, income and expenditure of the Group are denominated in Hong Kong dollar and Renminbi, no hedging or other arrangements to reduce the currency risk have been implemented.

CONTINGENT LIABILITIES

As at 31 December 2012, the Directors are not aware of any material contingent liabilities.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2012, the Group had 62 (2011: 64) full-time employees. The total of employee remuneration, including that of the Directors, for the year ended 31 December 2012 amounted to approximately HK\$11 million (2011: HK\$14 million). The Group remunerates its employees based on their performance, experience and the prevailing industry practice.

The emolument policy of the employees of the Group is determined on the basis of their merit, qualifications and competence.

Details of the remuneration policy of the Company are set out in the "Corporate Governance Report".

SHARE OPTION SCHEME

A share option scheme was adopted on 30 July 2001, amended on 2 December 2008 by the shareholders of the Company (the "Old Scheme") under which the Directors may, at their discretion, grant options to themselves and any employees of the Group entitling them to subscribe for shares of the Company. The Old Scheme was terminated and a new share option scheme (the "New Scheme") was adopted on 9 May 2011 by the shareholders of the Company. The purpose of the New Scheme is to enable the Company to grant options to participants as incentives and rewards for their contribution to the Company or its subsidiaries.

No options have been granted under the New Scheme since its adoption.

Details of the movements in the share options granted and exercised during the year ended 31 December 2012 under the share option scheme are disclosed in the section of "Report of Directors".

外幣風險

由於本集團大部分交易、收入及開支均以港元及人民幣計值，因此並無採取對沖或其他安排以減低貨幣風險。

或然負債

於二零一二年十二月三十一日，董事並不知悉任何重大或然負債。

僱員及薪酬政策

於二零一二年十二月三十一日，本集團僱用62名(二零一一年：64名)全職僱員。截至二零一二年十二月三十一日止年度之總僱員薪酬(包括董事薪酬)約為11,000,000港元(二零一一年：14,000,000港元)。本集團按各員工之工作表現、經驗及現時行業慣例酬報其僱員。

本集團僱員之薪酬政策乃按彼等之功績、資歷及才能制定。

本公司薪酬政策之詳情載於「企業管治報告」。

購股權計劃

本公司股東於二零零一年七月三十日採納一項購股權計劃，並於二零零八年十二月二日作出修訂(「舊計劃」)，據此，董事可酌情授出購股權予彼等本身及本集團任何僱員，使彼等有權認購本公司股份。舊計劃已終止，而本公司股東已於二零一一年五月九日採納新購股權計劃(「新計劃」)。新計劃之目的為使本公司能夠向參與者授出購股權，作為獎勵及獎賞彼等對本公司或其附屬公司作出之貢獻。

自採納新計劃以來，概無根據新計劃授出任何購股權。

於截至二零一二年十二月三十一日止年度內，根據購股權計劃所授出及行使之購股權之變動詳情於「董事會報告」一節披露。

Corporate Governance Report

企業管治報告



CORPORATE GOVERNANCE

The Group is committed to achieving high standard of corporate governance to safeguard the interests of all shareholders and to enhance corporate value and accountability.

The Company's corporate governance practices are based on the principles and code provisions ("Code Provisions") set out in the Code of Corporate Governance Practices (effective until 31 March 2012) (the "Former CG Code") which was subsequently revised as the Corporate Governance Code (the "Revised CG Code") contained in Appendix 15 of the GEM Listing Rules and came into full effect on 1 April 2012.

Throughout the year ended 31 December 2012, the Company has complied with most of the Code Provisions of the Former CG Code for the period from 1 January 2012 to 31 March 2012 and of the Revised CG Code for the period from 1 April 2012 to 31 December 2012, save for the deviations from code provisions A.2.1, A.4.1 and A.6.7 which are explained below.

The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review its corporate governance practices from time to time to ensure they comply with the statutory and the Revised CG Code and align with the latest developments.

Board Composition and Board Practices

As at 31 December 2012, the Board comprised six Directors including three executive directors of the Company (the "Executive Directors"), namely Ms. Yip Man Yi (Chairman), Mr. Chan Yun Fai and Mr. Au Yeung Yiu Chung; and three independent non-executive directors of the Company (the "Independent Non-executive Directors"), namely, Mr. Chiu Koon Shou, Mr. Lau Shui Yan and Mr. Li Kwok Chu. There is no financial, business, family or other material/relevant relationship amongst the Directors.

The Board schedules four meetings a year at approximately quarterly intervals and will be met as necessary. During the year ended 31 December 2012, the Board held 4 regular meetings. The Directors can attend meetings in persons or through other means of electronic communication in accordance with the Company's articles of association (the "Articles of Association").

In addition, the Company has maintained a procedure for the Directors to seek independent professional advice, in appropriate circumstances, at the Company's expense in discharging their duties to the Company. Moreover, the company secretary of the Company (the "Company Secretary") prepares minutes and keeps records of matters discussed and decisions resolved at all Board meetings. The Company Secretary also keeps the minutes, which are open for inspection at any reasonable time on reasonable notice by any Director.

企業管治

本集團致力達致高水平企業管治，以保障所有股東之利益及加強企業價值及責任承擔。

本公司企業管治守則乃根據生效日期直至二零一二年三月三十一日之企業管治常規(「前企業管治常規」)所載之原則及守則條文制訂，前企業管治常規其後經修訂為企業管治守則(「經修訂企業管治守則」)，載於創業板上市規則附錄十五，於二零一二年四月一日起完全生效。

截至二零一二年十二月三十一日止年度，本公司已於二零一二年一月一日至二零一二年三月三十一日期間遵守大部分前企業管治常規之守則條文，以及於二零一二年四月一日至二零一二年十二月三十一日期間遵守經修訂企業管治守則，惟以下所述A.2.1、A.4.1及A6.7條守則條文偏離者除外。

本公司將繼續加強適合於其業務進行及發展之企業管治常規，並不時檢討其企業管治常規，以確保該等常規已遵守法定及經修訂企業管治守則，符合最新發展。

董事會組成及董事會常規

於二零一二年十二月三十一日，董事會由六名董事組成，包括三名本公司執行董事(「執行董事」)，即葉敏怡女士(主席)、陳潤輝先生及；以及歐陽耀忠先生三名本公司獨立非執行董事(「獨立非執行董事」)，即趙貫修先生、劉樹人先生及李國柱先生。董事之間概無任何財務、業務、家族或其他重大／相關關係。

董事會計劃每年舉行四次會議，約於每季度及於有需要時會面。截至二零一二年十二月三十一日止年度，董事會曾舉行四次常規會議。按照本公司之組織章程細則(「組織章程細則」)，董事可親身或透過其他電子通訊途徑出席會議。

此外，本公司已制定程序，以便董事在向本公司履行職責時，於適當情況下徵求獨立專業意見，而費用均由本公司承擔。另外，本公司之公司秘書(「公司秘書」)會編製會議記錄，及存置有關於所有董事會會議所討論事項及所議決決策之記錄。公司秘書亦會存置會議記錄，備供任何董事於任何合理時間發出合理通知後查閱。

Appointment, Re-election and Removal of Directors

According to the Articles of Association, one-third of the Directors are required to retire from office at each annual general meeting, provided that every Director shall be subject to retirement by rotation at least once in every three years.

According to the code provision A.4.1 of the Revised CG Code, non-executive directors should be appointed for a specific term of service. None of the Independent Non-executive Directors have entered into an appointment letter with the Company for a specific term of service but their appointments are subject to retirement by rotation and offer themselves for re-election at the annual general meeting at least once for every three years in accordance with the Articles of Association. The Company believes such practice meets the same objective and no less exacting than those prescribed under Code Provision A.4.1.

Chairman and Chief Executive Officer

Under the Code Provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing.

During the year ended 31 December 2012, Ms. Yip Man Yi acted as the chairman of the Company (the "Chairman") and Mr. Cheung Man Yau, Timothy acted as the chief executive officer of the Company (the "CEO"). The roles of the Chairman and the CEO are segregated and performed by Ms. Yip Man Yi and Mr. Cheung Man Yau, Timothy respectively thereon. This segregation ensures a clear distinction between the Chairman's and the CEO's responsibilities which allows a balance of power between the Board and the management of the Group, and ensures their independence and accountability. However, the post of CEO has been vacant since the retirement of Mr. Cheung Man Yau, Timothy as the CEO and Executive Director with effect from 4 June 2012. The Board will keep reviewing the current structure of the Board from time to time and if candidate with suitable skill and experience is identified within or outside the Group, the Company will make necessary appointment to fill the post as appropriate and will make further announcement in due course. Save as disclosed in the section of "Biographical Details of Directors and Senior Management", there is no financial, business, family or other material/relevant relationship between the Chairman and the CEO and among the members of the Board.

委任、重選及罷免董事

按照組織章程細則，三分之一董事須於每屆股東週年大會輪值告退，惟每名董事須最少每三年輪值告退一次。

根據經修訂企管守則守則條文第A.4.1條，非執行董事須按特定任期委任。概無獨立非執行董事與本公司訂有附帶特定任期之委聘書，惟彼等之委任須按照組織章程細則於股東週年大會至少每三年輪值告退及重選連任一次。本公司相信該等常規符合守則條文第A.4.1條之目的，並不比該條文所規定寬鬆。

主席及行政總裁

根據企管守則守則條文第A.2.1條，主席及行政總裁之角色應獨立區分，不應由一人兼任。主席及行政總裁之職責區分必須清楚列明，並以書面形式載列。

於截至二零一二年十二月三十一日止年度，葉敏怡女士擔任本公司主席（「主席」），而張晚有先生則出任本公司行政總裁（「行政總裁」）。主席與行政總裁之角色有所區分，分別由葉敏怡女士及張晚有先生擔任。該角色區分確保清晰劃分主席與行政總裁之職責，以平衡董事會與本集團管理層之權力，同時確保彼等之獨立性及問責性。然而，自張晚有先生辭任行政總裁及執行董事並於二零一二年六月四日生效後，行政總裁之職位一直懸空。董事會將不斷不時檢討董事會目前架構，及倘於本集團內部或外界覓得兼備合適才能及經驗之人選，本公司將於適當時候委任董事填補空缺，並將於適當時候另行刊發公佈。除「董事及高級管理層履歷」一節所披露者外，主席與行政總裁之間及董事會成員之間概無任何財務、業務、家族或其他重大／相關關係。



Independent Non-executive Directors

The Company has received from each of its Independent Non-executive Directors the written confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company, based on such confirmation, considers Mr. Chiu Koon Shou, Mr. Lau Shu Yan and Mr. Li Kwok Chu independent.

Role and Functions of the Board

The Board and the management team are committed to high standards of corporate governance. The Board is responsible for approving and monitoring business plans, evaluating the performance of the Group and overseeing management. The Board also focuses on overall strategies and policies with particular attention paid to the growth and financial performance of the Group.

The Board delegates the authority and responsibility for implementing day-to-day operations and management of the Group to Executive Directors and senior management, and certain specific responsibilities to the Board committees. The Board reserves certain key matters for its approval including the Group's long-term strategy, internal control, annual, half-yearly and quarterly financial results and shareholder communications, etc. Decisions of the Board are communicated to the management through Executive Directors who have attended at Board meetings.

When the Board delegates certain aspects of its management functions to the management, it has given clear directions as to the powers of management, in particular, with respect to the circumstances. The final decision still rests with the Board unless otherwise provide for in the terms of reference of relevant committees.

Board of Directors

The primary role of the Board is to protect and enhance interest of the Company and shareholders as a whole. The Board is responsible for setting overall strategy for the Group and monitoring the performance of the management.

獨立非執行董事

本公司已接獲獨立非執行董事各自根據創業板上市規則第5.09條就彼等之獨立身份發出之確認書。基於該確認書，本公司認為，趙貫修先生、劉樹人先生及李國柱先生均為獨立人士。

董事會角色及功能

董事會及管理層團隊致力維持高水平之企業管治。董事會負責審批及監控業務計劃、評估本集團之表現以及監察管理層。董事會亦專注於制定整體策略及政策，尤其關注本集團之增長及財務表現。

董事會將執行本集團之日常運作及管理之權力及責任，委派予執行董事及高級管理層，並把若干特定責任委派予董事會轄下之委員會。董事會保留對若干重要事項之審批權，包括本集團長遠策略、內部監控、年度、半年度及季度財務業績及與股東溝通等。董事會透過出席董事會會議之執行董事，向管理層傳達董事會之決策。

在董事會將若干範疇之管理職能委派予管理層時，已就管理層權力給予清晰方向，尤其是行使權力之情況。除非在相關委員會之職權範圍另有所指，否則董事會仍掌握最終決定權。

董事會

董事會之主要角色為保障及提高本公司及股東之整體利益。董事會負責制定本集團整體策略，並監督管理層表現。

The Board members during the year ended 31 December 2012 and up to the date of this annual report are:

Executive Directors

Ms. Yip Man Yi (*Chairman*) (Appointed on 10 April 2012)

Mr. Chan Yun Fai (Appointed on 10 March 2012)

Mr. Au Yeung Yiu Chung (Appointed on 10 March 2012)

Mr. Chan Kin Yip (Resigned on 10 March 2012)

Mr. Cheung Man Yau, Timothy (*Chief Executive Officer*) (Retired on 4 June 2012)

Mr. Lee Chi Shing, Caesar (Retired on 4 June 2012)

Ms. Cheng Sze Man (Retired on 4 June 2012)

Non-Executive Director

Mr. Lau Kiu Hon (Appointed on 4 March 2013)

Independent Non-executive Directors

Mr. Li Kwok Chu (Appointed on 16 March 2012)

Mr. Chiu Koon Shou (Appointed on 20 April 2012)

Mr. Lau Shu Yan (Appointed on 11 July 2012)

Mr. Wong Lit Chor, Alexis (Resigned on 16 March 2012)

Mr. Sung Wai Tak, Herman (Resigned on 20 April 2012)

Mr. Fung Wai Shing (Resigned on 11 July 2012)

The attendance of Directors at the Board meetings for the year ended 31 December 2012 is set out as follows:

於截至二零一二年十二月三十一日止年度及截至本年報日期止之董事會成員如下：

執行董事

葉敏怡女士 (*主席*) (於二零一二年四月十日獲委任)

陳潤輝先生 (於二零一二年三月十日獲委任)

歐陽耀忠先生 (於二零一二年三月十日獲委任)

陳建業先生 (於二零一二年三月十日辭任)

張晚有先生 (*行政總裁*) (於二零一二年六月四日退任)

李志成先生 (於二零一二年六月四日退任)

鄭詩敏女士 (於二零一二年六月四日退任)

非執行董事

劉建漢先生 (於二零一三年三月四日獲委任)

獨立非執行董事

李國柱先生 (於二零一二年三月十六日獲委任)

趙貫修先生 (於二零一二年四月二十日獲委任)

劉樹人先生 (於二零一二年七月十一日獲委任)

黃烈初先生 (於二零一二年三月十六日辭任)

宋衛德先生 (於二零一二年四月二十日辭任)

馮偉成先生 (於二零一二年七月十一日辭任)

截至二零一二年十二月三十一日止年度，董事之董事會會議出席記錄載列如下：

Name of Directors 董事姓名		Attendance of meeting held 所舉行會議之出席率
Ms. Yip Man Yi 葉敏怡女士	(Appointed on 10 April 2012) (於二零一二年四月十日獲委任)	32/32
Mr. Chan Yun Fai 陳潤輝先生	(Appointed on 10 March 2012) (於二零一二年三月十日獲委任)	35/36
Mr. Au Yeung Yiu Chung 歐陽耀忠先生	(Appointed on 10 March 2012) (於二零一二年三月十日獲委任)	35/36
Mr. Li Kwok Chu 李國柱先生	(Appointed on 16 March 2012) (於二零一二年三月十六日獲委任)	29/35
Mr. Chiu Koon Shou 趙貫修先生	(Appointed on 20 April 2012) (於二零一二年四月二十日獲委任)	20/31
Mr. Lau Shu Yan 劉樹人先生	(Appointed on 11 July 2012) (於二零一二年七月十一日獲委任)	13/20
Mr. Chan Kin Yip 陳建業先生	(Resigned on 10 March 2012) (於二零一二年三月十日辭任)	4/4
Mr. Wong Lit Chor, Alexis 黃烈初先生	(Resigned on 16 March 2012) (於二零一二年三月十六日辭任)	0/5
Mr. Sung Wai Tak, Herman 宋衛德先生	(Resigned on 20 April 2012) (於二零一二年四月二十日辭任)	5/9
Mr. Cheung Man Yau, Timothy 張晚有先生	(Retired on 4 June 2012) (於二零一二年六月四日退任)	12/14
Mr. Lee Chi Shing, Caesar 李志成先生	(Retired on 4 June 2012) (於二零一二年六月四日退任)	8/14
Ms. Cheng Sze Man 鄭詩敏女士	(Retired on 4 June 2012) (於二零一二年六月四日退任)	9/14
Mr. Fung Wai Shing 馮偉成先生	(Resigned on 11 July 2012) (於二零一二年七月十一日辭任)	10/20



Directors' Induction and Continuous Professional Development

All Directors, including Non-executive Director and Independent non-Executive Directors, should keep abreast of their collective responsibilities as Directors and of the business and activities of the Group. Each newly appointed Director would receive a comprehensive induction package covering business operations, policy and procedures of the Company as well as the general, statutory and regulatory obligations of being a Director to ensure that he/she is sufficiently aware of his/her responsibilities under the GEM Listing Rules and other relevant regulatory requirements. The Group also provides briefings and other training to develop and refresh the Directors' knowledge and skills, and update all Directors on the latest developments regarding the GEM Listing Rules and other applicable regulatory requirement to ensure compliance and to enhance their awareness of good corporate governance practices.

During the year ended 31 December 2012, the current Directors participated in the continuous professional developments in relation to regulatory update, the duties and responsibility of the Directors and the business of the Group in the following manners:

董事就任須知及持續專業發展

所有董事(包括非執行董事及獨立非執行董事)應清楚瞭解彼等作為董事之共同責任及本集團業務及活動。每名新委任董事將獲全面就任須知,涵蓋本公司業務經營、政策及程序,以及作為董事之一般、法定及規定責任,以確保彼等充分瞭解其於創業板上市規則下之責任及其他相關規定要求。本集團亦提供簡介會及其他培訓,以發展及更新董事知識及技能,更新所有董事有關創業板上市規則及其他適用監管要求之最新發展,以確保彼等瞭解良好企業管治常規。

截至二零一二年十二月三十一日止年度,現任董事以下形式參與有關監管更新、董事責任及職責以及本集團業務之持續專業發展:

Directors 董事	Attended Seminars/ Briefings/Read Materials 出席研討會/ 簡介會/閱讀資料
Executive Directors 執行董事	
Ms. Yip Man Yi 葉敏怡女士	(appointed on 10 April 2012) (於二零一二年四月十日獲委任) ✓
Mr. Chan Yun Fai 陳潤輝先生	(appointed on 10 March 2012) (於二零一二年三月十日獲委任) ✓
Mr. Au Yeung Yiu Chung 歐陽耀忠先生	(appointed on 10 March 2012) (於二零一二年三月十日獲委任) ✓
Non-executive Director 非執行董事	
Mr. Lau Kin Hon 劉建漢先生	(appointed on 4 March 2013) (於二零一三年三月四日獲委任) —
Independent Non-executive Directors 獨立非執行董事	
Mr. Li Kwok Chu 李國柱先生	(appointed on 16 March 2012) (於二零一二年三月十六日獲委任) ✓
Mr. Chiu Koon Shou 趙貫修先生	(appointed on 20 April 2012) (於二零一二年四月二十日獲委任) ✓
Mr. Lau Shu Yan 劉樹人先生	(appointed on 11 July 2012) (於二零一二年七月十一日獲委任) ✓

Audit Committee

The Company has established an audit committee with written terms of reference based upon the guidelines recommended by the Hong Kong Institute of Certified Public Accountants. The primary duties of the audit committee of the Company (the "Audit Committee") are to review and supervise the Group's financial and accounting policies and practices, financial controls, internal controls and risk management systems. On 29 March 2012, the Board adopted a set of the revised terms of reference of the Audit Committee, which has included changes in line with the Revised CG Code requirements effective from 1 April 2012. The revised terms of reference setting out the Audit Committee's authority, duties and responsibilities are available on both the GEM website and the Company's website. During the year ended 31 December 2012, the Audit Committee has performed its duties, reviewed the effectiveness of the internal control system of the Company and reviewed the re-appointment of the external auditors. The unaudited quarterly and interim together with the audited annual results of the Company in respect of the year ended 31 December 2012 have also been reviewed by the Audit Committee.

As at 31 December 2012, the Audit Committee comprised three Independent Non-executive Directors, namely, Mr. Li Kwok Chu, Mr. Chiu Koon Shou and Mr. Lau Shu Yan. Mr. Lau Shu Yan is the chairman of the Audit Committee and applies his professional qualifications in accounting and financial expertise in directing the Audit Committee.

The attendance of the members of the Audit Committee at Audit Committee meetings for the year ended 31 December 2012 is set out as follows:

審核委員會

本公司已成立審核委員會，並根據香港會計師公會建議之指引制定書面職權範圍。本公司審核委員會（「審核委員會」）之主要職責為審閱及監督本集團之財務會計政策及慣例、財務監控、內部監控及風險管理制度。於二零一二年三月二十九日，董事會採納審核委員會一系列經修訂職權範圍，該職權範圍已包括符合二零一二年四月一日生效之經修訂企業管治守則要求之變動。載列審核委員會權力、職責及責任之經修訂職權範圍於創業板網站及本公司網站可供瀏覽。於截至二零一二年十二月三十一日止年度，審核委員會履行其職責，檢討本公司內部監控制度之有效性及檢討外部核數師之重新委任。本公司未經審核季度及中期業績以及截至二零一二年十二月三十一日止年度之經審核年度業績亦已經由審核委員會審閱。

於二零一二年十二月三十一日，審核委員會由三名獨立非執行董事組成，分別為李國柱先生、趙貴修先生及劉樹人先生。劉樹人先生為審核委員會主席，憑藉彼在會計及財務專業方面之專業資格，領導審核委員會之運作。

截至二零一二年十二月三十一日止年度，審核委員會成員於審核委員會會議之出席記錄載列如下：

Name of Audit Committee Members		Attendance of meeting held
審核委員會成員姓名		所舉行會議之出席率
Mr. Lau Shu Yan (Chairman) 劉樹人先生(主席)	(Appointed on 11 July 2012) (於二零一二年七月十一日獲委任)	3/3
Mr. Li Kwok Chu 李國柱先生	(Appointed on 16 March 2012) (於二零一二年三月十六日獲委任)	5/5
Mr. Chiu Koon Shou 趙貴修先生	(Appointed on 20 April 2012) (於二零一二年四月二十日獲委任)	4/4
Mr. Wong Lit Chor, Alexis 黃烈初先生	(Resigned on 16 March 2012) (於二零一二年三月十六日辭任)	0/0
Mr. Sung Wai Tak, Herman 宋衛德先生	(Resigned on 20 April 2012) (於二零一二年四月二十日辭任)	1/1
Mr. Fung Wai Shing 馮偉成先生	(Resigned on 11 July 2012) (於二零一二年七月十一日辭任)	2/2



Remuneration Committee

The Company has established a remuneration committee on 8 October 2007 with terms of reference no less exacting terms than the Former CG Code. The principle of the Company's remuneration committee of the Company (the "Remuneration Committee") is to formulate and review the remuneration policies and other remuneration related matters of the Directors and senior management of the Company and to make recommendations to the Board as deemed necessary. On 29 March 2012, the Board adopted a set of the revised terms of reference of the Remuneration Committee, which has included changes in line with the Revised CG Code requirements effective from 1 April 2012. The revised terms of reference setting out the Remuneration Committee's authority, duties and responsibilities are available on both the GEM website and the Company's website. During the year ended 31 December 2012, the Remuneration Committee has discussed and reviewed the remuneration policies of the Company, reviewed and made recommendations with respect to the remuneration of Board members for approval by the Board and made recommendations with respect to the remuneration of the newly appointed Directors during the year for approval by the Board. The Remuneration Committee has adopted the operation model where it performs an advisory role to the Board, with the Board retaining the final authority to approve the remuneration packages of individual executive Directors and senior management.

As at 31 December 2012, the Remuneration Committee comprised one Executive Director, namely Ms. Yip Man Yi and three Independent Non-executive Directors, namely Mr. Li Kwok Chu, Mr. Chiu Koon Shou and Mr. Lau Shu Yan.

The attendance of the members of the Remuneration Committee at the Remuneration Committee meetings for the year ended 31 December 2012 is set out as follows:

薪酬委員會

本公司已於二零零七年十月八日成立薪酬委員會，其職權範圍不較前企管守則之條款寬鬆。本公司薪酬委員會（「薪酬委員會」）成立目的為制定與檢討董事及本公司高級管理人員之薪酬政策及其他薪酬相關事宜，並在認為必要時向董事會提出推薦意見。於二零一二年三月二十九日，董事會採納薪酬委員會一系列經修訂職權範圍，該職權範圍已包括符合二零一二年四月一日生效之經修訂企業管治守則要求之變動。載列薪酬委員會權力、職責及責任之經修訂職權範圍於創業板網站及本公司網站可供瀏覽。於截至二零一二年十二月三十一日止年度，薪酬委員會已討論及檢討本公司之薪酬政策，檢討就董事會成員之薪酬提出建議，以獲董事會批准，並就年內新委任董事之薪酬提出建議，以獲董事會批准。薪酬委員會已採納向董事會履行顧問職責之經營模式，董事會保留批准個別執行董事及高級管理層人員之薪酬政策之最終權力。

於二零一二年十二月三十一日，薪酬委員會包括一名執行董事葉敏怡女士，以及三名獨立非執行董事李國柱先生、趙貫修先生及劉樹人先生。

截至二零一二年十二月三十一日止年度，薪酬委員會成員於薪酬委員會會議之出席記錄載列如下：

Name of Remuneration Committee Members		Attendance of meeting held
薪酬委員會成員姓名		所舉行會議之出席率
Mr. Lau Shu Yan (Chairman) 劉樹人先生(主席)	(Appointed on 11 July 2012) (於二零一二年七月十一日獲委任)	1/1
Mr. Li Kwok Chu 李國柱先生	(Appointed on 16 March 2012) (於二零一二年三月十六日獲委任)	7/7
Ms. Yip Man Yi 葉敏怡女士	(Appointed on 10 April 2012) (於二零一二年四月十日獲委任)	2/2
Mr. Chiu Koon Shou 趙貫修先生	(Appointed on 20 April 2012) (於二零一二年四月二十日獲委任)	3/3
Mr. Wong Lit Chor, Alexis 黃烈初先生	(Resigned on 16 March 2012) (於二零一二年三月十六日辭任)	1/1
Mr. Sung Wai Tak, Herman 宋衛德先生	(Resigned on 20 April 2012) (於二零一二年四月二十日辭任)	4/5
Mr. Cheung Man Yau, Timothy 張晚有先生	(Retired on 4 June 2012) (於二零一二年六月四日退任)	5/5
Mr. Fung Wai Shing 馮偉成先生	(Resigned on 11 July 2012) (於二零一二年七月十一日辭任)	6/6

Remuneration Policy for Directors and Senior Management

The emolument policy of the employees of the Group is determined on the basis of their merit, qualifications and competence.

The emoluments of the Directors are recommended by the Remuneration Committee, having regard to the Company's operating results, individual performance, experience, responsibility, workload and time devoted to the Company and comparable market statistics. Each of the Executive Directors is entitled to a basic salary which is reviewed annually. In addition, each of the Executive Directors may receive a discretionary bonus as the Remuneration Committee may recommend. Such amount has to be approved by the Board.

The Company has adopted the New Scheme on 9 May 2011. The purpose of the share option scheme is to enable the Board, at its discretion, to grant options to selected eligible participants to motivate them and to optimise their performance and efficiency for the benefit of the Group.

Nomination Committee

The Company has established a nomination committee on 29 March 2012 with terms of reference no less exacting than the Revised CG Code. The principle of the Company's nomination committee of the Company (the "Nomination Committee") is responsible for reviewing the structure, size and composition of the Board, determining the re-election of the Directors, and identifying individuals suitably qualified to become Board members and assessing the independence of Independent Non-executive Directors. The terms of reference setting out the Nomination Committee's authority, duties and responsibilities are available on both the GEM website and the Company's website.

Where vacancies on the Board exist, the nomination committee will carry out the selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, including the independence status in the case of an Independent Non-executive Director, the Company's needs and other relevant statutory requirements and regulations.

During the year ended 31 December 2012, the Nomination Committee have reviewed the structure, size and composition of the Board, the re-election of the Directors at the forthcoming annual general meeting and considered the appointments of Ms. Yip Man Yi as executive Director and Chairman of the Board, Mr. Chiu Koon Shou and Mr. Lau Shu Yan as Independent Non-executive Directors. All of the aforesaid newly appointed Directors were appointed by going through the selection process stated as above and the re-election of the Directors retired by rotation in accordance with the Articles of Association.

董事及高級管理層之薪酬政策

本集團僱員之薪酬政策乃按彼等之功績、資歷及才能制定。

薪酬委員會考慮本公司經營業績、個人表現、經驗、責任、工作量及對本公司投放之時間及市場可比較數字後，就董事薪酬提出建議。各執行董事有權獲取基本薪金，而基本薪金每年檢討一次。此外，獲薪酬委員會建議後，各執行董事可收取酌情花紅。花紅金額須由董事會批准。

本公司已於二零一一年五月九日採納新計劃。認股權計劃之目的為讓董事會酌情向獲挑選之合資格參與者授予認股權，以激勵參與者及提升彼等表現及效率，藉以令本集團獲益。

提名委員會

本公司已於二零一二年三月二十九日根據不比經修訂企業管治守則寬鬆之職權範圍成立提名委員會。本公司提名委員會（「提名委員會」）主要負責檢討董事會之架構、規模及組成、釐定重選董事、物色具有適當資格可出任董事之人選及評估獨立非執行董事之獨立性。載列提名委員會權力、職責及責任之職權範圍於創業板網站及本公司網站可供瀏覽。

倘董事會出現空缺，提名委員會將根據建議候選人之技能、經驗、專業知識、個人品德、服務時間（倘為獨立非執行董事則須考慮其獨立地位）、本公司需要以及其他相關法定要求及規定進行篩選。

截至二零一二年十二月三十一日止年度，提名委員會已檢討董事會之架構、規模及組成以及於應屆股東週年大會重選董事之事宜，並考慮委任葉敏怡女士為執行董事兼董事會主席、趙貫修先生及劉樹人先生為獨立非執行董事。所有上述新任董事乃透過上述篩選過程及根據組織章程細則重選輪值告退之董事。



As at 31 December 2012, the Nomination Committee comprised three Independent Non-executive Directors, namely, Mr. Li Kwok Chu, Mr. Chiu Koon Shou and Mr. Lau Shu Yan. Mr. Li Kwok Chu is the chairman of the Nomination Committee.

The attendance of the members of the Nomination Committee at the Nomination Committee meetings for the year ended 31 December 2012 is set out as follows:

於二零一二年十二月三十一日，提名委員會由三名獨立非執行董事組成，分別為李國柱先生、趙貫修先生及劉樹人先生。李國柱先生為提名委員會主席。

提名委員會成員出席截至二零一二年十二月三十一日止年度提名委員會會議之情況載列如下：

Name of Nomination Committee Members		Attendance of meeting held
提名委員會成員姓名		所舉行會議之出席率
Mr. Li Kwok Chu (<i>Chairman</i>) 李國柱先生(主席)	(<i>Appointed on 16 March 2012</i>) (於二零一二年三月十六日獲委任)	5/5
Mr. Chui Koon Shou 趙貫修先生	(<i>Appointed on 20 April 2012</i>) (於二零一二年四月二十日獲委任)	3/3
Mr. Lau Shu Yan 劉樹人先生	(<i>Appointed on 11 July 2012</i>) (於二零一二年七月十一日獲委任)	0/1
Mr. Sung Wai Tak, Herman 宋衛德先生	(<i>Resigned on 20 April 2012</i>) (於二零一二年四月二十日辭任)	1/2
Mr. Fung Wai Shing 馮偉成先生	(<i>Resigned on 11 July 2012</i>) (於二零一二年七月十一日辭任)	3/4

Corporate Governance Function

All members of the Board are responsible for performing the corporate governance functions. The terms of reference of corporate governance functions was adopted by the Board at the Board meeting held on 29 March 2012 and is in compliance with paragraph D3.1 of the Revised CG Code as set out in Appendix 15 to the GEM Listing Rules. During the year ended 31 December 2012, the Board has reviewed the policy of the corporate governance of the Company.

企業管治職能

所有董事會成員負責履行企業管治職能。企業管治職能職權範圍獲董事會於二零一二年三月二十九日舉行之董事會會議上採納，並符合創業板上市規則附錄十五所載經修訂企業管治守則第D3.1段。截至二零一二年十二月三十一日止年度，董事會已審閱本公司企業管治政策。

Code of Conduct Regarding Securities Transactions by Directors

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard as set out in 5.48 to 5.67 of the GEM Listing Rules. The Directors have confirmed, following specific inquiry by the Company, that they have complied with the required standard and code of conduct during the year under review.

董事進行證券交易之操守守則

本公司已採納董事進行證券交易之操守守則，其條款不較創業板上市規則第5.48至5.67條所載之規定準則寬鬆。經本公司作出具體查詢後，董事確認，彼等於回顧年度內一直遵守規定標準及操守守則。

Auditors' Remuneration

The Audit Committee is responsible for considering the appointment of the external auditors and reviewing any non-audit functions performed by the external auditors, including whether such non-audit functions could lead to any potential material adverse effect on the Company. During the year under review, the Group is required to pay any aggregate of approximately HK\$400,000 to the external auditors for performing the statutory audit work of 2012 of the Group. There is no non-audit service assignment provided by the external auditors during the year.

Directors' Responsibility for the Financial Statements

The following statement sets out the responsibilities for the Directors in relation to the quarterly, interim and annual financial statements.

Annual Report and Financial Statements

The Directors acknowledge their responsibility to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and in presenting the quarterly, interim and annual financial statements, and announcements to shareholders, the Directors aim to present a balanced and understandable assessment of the Group's position and prospects.

Accounting Records

The Directors are responsible for ensuring that the Group keeps accounting records which disclose with reasonable accuracy the financial position of the Group and which enable the preparation of financial statements in accordance with the Hong Kong Financial Reporting Standards as promulgated by the Hong Kong Institute of Certified Public Accountants.

Internal Control

The Board has conducted a review of the effectiveness of the system of internal control of the Group during the year under review.

Going Concern

The Directors, having made appropriate enquiries, consider that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparing the financial statements.

核數師酬金

審核委員會負責考慮外聘核數師之委任，以及審閱由外聘核數師進行之任何非審核工作（不論該等非審核工作會否對本公司構成任何潛在重大不利影響）。於回顧年度內，本集團須就外聘核數師履行本集團二零一二年法定審核工作向其支付合共約400,000港元。外聘核數師於本年度並無提供任何非審核服務。

董事對財務報表之責任

下列聲明載列董事對季度、中期及年度財務報表之責任。

年報及財務報表

董事瞭解彼等須負責就各財政年度編製能真實公平反映本集團業務狀況之財務報表，而於向股東呈列季度、中期及年度財務報表以及公佈方面，董事的宗旨為就本集團之狀況及前景提供平衡且易於理解之評估。

會計記錄

董事負責確保本集團存置合理準確披露本集團財務狀況之會計記錄，藉以遵照香港會計師公會頒佈之香港財務報告準則編製財務報表。

內部監控

董事會已於回顧年內檢討本集團內部監控制度之有效性。

持續經營

董事經作出適當查詢後認為，本集團具備充足資源，以於可見未來繼續營運，且基於此理由，按持續經營基準編製財務報表屬適當做法。



Auditors' Responsibility for the Financial Statements

The statement of external auditors of the Company, Elite Partners CPA Limited, about their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report.

核數師就財務報表之責任

外部核數師開元信德會計師事務所就本集團財務報表之呈報責任之聲明載於獨立核數師報告。

Annual General Meeting

During the year under review, an annual general meeting of the Company ("AGM") was held on 4 June 2012 and five extraordinary general meeting ("EGM") were held with details of the Directors' attendance set out below:

股東週年大會

於回顧年內，本公司股東週年大會（「股東週年大會」）於二零一二年六月四日舉行，並舉行了五次股東特別大會（「股東特別大會」），股東週年大會及股東特別大會之董事出席詳情載列如下：

Directors 董事	Attendance of the AGM on 4 June 2012 於二零一二年 六月四日 股東週年大會 出席率	Attendance of the EGM held on 24 February 2012 於二零一二年 二月二十四日 股東特別大會 出席率	Attendance of the EGM held on 5 March 2012 於二零一二年 三月五日 股東特別大會 出席率	Attendance of the EGM held on 9 March 2012 於二零一二年 三月九日 股東特別大會 出席率	Attendance of the EGM held on 22 August 2012 於二零一二年 八月二十二日 股東特別大會 出席率	Attendance of the EGM held on 18 September 2012 於二零一二年 九月十八日 股東特別大會 出席率
Executive Directors						
執行董事						
Ms. Yip Man Yi (Chairman) (Appointed on 10 April 2012) 葉敏怡女士(主席)(於二零一二年四月十日獲委任)	✓	-	-	-	✓	✓
Mr. Chan Yun Fai (Appointed on 10 March 2012) 陳潤輝先生(於二零一二年三月十日獲委任)	✓	-	-	-	✓	✓
Mr. Au Yeung Yiu Chung (Appointed on 10 March 2012) 歐陽耀忠先生(於二零一二年三月十日獲委任)	✓	-	-	-	✓	✓
Mr. Cheung Man Yau, Timothy (Retired on 4 June 2012) 張晚有先生(於二零一二年六月四日退任)	✓	✓	✓	✓	-	-
Mr. Lee Chi Shing, Caesar (Retired on 4 June 2012) 李志成先生(於二零一二年六月四日退任)	✓	X	X	X	-	-
Ms. Cheng Sze Man (Retired on 4 June 2012) 鄭詩敏女士(於二零一二年六月四日退任)	✓	X	X	X	-	-
Mr. Chan Kin Yip (Resigned on 10 March 2012) 陳建業先生(於二零一二年三月十日辭任)	-	✓	✓	✓	-	-
Non-executive Director						
非執行董事						
Mr. Lau Kin Hon (Appointed on 4 March 2013) 劉建漢先生(於二零一三年三月四日獲委任)	-	-	-	-	-	-
Independent Non-executive Directors						
獨立非執行董事						
Mr. Li Kwok Chu (Appointed on 16 March 2012) 李國柱先生(於二零一二年三月十六日獲委任)	✓	-	-	-	X	X
Mr. Chiu Koon Shou (Appointed on 20 April 2012) 趙貫修先生(於二零一二年四月二十日獲委任)	✓	-	-	-	X	X
Mr. Lau Shu Yan (Appointed on 11 July 2012) 劉樹人先生(於二零一二年七月十一日獲委任)	-	-	-	-	X	X
Mr. Fung Wai Shing (Resigned on 11 July 2012) 馮偉成先生(於二零一二年七月十一日辭任)	✓	X	X	X	-	-
Mr. Sung Wai Tak, Herman (Resigned on 20 April 2012) 宋衛德先生(於二零一二年四月二十日辭任)	-	X	X	X	-	-
Mr. Wong Lit Chor, Alexis (Resigned on 16 March 2012) 黃烈初先生(於二零一二年三月十六日辭任)	-	X	X	X	-	-

The AGM held on 4 June 2012, the Chairman and the chairmen of the Audit Committee, Remuneration Committee and Nomination Committee have attended the said AGM to answer questions of the shareholders of the Company. Under the Code Provision A.6.7 of the Revised CG Code, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Due to other business engagement, Independent Non-executive Directors could not attend the EGMs but they have appointed either the CEO or the Chairman as their representative at the respective EGMs. In the future, the Company will try its best to encourage and ensure the Independent Non-executive Directors will attend the EGMs.

Investor Relations and Communication with Shareholders

The Company uses a number of formal communications channels to account to shareholders and investors for the performance of the Company. These include (i) the publication of quarterly, interim and annual reports; (ii) the annual general meeting or extraordinary general meeting providing a forum for shareholders of the Company to raise comments and exchanging views with the Board; (iii) key information of the Group available on the website of the Company; (iv) the Company's share registrars in Hong Kong serving the shareholders in respect of all share registration matters; and (v) corporate information and the memorandum and articles of association of the Company are made available on the Company's website.

A Shareholder's Communication Policy was adopted by the Board on 29 March 2012 aiming at providing the shareholders and potential investors with ready and timely access to balanced and understandable information of the Company.

The Company aims to provide its shareholders and investors with high standards of disclosure and financial transparency. The Board is committed to providing clear, detailed, timely manner and on a regular basis information of the Group to shareholders through the publication of quarterly, interim and annual reports and/or dispatching circular, notices, and other announcements.

The Company keeps on promoting investor relations and enhancing communication with the existing shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public. Enquiries to the Board or the Company may be sent by post to the Company's registered office at Room A, 9th Floor, Fortis Tower, 77-79 Gloucester Road, Wanchai, Hong Kong.

股東週年大會於二零一二年六月四日舉行，主席以及審核委員會、薪酬委員會及提名委員會主席已出席上述股東週年大會，回答本公司股東提問。根據經修訂企管守則之守則條文第A6.7條，獨立非執行董事及其他非執行董事須出席股東大會，以平衡對股東意見之見解。由於其他業務需要，獨立非執行董事未能出席股東特別大會，但彼等委任行政總裁或主席為彼等於相關股東特別大會之代表。本公司日後將盡力鼓勵及確保獨立非執行董事出席股東特別大會。

投資者關係及與股東溝通

本公司採用多個正式通訊渠道，以向股東及投資者說明本公司之表現。此等渠道包括(i)刊發季度、中期及年度報告；(ii)舉行股東週年大會或股東特別大會，為本公司股東提供提出評論及與董事會交流意見之平台；(iii)於本公司網站發佈本集團之主要資料；(iv)本公司於香港之股份過戶處，就所有股份登記事宜服務股東；以及(v)公司資料及本公司組織章程大綱及公司細則載於本公司網站可供瀏覽。

董事會於二零一二年三月二十九日採納股東溝通政策，旨在向股東及潛在投資者迅速及時取得本公司全面簡明之資料。

本公司旨在向其股東及投資者提供高水平資料披露及財政透明度。董事會承諾，透過刊發季度、中期及年度報告及／或寄發通函、通知及其他公佈，適時及定期向股東提供有關本集團之清晰詳盡資料。

本公司不斷推動與投資者關係及加強與現有股東及潛在投資者之溝通。本公司歡迎投資者、持份者及公眾提出建議。有關人士可以郵寄方式送達本公司註冊辦事處(地址為香港灣仔告士打道77-79號富通大廈9樓A室)向董事會或本公司查詢。



Shareholders' Rights

Procedures for Shareholders to Convene an Extraordinary General Meeting

Pursuant to the Hong Kong Companies Ordinance and the Articles of Association, an EGM can be convened by a written request signed by Shareholders holding not less than one-twentieth of the paid-up share capital of the Company, stating the objects of the meeting, and deposited at the Company's registered office at Room A, 9th Floor, Fortis Tower, 77-79 Gloucester Road, Wanchai, Hong Kong.

Procedures for putting forward Proposals at a General Meeting

The procedures for shareholders to put forward proposals at an AGM or EGM include a written notice of those proposals being submitted by shareholders, addressed to the Company Secretary at the Company's registered office at Room A, 9th Floor, Fortis Tower, 77-79 Gloucester Road, Wanchai, Hong Kong. The detailed procedures vary according to whether the proposal constitutes an ordinary resolution or a special resolution, or whether the proposal relates to the election of a person other than a Director of the Company as a director. The procedures for shareholders to convene and put forward proposals at an AGM or EGM (including election of a person other than a Director of the Company as a director) are available on the Company's website or on request to the Company Secretary.

Procedures for Directing Shareholders' Enquiries to the Board

Shareholders may at any time send their enquires and concerns to the Board in writing through the Company Secretary at the Company's registered office at Room A, 9th Floor, Fortis Tower, 77-79 Gloucester Road, Wanchai, Hong Kong or send email to info@lottotainment.com.hk.

Shareholders may also make enquiries with the Board at the AGM or EGM.

股東權利

股東召開股東特別大會之程序

根據香港公司條例及組織章程細則，持有不少於本公司已繳足股本二十分之一之股東可遞交已簽署並訂明會議目的之書面呈請予本公司於香港之註冊辦事處(地址為香港灣仔告士打道77-79號富通大廈9樓A室)，以召開股東特別大會。

於股東大會提呈建議之程序

股東於股東週年大會及股東特別大會提呈建議之程序為將就有關建議之書面通知送達本公司註冊辦事處(地址為香港灣仔告士打道77-79號富通大廈9樓A室)，以遞交予公司秘書。詳細程序須視乎該建議是否構成普通決議案或特別決議案，或股東提出董事候選人之建議是否與本公司董事以外候選人有關而有所不同。股東召開股東週年大會及股東特別大會並於會上提呈決議案之程序(包括選任本公司董事以外之人士為董事)資料於本公司網站可供瀏覽，或可向公司秘書提出要求以獲取資料。

建議股東向董事會查詢之程序

股東可於任何時候以書面形式送達本公司註冊辦事處(地址為香港灣仔告士打道77-79號富通大廈9樓A室)以遞交予公司秘書或電郵 info@lottotainment.com.hk 向董事會提出彼等查詢及關注。

股東亦可於股東週年大會或股東特別大會向董事會查詢。

Company Secretary

As at 31 December 2012, the Company Secretary is Mr. Tang Man Leong (“Mr. Tang”), who is an employee of the Company. The Company Secretary supports the Chairman, Board and Board Committees by ensuring good information flow and that Board policy and procedures are followed. He advises the Board on governance matters and facilitates the induction and professional development of Directors. Although the Company Secretary reports to the Chairman and CEO, all Directors may call upon him for advice and assistance at any time in respect to their duties and the effective operation of the Board and Board Committees. The Company Secretary also plays an essential role in the relationship between the Company and its shareholders, including assisting the Board in discharging its obligations to shareholders pursuant to the GEM Listing Rules.

Subsequent to the year ended 31 December 2012, on 4 January 2013, Mr. Tang was resigned as the Company Secretary and Mr. Wong Po Keung was appointed as the Company Secretary in place of Mr. Tang.

CONSTITUTIONAL DOCUMENTS

At the EGM held on 9 March 2012, the Shareholders approved the amendments to the Articles of Association, the provisions of which principally reflected the recent changes to the GEM Listing Rules and the Revised CG Code. A new set of amended and restated Articles of Association consolidating such amendments was adopted on the same date. The new set of amended and restated Articles of Association is available on the GEM website and the Company’s website or on request to the Company Secretary.

Looking forward

The Group will keep on reviewing its corporate governance standards on a timely basis and the Board endeavors to take the necessary actions to ensure the compliance with the Code Provisions of the Revised CG Code introduced by the Stock Exchange.

公司秘書

於二零一二年十二月三十一日，公司秘書為本公司僱員鄧文亮先生(「鄧先生」)。公司秘書負責確保公司資料完備，以協助主席、董事會及董事委員會工作。彼就管治事宜向董事會提出意見，並配合董事就任及專業發展事宜。儘管本公司秘書向主席及行政總裁報告，所有董事均可要求公司秘書提出意見，並於任何時候就彼等職責及董事會及董事委員會之有效經營給予協助。公司秘書亦在本公司與其股東之間發揮關鍵作用，包括協助董事會解釋其根據創業板上市規則對股東之責任。

截至二零一二年十二月三十一日止年度其後，於二零一三年一月四日，鄧先生辭任公司秘書，黃保強先生獲委任為公司秘書，以取替鄧先生。

憲制文件

於二零一二年三月九日舉行之股東特別大會，股東批准組織章程細則之修訂，組織章程細則條文主要反映創業板上市規則及經修訂企業管治守則之最新變動。合併有關修訂之新經修訂及重列之組織章程細則已於同一日期獲採納。新經修訂及重列之組織章程細則於創業板網站及本公司網站可供瀏覽或向公司秘書提出以獲取資料。

展望

本集團將繼續適時檢討其企業管治水平，而董事會將盡力採取必需行動，確保遵守聯交所頒佈之經修訂企管守則之守則條文。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷



EXECUTIVE DIRECTORS

Ms. Yip Man Yi (“Ms. Yip”), aged 41, was appointed as chairman and Executive Director on 10 April 2012. She is also a member of the Remuneration Committee. Save as disclosed above, Ms. Yip does not hold any other position with the Company or any of its subsidiaries. Ms. Yip graduated from Seneca College of Applied Arts and Technology, Toronto, Canada and has over 15 years’ experience in financial market in different asset classes including foreign exchange, equities and money market. Ms. Yip has worked with HSBC Market (Asia) Limited for Global Markets and listed companies on the Main Board of the Stock Exchange that was actively involved in formulating investment strategy and was responsible for overseeing the management operations of various investment projects. Save as disclosed above, Ms. Yip does not hold any other directorship in other public companies the securities of which are listed in Hong Kong or overseas in the last three years or other major appointment and qualifications.

Ms. Yip has entered into a service agreement with the Company for a term of two years commencing from 10 April 2012 and is subject to the retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles and Association. Under the service agreement, Ms. Yip is entitled a monthly salary of HK\$20,000 plus discretionary bonus, which is determined by reference to the prevailing market conditions and her roles and responsibilities to the Company.

Mr. Chan Yun Fai (“Mr. Chan”), aged 25, was appointed as an Executive Director on 10 March 2012. He is also a director of several subsidiaries of the Company. Save as disclosed above, Mr. Chan does not hold any other position with the Company or any of its subsidiaries. Mr. Chan holds a Bachelor Degree of Science (Actuarial Science) from the Ohio State University, the United States of America. Since his graduation in 2009, he is engaged in the insurance industry and investment immigration works in both Hong Kong and Mainland China and gains extensive experience in insurance and investment field. Save as disclosed above, Mr. Chan does not hold any other directorship in other public companies the securities of which are listed in Hong Kong or overseas in the last three years or other major appointment and qualifications.

執行董事

葉敏怡女士（「葉女士」），41歲，於二零一二年四月十日獲委任為主席及執行董事。彼亦為薪酬委員會成員。除上文披露者外，葉女士概無於本公司或其任何附屬公司擔任任何其他職位。葉女士畢業於加拿大多倫多Seneca College of Applied Arts and Technology，並在金融業務擁有超過十五年經驗，涉及不同資產組別，包括外匯、股票及貨幣市場。葉女士曾在HSBC Market (Asia) Limited環球市場部門及多間聯交所主板上市公司制定投資策略，並負責監管多個投資項目之管理運作。除上文披露者外，葉女士於過去三年並無在其證券於香港或海外上市之其他上市公司擔任任何其他董事職務，亦無其他重要委任及專業資格。

葉女士已與本公司訂立服務協議，自二零一二年四月十日起為期兩年，彼須根據章程細則於本公司股東週年大會上輪值退任及重選連任。根據服務協議，葉女士有權收取月薪20,000港元加酌情花紅，有關金額乃參考當時市況以及彼於本公司之職位及職責後釐定。

陳潤輝先生（「陳先生」），25歲，於二零一二年三月十日獲委任為執行董事。彼亦為本公司多間附屬公司之董事。除上文披露者外，陳先生概無於本公司或其任何附屬公司擔任任何其他職位。陳先生持有美國俄亥俄州立大學理學士（精算）學位。自於二零零九年畢業以來，彼於香港及中國國內從事保險業及投資移民工作，累積豐富之保險及投資行業經驗。除上文披露者外，陳先生於過去三年並無在其證券於香港或海外上市之其他上市公司擔任任何其他董事職務，亦無其他重要委任及專業資格。

Mr. Chan has entered into a service agreement with the Company for a term of two years commencing from 10 March 2012 and is subject to the retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Under the new service agreement, Mr. Chan is entitled to a monthly salary of HK\$15,000 plus discretionary bonus, which is determined by reference to the prevailing market conditions and his roles and responsibilities in the Company.

Mr. Au Yeung Yiu Chung (“Mr. Au Yeung”), aged 31, was appointed as an Executive Director on 10 March 2012 and a compliance officer of the Company on 7 June 2012. He is also a director of several subsidiaries of the Company. Save as disclosed above, Mr. Au Yeung does not hold any other position with the Company or any of its subsidiaries. Mr. Au Yeung graduated from the Hong Kong Polytechnic University with a bachelor of Applied Biology in Biotechnology in 2004. He has over eight years of experience in financial industry. Save as disclosed above, Mr. Au Yeung does not hold any other directorship in other public companies the securities of which are listed in Hong Kong or overseas in the last three years or other major appointment and qualifications.

Mr. Au Yeung has entered into a service agreement with the Company for a term of two years commencing from 10 March 2012 and is subject to the retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Under the new service agreement, Mr. Au Yeung is entitled to a monthly salary of HK\$15,000 plus discretionary bonus, which is determined by reference to the prevailing market conditions and his roles and responsibilities in the Company.

陳先生已與本公司訂立服務協議，自二零一二年三月十日起為期兩年，彼須根據章程細則於本公司股東週年大會上輪值退任並重選連任。陳先生有權收取月薪15,000港元加酌情花紅，有關金額乃參考當時市況以及彼於本公司之職位及職責後釐定。

歐陽耀忠先生（「歐陽先生」），31歲，於二零一二年三月十日獲委任為執行董事，並於二零一二年六月七日獲委任為本公司監察主任。彼亦為本公司多間附屬公司之董事。除上文披露者外，歐陽先生概無於本公司或其任何附屬公司擔任任何其他職位。歐陽先生於二零零四年畢業於香港理工大學，持有應用生物兼生物科技學士學位。彼於金融業積逾八年經驗。除上文披露者外，歐陽先生於過去三年並無在其證券於香港或海外上市之其他上市公司擔任任何其他董事職務，亦無其他重要委任及專業資格。

歐陽先生已與本公司訂立服務協議，自二零一二年三月十日起為期兩年，彼須根據章程細則於本公司股東週年大會上輪值退任並重選連任。歐陽先生有權收取月薪15,000港元加酌情花紅，有關金額乃參考當時市況以及彼於本公司之職位及職責後釐定。



NON-EXECUTIVE DIRECTOR

Mr. Lau Kin Hon (“Mr. Lau”), age 45, was appointed as Non-executive Director on 4 March 2013. Save as disclosed above, Mr. Lau does not hold any other position with the Company or any of its subsidiaries. Mr. Lau is a practicing solicitor in Hong Kong. Mr. Lau obtained a bachelor of laws degree with honours from University College, London, U.K.. He is currently a partner of a law firm in Hong Kong. He is also an executive director of CL Group (Holdings) Limited (Stock Code: 8098) and a non-executive director of Lisi Group (Holdings) Limited (Stock Code: 526), both of which are listed on the Stock Exchange of Hong Kong Limited. Mr. Lau had been the independent non-executive director of Fujian Group Limited (“FGL”), Seapower Resources International Limited (“SRI”) and I-China Holdings Limited (“ICL”) respectively. Save as aforesaid, Mr. Lau did not hold any other directorship in other public companies the securities of which are listed in Hong Kong or overseas in the last three years or other major appointment and qualifications.

There is no service agreement nor any fixed term of service entered into between Mr. Lau and the Company and he is subject to the retirement and rotation at the annual general meeting of the Company in accordance with the Articles of Association. Mr. Lau is entitled a monthly salary of HK\$10,000 plus discretionary bonus, which is determined by the board of Directors with reference to the prevailing market conditions and his roles and responsibilities to the Company.

非執行董事

劉建漢先生(「劉先生」)，45歲，於二零一三年三月四日獲委任為非執行董事。除上文披露者外，劉先生概無於本公司或其任何附屬公司擔任其他任何職位。劉先生為香港執業律師。劉先生於英國倫敦大學學院取得法律學士榮譽學位。彼現時為香港一家律師事務所之合夥人。彼亦為昌利(控股)有限公司(股份代號：8098)之執行董事及利時集團(控股)有限公司(股份代號：526)之非執行董事，該兩家公司均於香港聯合交易所有限公司上市之公司。劉先生曾為福海集團有限公司(「福海」)、凱暉國際實業有限公司(「凱暉」)及I-China Holdings Limited(「ICL」)之獨立非執行董事。除上文披露者外，劉先生於過去三年並無在其證券於香港或海外上市之其他上市公司擔任任何其他董事職務，亦無其他重要委任及專業資格。

劉先生與本公司並無訂立任何服務合約，亦無固定服務年期，彼須根據章程細則於本公司股東週年大會上輪值退任。劉先生月薪為10,000港元另加酌情花紅，該金額由董事會參考現時市況以及彼於本公司之職位及職責後釐定。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chiu Koon Shou (“Mr. Chiu”), aged 43, was appointed as an Independent Non-executive Director on 20 April 2012. He is also a member of the Audit Committee, the Remuneration Committee and the Nomination Committee. Save as disclosed above, Mr. Chiu does not hold any other position with the Company or any of its subsidiaries. Mr. Chiu graduated from London University. Mr. Chiu is a solicitor of the High Court of the Hong Kong Special Administrative Region and the Supreme Court of England and Wales. He is a principal and solicitor of a law firm in Hong Kong. He is also the member of the Insolvency Law Committee of the Law Society of Hong Kong. Save as disclosed above, Mr. Chiu does not hold any other directorship in other public companies the securities of which are listed in Hong Kong or overseas in the last three years or other major appointment and qualifications.

There is no service agreement nor any fixed term of service entered into between Mr. Chiu and the Company and he is subject to the retirement and rotation at the annual general meeting of the Company in accordance with the Articles of Association. The remuneration of Mr. Chiu is HK\$120,000 per annum which is determined by the board of Directors with reference to his duties and responsibilities with the Company and the prevailing market conditions.

Mr. Li Kwok Chu (“Mr. Li”), aged 56, was appointed as an Independent Non-executive Director on 16 March 2012. He is also a member of the Audit Committee and the Remuneration Committee and the chairman of the Nomination Committee. Save as disclosed above, Mr. Li does not hold any other position in the Company or any of its subsidiaries. Mr. Li, is a chairman and chief executive officer of Pakco Group and has rich experience in administration and management field. Prior to joining Pakco Group, he was the managing director of Pakco Security (HK) Limited. Save as disclosed above, Mr. Li does not hold any other directorship in other public companies the securities of which are listed in Hong Kong or overseas in the last three years or other major appointment and qualifications.

獨立非執行董事

趙貫修先生(「趙先生」)，43歲，於二零一二年四月二十日獲委任為獨立非執行董事。彼亦為審核委員會、薪酬委員會及提名委員會成員。除上文披露者外，趙先生概無於本公司或其任何附屬公司擔任任何其他職位。趙先生畢業於倫敦大學。趙先生為香港特別行政區高等法院及英格蘭與威爾士最高法院律師。趙先生為香港一家律師事務所之主事人及律師。彼亦為香港律師會破產法委員會(Insolvency Law Committee)成員。除上述披露者外，趙先生於過去三年並無在其證券於香港或海外上市之其他上市公司擔任任何其他董事職務，亦無其他重要委任及專業資格。

趙先生與本公司並無訂立任何服務合約，亦無固定服務年期，彼須根據章程細則於本公司股東週年大會上輪值退任。趙先生之薪酬為每年120,000港元，乃由董事會參考彼於本公司之職務及職責以及當前市況後釐定。

李國柱先生(「李先生」)，56歲，於二零一二年三月十六日獲委任為獨立非執行董事。彼亦為審核委員會及薪酬委員會成員以及提名委員會主席。除上文披露者外，李先生概無於本公司或其任何附屬公司擔任其他任何職位。李先生為柏高集團主席兼行政總裁，於行政及管理領域經驗豐富。於加入柏高集團前，彼曾任柏高警衛(香港)有限公司董事總經理職務。除上文披露者外，李先生於過去三年並無在其證券於香港或海外上市之其他上市公司擔任任何其他董事職務，亦無其他重要委任及專業資格。



There is no service agreement nor any fixed term of service entered into between Mr. Li and the Company and he is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. The remuneration of Mr. Li is HK\$120,000 per annum which is determined by reference to his experience, performance and prevailing market conditions.

Mr. Lau Shu Yan (“Mr. Lau”), aged 31, was appointed as an Independent Non-Executive Director on 11 July 2012. He is also the chairmen of the Audit and Remuneration Committees and member of the Nomination Committee. Save as disclosed above, Mr. Lau does not hold any other position with the Company or any of its subsidiaries. Mr. Lau graduated from the University of Newcastle in United Kingdom with a bachelor’s degree in Accounting and Financial Analysis. He is a Certified Public Accountant (Practising) in Hong Kong, a member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. Mr. Lau has over 9 years experience in finance, auditing and accounting fields. Mr. Lau had previously worked in an international accounting firm and he is currently a partner of an audit firm. Save as disclosed above, Mr. Lau does not hold any other directorship in other public companies the securities of which are listed in Hong Kong or overseas in the last three years or other major appointment and qualifications.

There is no service agreement nor any fixed term of service entered into between Mr. Lau and the Company and he is subject to the retirement and rotation at the annual general meeting of the Company in accordance with the Articles of Association. The remuneration of Mr. Lau is HK\$120,000 per annum which is determined by the board of Directors with reference to his duties and responsibilities with the Company and the prevailing market conditions.

李先生與本公司並無訂立任何服務合約，亦無固定服務年期，彼須根據組織章程細則於本公司股東週年大會上輪值退任及重選連任。李先生可獲每年薪金120,000港元，有關金額乃參考彼之資歷、表現及當時市況後釐定。

劉樹人先生（「劉先生」），31歲，於二零一二年七月十一日獲委任為獨立非執行董事以及審核委員會主席兼薪酬委員會主席及提名委員會成員。除上文披露者外，劉先生概無於本公司或其任何附屬公司擔任任何其他職位。劉先生畢業於英國紐卡素大學(University of Newcastle)，獲頒會計及財務分析學士學位。彼為香港執業會計師、香港會計師公會及英國特許公認會計師公會之會員。劉先生於金融、審計及會計領域積逾九年經驗。劉先生之前在一間國際會計師行工作，現時為一間核數公司之合夥人。除上文披露者外，劉先生於過去三年並無在其證券於香港或海外上市之其他上市公司擔任任何其他董事職務，亦無其他重要委任及專業資格。

劉先生與本公司並無訂立任何服務合約，亦無固定服務年期，彼須根據章程細則於本公司股東週年大會上輪值退任。劉先生之薪酬為每年120,000港元，乃由董事會參考彼於本公司之職務及職責以及當前市況後釐定。

Report of the Directors

董事會報告

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

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of its subsidiaries are set out in note 1 to the financial statements.

FINANCIAL STATEMENTS

The results of the Group for the year ended 31 December 2012 are set out in the consolidated income statement and consolidated statement of comprehensive income on pages 46 to 48.

The states of affairs of the Group and of the Company as at 31 December 2012 are set out in the consolidated statement of financial position and the statement of financial position on pages 49 to 51 respectively.

The cash flows of the Group are set out in the consolidated statement of cash flows on pages 54 to 56.

SEGMENT INFORMATION

Details of the segment information of the Group for the year ended 31 December 2012 are set out in note 13 to the financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 32 to the financial statements. Shares were issued and consolidated during the year on placing of shares, right issue and share consolidation.

RESERVES

Details of the movements in reserves during the year are set out in note 32(c) to the financial statements.

DIVIDENDS

The directors do not recommend any payment of dividend nor transfer of any amount to reserves for the year (2011: Nil).

董事會謹此提呈彼等之報告及本集團截至二零一二年十二月三十一日止年度之經審核財務報表。

主要業務

本公司之主要業務為投資控股。本公司附屬公司之業務載於財務報表附註1。

財務報表

本集團截至二零一二年十二月三十一日止年度之業績載於第46至48頁之綜合收益表及綜合全面收益表內。

本集團及本公司於二零一二年十二月三十一日之業務狀況分別載於第49至51頁之綜合財務狀況表及財務狀況表內。

本集團之現金流量載於第54至56頁之綜合現金流量表內。

分部資料

本集團截至二零一二年十二月三十一日止年度之分部資料詳情載於財務報表附註13。

股本

本公司於本年度內有關股本變動之詳情載於財務報表附註32。於本年度內，本公司於配售股份、供股及股份合併時發行股份及合併股份。

儲備

年內儲備變動詳情載於財務報表附註32(c)。

股息

董事不建議就本年度派付任何股息，亦不轉撥任何款項至儲備(二零一一年：無)。



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 below:

財務概要

本集團過往五個財政年度之業績以及資產及負債概要載列如下：

		For the year ended 31 December 截至十二月三十一日止年度				
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Re-presented) (經重列)	2010 二零一零年 HK\$'000 千港元 (Re-presented) (經重列)	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Turnover	營業額	23,194	24,176	24,733	118,493	185,213
Loss before taxation	除稅前虧損	(27,430)	(41,773)	(21,878)	(764,466)	(70,154)
(Loss)/gain from discontinued operations	已終止業務之(虧損)/收益	(28,823)	(70,032)	(153,269)	3,110	—
Taxation	稅項	—	(5)	—	125,238	—
Loss before non-controlling interests	未計非控股權益前虧損	(56,253)	(111,810)	(175,147)	(636,118)	(70,154)
Net loss from ordinary activities attributable to shareholders	下列各項之日常業務虧損淨額 股東應佔	(46,192)	(68,878)	(101,335)	(387,060)	(48,262)
attributable to non-controlling interests	非控股權益應佔	(10,061)	(42,932)	(73,812)	(249,058)	(21,892)

		As at 31 December 於十二月三十一日				
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Total assets	總資產	158,733	230,324	69,235	362,943	225,108
Total liabilities	總負債	(187,800)	(221,041)	(234,786)	(356,610)	(203,967)
Non-controlling interests	非控股權益	12,435	(344)	21,047	(53,153)	(6,270)
Shareholders funds	股東資金	(16,632)	8,939	(144,504)	(46,820)	14,871

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment and intangible assets of the Group during the year are set out in notes 14 and 15 respectively to the financial statements.

物業、廠房及設備

本集團之物業、廠房及設備以及無形資產於年內之變動詳情分別載於財務報表附註14及15。

DISTRIBUTABLE RESERVES

As at 31 December 2012, the Company has no distributable reserve calculated in accordance with the provisions of Section 79B of the Hong Kong Companies Ordinance.

CONVERTIBLE BONDS, PROMISSORY NOTES AND SHARE CAPITAL

Details of movements in the Company's convertible bonds, promissory notes and share capital during the year are set out in notes 29, 30 and 32 respectively to the financial statements.

CHARITABLE DONATIONS

During the year, the Group made charitable donations amounting to HK\$203,300 (2011: Nil).

DIRECTORS

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

Executive Directors

Ms. Yip Man Yi (Chairman)	(Appointed on 10 April 2012)
Mr. Chan Yun Fai	(Appointed on 10 March 2012)
Mr. Au Yeung Yiu Chung	(Appointed on 10 March 2012)
Mr. Cheung Man Yau, Timothy (Chief Executive Officer)	(Retired on 4 June 2012)
Mr. Chan Kin Yip	(Resigned on 10 March 2012)
Mr. Lee Chi Shing, Caesar	(Retired on 4 June 2012)
Ms. Cheng Sze Man	(Retired on 4 June 2012)

Non-executive Director

Mr. Lau Kin Hon	(Appointed on 4 March 2013)
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Independent Non-executive Directors

Mr. Li Kwok Chu	(Appointed on 16 March 2012)
Mr. Chiu Koon Shou	(Appointed on 20 April 2012)
Mr. Lau Shu Yan	(Appointed on 11 July 2012)
Mr. Wong Lit Chor, Alexis	(Resigned on 16 March 2012)
Mr. Sung Wai Tak, Herman	(Resigned on 20 April 2012)
Mr. Fung Wai Shing	(Resigned on 11 July 2012)

可供分派儲備

於二零一二年十二月三十一日，本公司並無根據香港公司條例第79B條之條文計算之可供分派儲備。

可換股債券、承兌票據及股本

本公司於本年度之可換股債券、承兌票據及股本之變動詳請分別載於財務報表附註29、30及32。

慈善捐款

本集團本年度之慈善捐款為203,300港元(二零一一年：無)。

董事

於本財政年度內及截至本報告日期止之董事如下：

執行董事

葉敏怡女士 (主席)	(於二零一二年四月十日獲委任)
陳潤輝先生	(於二零一二年三月十日獲委任)
歐陽耀忠先生	(於二零一二年三月十日獲委任)
張晚有先生 (行政總裁)	(於二零一二年六月四日辭任)
陳建業先生	(於二零一二年三月十日辭任)
李志成先生	(於二零一二年六月四日辭任)
鄭詩敏女士	(於二零一二年六月四日辭任)

非執行董事

劉建漢先生	(於二零一三年三月四日獲委任)
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獨立非執行董事

李國柱先生	(於二零一二年三月十六日獲委任)
趙貫修先生	(於二零一二年四月二十日獲委任)
劉樹人先生	(於二零一二年七月十一日獲委任)
黃烈初先生	(於二零一二年三月十六日辭任)
宋衛德先生	(於二零一二年四月二十日辭任)
馮偉成先生	(於二零一二年七月十一日辭任)



In accordance with the Article 121 of the Articles of Association and as at the date of this report, Mr. Chan Yun Fai and Mr. Au Yeung Yiu Chung shall retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

In accordance with the Article 101 of the Articles of Association and as at the date of this report, Mr. Lau Shu Yan and Mr. Lau Kin Hon shall retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 26 to 30 of this annual report.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service agreement with the Company for a term of two years. Each of the executive Directors may receive a discretionary bonus, the amount of which will be determined by the Board of Directors as its absolute discretion having regard to the operation results of the Company.

The non-executive Directors (including independent non-executive Directors) are not appointed for a specific term, but all are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

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

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed under the section headed "Connected and Related Party Transactions" of this annual report, no other contracts of significance in relation to the Group's business to which the Company, any of its holding companies or subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

根據組織章程細則第121條及於本報告日期，陳潤輝先生及歐陽耀忠先生須於應屆股東週年大會上輪值告退，惟合資格並願意重選連任。

根據組織章程細則第101條及於本報告日期，劉樹人先生及劉建漢先生須於應屆股東週年大會上告退，惟合資格並願意重選連任。

董事及高級管理層履歷

董事及本集團高級管理層之履歷載於本年報第26至30頁。

董事服務合約

每位執行董事已與本公司簽訂服務協議，為期兩年。各執行董事或可酌情收取花紅，有關金額將由董事會全權酌情按本公司之經營業績而釐定。

非執行董事(包括獨立非執行董事)並無指定任期，惟彼等全體均須根據本公司組織章程細則於本公司之股東週年大會上輪值告退並膺選連任。

本公司並無與擬於應屆股東週年大會上重選連任之本公司董事訂立任何不可由本公司於一年內無償終止(法定補償除外)之服務合約。

董事之合約權益

除於本年報「關連及有關連人士交易」一節所披露者外，於本年度完結時或於年內任何時間，概無任何由本公司、其任何控股公司或附屬公司訂立且董事在其中直接或間接擁有重大權益而對本集團業務有重大影響之合約存續。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 December 2012, as far as the Directors are aware of, none of the Directors or the management shareholders of the Company or any of its respective associates (as defined in the GEM Listing Rules) has any interest in a business which competes or may compete with the business of the Group or has any other conflict of interest with the Group.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Apart from the share option scheme referred as below, at no time during the year ended 31 December 2012 was any of the Company or any associated corporation a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercised any such rights.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2012, none of the Directors or chief executives of the Company had any interests in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the required standards of dealings by directors as referred to in Rule 5.46 of the GEM Listing Rules.

Save as disclosed above, as at 31 December 2012, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Rule 5.46 of the GEM Listing Rules.

董事於競爭業務之權益

於二零一二年十二月三十一日，就董事所知，並無董事或本公司管理層股東或各自之聯繫人士（定義見創業板上市規則）於與本集團業務構成或可能構成競爭之業務中擁有任何權益或與本集團有任何其他利益衝突。

董事購入股份之權利

除下文所述購股權計劃外，於截至二零一二年十二月三十一日止年度內任何時間，本公司或任何相聯法團均無參與訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債券而獲益；亦無董事或彼等之配偶或十八歲以下子女擁有可認購本公司股份或債券之任何權利或曾行使任何該等權利。

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

於二零一二年十二月三十一日，董事或本公司最高行政人員概無於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有任何須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所之權益（包括彼等根據證券及期貨條例該等條文被當作或視為擁有之權益或淡倉），或已登記於本公司根據證券及期貨條例第352條須存置之登記冊之權益，或已根據創業板上市規則第5.46條所述董事進行買賣之規定標準知會本公司及聯交所之權益。

除上文披露者外，於二零一二年十二月三十一日，董事或本公司最高行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中，擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所之任何權益或淡倉，或已登記於本公司根據證券及期貨條例第352條須存置之登記冊之任何權益或淡倉或已根據創業板上市規則第5.46條之規定另行知會本公司及聯交所之任何權益或淡倉。

SHARE OPTION SCHEME

A share option scheme was adopted on 30 July 2001, amended on 2 December 2008 by the shareholders of the Company (the "Old Scheme") under which the Directors may, at their discretion, grant options to themselves and any employees of the Group entitling them to subscribe for shares of the Company. The Old Scheme was terminated and a new share option scheme (the "New Scheme") was adopted on 9 May 2011 by the shareholders of the Company. The purpose of the share option scheme is to enable the Company to grant options to the Participants (as defined below) as incentives and rewards for their contribution to the Company or its subsidiaries.

Participants under the share option scheme include any employee or consultant, advisor, agent, contractor, client or supplier of the Company or any of its subsidiaries who is in the sole opinion of the Board has contributed or is expected to contribute to the Group. The principal terms of the share option scheme are summarized as follow:

The New Scheme was adopted for a period of 10 years commencing from 9 May 2011 and will remain in force until 8 May 2021. The Company may by ordinary resolution in general meeting or such date as the Board shall determine, terminate the share option scheme at any time without prejudice to the exercise of options granted prior to such termination.

The subscription price shall be determined by the Board in its absolute discretion but in any event shall be at least the higher of:

- (i) the nominal value of the shares;
- (ii) the closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant which must be a business day; and
- (iii) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant.

Upon acceptance of the options, the grantee shall pay HK\$1.00 to the Company as consideration for the grant. The acceptance of an offer of the grant of the option must be made within 28 days from the date of grant. The exercise period of any option granted under the share option scheme must not be less than three years and not more than ten years commencing on the date of grant.

購股權計劃

本公司股東於二零零一年七月三十日採納一項購股權計劃，並於二零零八年十二月二日作出修訂（「舊計劃」），據此，董事可酌情授出購股權予彼等本身及本集團任何僱員，使彼等有權認購本公司股份。舊計劃已終止，而本公司股東已於二零一一年五月九日採納新購股權計劃（「新計劃」）。購股權計劃之目的為讓本公司向參與者（定義見下文）授出購股權，作為彼等為本公司或其附屬公司作出貢獻之獎勵及獎賞。

購股權計劃項下之參與者包括董事會全權認為曾經或預期會為本集團作出貢獻之本公司或其任何附屬公司之任何僱員或顧問、諮詢人、代理、承包商、客戶或供應商。購股權計劃之主要條款概述如下：

新計劃獲採納後由二零一一年五月九日起為期十年，並直至二零二一年五月八日繼續有效。本公司可於股東大會以普通決議案方式或於董事會決定之日期，於任何時間終止購股權計劃，惟不得影響終止計劃前已授出之購股權之行使。

認購價為須由董事會全權酌情釐定，惟在任何情況下須最少為下列各項之較高者：

- (i) 股份面值；
- (ii) 股份於授出日期（該日須為營業日）在聯交所發出之每日報價表所述之收市價；及
- (iii) 股份於緊接授出日期前五個營業日在聯交所發出之每日報價表所述之平均收市價。

承授人接納購股權後，須向本公司支付1.00港元，作為獲授購股權之代價。承授人須於授出日期起28天內，接納授出購股權之要約。購股權計劃項下授出之任何購股權之行使期，不得少於自授出日期起計三年，亦不得超過自授出日期起計十年。

The maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company shall not, in the absence of shareholders' approval, in aggregate exceed 10% in nominal amount of the aggregate of shares of the Company in issue as at the date of listing of shares on the Stock Exchange. The Company may seek approval by shareholders at general meeting to refresh the 10% limit (the "10% Limit"). However, the total number of Shares available for issue under exercise of options which may be granted under the Share Option Scheme in these circumstances must not exceed 10% of the issued share capital of the Company as at the date of approval of the refreshing of the 10% Limit.

The maximum number of shares which may be issued upon exercise of all options which then have been granted and have yet to be exercised under the share option scheme and any other share option schemes must not in aggregate exceed 30% of the shares of the Company in issue from time to time. As at the date of this report, no options have been granted under the New Scheme since its adoption.

Any grant of options to a connected person (as defined in the GEM Listing Rules) must be approved by all Independent Non-executive Directors (excluding any Independent Non-executive Director who is the proposed grantee). Where options are proposed to be granted to a connected person who is also a substantial shareholder (as defined in the GEM Listing Rules) of the Company or an Independent Non-executive Director or any of their respective associates, and the proposed grant of options, when aggregated the options already granted to such connected person in the past 12 months period, would entitle that person to receive more than 0.1% of the total issued shares of the Company for the time being and the value of which is in excess of HK\$5,000,000, then the proposed grant must be subject to the approval of the shareholders at the general meeting. Apart from the connected person involved, all other connected persons of the Company must abstain from voting in such general meeting (except where any connected person intends to vote against the proposed grant).

購股權計劃及本公司任何其他購股權計劃項下將授出之所有購股權獲行使後，可予發行之股份數目上限，若未經股東批准，合共不得超過股份於聯交所上市當日之本公司已發行股份總數面值之10%。本公司可於股東大會上徵求股東批准更新該10%上限（「10%上限」）。然而，在此等情況下按購股權計劃項下可授出之購股權獲行使後將可發行之股份總數，不得超過於更新10%上限獲批准當日之本公司已發行股本之10%。

購股權計劃及任何其他購股權計劃項下已授出但未行使之所有購股權獲行使後，可予以發行之股份數目上限，合共不得超過本公司不時已發行股份之30%。於本報告日期，自採納新計劃以來，概無據此授出購股權。

向關連人士（定義見創業板上市規則）授出之任何購股權，須獲全體獨立非執行董事（不包括身為建議承授人之任何獨立非執行董事）批准。當建議向關連人士（其亦身為本公司主要股東（定義見創業板上市規則）或獨立非執行董事或彼等各自之任何聯繫人士）授出購股權，而所建議授出之購股權連同於過去12個月期間已向該名關連人士授出之購股權合計時，將賦予該人士權利收取超過當時本公司已發行股份總數之0.1%且其價值超過5,000,000港元，則該項授出購股權之建議須待股東大會上獲股東批准。除涉及之關連人士外，本公司所有其他關連人士須在該股東大會上放棄表決，惟倘任何關連人士擬投票反對該項建議授出購股權則除外。



Details of the movements in the share options granted to various former Directors and employees of the Group during the year ended 31 December 2012 under the Old Scheme are as follows:

於截至二零一二年十二月三十一日止年度內，根據舊計劃授予多名前任董事及本集團僱員之購股權之變動詳情如下：

Name or category	Date of grant	Vesting period	Exercisable period	Subscription price per share of the Company	Outstanding as at 1 January 2012 於 二零一二年一月一日 尚未行使	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	Outstanding as at 30 September 2012 於 二零一二年九月三十日 尚未行使
姓名或類別	授出日期	歸屬期	行使期	每股本公司股份認購價		期內授出	期內行使	期內失效	期內註銷	
Directors										
董事										
Mr. Cheung Man Yau, Timothy (retired on 4 June 2012)	04/06/2010	-	04/06/2010 to 03/06/2020	HK\$17.9*	123,308*	-	-	(123,308)*	-	-
張曉有先生 (於二零一二年六月四日退任)	二零一零年六月四日	-	二零一零年六月四日至 二零二零年六月三日	港元17.9*						
Mr. Chan Kin Yip (resigned on 10 March 2012)	29/06/2009	-	29/06/2009 to 28/06/2019	HK\$32.4*	56,912*	-	-	(56,912)*	-	-
陳建業先生 (於二零一二年三月十日辭任)	二零零九年六月二十九日	-	二零零九年六月二十九日至 二零一九年六月二十八日	港元32.4*						
	04/06/2010	-	04/06/2010 to 03/06/2020	HK\$17.9*	37,941*	-	-	(37,941)*	-	-
	二零一零年六月四日	-	二零一零年六月四日至 二零二零年六月三日	港元17.9*						
Mr. Sung Wai Tak, Herman (resigned on 20 April 2012)	29/06/2009	-	29/06/2009 to 28/06/2019	HK\$32.4*	9,485*	-	-	(9,485)*	-	-
宋衛德先生 (於二零一二年四月二十日辭任)	二零零九年六月二十九日	-	二零零九年六月二十九日至 二零一九年六月二十八日	港元32.4*						
Mr. Wong Lit Chor, Alexis (resigned on 16 March 2012)	29/06/2009	-	29/06/2009 to 28/06/2019	HK\$32.4*	9,485*	-	-	(9,485)*	-	-
黃烈初先生 (於二零一二年三月十六日辭任)	二零零九年六月二十九日	-	二零零九年六月二十九日至 二零一九年六月二十八日	港元32.4*						
Mr. Fung Wai Shing (resigned on 11 July 2012)	29/06/2009	-	29/06/2009 to 28/06/2019	HK\$32.4*	9,485*	-	-	(9,485)*	-	-
馮偉成先生 (於二零一二年七月十一日辭任)	二零零九年六月二十九日	-	二零零九年六月二十九日至 二零一九年六月二十八日	港元32.4*						
Other Employees	29/06/2009	-	29/06/2009 to 28/06/2019	HK\$32.4*	28,456*	-	-	-	-	28,456*
其他僱員	二零零九年六月二十九日	-	二零零九年六月二十九日至 二零一九年六月二十八日	港元32.4*						
	04/06/2010	-	04/06/2010 to 03/06/2020	HK\$17.9*	161,249*	-	-	(18,969)*	-	142,280*
	二零一零年六月四日	-	二零一零年六月四日至 二零二零年六月三日	港元17.9*						
In aggregate					436,321*	-	-	(265,585)*	-	170,736*
總計										

* The Company has made adjustments to the outstanding share options upon the completion of the share consolidations on 19 October 2011 and 19 September 2012 respectively and the completion of the right issue on 14 September 2012. The details have been published on the Company's announcements dated 20 October 2011, 13 September 2012 and 18 September 2012.

* 本公司已分別於二零一一年十月十九日及二零一二年九月十九日股份合併完成時以及二零一二年九月十四日供股完成時對尚未行使之購股權作出調整。有關詳情刊載於本公司日期為二零一一年十月二十日、二零一二年九月十三日及二零一二年九月十八日之公佈。

Information on the accounting policy for share options granted and the weighted average value per share is provided in note 34 to the financial statements.

已授出之購股權之會計政策及每股加權平均值之資料，載於財務報表附註34。

SUBSTANTIAL SHAREHOLDERS OF INTEREST IN SHARES

As at 31 December 2012, other than the interests and short positions of the Directors or chief executives of the Company disclosed above, none of person or corporation who had interests in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Save as disclosed above, as at 31 December 2012, the Directors or chief executives of the Company were not aware of any party who had an interest or short position in the shares or underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, or substantial shareholders as recorded in the register required to be kept by the Company under Section 336 of the SFO.

CONVERTIBLE NOTES

On 28 March 2011, an aggregate principal amount of HK\$60,000,000 of the convertible notes was issued to Premier Capital Enterprises Limited at the conversion price of HK\$0.28 with the maturity date falling on the second anniversary of the date of the issue of the convertible notes. During the year ended 31 December 2012, no convertible notes have been converted. As at 31 December 2012, an aggregate principal amount of HK\$28,080,000 convertible notes was outstanding. Following the completion of the right issue and share consolidation of the Company's shares on 14 September 2012 and 19 September 2012 respectively, the conversion price of the convertible notes has been adjusted to HK\$11.9.

Details of the above convertible notes have been published on the Company's announcements dated 15 February 2011, 23 March 2011, 28 March 2011 and 20 October 2011 respectively and the Company's circular dated 7 March 2011.

主要股東於股份之權益

於二零一二年十二月三十一日，除上文所披露董事或本公司最高行政人員之權益及淡倉外，概無人士或公司擁有本公司股份、相關股份及債券之權益，而須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露，或直接或間接擁有附帶權利可在所有情況下於本集團任何其他成員公司之股東大會上表決之任何類別股本面值5%或以上權益，或彼等之權益或淡倉已登記於本公司根據證券及期貨條例第336條須存置之登記冊之任何其他主要股東。

除上文披露者外，於二零一二年十二月三十一日，各董事或本公司最高行政人員概不知悉有任何人士於本公司股份或相關股份或債券中擁有須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露之權益或淡倉，或直接或間接擁有附帶權利可在所有情況下於本公司之股東大會上表決之任何類別股本面值5%或以上之權益，或有任何登記於本公司根據證券及期貨條例第336條須存置之登記冊之主要股東。

可換股票據

於二零一一年三月二十八日，本公司按兌換價0.28港元向Premier Capital Enterprises Limited發行本金總額60,000,000港元之可換股票據，到期日為可換股票據發行日期滿第二週年之日。截至二零一二年十二月三十一日止年度，概無兌換可換股票據。於二零一二年十二月三十一日，本金總額28,080,000港元之可換股票據尚未行使。分別於二零一二年九月十四日以及二零一二年九月十九日完成供股及本公司股份之股份合併後，可換股債券之兌換價已調整至11.9港元。

有關上述可換股票據之詳情已刊載於本公司日期分別為二零一一年二月十五日、二零一一年三月二十三日、二零一一年三月二十八日及二零一一年十月二十日之公佈以及本公司日期為二零一一年三月七日之通函。



SHARE CONSOLIDATION

The share consolidation, of every ten shares of HK\$0.05 each in the issued and unissued share capital of the Company consolidated into one consolidation share of HK\$0.5 each in the issued and unissued share capital of the Company (the "Share Consolidation") became effective on 19 September 2012. Upon the Share Consolidation has been effective, the existing authorised share capital of the Company is HK\$100,000,000 divided into 200,000,000 consolidated shares, of which 59,082,402 consolidated shares has been issued and fully paid or credited as fully paid. The board lot size has also been adjusted from 5,000 shares to 3,000 consolidated shares.

As a result of the Share Consolidation of the Company (i) the exercise prices of the options; (ii) the number of Shares to be allotted and issued in respect of the Options; and (iii) the conversion prices of the existing convertible notes were adjusted with effect from 19 September 2012. The details of the above adjustment have been disclosed in the Company's announcement dated 18 September 2012.

CONVERTIBLE BONDS

On 28 October 2011, an aggregate principal amount of HK\$50,000,000 of the convertible bonds ("Bonds") was issued to Sun Finance Co., Ltd. ("Sun Finance") at the conversion price of HK\$0.30 per conversion share with the maturity date falling on the sixth month of the date of the issue of the convertible bonds or, at the discretion of the Company, extend the maturity date falling twelve months from the issue date. On 27 April 2012, the conversion price per conversion share was changed from HK\$0.30 per conversion share to HK\$0.2047 per conversion share and the maturity date of the convertible bonds was extended from 28 April 2012 to 28 October 2012.

On 24 May 2012, the Company received a letter from Sun Finance stating that the instrument dated 28 October 2011 constituting the Bonds (the "Instrument") had already been terminated. After careful consideration by the Board, the Company on 25 May 2012 accepted Sun Finance's position regarding termination of the Instrument.

股份合併

有關本公司已發行及未發行股本中每十股面值0.05港元之股份合併為本公司已發行及未發行股本中一股面值0.5港元之合併股份之股份合併（「股份合併」），已於二零一二年九月十九日生效。待股份合併生效後，本公司現有法定股本為100,000,000港元，分為200,000,000股合併股份，其中59,082,402股合併股份已經發行及繳足或入賬列作繳足。每手買賣單位亦由5,000股股份調整為3,000股合併股份。

由於本公司進行股份合併，(i)購股權之行使價；(ii)就購股權將予配發及發行之股份數目；及(iii)現有可換股票據之兌換價已自二零一二年九月十九日起調整。上述調整之詳情已於本公司日期為二零一二年九月十八日之公佈披露。

可換股債券

於二零一一年十月二十八日，本金總額50,000,000港元之可換股債券（「債券」）已按轉換價每股換股股份0.30港元發行予太陽國際金融有限公司（「太陽金融」），到期日為發行可換股債券日期後第六個月或由本公司酌情決定，將到期日延長至發行日期後第十二個月。於二零一二年四月二十七日，每股換股股份之轉換價已由每股換股股份0.30港元更改為每股換股股份0.2047港元，而可換股債券之到期日由二零一二年四月二十八日延長至二零一二年十月二十八日。

於二零一二年五月二十四日，本公司收到由太陽金融發出之函件，表示日期為二零一一年十月二十八日制定債券的文據（「文據」）已終止。經董事會周詳考慮後，本公司於二零一二年五月二十五日接納太陽金融有關文據終止之立場。

On 3 August 2012, the Company reached a full and final settlement with Sun Finance in respect of the Court Application and all of the claims by Sun Finance against the Company arising from the Bonds, the Instrument and the Statutory Demand by virtue of a Settlement Agreement dated 3 August 2012 (“the Settlement Agreement”). The parties also signed and submitted to the Court a Consent Order on 6 August 2012 in respect of the proceedings of HCMP 1121/2012 (“the Consent Order”). Pursuant to the Settlement Agreement and the Consent Order, (i) the Company paid a sum of HK\$56,885,245.90 to Sun Finance in full settlement of the principal amount of HK\$50 million of the Bonds and the interest accrued thereon up to and including 2 August 2012 whereupon all liabilities of the Company towards Sun Finance arising from the Bonds, the Instrument and the Statutory Demand shall be discharged; and (ii) the Court Application shall be stayed.

On 3 August 2012, the Company reached a Settlement Agreement with Sun Finance and made a further drawdown under the Loan Facility in an amount of HK\$65 million and paid a sum of HK\$56,885,245.90 of which to Sun Finance in full settlement of the principal amount of HK\$50 million and the interest accrued thereon up to and including 2 August 2012 whereupon all liabilities of the Company towards Sun Finance were discharged.

Details of the above convertible bonds have been published on the Company’s circular dated 3 October 2011 and its announcements dated 8 August 2011, 23 August 2011, 29 August 2011, 8 September 2011, 16 September 2011, 28 September 2011, 30 September 2011, 18 October 2011, 20 October 2011, 28 October 2011, 7 May 2012, 27 May 2012, 6 June 2012, 14 June 2012 and 3 August 2012 respectively.

於二零一二年八月三日，本公司透過日期為二零一二年八月三日之和解協議（「和解協議」）就法庭申請及太陽金融向本公司提出因債券、文據及法定通知書產生之全部索償與太陽金融達成全面最終和解。各訂約方亦於二零一二年八月六日就聆訊二零一二年第1121號簽訂及向法庭提交同意令（「同意令」）。根據和解協議及同意令，(i)本公司已向太陽金融支付56,885,245.90港元之款項，作為全數支付債券之本金額50,000,000港元連同截至二零一二年八月二日（包括該日）止應計之利息，此後，本公司就債券、文據及法定通知書結欠太陽金融之所有負債將予解除；及(ii)法庭申請將予擱置。

於二零一二年八月三日，本公司與太陽金融達成和解協議並進一步提取貸款融資項下金額65,000,000港元，並已向太陽金融支付56,885,245.90港元之款項，其中全數支付本金額50,000,000港元連同截至二零一二年八月二日（包括該日）止累計之利息，此後，本公司就結欠太陽金融之所有負債將予解除。

上述可換股債券之詳情刊載於本公司日期為二零一一年十月三日之通函及其日期分別為二零一一年八月八日、二零一一年八月二十三日、二零一一年八月二十九日、二零一一年九月八日、二零一一年九月十六日、二零一一年九月二十八日、二零一一年九月三十日、二零一一年十月十八日、二零一一年十月二十日、二零一一年十月二十八日、二零一二年五月七日、二零一二年五月二十七日、二零一二年六月六日、二零一二年六月十四日及二零一二年八月三日之公佈。



SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, the Company had maintained the public float as required under the GEM Listing Rules.

CONNECTED AND RELATED PARTY TRANSACTIONS

Save as disclosed in this report, there were no other transactions which need to be disclosed as connected in accordance with the requirements of the GEM Listing Rules during the year ended 31 December 2012.

The material related party transactions of the Group are disclosed in note 40 to the financial statements.

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors and the five highest paid individuals of the Group are set out in notes 8 and 9 to the financial statements respectively.

REMUNERATION POLICY

The Remuneration Committee is set up on 8 October 2007 for reviewing the remuneration policies and other remuneration related matters of the Directors and senior management of the Company and making recommendations to the Board as deemed necessary.

The Company has adopted the share option scheme as incentive to Directors and eligible employees, details of the share option scheme are set out in note 34 to the financial statements.

Details of the remuneration policy of the Company are set out in the "Corporate Governance Report".

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of the five largest customers combined and the five largest suppliers combined are less than 30% of the Group's total turnover and purchases, respectively.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

充足公眾持股量

根據本公司於本年報日期所獲公開資料及據董事所知，本公司已維持創業板上市規則所規定之公眾持股量。

關連及有關連人士交易

除本報告所披露外，截至二零一二年十二月三十一日止年度，概無任何其他交易須遵照創業板上市規則之規定披露為關連交易。

本集團重大有關連人士交易於財務報表附註40披露。

董事及五名最高薪人士之酬金

董事及本集團五名最高薪人士之酬金詳情分別載於財務報表附註8及9。

薪酬政策

薪酬委員會已於二零零七年十月八日成立，以檢討董事及本公司高級管理層之薪酬政策及其他薪酬相關事宜，並於認為有需要時向董事會提出推薦意見。

本公司已採納購股權計劃，作為董事及合資格僱員之獎勵，購股權計劃之詳情載於財務報表附註34。

本公司薪酬政策之詳情載於「企業管治報告」。

主要客戶及供應商

五大客戶總計及五大供應商總計百分比分別少於本集團總營業額及採購額之30%。

購買、贖回或出售本公司上市證券

於截至二零一二年十二月三十一日止年度內，本公司及其任何附屬公司並無購買、贖回或出售任何本公司上市證券。

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.

CORPORATE GOVERNANCE

The details of the Company's corporate governance practices are set out in the section headed "Corporate Governance Report" on pages 12 to 25 of this annual report.

EVENTS AFTER THE REPORTING PERIOD

Details of significant events occurring after the reporting period are set out in note 43 to the financial statements.

AUDIT COMMITTEE

As at 31 December 2012, the Audit Committee comprised three Independent Non-executive Directors, namely, Mr. Li Kwok Chu, Mr. Chiu Koon Shou and Mr. Lau Shu Yan. Mr. Lau Shu Yan is the chairman of the Audit Committee and applies his professional qualifications in accounting and financial expertise in directing the Audit Committee. The unaudited quarterly and interim together with the audited annual results of the Company in respect of the year ended 31 December 2012 have been reviewed by the Audit Committee.

AUDITOR

CCIF CPA Limited was auditors of the Company for the year ended 31 December 2009 and resigned as auditor of the Company on 22 October 2010. Messrs. Ting Ho Kwan & Chan, Certified Public Accountants, was appointed as auditors of the Company on 25 October 2010 and the consolidated financial statements for the year ended 31 December 2010 to 2011 was audited by Messrs. Ting Ho Kwan & Chan, Certified Public Accountants.

Messrs. Ting Ho Kwan & Chan, Certified Public Accountants, was auditors of the Company for the year ended 31 December 2011 and resigned as auditors of the Company on 11 December 2012. Elite Partners CPA Limited ("Elite Partners") was appointed as auditors of the Company on 11 December 2012 and the consolidated financial statements for the year ended 31 December 2012 was audited by Elite Partners.

A resolution for the re-appointment of Elite Partners as auditors of the Company will be proposed at the forthcoming annual general meeting of the Company.

On Behalf of the Board

Yip Man Yi

Executive Director & Chairman

Hong Kong, 25 March 2013

管理合約

年內概無訂立或存有與本公司整體或任何業務重要部分有關之管理及行政合約。

企業管治

本公司企業管治常規之詳情載於本年報第12頁至第25頁所載「企業管治報告」一節。

報告期後事項

於報告期後所發生之重大事項詳情載於財務報表附註43。

審核委員會

於二零一二年十二月三十一日，審核委員會由三名獨立非執行董事組成，分別為李國柱先生、趙貫修先生及劉樹人先生。劉樹人先生為審核委員會主席，憑藉彼在會計及財務專業方面之專業資格，領導審核委員會之運作。本公司截至二零一二年十二月三十一日止年度之未經審核季度及中期業績連同經審核年度業績已由審核委員會審閱。

核數師

陳葉馮會計師事務所有限公司為本公司截至二零零九年十二月三十一日止年度之核數師並於二零一零年十月二十二日辭任為本公司之核數師。丁何關陳會計師行於二零一零年十月二十五日獲委任為本公司之核數師並且截至二零一零年至二零一一年十二月三十一日止年度之綜合財務報表已由丁何關陳會計師行審核。

丁何關陳會計師行為本公司截至二零一一年十二月三十一日止年度之核數師並於二零一二年十二月十一日辭任為本公司之核數師。開元信德會計師事務所（「開元信德」）於二零一二年十二月十一日獲委任為本公司之核數師並且截至二零一二年十二月三十一日止年度之綜合財務報表已由開元信德審核。

於本公司應屆股東週年大會上將提呈一項決議案以續聘開元信德為本公司核數師。

代表董事會

執行董事兼主席

葉敏怡

香港，二零一三年三月二十五日

Independent Auditor's Report

獨立核數師報告

TO THE SHAREHOLDERS OF TLT LOTTOTAINMENT GROUP LIMITED

(Incorporated in Hong Kong with limited liability)

致彩娛集團有限公司股東

(於香港註冊成立之有限公司)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the consolidated financial statements of TLT Lottotainment Group Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 44 to 176, which comprise the consolidated and company statements of financial position as at 31 December 2012, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable 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 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the HKICPA. 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.

財務報表報告

本核數師行已審核第44至176頁所載彩娛集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，其包括於二零一二年十二月三十一日之綜合及公司財務將況表以及截至該日止年度之綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，連同主要會計政策概要及其他說明資料。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會(「香港會計師公會」)所頒佈之香港財務報告準則及香港公司條例，編製真實而公平之綜合財務報表，以及落實董事認為編製綜合財務報表所需之內部監控，以使綜合財務報表不存在因欺詐或錯誤而導致之重大錯誤陳述。

核數師之責任

本核數師行之責任乃按照香港公司條例第141章根據審核工作對此等綜合財務報表發表意見，及僅向閣下全體報告，並不作其他用途。本核數師行概不就本報告內容，向任何其他人士承擔或負上任何責任。

本核數師行按照香港會計師公會頒佈之香港核數準則進行審核工作。該等準則規定本核數師行須遵從道德規範，並計劃及執行審核工作，以合理確保財務報表是否並無重大錯誤陳述。

AUDITOR'S RESPONSIBILITY (CONTINUED)

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

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2012 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

EMPHASIS OF MATTERS

Without qualifying our opinion, we draw attention to Note 2 in the consolidated financial statements which indicates that the Group incurred a total comprehensive loss of approximately HK\$56,062,000 during the year ended 31 December 2012 and as of that date, the Group's liabilities exceeded its assets by approximately HK\$29,067,000. These conditions, along with other matters as set out in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

Elite Partners CPA Limited
Certified Public Accountants

Hong Kong, 25 March 2013

Yip Kai Yin
Practising Certificate Number P05131

核數師之責任(續)

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

本核數師相信，我們所獲得之審核憑證是充足和適當地為我們之審核意見提供基礎。

本核數師認為，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 貴集團於二零一二年十二月三十一日之財政狀況及 貴集團截至該日止年度之虧損及現金流量，並已按照香港公司條例適當編製。

強調事項

在並無發表保留意見之情況下，謹請垂注綜合財務報表附註2提及 貴集團於截至二零一二年十二月三十一日止年度錄得全面虧損總額約56,062,000港元以及於該日期 貴集團負債超出資產約29,067,000港元。此等情況以及附註2所載其他事項顯示存在重大不明朗因素而可對 貴集團按持續經營基準營運之能力構成重大疑問。

開元信德會計師事務所有限公司
執業會計師

香港，二零一三年三月二十五日

葉啟賢
執業證書編號：P05131

Consolidated Income Statement

綜合收益表

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

			2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Re-presented) (重新呈列)
Continuing operations	持續經營業務			
Turnover	營業額	4&13	23,194	24,176
Cost of service	服務成本		(18,860)	(21,580)
Gross profit	毛利		4,334	2,596
Other income and gain, net	其他收入及收益淨額	5	(391)	207
Gain on fair value changes on derivative financial instruments	衍生金融工具公平值變動收益		11,572	76,180
Operating and administrative expenses	經營及行政開支		(20,437)	(22,136)
Impairment loss on investment deposit	投資訂金減值虧損		—	(41,000)
Impairment loss on an associate	聯營公司減值虧損		(15,220)	(15,428)
Impairment loss on jointly controlled entities	共同控制實體減值虧損		(127)	—
Gain on reversal of impairment loss on investment deposit	投資訂金減值虧損撥回收益		41,000	—
Impairment loss on goodwill	商譽減值虧損		(14,329)	(10,906)
Loss on early redemption of promissory notes	提早贖回承兌票據虧損		—	(2,979)
Loss on restructuring of promissory notes	重組承兌票據虧損		—	(5,570)
Provision for onerous contracts	繁重合約撥備		—	(1,052)
Profit/(loss) from operations	經營溢利/(虧損)		6,402	(20,088)
Finance costs	融資成本	6(a)	(31,124)	(19,814)
Share of losses of an associate	分佔聯營公司虧損		(1,335)	(780)
Share of losses of jointly controlled entities	分佔共同控制實體虧損		(1,373)	(1,091)
Loss before taxation	除稅前虧損	6	(27,430)	(41,773)
Taxation	稅項	7	—	(5)
Loss after taxation from continuing operations	持續經營業務之除稅後虧損		(27,430)	(41,778)
Discontinued operations	已終止業務			
Loss from discontinued operations	已終止業務虧損	11	(28,823)	(70,032)
Loss for the year	本年度虧損		(56,253)	(111,810)

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Re-presented) (重新呈列)
Attributable to:	歸屬於：			
Equity shareholders of the Company	本公司股權持有人	10		
— From continuing operations	— 來自持續經營業務		(27,993)	(40,802)
— From discontinued operations	— 來自已終止業務		(18,199)	(28,076)
			(46,192)	(68,878)
Non-controlling interests	非控股權益			
— From continuing operations	— 來自持續經營業務		563	(977)
— From discontinued operations	— 來自已終止業務		(10,624)	(41,955)
			(10,061)	(42,932)
Loss for the year	本年度虧損		(56,253)	(111,810)
Loss per share	每股虧損	12		
From continuing and discontinued operations	來自持續經營業務及 已終止業務			
Basic	基本		(70.36) cents 港仙	(24.88) cents港仙
Diluted	攤薄		(70.36) cents 港仙	(24.88) cents港仙
From continuing operations	來自持續經營業務			
Basic	基本		(42.64) cents 港仙	(14.74) cents港仙
Diluted	攤薄		(42.64) cents 港仙	(14.74) cents港仙
From discontinued operations	來自已終止業務			
Basic	基本		(27.72) cents 港仙	(10.14) cents港仙
Diluted	攤薄		(27.72) cents 港仙	(10.14) cents港仙

The accompanying notes form part of these financial statements.

附註構成財務報表其中部分。

Consolidated Statement of Comprehensive Income

綜合全面收益表

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

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Re-presented) (重新呈列)
Loss for the year	本年度虧損	(56,253)	(111,810)
Other comprehensive income/ (expense) for the year (after tax and reclassification adjustment)	本年度其他全面收入／(開支) (扣除稅項及重新分類調整)		
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之 匯兌差額	21	(255)
Exchange reserve released upon disposal of discontinued operations	出售已終止業務時撥回匯兌儲備	170	4,725
Other comprehensive income for the year	本年度其他全面收入	191	4,470
Total comprehensive expense for the year	本年度全面開支總額	(56,062)	(107,340)
Attributable to:	歸屬於：		
Equity shareholders of the Company	本公司股權持有人	(45,997)	(64,392)
Non-controlling interests	非控股權益	(10,065)	(42,948)
Total comprehensive expense for the year	本年度全面開支總額	(56,062)	(107,340)

The accompanying notes form part of these financial statements. 附註構成財務報表其中部分。

Consolidated Statement of Financial Position

綜合財務狀況表 At 31 December 2012 於二零一二年十二月三十一日

			2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	810	8,265
Intangible assets	無形資產	15	181	49,458
Goodwill	商譽	16	20,402	14,329
Derivative financial instruments	衍生金融工具	17	—	85,997
Investment deposits	投資訂金	18	—	5,000
Interests in an associate	於聯營公司之權益	20	—	14,501
Interests in jointly controlled entities	於共同控制實體之權益	21	—	409
			21,393	177,959
Current assets	流動資產			
Trading Security	交易證券	23	981	—
Trade and other receivables	貿易及其他應收款項	22	61,375	13,536
Restricted bank deposits	受限制銀行存款	24	1,721	1,728
Cash and cash equivalents	現金及現金等值物	25	4,491	37,101
			68,568	52,365
Assets classified as held for sales	被納入持作銷售資產	11(c)	68,772	—
			137,340	52,365
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	26	7,505	52,163
Provision for onerous contracts	繁重合約撥備		—	1,052
Convertible bonds	可換股債券	29(a)	—	50,000
Interest bearing loan	計息貸款	28	122,600	—
Finance lease payables	融資租賃應付款項	27	26	309
			130,131	103,524
Liabilities directly associated with assets classified as held for sales	與被納入持作銷售資產直接相關之負債	11(c)	29,732	—
			159,863	103,524
Net current liabilities	流動負債淨額		(22,523)	(51,159)
Total assets less current liabilities	資產總值減流動負債		(1,130)	126,800
Non-current liabilities	非流動負債			
Finance lease payable	融資租賃應付款項	27	—	906
Convertible bonds	可換股債券	29(b)	27,937	24,505
Derivative financial instruments	衍生金融工具	17	—	211
Promissory notes	承兌票據	30	—	91,895
			27,937	117,517
NET (LIABILITIES)/ASSETS	(負債)／資產淨值		(29,067)	9,283

Consolidated Statement of Financial Position 綜合財務狀況表

			2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
		<i>Note</i> <i>附註</i>		
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	32	32,824	16,412
Reserves	儲備		(49,456)	(7,473)
Total equity attributable to equity shareholders of the Company	本公司股權持有人應佔權益總額		(16,632)	8,939
Non-controlling interests	非控股權益		(12,435)	344
TOTAL EQUITY	權益總額		(29,067)	9,283

Approved and authorised for issue by the board of directors on 25 March 2013.

經由董事會於二零一三年三月二十五日批准及授權刊發。

Yip Man Yi
葉敏怡
Director
董事

Au Yeung Yiu Chung
歐陽耀忠
Director
董事

The accompanying notes form part of these financial statements.

附註構成財務報表其中部分。

Statement of Financial Position

財務狀況表 At 31 December 2012 於二零一二年十二月三十一日

			2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	98	91
Derivative financial instruments	衍生金融工具	17	—	38,919
Investment deposits	投資訂金	18	—	5,000
Interests in subsidiaries	於附屬公司之權益	19	69,253	57,835
			69,351	101,845
Current assets	流動資產			
Other receivables and deposit paid	其他應收款項及已付按金	22	52,455	5,147
Cash and cash equivalents	現金及現金等值物	25	2,962	34,726
			55,417	39,873
Current liabilities	流動負債			
Other payables	其他應付款項	26	1,486	4,119
Interest bearing loan	計息貸款	28	122,600	—
Convertible bonds	可換股債券	29(a)	—	50,000
			124,086	54,119
Net current liabilities	流動負債淨額		(68,669)	(14,246)
Total assets less current liabilities	資產總值減流動負債		682	87,599
Non-current liabilities	非流動負債			
Convertible bonds	可換股債券	29(b)	27,937	24,505
Derivative financial instrument	衍生金融工具	17	—	211
Promissory notes	承兌票據	30	—	91,895
			27,937	116,611
NET LIABILITIES	負債淨額		(27,255)	(29,012)
EQUITY AND RESERVES	權益及儲備			
Share capital	股本	32	32,824	16,412
Reserves	儲備	32(c)	(60,079)	(45,424)
TOTAL EQUITY	權益總額		(27,255)	(29,012)

Approved and authorised for issue by the board of directors on 25 March 2013.

經由董事會於二零一三年三月二十五日批准及授權刊發。

Yip Man Yi
葉敏怡
Director
董事

Au Yeung Yiu Chung
歐陽耀忠
Director
董事

The accompanying notes form part of these financial statements.

附註構成財務報表其中部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to equity shareholders of the Company 本公司股權持有人應佔										
		Share capital	Share premium	Exchange reserve	Statutory reserve	Convertible bond reserve	Share option reserve	Other reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		股本	溢價	匯兌儲備	法定儲備	可換股債券儲備	購股權儲備	其他儲備	累計虧損	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2011	於二零一一年一月一日	7,964	376,330	(3,915)	53	—	4,166	44	(529,146)	(144,504)	(21,047)	(165,551)
Loss for the year	本年度虧損	—	—	—	—	—	—	—	(68,878)	(68,878)	(42,932)	(111,810)
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	—	—	(239)	—	—	—	—	—	(239)	(16)	(255)
Exchange reserve released upon disposal of discontinued operations	於出售已終止業務時解除之匯兌儲備	—	—	4,725	—	—	—	—	—	4,725	—	4,725
Total comprehensive expense for the year	本年度全面開支總額	—	—	4,486	—	—	—	—	(68,878)	(64,392)	(42,948)	(107,340)
Issue of placing shares	發行配售股份	4,090	96,323	—	—	—	—	—	—	100,413	—	100,413
Issuance of convertible bonds	發行可換股債券	—	—	—	—	25,090	—	—	—	25,090	—	25,090
Share issued upon conversion of convertible bonds	因兌換可換股債券而發行股份	1,140	37,475	—	—	(13,348)	—	—	—	25,267	—	25,267
Deemed contribution from non-controlling interests	被視為非控股權益出資	—	—	—	—	—	—	—	—	—	6,078	6,078
Capital injection by non-controlling interests	非控股權益注資	—	—	—	—	—	—	—	—	—	10	10
Share issued for acquisition of subsidiaries	就收購附屬公司發行股份	3,218	64,535	—	—	—	—	—	—	67,753	—	67,753
Non-controlling interests arising from acquisition of subsidiaries	收購附屬公司所產生之非控股權益	—	—	—	—	—	—	—	—	—	44,921	44,921
Changes in the ownership interests in subsidiaries that do not result in a loss of control	並無導致失去控制權之附屬公司擁有權益變動	—	—	(18)	—	—	—	(670)	—	(688)	683	(5)
Disposal of discontinued operations	出售已終止業務	—	—	—	—	—	—	—	—	—	12,647	12,647
Share options lapsed	已失效購股權	—	—	—	—	—	(1,102)	—	1,102	—	—	—
At 31 December 2011 and 1 January 2012	於二零一一年十二月三十一日及二零一二年一月一日	16,412	574,663	553	53	11,742	3,064	(626)	(596,922)	8,939	344	9,283

		Attributable to equity shareholders of the Company 本公司股權持有人應佔										
		Share capital	Share premium	Exchange reserve	Statutory reserve	Convertible bond reserve	Share option reserve	Other reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		股本	股份溢價	匯兌儲備	法定儲備	可換股債券儲備	購股權儲備	其他儲備	累計虧損	總計	非控股權益	權益總額
		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
Loss for the period	期內虧損	-	-	-	-	-	-	-	(46,192)	(46,192)	(10,061)	(56,253)
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	-	-	25	-	-	-	-	-	25	(4)	21
Exchange reserve released upon disposal of discontinued operations	出售已終止業務時撥回匯兌儲備	-	-	170	-	-	-	-	-	170	-	170
Total comprehensive income/ (expenses) for the period	本期間全面收入/ (開支)總額	-	-	195	-	-	-	-	(46,192)	(45,997)	(10,065)	(56,062)
Issue of placing shares	發行配售股份	6,565	4,014	-	-	-	-	-	-	10,579	-	10,579
Issue of right shares	發行供股股份	9,847	-	-	-	-	-	-	-	9,847	-	9,847
Share options lapsed	已失效購股權	-	-	-	-	-	(1,877)	-	1,877	-	-	-
Acquisition of subsidiary	收購附屬公司	-	-	-	-	-	-	-	-	-	(252)	(252)
Reversal of upon disposal of discontinued operation	出售已終止業務時撥回	-	-	-	-	-	-	670	(670)	-	(2,462)	(2,462)
At 31 December 2012	於二零一二年十二月三十一日	32,824	578,677	748	53	11,742	1,187	44	(641,907)	(16,632)	(12,435)	(29,067)

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Operating activities	經營業務		
Loss before taxation	除稅前虧損		
From continuing operations	來自持續經營業務	(27,430)	(41,778)
From discontinued operations	來自已終止業務	(28,823)	(70,032)
Adjustments for:	調整：		
Depreciation	折舊	2,025	1,602
Property, plant and equipment written off	物業、廠房及設備撇銷	—	812
Inventories written off	存貨撇銷	—	18
Loss/(gain) on disposal of discontinued operations	出售已終止業務虧損/(收益)	4,647	(16,672)
Gain on fair value changes on derivative financial instruments	衍生金融工具公平值變動收益	(11,572)	(76,180)
Gain on reversal of impairment loss or investment deposits	投資訂金減值虧損撥回收益	(41,000)	—
Impairment loss on intangible assets	無形資產減值虧損	—	46,364
Impairment loss on goodwill	商譽減值虧損	14,329	10,906
Impairment loss on investment deposits	投資訂金減值虧損	—	41,000
Impairment loss on associate	聯營公司減值虧損	15,220	15,428
Impairment loss on jointly controlled entities	共同控制實體減值虧損	127	—
Amortisation of intangible assets	無形資產攤銷	11,663	6,256
Fair value change on trading security	貿易證券公平值變動	542	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	58	—
Loss on early redemption of promissory notes	提早贖回承兌票據虧損	—	2,979
Loss on restructuring of promissory notes	重組承兌票據之虧損	—	5,570
Share of losses on associate	分佔聯營公司虧損	1,335	780
Share of losses on jointly controlled entities	分佔共同控制實體虧損	1,373	1,091
Allowance for impairment of doubtful debts	呆賬減值撥備	79	1,000
Provision for onerous contracts	繁重合約撥備	—	1,052
Interest income	利息收入	(46)	(20)
Finance costs	融資成本	32,129	20,007
Operating loss before changes in working capital	營運資金變動前之經營虧損	(25,344)	(49,817)
Decrease/(Increase) in trade and other receivables	貿易及其他應收款項減少/(增加)	28,457	(48,732)
Increase in trade and other payables	貿易及其他應付款項增加	6,142	29,459
Cash generated from/(used in) operations	經營業務所得/(所用)之現金	9,255	(69,090)
Tax paid	已付稅項		
PRC Enterprise Income Tax	中國企業所得稅	—	(5)
Net cash generated from/(used in) operating activities	經營業務所得/(所用)之現金淨額	9,255	(69,095)

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Investing activities	投資活動		
Payments for purchase of property, plant and equipment	就購買物業、廠房及設備付款	(2,682)	(7,727)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	800	43
Payments for purchase of intangible assets	就購買無形資產付款	—	(9,850)
Payments for investment in jointly controlled entities	就於共同控制實體之投資付款	—	(1,500)
Advance to an associate	向聯營公司墊款	(2,054)	—
Payment for purchase of trading Security	購買貿易證券付款	(1,523)	—
Interest received	已收利息	46	20
Disposal of discontinued operations, net inflow of cash	出售已終止業務(現金流入淨額)	6,969	1,961
Acquisition of subsidiaries, net outflow of cash	收購附屬公司(現金流出淨額)	(14,999)	(2,500)
Payments for investment deposit	支付投資訂金	—	(5,000)
Net cash used in investing activities	投資活動所用現金淨額	(13,443)	(24,553)
Financing activities	融資活動		
Increase in interest bearing loan	計息貸款增加	165,000	—
Repayments of convertible bonds	償還可換股債券	(50,000)	—
Repayments of interest bearing loan	償還計息貸款	(42,400)	(8,218)
Proceeds from issuance of convertible bonds	發行可換股債券所得款項	—	50,000
Repayments of promissory notes	償還承兌票據	(91,895)	(15,000)
Repayments of finance leases	償還融資租賃	(838)	(226)
Proceeds from issuance of shares, net of share issue costs	發行股份所得款項(扣除股份發行成本)	20,426	100,413
Decrease/(increase) in restricted bank deposits	受限制銀行存款減少/(增加)	7	(81)
Interest paid	已付利息	(28,699)	(250)
Further interest in subsidiaries	於附屬公司之進一步權益	—	(5)
Capital injection by non-controlling interests	非控股權益注資	—	10
Net cash (used in)/generated from financing activities	融資活動(所用)/產生之現金淨額	(28,399)	126,643
Net (decrease)/increase in cash and cash equivalents	現金及現金等值物(減少)/增加淨額	(32,587)	32,995
Cash and cash equivalents at 1 January	於一月一日之現金及現金等值物	37,101	4,049
Effect of foreign exchange rate changes	匯率變動之影響	35	57
Cash and cash equivalents at 31 December	於十二月三十一日之現金及現金等值物	4,549	37,101

Consolidated Statement of Cash Flows 綜合現金流量表

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Analysis of cash and cash equivalents	現金及現金等價物分析		
Continuing operations:	持續經營業務：		
Bank balances and cash	銀行結餘及現金	4,491	37,101
Discontinued operations (note 11(c)):	已終止經營業務(附註11(c))：		
Bank balances and cash	銀行結餘及現金	58	—
		4,549	37,101

Note for Non-cash transaction:

- (a) In 2011, the Group entered into a finance lease arrangement in respect of property, plant and equipment with the total capital value at the inception of the leases of HK\$1,441,000.
- (b) In 2011, the Group acquired certain subsidiaries by way of allotment and issue of the new shares of the Company as part of the consideration for the acquisition. Details of the transaction are set out in the note 36 to the financial statements.
- (c) In 2011, the Group entered into an agreement with the holder of promissory notes to which convertible bonds with principal amount of HK\$60,000,000 was issued to the holder of promissory notes as repayment of existing promissory note in the sum of HK\$61,855,670. Details of the transaction are set out in the note 30 to the financial statements.

The accompanying notes form part of these financial statements.

非現金交易附註：

- (a) 於二零一一年，本集團就於租賃起始時資本總值達1,441,000港元之物業、廠房及設備訂立融資租賃安排。
- (b) 於二零一一年，本集團以配發及發行本公司新股份作為收購代價一部分之方式收購若干附屬公司。交易詳情載於財務報表附註36。
- (c) 於二零一一年，本集團與承兌票據持有人訂立協議，據此，本金額60,000,000港元之可換股債券乃發行予承兌票據持有人，作為為數61,855,670港元之現有承兌票據之還款。交易詳情載於財務報表附註30。

附註構成財務報表其中部分。

Notes to the Financial Statements

財務報表附註

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

1. GENERAL INFORMATION

The Company was incorporated and registered in Hong Kong on 13 October 2000. The shares of the Company are listed on the GEM of the Stock Exchange. The address of the registered office and principal place of business of the Company are at Room A, 9th Floor, Fortis Tower, 77-79 Gloucester Road, Wanchai, Hong Kong.

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in investment holding, the provision of tourist routes and tour related service, and entertainment programme production and advertising and trading of security.

During the year ended 31 December 2012, the Company ceased the operation of stage drama and entertainment segment as discontinued operation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the "GEM Listing Rules"). A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued certain amendments and interpretations which are or have become effective. It has also issued certain new and revised HKFRSs which are first effective or available for early adoption for the current reporting period of the Group and the Company. Note 3 provides information on initial application of these developments to the extent that they are relevant to the Group for the current and prior reporting periods reflected in these financial statements.

1. 一般資料

本公司於二零零零年十月十三日在香港註冊成立及登記，其股份於聯交所創業板上市。本公司之註冊辦事處及主要營業地點地址為香港灣仔告士打道77-79號富通大廈9樓A室。

本公司之主要業務為投資控股。其附屬公司主要從事投資控股、提供觀光路線及旅遊相關服務、娛樂節目及製作廣告以及買賣證券。

截至二零一二年十二月三十一日止年度，本公司終止舞台表演業務及娛樂業務，該等成為已終止業務。

2. 重大會計政策概要

(a) 合規聲明

此等財務報表乃按照香港會計師公會（「香港會計師公會」）頒佈之所有適用香港財務報告準則（「香港財務報告準則」，此準則為所有適用個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋之統稱）、香港公認會計原則及香港公司條例之披露規定編製。此等財務報表亦遵守香港聯合交易所有限公司創業板證券上市規則（「創業板上市規則」）之適用披露規定。本集團所採用之重大會計政策概要載於下文。

香港會計師公會已頒佈若干現正生效或已生效之修訂及詮釋，其亦已頒佈若干新訂及經修訂香港財務報告準則，而有關準則於本集團及本公司本報告期間首次生效或可供提早採納。初次應用該等與本集團有關之準則所引致當前及以往報告期間之變動，已於此等財務報表反映，有關資料載列於附註3。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2012 comprise the Company and its subsidiaries (together referred to as the “Group”).

The measurement basis used in the preparation of the financial statements is the historical cost basis except where otherwise stated in the accounting policies set out below.

These financial statements are presented in Hong Kong dollars, which is the Company’s functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The preparation of financial statements also requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 41.

2. 重大會計政策概要(續)

(b) 財務報表編製基準

截至二零一二年十二月三十一日止年度之綜合財務報表包括本公司及其附屬公司(統稱「本集團」)之財務報表。

編製財務報表採用之計量基準為歷史成本法，惟下文所載會計政策另有註明者除外。

此等財務報表乃以港元呈列，港元為本公司之功能及呈列貨幣。本集團各實體自行決定其自身之功能貨幣，而各實體之財務報表內之項目則以該功能貨幣計量。

編製財務報表時，管理層亦須作出會影響政策應用以及資產、負債、收入及開支呈報金額之判斷、估計及假設。該等估計及相關假設乃根據過往經驗及在有關情況下被認為合理之多項其他因素作出，其結果構成就無法即時從其他來源獲得之資產及負債賬面值作出判斷之基準。實際業績與該等估計可能有所不同。

本集團持續審閱該等估計及相關假設。倘會計估計之修訂僅影響修訂估計之期間，則於該估計獲修訂之期間確認，或倘修訂同時影響當期及未來期間，則於修訂期間及未來期間確認。

管理層於應用對財務報表具有重大影響之香港財務報告準則時所作出之判斷以及估計之不確定因素之主要來源，於附註41討論。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation of the financial statements (Continued)

In preparing the consolidated financial statements, the directors have considered the future liquidity of the Group in view of its net liabilities position as at 31 December 2012. The Group incurred a consolidated net loss from operations attributable to equity shareholders of the Company of approximately HK\$46,192,000 for the year ended 31 December 2012 (2011: net assets: HK\$68,878,000), and had consolidated net liabilities of approximately HK\$29,067,000 as at 31 December 2012 (2011: net asset HK\$9,283,000). These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, the directors are of the opinion that the Group will be able to finance its future working capital and financial requirements given that:

- (1) The Company's directors have agreed to provide financial support as is necessary to enable the Group to meet its liabilities as and when they fall due; and
- (2) The Company is successful in obtaining credit line from an authorized financial institution in Hong Kong.

Accordingly, the directors are of the opinion that it is appropriate to prepare the consolidated financial statements for the year ended 31 December 2012 on a going concern basis. Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for future liabilities which might arise and to reclassify non-current assets and non-current liabilities to current respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

2. 重大會計政策概要(續)

(b) 財務報表編製基準(續)

鑒於二零一二年十二月三十一日之負債淨額狀況，董事於編製綜合財務報表時已考慮本集團之未來流動資金。本集團於截至二零一二年十二月三十一日止年度產生本公司股權持有人應佔經營業務綜合虧損淨額約46,192,000港元(二零一一年：資產淨值68,878,000港元)，並於二零一二年十二月三十一日錄得綜合負債淨額約29,067,000港元(二零一一年：資產淨值9,283,000港元)。有關情況顯示存在重大不確定因素，可能會令本集團持續經營之能力存疑，故其可能在日常業務過程中未能變現資產及支付債務。然而，董事認為，本集團將能為未來營運資金及財務需求提供資金，原因是：

- (1) 本公司之董事已同意提供必要之財務支援，以使本集團得以清償到期負債；及
- (2) 本公司成功從香港一間授權金融機構獲得信貸。

因此，董事認為按持續經營之基準編製截至二零一二年十二月三十一日止年度之綜合財務報表為恰當的做法。倘本集團未能持續經營，則須作出調整，以撇減資產價值至其可收回金額，就可能出現之未來負債作出撥備，並分別將非流動資產及非流動負債重新分類為流動。該等調整之影響並未於綜合財務報表中反映。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests (previously known as “minority interests”) represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those equity interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at their proportionate share of the subsidiary’s net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from the equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated income statement and the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between the non-controlling interests and the equity shareholders of the Company. Loans from equity holders of non-controlling interests and other contractual obligations towards these equity holders are presented as financial liabilities in the consolidated statement of financial position.

2. 重大會計政策概要(續)

(c) 附屬公司及非控股權益

附屬公司為本集團控制之實體。於本集團有權監管一個實體之財務及經營決策，以自其業務獲取利益時，即存在控制權。於評估控制權時，會計及現時可予行使之潛在表決權。

於附屬公司之投資自控制權開始日期起綜合計入綜合財務報表內，直至控制權結束日期為止。集團內公司間結餘及交易以及集團內公司間交易所產生之任何未變現溢利，於編製綜合財務報表時悉數對銷。集團內公司間交易所產生之未變現虧損按處理未變現收益者相同之方式對銷，惟以並無減值證據之情況為限。

非控股權益(前稱「少數股東權益」)指不直接亦不間接歸屬於本公司之附屬公司權益，同時本集團並未與此等權益持有人協定任何額外條款，使本集團作為一個整體須對該等股權承擔符合金融負債定義之合約性責任。就各項業務合併而言，本集團能選擇以公平值或以其在附屬公司可識別資產淨值所佔之比例計量任何非控股權益。

非控股權益於綜合財務狀況表之權益項下呈列，與本公司股權持有人應佔權益分開列示。本集團業績內之非控股權益乃作為年內損益總額與全面收入總額在非控股權益與本公司股權持有人之間之分配，於綜合收益表及綜合全面收益表中列示。非控股權益股權持有人之貸款及對該等股權持有人之其他合約性責任乃於綜合財務狀況表上列示為金融負債。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Subsidiaries and non-controlling interests (Continued)

Changes in the Group's equity interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or jointly controlled entity.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(k)).

(d) Associate and jointly controlled entities

An associate is an entity, not being a subsidiary or a joint venture, over which the Group has significant influence but not control or joint control, over its management, including participation in the financial and operating policy decisions, generally accompanying a shareholding of between 20% and 50% of the voting rights.

A jointly controlled entity is an entity which operates under a contractual arrangement between the Group or Company and other parties, where the contractual arrangement establishes that the Group or Company and one or more of the other parties share joint control over the economic activity of the entity.

2. 重大會計政策概要(續)

(c) 附屬公司及非控股權益(續)

本集團於附屬公司之股權變動如未導致失去控制權時，會入賬為股本交易，並據此調整於綜合權益項下之控股及非控股權益之數額以反映相關權益變動，但不會調整商譽，亦不會確認收益或虧損。

當本集團失去附屬公司之控制權時，其將入賬為出售該附屬公司全部權益，並於損益賬中確認所產生之收益或虧損。於失去控制權當日於該前附屬公司保留之任何權益按公平值確認，而該數額被視為金融資產初始確認之公平值，或(如適用)於聯營公司或共同控制實體之投資初始確認之成本。

在本公司之財務狀況表內，於附屬公司之投資按成本扣除減值虧損列賬(見附註2(k))。

(d) 聯營公司及共同控制實體

聯營公司為本集團可對其管理發揮重大影響力但並無控制權或共同控制權(包括參與財務及經營政策決定)之實體(並非附屬公司或合營公司)，一般指擁有表決權之20%至50%之股本。

共同控制實體為本集團或本公司與其他方根據合約安排經營之實體，而有關合約安排確定，本集團或本公司與一名或以上其他方共同控制該實體之經濟活動。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Associate and jointly controlled entities (Continued)

An investment in an associate or a jointly controlled entity is accounted for using the equity method, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate or jointly controlled entity, unless it is classified as held for sale or included in a disposal group held for sale. The Group's share of the post-acquisition, post-tax results of the associate or jointly controlled entity for the year, including any impairment loss on goodwill relating to the investment in an associate or jointly controlled entity recognised for the year are recognised in the profit and loss whereas the Group's share of the post-acquisition post-tax items of the associate's or jointly controlled entity's other comprehensive income is recognised in the statement of comprehensive income.

When the Group's share of losses of an associate or a jointly controlled entity equals to or exceeds its interest in the associate or the jointly controlled entity, the Group discontinues recognising its share of further losses. The interest in an associate or a jointly controlled entity is the carrying amount of the investment in the associate or the jointly controlled entity under the equity method together with any long-term interests that, in substance, form part of the Group's net investment in the associate or the jointly controlled entity. After the Group's interest is reduced to zero, additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or the jointly controlled entity.

2. 重大會計政策概要(續)

(d) 聯營公司及共同控制實體(續)

於聯營公司或共同控制實體之投資乃以權益會計法入賬，據此，該投資乃按成本初始確認，並於其後就本集團分佔聯營公司或共同控制實體之資產淨值之收購後變動作出調整，除非該投資被分類為持作銷售或被納入持作銷售之出售組別。本集團分佔聯營公司或共同控制實體收購後之本年度稅後業績乃於損益表中確認，其包括本年度與於聯營公司或共同控制實體投資相關之商譽之任何減值虧損，而本集團分佔聯營公司或共同控制實體收購後之稅後其他全面收入項目則於全面收益表中確認。

當本集團分佔聯營公司或共同控制實體之虧損相等於或超出其於聯營公司或共同控制實體之權益時，本集團會終止繼續確認其分佔之進一步虧損。於聯營公司或共同控制實體之權益為於聯營公司或共同控制實體之投資按權益法計算之賬面值，及實質上構成本集團對該聯營公司或共同控制實體之淨投資一部分之任何長期權益。在本集團之權益扣減至零後，只會以本集團代表聯營公司或共同控制實體產生法律或推定責任或付款為限，就額外虧損作出撥備且確認負債。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Associate and jointly controlled entities (Continued)

Unrealised profits and losses resulting from the Group's transactions with the associate or the jointly controlled entity are eliminated to the extent of the Group's relevant interests in the associate or the jointly controlled entity, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case losses are recognised immediately in profit or loss for the impairment.

The impairment loss is measured by comparing the recoverable amount of the investment as a whole with its carrying amount. The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

When the Group ceases to have significant influence over an associate or joint control over a jointly controlled entity, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial assets or, when appropriate, the cost on initial recognition of an investment in an associate.

(e) Goodwill

Goodwill represents the excess of

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the Group's interests in the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

2. 重大會計政策概要(續)

(d) 聯營公司及共同控制實體(續)

本集團與聯營公司或共同控制實體進行交易所產生之未變現溢利及虧損將按本集團於有關聯營公司或共同控制實體所佔之相關權益予以對銷，惟該未變現虧損證明已轉讓資產出現減值則除外，在此情況下，應即時於損益確認減值。

減值虧損之計量方法為比較該項投資之整體可收回金額與其賬面值。倘用於釐定可收回金額之估計出現有利變動，則撥回減值虧損。

倘本集團對聯營公司不再具有重大影響力或對共同控制實體失去共同控制權，其將入賬列為出售於該被投資公司之全部權益，而因此產生之收益或虧損將於損益賬確認。於喪失重大影響力或共同控制權之日，於該前被投資公司保留之任何權益按公平值確認，而有關金額被視為金融資產初始確認時之公平值，或(如適用)於聯營公司之投資初始確認時之成本。

(e) 商譽

商譽指

- (i) 所轉讓代價之公平值、任何非控股權益所佔被收購方之金額及本集團此前於被收購方所持權益之公平值之總和；超出
- (ii) 本集團於被收購方在收購日計量可識別資產及負債之公平淨值權益之差額。

當(ii)大於(i)時，此差額應立即在損益賬中確認為議價購買收益。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Goodwill (Continued)

Goodwill is carried at cost less accumulated impairment losses. For the purposes of impairment testing, goodwill is allocated to each of the cash-generating unit, or groups of cash-generating units that is expected to benefit from the synergies of the combination.

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

On the disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(f) Other investments in equity securities

The Group's and the Company's policies for investments in equity securities, other than investments in subsidiaries, are as follows:

Investments in equity securities are initially stated at fair value, which is their transaction price unless fair value can be more reliably estimated using valuation techniques whose variables include only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise below. These investments are subsequently accounted for as follows, depending on their classification:

2. 重大會計政策概要(續)

(e) 商譽(續)

商譽按成本減累計減值虧損列賬。商譽會分配至預期受惠於業務合併協同效應之各現金產生單位或現金產生單位組合，並每年進行減值測試。

獲分配商譽之現金產生單位每年進行一次減值測試，或當有跡象顯示單位可能出現減值時則增加減值測試次數。就於報告期間進行收購產生之商譽而言，獲分配商譽之現金產生單位於報告期末前進行減值測試。倘現金產生單位之可收回金額低於其賬面值，則先將有關減值虧損分配至減低該單位已獲分配商譽之賬面值，再按該單位各項資產之賬面值按比例分配至該單位之其他資產。商譽之任何減值虧損直接於損益確認，而就商譽確認之減值虧損不會於往後期間撥回。

於年內出售某現金產生單位時，所購入商譽應佔之任何金額納入出售之損益計算中。

(f) 其他股本證券投資

本集團及本公司對股本證券投資(於附屬公司之投資除外)之政策如下：

股本證券投資初步按公平值(即其交易價格)列賬，除非公平值可使用估值技術(其中變數包括僅可從可觀察市場獲得之數據)更可靠估計則除外。成本包括應佔交易成本，惟下文另有所指則除外。此等投資其後視乎其分類按如下方法入賬：

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Other investments in equity securities (Continued)

Investments in securities held for trading are classified as current assets. Any attributable transaction costs are recognised in profit or loss as incurred. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in profit or loss. The net gain or loss recognised in profit or loss does not include any dividends or interest earned on these investments as these are recognised in accordance with the policies set out in note 2(u)(v) and 2(u)(vi).

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognised in the statement of financial position at cost less impairment losses (see note 2(k)).

Investments in securities which do not fall into any of the above categories are classified as available-for-sale securities. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the fair value reserve, except foreign exchange gains and losses resulting from changes in the amortised cost of monetary items such as debt securities which are recognised directly in profit or loss. Dividend income from these investments is recognised in profit or loss in accordance with the policy set out in note 2(u)(v) and, where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss in accordance with the policy set out in note 2(u)(v). When these investments are derecognised or impaired (see note 2(k)), the cumulative gain or loss is reclassified from equity to profit or loss.

Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

2. 重大會計政策概要(續)

(f) 其他股本證券投資(續)

持作買賣證券之投資分類為流動資產。任何應佔交易成本於產生時在損益賬確認。於各個報告期間結算日重新計量公平值，而所產生之收益或虧損則於損益賬確認。在損益賬確認之收益或虧損淨額並不包括從此等投資賺取之任何股息或利息，因為有關股息或利息乃按附註2(u)(v)及2(u)(vi)所載政策確認。

並無在活躍市場報價且公平值無法可靠計量之股本證券投資，於財務狀況表按成本扣除減值虧損確認(見附註2(k))。

不屬於任何上述組別之證券投資分類為可供銷售證券。於各報告期間結算日重新計量公平值，而任何因此而產生之收益或虧損於其他全面收入確認及於權益項下之公平值儲備獨立累計，惟因貨幣項目(如債務證券)攤銷成本變動而產生之外匯收益及虧損除外，該等收益及虧損直接於損益賬確認。來自此等投資之股息收入根據附註2(u)(v)於損益賬確認，而當此等投資為計息時，使用實際利率法計算之利息會根據附註2(u)(v)所載政策於損益賬確認。當此等投資被終止確認或減值(見附註2(k))時，累計收益或虧損由權益賬重新分類至損益賬。

投資會於本集團承諾購入／沽出投資當日或其屆滿之日確認／終止確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedge the net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on the item being hedged.

(h) Property, plant and equipment

The building component of leasehold properties held for own use is stated in the statement of financial position at their revalued amount, being their fair value at the date of the revaluation less any subsequent accumulated depreciation.

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

The other items of property, plant and equipment are stated in the statement of financial position at cost less accumulated depreciation and impairment losses (see note 2(k)).

Changes arising on the revaluation of properties held for own use are generally dealt with in other comprehensive income and are accumulated separately in equity in the asset revaluation reserve. The only exceptions are as follows:

- when a deficit arises on revaluation, it will be charged to profit or loss to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to the revaluation; and
- when a surplus arises on revaluation, it will be credited to profit or loss to the extent that a deficit on revaluation in respect of that same asset had previously been charged to profit or loss.

2. 重大會計政策概要(續)

(g) 衍生金融工具

衍生金融工具初步按公平值確認。公平值於各報告期間結算日重新計量。重新計量公平值之收益或虧損即時於損益賬確認，惟倘該衍生金融工具符合現金流對沖會計處理者或對沖海外業務投資淨額則除外，在此情況下，則所產生之任何收益或虧損之確認乃取決於所對沖之項目。

(h) 物業、廠房及設備

持作自用租賃物業之樓宇部分在財務狀況表中按重估數額(即其於重估日期之公平值減去其後任何累計折舊)列賬。

重估乃充裕地定期進行，以確保此等資產之賬面值與其於各報告期間結算日採用公平值釐定之數額並無重大差異。

其他物業、廠房及設備項目於財務狀況表中按成本減去累計折舊及減值虧損列賬(見附註2(k))。

重估持作自用物業所產生之變動一般於其他全面收入處理，並於權益賬內之資產重估儲備中獨立累計，惟下列情況則除外：

- 倘出現重估虧絀，其將會在損益賬扣除，直至超出於緊接重估前就該同一資產於儲備內持有之金額為止；及
- 倘出現重估盈餘，其將於損益入賬，惟以就該同一資產早前已自損益賬扣除之重估虧絀為限。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Property, plant and equipment (Continued)

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 2(w)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to profit or loss.

Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

- Buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion.
- Leasehold improvements are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 20 years after the date of completion.
- Furniture, fixtures and equipment 5 years
- Drama equipment 1 year
- Motor vehicles 10 years

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

2. 重大會計政策概要(續)

(h) 物業、廠房及設備(續)

自行興建之物業、廠房及設備項目之成本，包括材料成本、直接勞工成本、(倘相關)初步估計拆卸及搬遷項目以及恢復項目所在地原貌之成本，以及適當比例之生產經常成本及借貸成本(見附註2(w))。

廢棄或出售物業、廠房及設備項目產生之收益或虧損以出售項目所得款項淨額與項目賬面值之間之差額釐定，並於廢棄或出售當日在損益賬確認。任何有關重估盈餘自重估儲備轉撥至保留溢利，但不會重新分類至損益賬。

折舊乃計算以於物業、廠房及設備項目之估計可使用年期內使用直線法撇銷該等項目之成本或估值，並扣除其估計剩餘價值(如有)如下：

- 位於租賃土地之樓宇乃按其未屆滿租賃年期及其估計可使用年期(即不超過落成日期起計50年)兩者之較短者計提折舊。
- 租賃物業裝修乃按未屆滿租賃年期及其估計可使用年期(不超過自落成日期起計20年)兩者之較短者計提折舊。
- 傢俬、裝置及設備 5年
- 舞台劇設備 1年
- 汽車 10年

當一項物業、廠房及設備各部分具有不同可使用年期，此項目之成本或估值將按合理基準在該等部分之間分配，而各部分將作個別折舊。資產之可使用年期及其剩餘價值(如有)會被每年審閱。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Intangible assets (other than goodwill)

Intangible assets are identifiable non-monetary asset without physical substance.

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources and intention to complete the development, it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the asset can be measured reliably. The expenditure capitalised includes the costs of materials, direct labour, and an appropriate proportion of overheads and borrowing costs, where applicable (see note 2(v)). Capitalised development costs are carried at cost less accumulated amortisation and impairment losses (see note 2(k)). Other development expenditure and expenditure on internally generated goodwill are recognised as an expense in the period in which it is incurred.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 2(k)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

— Exclusive operating licenses	5 years
— Travel agent licenses	10 years

The period of amortisation are reviewed annually.

2. 重大會計政策概要(續)

(i) 無形資產(商譽除外)

無形資產為並無實物形態之可識別非貨幣資產。

研究活動之開支於其產生期間確認為開支。倘有關產品或工序在技術上及商業上屬可行，且本集團有完成開發工作之充足資源及意向，且資產應佔預計日後經濟利益很可能流入本集團及該資產之成本能夠可靠計量，則開發活動之開支會撥充資本。已撥充資本之開支包括物料成本、直接勞工成本以及經常開支與借貸成本(視適用情況而定)之適當比例(見附註2(v))。已撥充資本之開發成本按成本減去累計攤銷及減值虧損(見附註2(k))列賬。其他開發開支及內部產生商譽之開支於其產生期間確認為開支。

本集團所收購之其他無形資產按成本減累計攤銷(倘具有限估計可使用年期)及減值虧損(見附註2(k))列賬。內部產生商譽及品牌之開支於其產生期間確認為開支。

具有限可使用年期之無形資產攤銷，於有關資產之估計可使用年期內按直線法自損益賬扣除。下列具有限可使用年期之無形資產自其可供使用日期起攤銷，而其估計可使用年期如下：

— 獨家經營權	5年
— 旅遊代理執照	10年

攤銷年期會每年檢討。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Intangible assets (other than goodwill) (Continued)

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.

(j) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such as determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(l) CLASSIFICATION OF ASSETS LEASED TO THE GROUP

Assets that are held by Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

2. 重大會計政策概要(續)

(i) 無形資產(商譽除外)

無形資產於其被評為具有無限可使用年期時不予攤銷。無形資產是否具有無限可使用年期之結論會每年檢討，以確定事件及情況是否持續支持該項資產具有無限可使用年期之評估。倘有關情況及事件並無持續，則可使用年期評估由無限轉為有限之變動，會自變動當日起按上文所載適用於具有限可使用年期之無形資產之攤銷政策前溯入賬。

(j) 租賃資產

倘本集團確定某項安排賦予權利，可於協定期限內使用一項或多項特定資產，以換取付款或連串付款，有關安排(包括一項交易或連串交易)即屬或包含租賃。猶如確定乃基於評估有關安排之內容而作出，而不論有關安排是否採用租賃之法律形式。

(l) 本集團所租用資產之分類

就本集團根據租賃持有之資產而言，倘有關租賃將絕大部分擁有權之風險及回報轉移至本集團，則分類為根據融資租賃持有。不會向本集團轉移絕大部分擁有權之風險及回報之租賃分類為經營租賃。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Leased assets (Continued)

(II) ASSETS ACQUIRED UNDER FINANCE LEASES

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in fixed assets and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost or valuation of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in note 2(h). Impairment losses are accounted for in accordance with the accounting policy as set out in note 2(k). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each reporting period. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

(III) OPERATING LEASE CHARGES

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property or is held for development for sale.

2. 重大會計政策概要(續)

(j) 租賃資產(續)

(II) 根據融資租賃購入之資產

倘本集團根據融資租賃購入資產之使用權，則相當於有關資產之租賃資產公平值或(倘較低)最低租賃付款現值乃計入固定資產，而相應負債(已扣除財務費用)則列為融資租賃項下之責任。折舊乃於相關租賃期或(倘本集團將可能取得資產之所有權)資產之可使用年期內按附註2(h)所載撇銷資產成本或估值之比率計提。減值虧損乃按照附註2(k)所載會計政策入賬。租賃付款內含之財務費用於租賃期內自損益賬扣除，以就每段報告期間責任剩下之結餘得出大致固定之定期支銷率。或然租金會於其產生之報告期間於損益賬扣除。

(III) 經營租賃支出

倘本集團根據經營租賃持有資產之使用權，則根據該等租賃作出之付款會在租賃期所涵蓋之會計期間內，以等額分期方式自損益賬扣除，惟倘有其他基準更能反映租賃資產所產生利益之模式則作別論。已收取之租賃優惠在損益賬內確認為已作出總租賃付款淨額之完整部分。或然租金會於其產生之會計期間於損益賬中扣除。

收購根據經營租賃持有之土地之成本乃於租賃期內以直線法攤銷，惟物業已分類為投資物業或持作發展出售者則除外。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Impairment of assets

(i) IMPAIRMENT OF INVESTMENTS IN EQUITY SECURITIES AND OTHER RECEIVABLES

Investments in equity securities (and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities) are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For investments in subsidiaries, associate and jointly controlled entities (including those recognised using the equity method (see note 2 (c) and (d))), the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note 2(k)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with note 2(k)(ii).

2. 重大會計政策概要(續)

(k) 資產減值

(i) 股本證券投資及其他應收款項之減值

按成本或攤銷成本列賬或已分類為可供出售證券之股本證券投資及其他即期與非即期應收款項會於各報告期間結算日予以審閱，以確定是否存在客觀減值證據。減值之客觀證據包括本集團所知悉有關以下一項或多項虧損事項之可觀察數據：

- 債務人有重大財務困難；
- 違反合約，如拖欠或無法償還利息或本金付款；
- 債務人將可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動而對債務人造成不利影響；及
- 於股本工具投資之公平值大幅或長期下跌至低於其成本。

倘存在任何此等證據，任何減值虧損按以下方式釐定及確認：

- 就於附屬公司、聯營公司及共同控制實體之投資(包括使用權益法確認者(見附註2(c)及(d)))而言，減值虧損乃根據附註2(k)(ii)比較投資之可收回金額與其賬面值計量。倘用以根據附註2(k)(ii)釐定可收回金額之估計出現有利變動，則撥回減值虧損。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Impairment of assets (Continued)

(i) IMPAIRMENT OF INVESTMENTS IN EQUITY SECURITIES AND OTHER RECEIVABLES (CONTINUED)

- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses to equity securities are not reversed.

- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

2. 重大會計政策概要(續)

(k) 資產減值(續)

(i) 股本證券投資及其他應收款項之減值(續)

- 就按成本列賬之非報價股本證券而言，倘貼現之影響屬重大，減值虧損以金融資產賬面值與以類似金融資產現時市場回報率貼現之估計未來現金流量間之差額計量。股本證券之減值虧損不予撥回。

- 就以攤銷成本列賬之貿易及其他即期應收款項以及其他金融資產而言，倘貼現之影響屬重大，減值虧損以資產賬面值與以金融資產原有實際利率(即在初始確認有關資產時計算之實際利率)貼現之估計未來現金流量現值間之差額計量。倘按攤銷成本列賬之金融資產具備類似之風險特徵(例如類似之逾期情況)，及並未個別被評估為減值，則有關評估會共同進行。金融資產之未來現金流量會根據與共同組別具有類似信貸風險特徵之資產之過往虧損經驗共同評估減值。

倘減值虧損之數額於往後期間減少，且減少可客觀與確認減值虧損後發生之事件有關，減值虧損則透過損益賬撥回。撥回減值虧損不得導致資產之賬面值超逾其在過往年度並無確認任何減值虧損之情況下原應釐定之數額。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Impairment of assets (Continued)

(i) IMPAIRMENT OF INVESTMENTS IN EQUITY SECURITIES AND OTHER RECEIVABLES (CONTINUED)

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors and bills receivable directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(ii) IMPAIRMENT OF OTHER ASSETS

Internal and external sources of information are reviewed at the end of each balance period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (other than properties carried at revalued amounts);
- prepaid lease payments classified as being held under an operating lease;
- intangible assets; and
- goodwill.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

2. 重大會計政策概要(續)

(k) 資產減值(續)

(i) 股本證券投資及其他應收款項之減值(續)

減值虧損乃於相應資產中直接撇銷，惟就包括在貿易及其他應收款項中且可收回情況被視為難以預料而非遙遙無期之應收賬款確認之減值虧損除外。在此情況下，呆賬減值虧損以撥備賬記錄。倘本集團信納收回情況遙遙無期，被視為不可收回之金額直接於應收賬款及應收票據中撇銷，而在撥備賬中持有且有關該債務之任何金額則會被撥回。其後收回早前於撥備賬扣除之款項，則於撥備賬撥回。撥備賬之其他變動及其後收回早前直接撇銷之金額均於損益賬確認。

(ii) 其他資產減值

本集團於每個結算期間結算日審閱內部及外來資料來源，以確認是否有跡象顯示以下資產可能出現減值或(商譽之情況除外)早前確認之減值虧損不再存在或可能減少：

- 物業、廠房及設備(按重估金額入賬之物業除外)；
- 分類為根據經營租賃持有之預付租賃款項；
- 無形資產；及
- 商譽。

倘存在任何該等跡象，則會估計資產之可收回金額。此外，就商譽、尚未可供使用之無形資產及具有無限可使用年限之無形資產而言，可收回金額會每年估計，以釐定有否出現任何減值跡象。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Impairment of assets (Continued)

(II) IMPAIRMENT OF OTHER ASSETS (CONTINUED)

- Calculation of recoverable amount
The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

- Recognition of impairment losses
An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

- Reversals of impairment losses
In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

2. 重大會計政策概要(續)

(k) 資產減值(續)

(II) 其他資產減值(續)

- 可收回金額之計算方法
資產之可收回金額乃其公平值減出售成本與使用價值兩者中之較高者。評估使用價值時，以反映當前市場對貨幣時間值之評估及該項資產特定風險之除稅前貼現率，貼現估計未來現金流量至其現值。倘某項資產並無產生高度獨立於其他資產所產生者之現金流入，可收回金額按獨立產生現金流入之最細資產組合(即現金產生單位)釐定。

- 確認減值虧損
倘於資產或其所屬現金產生單位之賬面金額高於其可收回金額，則會於損益賬內確認減值虧損。就現金產生單位確認之減值虧損會首先作出分配，以減少已分配至該現金產生單位(或該組單位)之任何商譽之賬面值，然後按比例減少該單位(或該組單位)內其他資產之賬面值，惟資產之賬面值不得減至低於其個別公平值減出售成本或使用價值(如能釐定)後所得之數額。

- 減值虧損撥回
就商譽以外之資產而言，倘用於釐定可收回金額之估計出現有利變動，減值虧損將予撥回。商譽之減值虧損將不予撥回。

減值虧損撥回乃以過往年度資產並無確認減值虧損而原應釐定之該資產賬面值為限。減值虧損撥回乃於確認撥回之年度計入損益賬。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Impairment of assets (Continued)

(III) INTERIM FINANCIAL REPORTING AND IMPAIRMENT

Under the GEM listing rules, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition and reversal criteria as it would at the end of the financial year (see notes 2(k)(i) and 2(k)(ii)).

Impairment losses recognised in an interim period in respect of goodwill, available-for-sale equity securities and unlisted equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

(I) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment of doubtful debts (see note 2(k)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts (see note 2(k)).

2. 重大會計政策概要(續)

(k) 資產減值(續)

(III) 中期財務報告及減值

根據創業板上市規則，本集團須按照香港會計準則第34號中期財務報告之規定就財政年度首六個月編製中期財務報告。於中期期末，本集團採用其於財政年度結束時將會採用之相同減值測試、確認及撥回準則(見附註2(k)(i)及2(k)(ii))。

於中期期間就商譽、按成本列賬之可供出售股本證券及非上市股本證券確認之減值虧損不會於往後期間撥回。假設減值評估僅於有關中期期間之財政年度結束時進行，即使並無確認虧損，或確認較少虧損，亦會採用以上處理方法。

(I) 貿易及其他應收款項

貿易及其他應收款項初步按公平值確認，其後按攤銷成本減呆賬減值撥備列賬(見附註2(k))，惟倘有關應收款項乃給予關連人士之免息貸款，且並無任何固定還款期或貼現影響甚微者則除外。在此等情況下，有關應收款項乃按成本減呆賬減值撥備列賬(見附註2(k))。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Convertible bonds

Convertible bonds issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

CONVERTIBLE BONDS THAT CONTAIN AN EQUITY COMPONENT

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

2. 重大會計政策概要(續)

(m) 可換股債券

本公司發行之可換股債券乃根據合約安排之內容以及金融負債及股本工具之定義，個別分類為金融負債及權益。以定額現金或另一項金融資產交換固定數目之本公司本身股本工具之方式結算之換股期權為股本工具。

含有權益部分之可換股債券

於發行日期，負債部分之公平值按類似非可換股工具之現行市場利率估算。該金額按攤銷成本基準以實際利率法作為負債入賬，直至於轉換後或該工具到期日消除為止。

分類為權益之換股期權乃透過從整體複合工具之公平值中扣減負債部分金額釐定。其將於扣除所得稅影響後在權益確認及記賬，且隨後不予重新計量。此外，分類作權益之換股期權將一直保留於權益內，直至該換股期權獲行使為止，在此情況下，權益內確認之結餘將轉入股份溢價。倘換股期權於可換股票據到期日仍未獲行使，權益內確認之結餘將轉入累計虧損。換股期權獲兌換或到期時將不會於損益內確認任何收益或虧損。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Convertible bonds (Continued)

CONVERTIBLE BONDS THAT CONTAIN AN EQUITY COMPONENT (CONTINUED)

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible bonds using the effective interest method.

CONVERTIBLE BONDS THAT DO NOT CONTAIN AN EQUITY COMPONENT

Conversion bonds that is classified as derivative financial liability at fair value through profit or loss are re-measured at the end of each reporting period subsequent to initial recognition with changes in fair value recognised directly in the profit or loss in the period in which they arise.

(n) Promissory notes

Promissory notes are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest rate method.

(o) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 2(t)(i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are carried at cost.

(p) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

2. 重大會計政策概要(續)

(m) 可換股債券(續)

含有權益部分之可換股債券(續)

與發行可換股債券有關之交易成本乃按所得款項總額之分配比例分配至負債及權益部分。與權益部分有關之交易成本會直接在權益內確認。與負債部分有關之交易成本則計入負債部分之賬面值，並於可換股債券年期內採用實際利率法攤銷。

不含權益部分之可換股債券

分類為按公平值計入損益之金融負債之可換股債券於初始確認後之各報告期末均會重新計量，而其公平值變動會於其產生期間直接於損益賬內確認。

(n) 承兌票據

承兌票據初步按公平值確認，其後以實際利率法按攤銷成本計量。

(o) 貿易及其他應付款項

貿易及其他應付款項初步按公平值確認。除按照附註2(t)(i)計量之財務擔保負債外，貿易及其他應付款項其後按攤銷成本列賬，惟貼現影響甚微則除外，在此情況下，則按成本列賬。

(p) 現金及現金等值物(續)

現金及現金等值物包括銀行存款及手頭現金、銀行及其他財務機構之活期存款以及於購入後三個月內到期可隨時轉換為已知數額現金且其價值變動風險不大之短期高流通性投資。就綜合現金流量表而言，須應要求償還且構成本集團現金管理其中部分之銀行透支亦計入現金及現金等值物部分。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Employee benefits

(i) SHORT TERM EMPLOYEE BENEFITS AND CONTRIBUTIONS TO DEFINED CONTRIBUTION RETIREMENT PLANS

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payments or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) SHARE-BASED PAYMENTS

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using a Black-Scholes Option Model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits/accumulated losses).

2. 重大會計政策概要(續)

(q) 僱員福利

(i) 短期僱員福利及定額供款退休計劃供款

薪金、年度花紅、年度有薪假期、定額供款退休計劃供款及非貨幣福利之成本乃於僱員提供相關服務之年度累計。倘延遲付款或結算，且影響屬重大，有關數額會按其現值列賬。

(ii) 以股份為基礎之付款

授予僱員之購股權公平值確認為僱員成本，而權益內之資本儲備則相應增加。公平值於授出當日採用柏力克－舒爾斯期權模式，並考慮授出購股權之條款及條件計量。倘僱員於成為無條件可享有購股權權利前須符合歸屬條件，則購股權之估計公平值總額經計及購股權將歸屬之可能性後在歸屬期內攤分。

於歸屬期內，須審閱預期歸屬之購股權數目。任何對在過往年度已確認累計公平值所作之調整於回顧年度在損益賬扣除／計入，除非原有僱員開支符合資格確認為資產，則對資本儲備作出相應調整。於歸屬日期，已確認為開支之金額會作出調整，以反映所歸屬購股權之實際數目，同時亦相應調整資本儲備，惟僅於未能達致有關本公司股份市價之歸屬條件時，方沒收購股權之情況則除外。權益金額於資本儲備確認，直至購股權獲行使(即轉撥至股份溢價賬時)或購股權到期(即直接解除至保留溢利／累計虧損時)為止。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Employee benefits (Continued)

(iii) TERMINATION BENEFITS

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(r) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive Income or directly in equity, in which case they are recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

2. 重大會計政策概要(續)

(q) 僱員福利(續)

(iii) 終止僱用之福利

終止僱用之福利僅於本集團在具備詳細正式且並無撤回方案之實際可能性之情況下，決意終止聘用或因採取自願離職措施而提供福利時，方予確認。

(r) 所得稅

本年度所得稅包括即期稅項及遞延稅項資產與負債之變動。即期稅項及遞延稅項資產與負債之變動均在損益賬內確認，惟與於其他全面收入或直接於權益賬確認之項目相關者則除外，在該情況下，相關稅項金額於權益賬內確認。

即期稅項為按本年度應課稅收入，使用於結算日已頒佈或實際頒佈之稅率計算之預期應付稅項，以及就過往年度應付稅項作出之任何調整。

遞延稅項資產及負債分別由可抵扣及應課稅暫時差異產生，即資產及負債就財務報告而言之賬面值與其稅基間之差異。遞延稅項資產亦來自未動用稅項虧損及未動用稅項抵免。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Income tax (Continued)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting period. Deferred tax assets and liabilities are not discounted.

2. 重大會計政策概要(續)

(r) 所得稅(續)

除若干有限例外情況外，所有遞延稅項負債及所有遞延稅項資產(僅限於有可能可動用未來應課稅溢利抵銷該項資產之情況)均予確認。可能支持確認由可扣減暫時差異所產生之遞延稅項資產之未來應課稅溢利，包括將源自撥回目前應課稅暫時差異者，惟此等應課稅暫時差異乃與由同一稅務當局及同一應課稅實體相關，並預期在可扣減暫時差異預期撥回之同一期間內撥回，或在由遞延稅項資產產生之稅務虧損能轉回或結轉期間內撥回。在評定目前應課稅暫時差異是否支持確認由未動用稅務虧損及抵免所產生之遞延稅項資產時會採用相同標準，即倘該等暫時差異乃與同一稅務當局及同一應課稅實體相關，並預期在稅務虧損或抵免能應用之期間內撥回方計算在內。

確認遞延稅項資產及負債之有限例外情況，乃自不可扣稅商譽以及初步確認並不影響會計及應課稅溢利之資產或負債(惟以其並非業務合併其中一部分為限)產生之暫時差異，以及有關於附屬公司投資產生之暫時差異，惟以下列情況為限，倘屬應課稅差異，只限於本集團可以控制撥回時間，且在可預見將來不大可能撥回暫時差異，或倘屬可扣稅差異，則只限於可能在未來撥回之情況。

所確認遞延稅項之金額乃按照資產及負債賬面值之預期變現或結算方式，採用於報告期間已頒佈或實際頒佈之稅率計量。遞延稅項資產及負債均不予貼現。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Income tax (Continued)

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

2. 重大會計政策概要(續)

(r) 所得稅(續)

本集團在每個報告期間結算日審閱遞延稅項資產之賬面值，並會扣減至不再可能具備足夠應課稅溢利以運用有關稅務利益為止。倘日後可能獲取足夠應課稅溢利，則撥回任何有關已扣減金額。

分派股息所產生之額外所得稅在確認支付有關股息之責任時予以確認。

即期稅項結餘及遞延稅項結餘以及其變動，乃各自分開列示及不會相互抵銷。倘本公司或本集團具有可依法執行權力，將即期稅項資產與即期稅項負債互相抵銷，且符合下列額外條件，則即期稅項資產可抵銷即期稅項負債，及遞延稅項資產可抵銷遞延稅項負債：

- 倘屬即期稅項資產及負債，本公司或本集團擬以淨額清償，或同時變現資產及清償負債；或
- 倘屬遞延稅項資產及負債，且其與同一稅務當局向下述者徵收之所得稅有關：
 - 同一應課稅實體；或
 - 不同應課稅實體，而在每一段未來期間，預期將清償或收回巨額遞延稅項負債或資產、擬以淨額變現即期稅項資產及清償即期稅項負債或同時進行變現及清償。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Financial guarantees issued, provisions and contingent liabilities

(i) FINANCIAL GUARANTEES ISSUED

Financial guarantees are contracts that require the issuer (i.e. the “guarantor”) to make specified payments to reimburse the beneficiary of the guarantee (the “holder”) for a loss the holder incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within trade and other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group’s policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 2(t)(ii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

2. 重大會計政策概要(續)

(s) 已發出之財務擔保、撥備及或然負債

(i) 已發出之財務擔保

財務擔保指要求發出人(即「擔保人」)作出特定付款以償付擔保受益人(「持有人」)因指定債務人無法根據債務工具之條款支付到期款項所蒙受虧損之合約。

倘本集團發出財務擔保，擔保之公平值(即交易價格，除非公平值可另行可靠估計則作別論)初步於貿易及其他應付款項內確認為遞延收入。倘就發出擔保而已收或應收代價，該代價會根據本集團適用於該類資產之政策確認。倘並無已收或應收有關代價，則會於初步確認任何遞延收入時即時在損益賬確認開支。

初步確認為遞延收入之擔保金額於擔保期內在損益賬內作為源自已發出財務擔保之收入攤銷。此外，倘若及當(i)擔保持有人很可能要求本集團根據擔保還款；及(ii)向本集團索償之金額預期將超過目前就該擔保計入貿易及其他應付款項之金額(即初步確認之金額減累計攤銷)時，則會根據附註2(t)(ii)確認撥備。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Financial guarantees issued, provisions and contingent liabilities (Continued)

(II) PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(t) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(I) REVENUE FROM LOTTERY-BASED MOBILE ONLINE GAME RECHARGING SERVICES

Revenue from lottery-based mobile online game recharging services is recognised when the related services are provided.

(II) REVENUE FROM TRAVEL AGENT SERVICES

Revenue from travel agent services is recognised when the related services are provided.

(III) REVENUE FROM STAGE DRAMA TICKETS SALES

Revenue from stage drama tickets sales and touring is recognised when the tickets are sold.

2. 重大會計政策概要(續)

(s) 已發出之財務擔保、撥備及或然負債(續)

(II) 撥備及或然負債

當本集團或本公司因過往事件產生法定或推定責任，且很可能須流出經濟利益以履行該責任且可作出可靠估計時，則會就時間或金額不確定之其他負債確認撥備。倘貨幣時間值屬重大，撥備乃以預期履行該責任之開支之現值列賬。

倘不大可能須流出經濟利益，或金額不能可靠估計，則該責任會作為或然負債披露，除非經濟利益流出之可能性微乎其微則作別論。僅因一項或多項日後事件發生或不發生而確認其存在與否之可能責任亦作為或然負債披露，除非經濟利益流出之可能性微乎其微則作別論。

(t) 收入確認

收入乃按已收或應收代價之公平值計量。倘經濟利益將有可能流入本集團，且收入及成本(倘適用)能可靠計算，則收入將按以下方式在損益賬內確認：

(I) 手機彩票在線遊戲充值服務收入

手機彩票在線遊戲充值服務收入於提供相關服務時確認。

(II) 旅遊代理服務收入

旅遊代理服務收入於提供相關服務時確認。

(III) 舞台表演門票銷售收入

舞台表演門票銷售及巡迴演出收入於門票售出時確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Revenue recognition (Continued)

(IV) REVENUE FROM ENTERTAINMENT PROGRAMME PRODUCTION AND ADVERTISING

Revenue from entertainment programme production and advertising is recognised when the related services are rendered.

(V) DIVIDENDS

Dividend income from unlisted investments is recognised when the shareholder's right to receive payments is established.

Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(VI) INTEREST INCOME

Interest income is recognised as it accrues using the effective interest method.

(u) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

2. 重大會計政策概要(續)

(t) 收入確認(續)

(IV) 娛樂節目製作及廣告

娛樂節目製作及廣告收入於提供相關服務時確認。

(V) 股息

非上市投資之股息收入於股東收取該款項之權利確立時確認。

上市投資之股息收入於投資之股價除息時確認。

(VI) 利息收入

利息收入使用實際利率法於累計時確認。

(u) 外幣換算

年內之外幣交易使用交易當日之匯率換算。以外幣計值之貨幣資產及負債按報告期間結算日之匯率換算。匯兌收益及虧損於損益賬內確認。

以外幣按歷史成本計量之非貨幣資產及負債採用交易當日之匯率換算。按公平值列賬以外幣計值之非貨幣資產及負債採用釐定公平值當日之匯率換算。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Translation of foreign currencies (Continued)

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into Hong Kong dollars at the closing foreign exchange rates ruling at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve. Goodwill arising on consolidation of a foreign operation acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(v) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

2. 重大會計政策概要(續)

(u) 外幣換算(續)

海外業務之業績按與交易日之匯率相若之匯率換算為港元。財務狀況表項目(包括因綜合計入於二零零五年一月一日或之後收購海外業務而產生之商譽)按報告期間結算日之收市匯率換算為港元。所產生之匯兌差額於其他全面收入確認，並於匯兌儲備之權益獨立累計。綜合計入因於二零零五年一月一日前收購海外業務產生之商譽按收購該海外業務當日適用之匯率換算。

在出售海外業務時，與該海外業務有關之累計匯兌差額會在確認出售之溢利或虧損時由權益賬重新分類至損益賬。

(v) 借貸成本

與收購、建造或生產需要長時間才可投入其擬定用途或銷售資產直接相關之借貸成本，撥充資本為該資產成本之一部分。其他借貸成本則於其產生期間支銷。

在產生資產開支、借貸成本及進行使資產投入擬定用途必需之準備工作或進行出售時，借貸成本會開始作為合資格資產成本之一部分撥充資本。在使合資格資產投入擬定用途或出售必需之絕大部分準備工作中止或完成時，借貸成本暫停或停止資本化。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of Group or the Group's parent;
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group or which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2. 重大會計政策概要(續)

(w) 有關連人士

- (a) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理層成員；
- (b) 倘符合下列任何條件，即實體與本集團有關連：
- (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此之間有關連)。
 - (ii) 一間實體為另一實體之聯營公司或合營企業(或另一實體為其成員公司之集團旗下成員公司之聯營公司或合營企業)。
 - (iii) 兩間實體均為同一第三方之合營企業。
 - (iv) 一間實體為第三方實體之合營企業，而另一實體則為該第三方實體之聯營公司。
 - (v) 實體為本集團或與本集團有關連之實體就僱員利益而設立之離職福利計劃。
 - (vi) 實體受(a)所識別之人士控制或共同控制。
 - (vii) 於(a)(i)所識別之人士對實體有重大影響力或屬該實體(或該實體之母公司)之主要管理層成員。

任何人士之近親指其與該實體交易時預期可影響該名人士或受該名人士影響之家庭成員。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

(y) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal. It also occurs if the operation is abandoned.

Where an operation is classified as discontinued, a single amount is presented on the face of the income statement, which comprises:

- the post-tax profit or loss of the discontinued operation; and
- the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

2. 重大會計政策概要(續)

(x) 分類報告

經營分類及於財務報表中匯報之各分類項目金額，由定期向本集團最高行政管理層提供以對本集團多個業務線及地區進行資源分配及表現評估之財務資料中分辨。

除非分類有類似經濟特徵及就產品及服務性質、生產過程性質、顧客類型或組別、分發產品或提供服務所用之方法以及監管環境之性質而言屬類似，否則個別重大經營分類不會在財務匯報中合併。倘並非個別重大之經營分類存在大多數該等條件，則可被合併。

(y) 已終止業務

已終止業務為本集團業務之一部分，其業務及現金流量可與本集團餘下業務清楚劃分，並代表為出售所經營主要獨立業務線或地區，或為出售所經營主要獨立業務線或地區之單一相同類別計劃部分，或個別收購並擬重新出售之附屬公司。

已終止業務分類於出售時劃分，其亦於業務被放棄時劃分。

倘業務被分類為已終止，則於收益表上呈列單一金額，當中包括：

- 已終止業務之除稅後溢利或虧損；及
- 就構成已終止業務之資產或出售組合計算公平值減銷售成本(或於出售時)所確認之除稅後收益或虧損。

3. CHANGES IN ACCOUNTING POLICIES

In the current year, the company initially applied the following Hong Kong Financial reporting Standards:

Amendments to HKFRS 7	Disclosures — Transfers of Financial Assets
Amendment to HKAS 12	Recovery of Underlying Assets

The initial application of these Hong Kong Financial Reporting Standards does not necessitate material changes in the Company's accounting policies or retrospective adjustments of the comparatives presented.

4. TURNOVER

The Group's turnover comprises the provision of travel agent services, advertising and marketing services and trading of security.

For the year ended 31 December 2012, the Group ceased the business of provision of artists management services and operation of stage drama as set out in note 11.

For the year ended 31 December 2011, the Group ceased the business of provision of lottery-based mobile on-line game recharging services as set out in note 11.

3. 會計政策之變動

本年度，本公司初次使用以下香港財務報告準則：

香港財務報告準則第7號(修訂本)	披露 — 轉移金融資產
香港會計準則第12號(修訂本)	收回相關資產

初次應用該等香港財務報告準則並不足以對本公司之會計政策或就所呈列比較數字之追溯調整構成重大變動。

4. 營業額

本集團之營業額來自提供旅遊代理服務、廣告及營銷服務以及證券買賣。

誠如附註11所載，截至二零一二年十二月三十一日止年度，本集團終止提供藝人管理服務及經營舞台表演。

誠如附註11所載，截至二零一一年十二月三十一日止年度，本集團終止提供手機彩票在線遊戲充值服務之業務。

4. TURNOVER (CONTINUED)

The amount of each significant category of revenue recognised in turnover during the year is analysed as follows:

4. 營業額(續)

於年內，於營業額中確認之各項主要收入類別金額分析如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (represented) (重列為)
Continuing operations	持續經營業務		
— Advertising and marketing services	— 廣告及營銷服務	6,177	—
— Revenue from travel agent services	— 旅遊代理服務收益	17,017	24,176
		23,194	24,176
Discontinued operations	已終止業務		
— Artists management income (note 11a)	— 藝人管理收入 (附註11a)	277	1,179
— Revenue from stage drama (note 11a)	— 舞台表演收益 (附註11a)	397	125
— Mobile recharging service income (note 11a)	— 手機充值服務收入 (附註11a)	—	152
		674	1,456
		23,868	25,632

5. OTHER INCOME AND GAIN, NET

5. 其他收入及收益淨額

		Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Other income	其他收入						
Interest income from banks	銀行利息收入	46	20	—	—	46	20
Sundry income	雜項收入	105	187	104	216	209	403
		151	207	104	216	255	423
Gain, net	收益淨額						
Change in fair value on trading of security	證券買賣公平值 變動	(542)	—	—	—	(542)	—
		(542)	—	—	—	(542)	—
		(391)	207	104	216	(287)	423

6. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

6. 除稅前虧損

除稅前虧損已扣除下列各項：

		Continuing operations		Discontinued operations		Consolidated	
		持續經營業務		已終止業務		綜合	
		2012	2011	2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
(a) Finance costs	融資成本						
Interest on bank advances and other borrowings wholly repayable within five years	須於五年內悉數償還之銀行墊款及其他借貸之利息	14,188	—	—	—	14,188	—
Interest on promissory notes	承兌票據之利息	8,105	15,761	—	—	8,105	15,761
Interest on convertible bond	可換股債券之利息	2,398	2,398	—	—	2,398	2,398
Interest on finance lease	融資租賃之利息	48	63	12	—	60	63
Others	其他	63	(6)	993	193	1,056	187
Total interest expense on financial liabilities not at fair value through profit or loss	並非按公平值計入損益之金融負債之利息開支總額	24,802	18,216	1,005	193	25,807	18,409
Interest on convertible bond	可換股債券之利息	6,322	1,598	—	—	6,322	1,598
Interest expense on financial liabilities at fair value through profit or loss	按公平值計入損益之金融負債之利息開支	6,322	1,598	—	—	6,322	1,598
		31,124	19,814	1,005	193	32,129	20,007
(b) Staff costs (including directors' remuneration)	員工成本(包括董事酬金)						
Contributions to defined contribution retirement plans	定額供款退休計劃之供款	164	219	12	—	176	219
Social security costs	社會保障成本	423	562	—	43	423	605
Salaries, wages and other benefits	薪金、工資及其他福利	5,872	13,389	4,435	298	10,307	13,687
		6,459	14,170	4,447	341	10,906	14,511

6. LOSS BEFORE TAXATION (CONTINUED)

Loss before taxation is arrived at after charging: (Continued)

6. 除稅前虧損(續)

除稅前虧損已扣除下列各項：(續)

		Continuing operations		Discontinued operations		Consolidated	
		持續經營業務		已終止業務		綜合	
		2012	2011	2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
(c) Other items	其他項目						
Depreciation	折舊						
— leased assets	— 租賃資產	269	202	91	—	360	202
— own assets	— 自有資產	111	988	1,554	412	1,665	1,400
Auditors' remuneration	核數師酬金						
— current year	— 本年度	566	408	40	—	606	408
Operating lease charges in respect of property rental	物業租金之經營租賃 開支	1,053	4,913	2,551	156	3,604	5,069
Property, plant and equipment written off	物業、廠房及設備撇銷	—	812	—	—	—	812
Inventories written off	存貨撇銷	—	18	—	—	—	18
Allowance for impairment of doubtful debt	呆賬減值撥備	79	1,000	—	—	79	1,000
Loss on disposal of property, plant and equipment	出售物業、廠房及設備 虧損	58	—	—	—	58	—
Amortisation of intangible assets	無形資產攤銷	93	6,064	11,570	192	11,663	6,256

7. TAXATION IN THE CONSOLIDATED INCOME STATEMENT 7. 綜合收益表內之稅項

(a) Taxation in the consolidated income statement represents:

(a) 綜合收益表內之稅項指：

		Continuing operations		Discontinued operations		Consolidated	
		持續經營業務		已終止業務		綜合	
		2012	2011	2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Current tax	即期稅項						
Provision of PRC Enterprise Income Tax for the year	本年度就中國企業所得稅撥備	-	5	-	-	-	5
Deferred tax (note 31(a))	遞延稅項(附註31(a))						
Origination and reversal of temporary differences	暫時差異之產生及撥回	-	-	-	(6)	-	(6)
		-	5	-	(6)	-	(1)

No provision for Hong Kong Profits Tax has been made as the Group has no estimated assessable profits arising in Hong Kong for the years ended 31 December 2012 and 2011. PRC Enterprise Income Tax is computed according to the relevant legislation, interpretations and practices in respect thereof during the year. The applicable PRC income tax rate is 25% (2011: 25%).

由於本集團於截至二零一二年及二零一一年十二月三十一日止年度並無於香港產生任何估計應課稅溢利，因此並無就香港利得稅作出撥備。年內，中國企業所得稅乃根據該年之相關法律、詮釋及慣例計算。適用中國所得稅稅率為25%(二零一一年：25%)。

7. TAXATION IN THE CONSOLIDATED INCOME STATEMENT (CONTINUED)

7. 綜合收益表內之稅項(續)

(b) Reconciliation between tax expense and accounting loss at applicable tax rates:

(b) 稅項開支與按適用稅率計算之會計虧損之對賬：

		Continuing operations		Discontinued operations		Consolidated	
		持續經營業務		已終止業務		綜合	
		2012	2011	2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Loss before taxation	除稅前虧損	(27,430)	(41,778)	(28,823)	(70,032)	(56,253)	(111,810)
Tax calculated at the applicable rates in the tax jurisdictions concerned	按有關稅務司法權區之適用稅率計算之稅項	(4,526)	(6,893)	(4,756)	(11,555)	(9,282)	(18,448)
Tax effect on non-deductible expenses	不可扣稅開支之稅務影響	8,800	18,687	11,681	14,344	20,481	33,031
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(4,547)	(12,802)	(7,124)	(2,789)	(11,671)	(15,591)
Tax effect of unused tax losses not recognised	未確認未動用稅項虧損之稅務影響	-	994	199	-	199	994
Utilisation of tax loss	動用稅項虧損	273	-	-	-	273	-
Tax effect of temporary differences unrecognised for the year	本年度未確認之暫時差異之稅務影響	-	19	-	-	-	19
Tax effect on reversal of deferred tax liability	撥回遞延稅項負債之稅務影響	-	-	-	(6)	-	(6)
Actual tax expense/(credit)	實際稅項開支/(抵免)	-	5	-	(6)	-	(1)

8. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

8. 董事酬金

根據香港公司條例第161條披露之董事酬金如下：

		Directors' fees	Salaries, allowances and benefits in kind	Retirement scheme contributions	Share based payment (note viii) 以股份為基礎之付款 (附註viii)	Total
		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
2012:	二零一二年：					
Executive Directors	執行董事					
Cheung Man Yau, Timothy (note i)	張晚有(附註i)	—	626	4	—	630
Chan Kin Yip, Keith (note ii)	陳建業(附註ii)	—	294	3	—	297
Lee Chi Shing, Caesar (note iii)	李志成(附註iii)	—	48	4	—	52
Cheung Sze Man (note iv)	鄭詩敏(附註iv)	—	47	4	—	51
Au Yeung Yiu Chung (note v)	歐陽耀忠(附註v)	—	140	7	—	147
Chan Yun Fai (note vi)	陳潤輝(附註vi)	—	140	7	—	147
Yip Man Yi (note vii)	葉敏怡(附註vii)	—	167	9	—	176
Independent Non-executive Directors	獨立非執行董事					
Sung Wai Tak, Herman (note viii)	宋衛德(附註viii)	15	—	—	—	15
Wong Lit Chor, Alexis (note ix)	黃烈初(附註ix)	11	—	—	—	11
Fung Wai Shing (note x)	馮偉成(附註x)	27	—	—	—	27
Chiu Koon Shou (note xi)	趙貫修(附註xi)	64	—	—	—	64
Li Kwok Chu (note xii)	李國柱(附註xii)	69	—	—	—	69
Lau Shu Yan (note xiii)	劉樹人(附註xiii)	53	—	—	—	53
		239	1,462	38	—	1,739

8. DIRECTORS' REMUNERATION (CONTINUED)

8. 董事酬金(續)

		Directors' fees	Salaries, allowances and benefits in kind	Retirement scheme contributions	Share based payment (note viii) 以股份為基礎之付款 (附註viii)	Total
		董事袍金 HK\$'000 千港元	薪金、津貼及實物利益 HK\$'000 千港元	退休計劃供款 HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
2011:	二零一一年:					
Executive Directors	執行董事					
Wong Wai Sing	黃偉昇	50	900	5	—	955
Cheung Man Yau, Timothy (note i)	張曉有(附註i)	120	1,560	12	—	1,692
Chan Kin Yip (note ii)	陳建業(附註ii)	—	1,170	12	—	1,182
Lee Chi Shing, Caesar (note iii)	李志成(附註iii)	20	—	—	—	20
Cheng Sze Man (note iv)	鄭詩敏(附註iv)	36	—	—	—	36
Lai Chun Hung	黎俊鴻	83	107	5	—	195
Cheng Wing Hong	鄭永康	—	248	2	—	250
Independent Non-executive Directors	獨立非執行董事					
Sung Wai Tak, Herman (note viii)	宋衛德(附註viii)	50	—	—	—	50
Wong Lit Chor, Alexis (note ix)	黃烈初(附註ix)	50	—	—	—	50
Fung Wai Shing (note x)	馮偉成(附註x)	50	—	—	—	50
		459	3,985	36	—	4,480

Notes:

- (i) Appointed an independent non-executive director on 16 April 2004. Re-designated from Independent Non-Executive Director to Executive Directors on 8 July 2008 and retired as Chairman and Executive Directors on 4 June 2012.
- (ii) Resigned as Executive Directors on 10 March 2012.
- (iii) Retired as Executive Directors on 4 June 2012.
- (iv) Retired as Executive Directors on 4 June 2012.
- (v) Appointed as Executive Directors on 10 March 2012.
- (vi) Appointed as Executive Directors on 10 March 2012.
- (vii) Appointed as Chairman and Executive Directors on 10 April 2012.
- (viii) Appointed an independent non-executive directors on 2 January 2001 and resigned as independent non-executive directors on 20 April 2012.

附註:

- (i) 於二零零四年四月十六日獲委任為獨立非執行董事。於二零零八年七月八日由獨立非執行董事調任為執行董事，並於二零一二年六月四日退任主席及執行董事。
- (ii) 於二零一二年三月十日辭任執行董事。
- (iii) 於二零一二年六月四日退任執行董事。
- (iv) 於二零一二年六月四日退任執行董事。
- (v) 於二零一二年三月十日獲委任為執行董事。
- (vi) 於二零一二年三月十日獲委任為執行董事。
- (vii) 於二零一二年四月十日獲委任為主席及執行董事。
- (viii) 於二零零一年一月二日獲委任為獨立非執行董事，並於二零一二年四月二十日辭任獨立非執行董事。

8. DIRECTORS' REMUNERATION (CONTINUED)

Notes: (Continued)

- (ix) Appointed an independent non-executive directors on 24 September 2004 and resigned as independent non-executive directors on 16 March 2012.
- (x) Appointed an independent non-executive directors on 12 August 2008 and resigned as independent non-executive directors on 11 July 2012.
- (xi) Appointed an independent non-executive directors on 20 April 2012.
- (xii) Appointed an independent non-executive directors on 16 March 2012.
- (xiii) Appointed an independent non-executive directors on 11 July 2012.
- (xiv) These represent the estimated value of share options granted to the directors under the Company's Share Option Scheme. The value of these share options is measured according to the Group's accounting policies for share-based payments as set out in note 2(r) (iii). The details of these benefits-in-kind, including the principal terms and number of options granted, are disclosed in note 34.

There was no amount paid during the years ended 31 December 2012 and 2011 to any Directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office. There was no arrangement under which a director waived or agreed to waive any remuneration during the years ended 31 December 2012 and 2011.

8. 董事酬金(續)

附註：(續)

- (ix) 於二零零四年九月二十四日獲委任為獨立非執行董事，並於二零一二年三月十六日辭任獨立非執行董事。
- (x) 於二零零八年八月十二日獲委任為獨立非執行董事，並於二零一二年七月十一日辭任獨立非執行董事。
- (xi) 於二零一二年四月二十日獲委任為獨立非執行董事。
- (xii) 於二零一二年三月十六日獲委任為獨立非執行董事。
- (xiii) 於二零一二年七月十一日獲委任為獨立非執行董事。
- (xiv) 該等數額指根據本公司購股權計劃向董事授出購股權之估值價值。該等購股權之價值乃根據載於附註2(r)(iii)之本集團以股份為基礎之付款之會計政策計量。該等實物利益之詳情(包括已授出購股權之主要條款及數目)乃於附註34披露。

截至二零一二年及二零一一年十二月三十一日止年度，概無向本公司任何董事支付任何款項，作為招攬加盟本集團或於加盟本集團時之獎勵或作為離職補償。截至二零一二年及二零一一年十二月三十一日止年度，概無董事放棄或同意放棄任何酬金之安排。

9. INDIVIDUALS WITH HIGHEST EMOLUMENTS

The emoluments of the five individuals with the highest emoluments, two (2011: three) are Directors, whose emoluments are disclosed in note 8. The aggregate of the emoluments for the five individuals are so follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Salaries and other emoluments	薪金及其他酬金	2,786	6,685
Retirement scheme contributions	退休計劃供款	4	44
Share-based payments	以股份為基礎之付款	—	—
		2,790	6,729

The emoluments of three (2011: two) individuals with the highest emoluments are within the following band:

		2012 二零一二年 Numbers of individuals 人數	2011 二零一一年 Numbers of individuals 人數
Nil to HK\$1,000,000	零至1,000,000港元	3	1
HK\$1,000,000 to HK\$2,000,000	1,000,000港元至2,000,000港元	—	1

10. LOSS ATTRIBUTABLE TO THE EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated loss for the year attributable to equity shareholders of the Company includes a loss of HK\$46,192,000 (2011: loss of HK\$68,878,000) which has been dealt with in the financial statements of the Company.

9. 最高薪酬人士

五名最高薪酬人士其中兩名(二零一一年：三名)為董事，彼等之酬金於附註8披露。該五名人士之酬金總額如下：

三名(二零一一年：兩名)最高薪酬人士之酬金介乎以下範圍：

10. 本公司股權持有人應佔虧損

本公司股權持有人應佔本年度綜合虧損包括虧損46,192,000港元(二零一一年：虧損68,878,000港元)，該虧損已在本公司財務報表內處理。

11. DISCONTINUED OPERATIONS

Circle One Group

On 31 August 2012, the Group disposed of 100% equity interest of Circle One International Limited (the “Circle One”) to an independent third party at a total consideration of US\$1.00.

Dragon Gain Group

On 28 December 2012, the Company and Tang Tsz Hoo Anthony, Chan Chui Man and Yeung Wai Bo (the “Vendors”) have agreed on the early exercise by the Company of the put option to put back the sale shares to the Vendors at the put option price of HK\$49,200,000 as the Vendors had acknowledged that it was their assessment that consolidated net profit would not be able to meet with the profit guarantee. According to the put option deed, the Company may only exercise the put option at any time when an audited accounts for the two years during the profit guarantee period are delivered to the Company until 30 days thereafter, which would be sometime within the third quarter of 2013. In view of the under performance of Dragon Gain Worldwide Limited (the “Dragon Gain Group”), both the Company and the Vendors considered that it would be to the mutual benefit of all parties for the put option shares to be put back by the Company to the Vendors early instead of waiting until the third quarter of 2013. Under the agreement for the early exercise by the Company of the put option, the Company will put back the sale shares to the Vendors or their nominee on 28 December, 2012 at the put option price of HK\$49,200,000.

Fountain City Group

During the year ended 31 December 2012, pursuant to the agreement entered between the Company and Diwang Limited (the “Vendor”) in connection to the acquisition of the 51% equity interest of Fountain City Holdings Limited and its subsidiaries (“Fountain City Group”) dated on 7 October 2010, the Vendor irrevocably granted to the Company the put option exercisable at any time and from time to time during the option period by notice in writing to the Vendor to require the Vendor to purchase all the option shares from the Company at the option exercise price.

11. 已終止業務

Circle One集團

於二零一二年八月三十一日，本集團向獨立第三方出售Circle One International Limited (「Circle One」) 100%股本權益，總代價為1.00美元。

龍盈集團

於二零一二年十二月二十八日，本公司及Tang Tsz Hoo Anthony先生、Chan Chui Man先生及Yeung Wai Bo先生(統稱「賣方」)同意本公司提早行使認沽期權，以向賣方回售銷售股份，認沽期權價為49,200,000港元，原因是賣方已知悉彼等綜合純利將少於溢利保證。根據該認股期權契據，本公司僅可於接獲溢利保證期間之該兩個年度經審核賬目後30日後之任何時間行使認股期權，有關時間為二零一三年第三季度內。鑑於龍盈國際有限公司(「龍盈集團」)之表現，本公司及賣方均認為，本公司提前向賣方回售認股期權股份較於二零一三年第三季度能符合雙方協同效益。根據本公司提早行使認股期權之協議，本公司將向賣方底代名人於二零一二年十二月二十八日回售所有銷售股份，認股期權價為49,200,000港元。

泉城集團

截至二零一二年十二月三十一日止年度，根據本公司與帝旺有限公司(「賣方」)就有關收購泉城控股有限公司及其附屬公司(「泉城集團」) 51%權益所訂立日期為二零一零年十月七日之協議，賣方於期權期間任何時間及不時不追溯地授予本公司可予行使認股期權，本公司可以書面通知形式向通知賣方，要求賣方按認股期權價購買本公司所有期權股份。

11. DISCONTINUED OPERATIONS (CONTINUED)

Fountain City Group (Continued)

The Company may only exercise the put option on the conditions that:

- (i) the gross profits of the Fountain City Group for the first period shall be less than HK\$15,000,000; or
- (ii) the gross profits of the Fountain City Group for the second period shall be less than HK\$30,000,000.

For the purpose of ascertaining the gross profits for the first period or as relevant, the second period, the Vendor and the Company shall jointly instruct and direct the auditors for the time being of the Fountain City Group to issue the auditors' certificate stating the amount of actual gross profits for the first period or as relevant, the second period before the date falling two months from the end of the first period or as relevant, the end of the second period.

The rights of the Company to exercise the put option shall be restricted to within one month from the date of the issuance of the auditors' certificate for the first period or as relevant, the second period (the "option period") and the right of the Company to exercise the put option shall lapse after expiration of the relevant option period.

The Vendor has acknowledged to the Company that the actual gross profits for the second period is less than HK\$30,000,000 and the Vendor and the Company agreed to waive the requirement for the issuance of the auditors' certificate. The put option was exercised by the Company on 28 December 2012.

The directors has served an option notice on the Vendor under the agreement stating its intention to exercise the put option and required the Vendor to purchase the option shares from the Company at the pre-agreed option exercise price of HK\$58,650,000.

Completion of the disposal will take place 180 days of the later of: (i) the Option Notice being received by the Vendor; or (ii) any regulatory authorisations, consents or approvals being obtained.

11. 已終止業務(續)

泉城集團(續)

本公司僅於達成以下條件後，方可行使認股期權：

- (i) 泉城集團首個期間之毛利應少於15,000,000港元；或
- (ii) 泉城集團第二個期間之毛利應少於30,000,000港元。

就確認首個或第二期間(如相關)之毛利而言，賣方及本公司應於首個或第二期間末(如相關)前首個或第二期間(如相關)共同指示泉城集團核數師暫時頒發核數師證書，列明首個或第二期間(如相關)之實際毛利金額。

本公司須於自首個或第二期間(如相關)起計一個月期間(「期權期間」)頒發核數師證書行使認股期權之權利，而本公司行使認股期權之權利應於相關期權期間屆滿後失效。

賣方已向本公司確認第二個期間之實際毛利少於30,000,000港元，而賣方及本公司亦同意豁免頒發核數師證書之要求。本公司於二零一二年十二月二十八日，行使有關認股期權。

董事已根據協議向賣方發出正式通知，該協議列明其擬行使認股期權，並要求賣方購買本公司期權股份，事先協定之認股期權價為58,650,000港元。

出售於以下較後發生者180日完成：(i)賣方接獲期權通知；或(ii)接獲任何授權、同意或批准。

11. DISCONTINUED OPERATIONS (CONTINUED)

Completion of the disposal is conditional upon satisfaction of any regulatory authorisations, consents or approvals being obtained (including all regulatory authorisations under the GEM Listing Rules in relation to the disposal and the passing of all the necessary resolution(s) by the independent shareholders pursuant to the GEM Listing Rules.

Pursuant to an agreement dated 30 March 2011 entered into between a wholly-owned subsidiary of the Company, Mega Field International Limited (“Mega Field”) and an independent third party (the “Purchaser”), Mega Field disposed of its 65% equity interest in Wisdom In Holdings Limited, which principally engaged in the lottery-based mobile online recharge services, to the Purchaser at a consideration of HK\$2,300,000.

The disposal was completed on 4 April 2011 and the Group discontinued its lottery-based mobile online recharge business.

a) Profit/(loss) from Discontinued Operations and Assets Held for Sales

The analysis of the profit/(loss) from the Dragon Gain Group, Circle One and Fountain City Group presented as discontinued operations in accordance with HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” is as follows:

11. 已終止業務(續)

出售須待達成任何所接獲之規定、授權、同意或批准(包括所有根據創業板上市規則有關出售及所有獨立股東根據創業板上市規則所通過之所有所需決議案之授權)後，方告完成。

根據本公司全資附屬公司偉大國際有限公司(「偉大」)與一名獨立第三方(「買方」)於二零一一年三月三十日訂立之協議，偉大出售其於Wisdom In Holdings Limited 65%之股權(該公司主要從事手機彩票在線充值服務)予買方，代價為2,300,000港元。

出售於二零一一年四月四日完成，而本集團終止經營其手機彩票在線充值服務。

a) 已終止業務之溢利／(虧損)及持作出售資產

龍盈集團、Circle One及泉城集團之溢利／(虧損)分析根據香港財務報告準則第5號「持作出售之非流動資產及已終止業務」呈列為已終止業務如下：

11. DISCONTINUED OPERATIONS (CONTINUED)

a) Profit/(loss) from Discontinued Operations and Assets Held for Sales (Continued)

11. 已終止業務(續)

a) 已終止業務之溢利/(虧損)及持作出售資產(續)

		Dragon Gain Group 龍盈集團		Fountain City Group 泉城集團		Circle One Group Circle One集團		Wisdom In Wisdom In		Total 總額	
		2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	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
Loss for the year from Discontinued operation	年內已終止業務虧損										
Turnover (note 4)	營業額(附註4)	397	125	277	1,179	-	-	-	152	674	1,456
Cost of sales	銷售成本	(1,017)	(19,072)	(526)	(1,424)	-	-	-	(120)	(1,543)	(20,616)
Gross Profit	毛利	(620)	(18,947)	(249)	(245)	-	-	-	32	(869)	(19,160)
Other income and gain, net (note 5)	其他收入及收益淨額(附註5)	-	-	104	216	-	-	-	-	104	216
Impairment loss on intangible assets	無形資產減值虧損	-	(46,364)	-	-	-	-	-	(1,055)	-	(47,419)
Operating and administrative expenses	經營及行政開支	(12,257)	(7,303)	(10,050)	(12,389)	(99)	(436)	-	(25)	(22,406)	(20,153)
Profit from operation	經營溢利	(12,877)	(72,614)	(10,195)	(12,418)	(99)	(436)	-	(1,048)	(23,171)	(86,516)
Finance costs (note 6a)	融資成本(附註6a)	(993)	(169)	(11)	(16)	(1)	(1)	-	(7)	(1,005)	(193)
Loss before taxation from discontinued operations	來自已終止業務之除稅前虧損	(13,870)	(72,783)	(10,206)	(12,434)	(100)	(437)	-	(1,055)	(24,176)	(86,709)
Taxation	稅項	-	-	-	-	-	-	-	6	-	6
Loss after taxation from discontinued operations	來自已終止業務之除稅後虧損	(13,870)	(72,783)	(10,206)	(12,434)	(100)	(437)	-	(1,049)	(24,176)	(86,703)
(Loss)/gain on disposal of discontinued operations (note 34)	出售已終止業務(虧損)/收益(附註34)	(5,330)	-	-	-	683	-	-	16,672	(4,647)	16,672
Loss from discontinued operations recognized in The consolidated income statement	於綜合收益表確認來自已終止業務之虧損	(19,200)	(72,783)	(10,206)	(12,434)	583	(437)	-	15,623	(28,823)	(70,032)
Profit/(loss) attributable to:	以下人士應佔溢利/(虧損):										
Equity holders of the Company	本公司股權持有人	(12,405)	(37,119)	(6,377)	(6,446)	583	(309)	-	15,798	(18,199)	(28,076)
Non-controlling interests	非控股權益	(6,795)	(35,663)	(3,829)	(5,988)	-	(128)	-	(176)	(10,624)	(41,955)
		(19,200)	(72,782)	(10,206)	(12,434)	583	(437)	-	15,622	(28,823)	(70,032)

11. DISCONTINUED OPERATIONS (CONTINUED)**b) Analysis of the Cash Flows from Discontinued Operations and assets held for sales****11. 已終止業務(續)****b) 來自已終止業務之現金流量及持作出售之資產分析**

		Year ended 31 December 2012 截至二零一二年十二月三十一日止年度					Year ended 31 December 2011 截至二零一一年十二月三十一日止年度				
		Dragon Gain Group	Circle One Group	Fountain City Group	Mega Field	Total	Dragon Gain Group	Circle One Group	Fountain City Group	Mega Field	Total
		龍盈集團	集團	泉城集團	有限公司	總額	龍盈集團	集團	泉城集團	有限公司	總額
		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
Net cash (used in)/generated from operating activities	經營活動(所用)/所得現金淨額	(4)	1,045	699	-	1,740	12,961	(1,112)	2,605	(1,846)	12,608
Net cash (used in)/generated from investing activities	投資活動(所用)/所得現金淨額	-	(1,060)	(1,554)	-	(2,614)	(12,952)	1,060	(3,881)	2,316	(13,457)
Net cash (used in)/generated from financing activities	融資活動(所用)/所得現金淨額	-	-	-	-	-	-	-	-	1,491	1,491
		(4)	(15)	(855)	-	(874)	9	(52)	(1,276)	1,961	642

c) Assets held for sales

The major classes of assets and liabilities of Fountain City Group classified as held for sales as at 31 December 2012 are as follows:

c) 持作出售之資產

於二零一二年十二月三十一日，泉城集團被納入持作出售之主要資產及負債類別如下：

		2012 二零一二年 HK\$'000 千港元
Assets	資產	
Derivate financial instruments	衍生金融工具	
— Put Options	— 認股期權	58,650
Property, plant and equipment	物業、廠房及設備	4,132
Other receivables, deposits and repayment	其他應收款項、按金及償還款項	5,134
Amounts due from non-controlling equity holders of subsidiaries	應收附屬公司非控股權益股權持有人款項	798
Bank balances and cash	銀行結餘及現金	58
Assets classified as held for sale	被納入持作出售之資產	68,772
Liabilities	負債	
Other payables and accrued charges	其他應付款項及應計費用	6,419
Receipt in advance	預收款項	4,407
Amounts due to a related company	應付一間關連公司款項	918
Amounts due to a directors	應付一名董事款項	17,639
Hire purchase	租購	349
Liabilities directly associated with disposal group	與出售集團直接相關被納入	
Classified as held for sale	持作出售之負債	29,732
Net assets directly associated with disposal group (excluding non-controlling interests)	與出售集團直接相關之資產淨值 (不包括非控股權益)	39,040

12. LOSS PER SHARE

(a) From continuing and discontinued operations

The calculation of the basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of HK\$46,192,000 (2011: HK\$68,878,000) and the weighted average of 65,647,000 (2011: 276,755,000) ordinary shares in issue during the year, calculated as follows:

Weighted average number of ordinary shares

		Number of shares 股份數目	
		2012 二零一二年 '000 千股	2011 二零一一年 '000 千股
Issued ordinary shares at 1 January	於一月一日已發行普通股	328,235	796,424
Effect of issue of consideration shares	發行代價股份之影響	—	205,276
Effect of conversion of convertible bonds	兌換可換股債券之影響	—	84,925
Effect of issue of placing of shares	發行配售股份之影響	65,647	297,152
Effect of issue of rights shares	發行供股之影響	196,941	—
Effect of shares issued upon exercise of share options	行使購股權後發行股份之影響	—	—
		590,823	1,383,777
Effect of share consolidation	股份合併之影響	(531,741)	(1,107,022)
Effect of issue of placing of shares after share consolidation	於股份合併後發行配售股份之影響	6,565	—
Weighted average number of ordinary shares at 31 December	於十二月三十一日之普通股加權平均數	65,647	276,755

The diluted loss per share for the years ended 31 December 2012 and 2011 is equal to the basic loss per share as the outstanding convertible bonds and share options were anti-dilutive.

(b) From continuing operations

Basic loss per share for the continuing operations in 2012 and 2011 is calculated based on the loss from the continuing operations of HK\$27,993,000 (2011: HK\$40,802,000) and the denominators used are the same as those detailed above at (a).

The diluted loss per share from continuing operations for the years ended 31 December 2012 and 2011 is equal to the basic loss per share as the outstanding convertible bonds and share options were anti-dilutive.

12. 每股虧損

(a) 來自持續經營及已終止業務

每股基本虧損乃按本公司普通股權持有人應佔虧損46,192,000港元(二零一一年：68,878,000港元)及年內已發行普通股加權平均數65,647,000股(二零一一年：276,755,000股)計算如下：

普通股加權平均數

		Number of shares 股份數目	
		2012 二零一二年 '000 千股	2011 二零一一年 '000 千股
Issued ordinary shares at 1 January	於一月一日已發行普通股	328,235	796,424
Effect of issue of consideration shares	發行代價股份之影響	—	205,276
Effect of conversion of convertible bonds	兌換可換股債券之影響	—	84,925
Effect of issue of placing of shares	發行配售股份之影響	65,647	297,152
Effect of issue of rights shares	發行供股之影響	196,941	—
Effect of shares issued upon exercise of share options	行使購股權後發行股份之影響	—	—
		590,823	1,383,777
Effect of share consolidation	股份合併之影響	(531,741)	(1,107,022)
Effect of issue of placing of shares after share consolidation	於股份合併後發行配售股份之影響	6,565	—
Weighted average number of ordinary shares at 31 December	於十二月三十一日之普通股加權平均數	65,647	276,755

由於未兌換之可換股債券及購股權具反攤薄作用，故截至二零一二年及二零一一年十二月三十一日止年度之每股攤薄虧損相等於每股基本虧損。

(b) 來自持續經營業務

持續經營業務於二零一二年及二零一一年之每股基本虧損乃按持續經營業務虧損27,993,000港元(二零一一年：40,802,000港元)計算得出，而所用分母乃與上文(a)所詳述者相同。

由於未兌換之可換股債券及購股權具反攤薄作用，故截至二零一二年及二零一一年十二月三十一日止年度來自持續經營業務之每股攤薄虧損相等於每股基本虧損。

12. LOSS PER SHARE (CONTINUED)

(c) From discontinued operations

Basic loss per share for the discontinued operations is calculated based on the loss from the discontinued operations of HK\$18,199,000 (2011: loss of HK\$28,076,000) and the denominators used are the same as those detailed above at (a).

The diluted loss per share from the discontinued operations for the years ended 31 December 2012 and 2011 is equal to the basic loss per share as the outstanding convertible bonds and share options were anti-dilutive.

13. SEGMENT REPORTING

The Group manages its business by divisions. The reportable segments are in a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resources allocation and performance assessment.

In 2012, the Group had four business segments, namely (i) travel agent services, (ii) entertainment, (iii) stage drama, (iv) advertising and marketing services and (v) security:

- Travel agent services: this segment engaged in the provision of tourist routes and tour related services. Currently the Group's activities in this regard are carried out in the PRC.
- Entertainment: this segment engaged in the training of contracted artists and their assignment to advertisement production. Currently the Group's activities in this regard are carried out in Hong Kong.
- Stage drama: this segment engaged in the stage drama tickets sales. Currently the Group's activities in this regard are carried out in the PRC.
- Advertising and marketing services: This segment engaged in the provision of product advertising and promotion, marketing agency and planning, function organization and media project serves. Currently the Group's activities in this regard are carried out in Hong Kong.
- Security: This segment engaged in trading of Hong Kong listed security. Currently, the Group's activities in this regard are carried out in Hong Kong.

12. 每股(虧損)/盈利(續)

(c) 來自已終止業務

已終止業務之每股基本虧損乃按已終止業務虧損18,199,000港元(二零一一年：虧損28,076,000港元)計算得出，而所用分母乃與上文(a)所詳述者相同。

由於未兌換之可換股債券及購股權具反攤薄作用，故截至二零一二年及二零一一年十二月三十一日止年度來自已終止業務之每股攤薄虧損相等於每股基本虧損。

13. 分類報告

本集團以部門管理其業務。可報告分類之呈列方式與就分配資源及評估表現向本集團最高級行政管理人員內部報告資料之方式一致。

於二零一二年，本集團設有四個業務分類，即(i)旅遊代理服務；(ii)娛樂業務；(iii)舞台表演；(iv)廣告及營銷服務；(v)證券。

- 旅遊代理服務：此分類從事提供旅遊路線及旅遊相關服務。現時本集團有關此分類之活動於中國進行。
- 娛樂業務：此分類從事培訓已簽約藝人及指派彼等進行廣告製作。現時本集團有關此分類之活動於香港進行。
- 舞台表演：此分類從事舞台表演之門票銷售。現時本集團有關此分類之活動於中國進行。
- 廣告及營銷服務：此分部從事產品廣告及宣傳業務、市場代理及規劃、活動籌辦及傳媒項目服務。目前，本集團有關此分部之業務於香港進行。
- 證券：此分部從事香港上市證券交易業務。目前，本集團有關此分部之業務於香港進行。

13. SEGMENT REPORTING (CONTINUED)

Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment assets include all tangible, intangible assets and current assets with the exception of investments in financial assets and other corporate assets. Segment liabilities include trade creditors, accruals and other payable to the services and sales activities of the individual segments and bank borrowings managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit is "adjusted EBITDA" i.e. adjusted earnings before interest, taxes, depreciation and amortisation, where interest is regarded as including investment income and depreciation and amortisation is regarded as including impairment losses on non-current assets. To arrive at adjusted EBITDA the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as directors' and auditors' remuneration and other head office or corporate administration costs.

13. 分類報告(續)

分類業績、資產及負債

就評估分類表現及於分類間分配資源而言，本集團高級行政管理人員按下列基準監察各可報告分類之應佔業績、資產及負債：

分類資產包括全部有形、無形資產及流動資產，惟於金融資產及其他企業資產之投資除外。分類負債包括各獨立分類之服務及銷售活動之應付賬款、應計費用及其他應付款項以及由該等分類直接管理之銀行借貸。

收益及開支經參考該等分類所得銷售及該等分類所產生之開支或因該等分類應佔資產之折舊或攤銷而產生之開支乃分配至可報告分類。

就可報告分類溢利所用計算方法為「經調整 EBITDA」，即扣除利息、稅項、折舊及攤銷前之經調整盈利，其中利息被視作包括投資收入，而折舊及攤銷被視作包括非流動資產之減值虧損。為計算經調整 EBITDA，本集團之盈利乃就並非指定屬於個別分類之項目作出進一步調整，例如董事及核數師酬金以及其他總公司或企業行政開支。

13. SEGMENT REPORTING (CONTINUED)**Segment results, assets and liabilities (Continued)**

In addition to receiving segment information concerning adjusted EBITDA, management is provided with segment information concerning revenue (including inter-segment sales), interest income and expense from cash balances and borrowings managed directly by the segments; depreciation, amortisation and impairment losses and additions to non-current segment assets used by the segments in their operations. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

13. 分類報告(續)**分類業績、資產及負債(續)**

除收取有關經調整EBITDA之分類資料外，管理層獲提供有關收益(包括分類間銷售)、分類直接管理之現金結餘及借貸之利息收入及支出、分類於其營運中使用之非流動分類資產之折舊、攤銷及減值虧損以及添置之分類資料。分類間銷售乃經參考就類似訂單向外部人士收取之價格而定價。

		2012 二零一二年					Discontinued operations 已終止業務					
		Continuing operations 持續經營業務										
		Advertising and marketing services		Security	Unallocated head office	Sub-total	Stage drama	Entertainment	Unallocated	Sub-total	Total	
		Travel agent services 旅遊	代理服務	市場營銷服務	證券	未分配總公司	小計	舞台表演	娛樂業務	未分配	小計	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Revenue	收益											
Reportable segment revenue	可報告分類收益	17,017	6,177	-	-	23,194	397	277	-	674	23,868	
Elimination of inter-segment revenue	分類間收益撇銷	-	-	-	-	-	-	-	-	-	-	
Consolidated turnover	綜合營業額	17,017	6,177	-	-	23,194	397	277	-	674	23,868	
Profit	溢利											
Reportable segment profit/(loss)	可報告分類溢利/(虧損)	459	1,576	-	-	2,035	(1,265)	(8,756)	(39)	(10,060)	(8,025)	
Elimination of inter-segment profits	分類間溢利撇銷	-	-	-	-	-	-	-	-	-	-	
Reportable segment loss derived from the Group's external customers	來自本集團外部客戶之可報告分類虧損	459	1,576	-	-	2,035	(1,265)	(8,756)	(39)	(10,060)	(8,025)	
Other income and gain, net	其他收入及收益淨額	-	-	(542)	151	(391)	-	104	-	104	(287)	
Depreciation and amortisation	折舊及攤銷	157	78	-	-	235	(11,612)	(1,543)	(60)	(13,215)	(12,980)	
Finance costs	融資成本	(5)	(12)	-	(31,107)	(31,124)	(993)	(11)	(1)	(1,005)	(32,129)	
Share of losses on an associate	應佔聯營公司虧損	-	-	-	(1,335)	(1,335)	-	-	-	-	(1,335)	
Share of losses on jointly controlled entities	應佔共同控制實體虧損	-	-	-	(1,373)	(1,373)	-	-	-	-	(1,373)	
Gain on fair value change on derivative financial instruments	衍生金融工具公平值變動收益	-	-	-	11,572	11,572	-	-	-	-	11,572	
Gain on reversal of impairment loss on investment deposit	投資訂金減值虧損撥回收益	-	-	-	41,000	41,000	-	-	-	-	41,000	
Impairment loss on goodwill	商譽減值虧損	-	-	-	(14,329)	(14,329)	-	-	-	-	(14,329)	
Impairment loss on an associate	聯營公司減值虧損	-	-	-	(15,220)	(15,220)	-	-	-	-	(15,220)	
Impairment loss on jointly controlled entities	共同控制實體減值虧損	-	-	-	(127)	(127)	-	-	-	-	(127)	
Loss on disposal of discontinued operations	出售已終止業務虧損	-	-	-	-	-	(5,330)	-	683	(4,647)	(4,647)	
Unallocated head office and corporate expenses	未分配總公司及企業開支	-	-	-	(18,373)	(18,373)	-	-	-	-	(18,373)	
Consolidated (profit)/loss before taxation	綜合除稅前(溢利)/虧損	611	1,642	(542)	(29,141)	(27,430)	(19,200)	(10,206)	583	(28,823)	(56,253)	

13. SEGMENT REPORTING (CONTINUED)

Segment results, assets and liabilities (Continued)

13. 分類報告(續)

分類業績、資產及負債(續)

		Continuing operations 持續經營業務			2011 二零一一年 Discontinued operations 已終止業務				Total
		Travel agent services 旅遊 代理服務 HK\$'000 千港元	Unallocated head office 未分配 總公司 HK\$'000 千港元	Sub-total	Entertainment	Stage Drama 舞台表演 HK\$'000 千港元	Mobile lottery on-line recharging services 手機彩票 在線充值服務 HK\$'000 千港元	Sub-total	Total
		小計	娛樂業務	小計	小計	小計	小計	小計	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益								
Reportable segment revenue	可報告分類收益	24,176	—	24,176	1,179	125	152	1,456	25,632
Elimination of inter-segment revenue	分類間收益撇銷	—	—	—	—	—	—	—	—
Consolidated turnover	綜合營業額	24,176	—	24,176	1,179	125	152	1,456	25,632
Profit	溢利								
Reportable segment (loss)/profit	可報告分類(虧損)/溢利	(483)	—	(483)	(11,740)	(20,000)	179	(31,561)	(32,044)
Elimination of inter-segment profits	分類間溢利撇銷	—	—	—	—	—	—	—	—
Reportable segment (loss)/profit derived from the Group's external customers	來自本集團外部客戶之可報告分類(虧損)/溢利	(483)	—	(483)	(11,740)	(20,000)	179	(31,561)	(32,044)
Other income and gain, net	其他收入及收益淨額	1	422	423	—	—	—	—	423
Depreciation and amortisation	折舊及攤銷	(161)	(166)	(327)	(678)	(6,249)	(604)	(7,531)	(7,858)
Finance costs	融資成本	—	(19,814)	(19,814)	(16)	(169)	(8)	(193)	(20,007)
Impairment loss on non-current assets	非流動資產減值虧損	—	—	—	—	(46,364)	(1,055)	(47,419)	(47,419)
Gain on disposal of discontinued operation	出售已終止業務收益	—	—	—	—	—	16,672	16,672	16,672
Unallocated head office and corporate expenses	未分配總公司及企業開支	—	(21,577)	(21,577)	—	—	—	—	(21,577)
Consolidated profit/(loss) before taxation	綜合除稅前溢利/(虧損)	(643)	(41,135)	(41,778)	(12,434)	(72,782)	15,184	(70,032)	(111,810)

13. SEGMENT REPORTING (CONTINUED)

Segment results, assets and liabilities (Continued)

13. 分類報告(續)

分類業績、資產及負債(續)

		2012 二零一二年									
		Continuing operations 持續經營業務					Discontinued operations 已終止業務				
		Travel agent services	Advertising and marketing services	Security	Unallocated head office	Sub-total	Stage Drama	Entertainment	Unallocated	Sub-total	Total
		旅遊代理服務	市場營銷服務	證券	未分配總公司	小計	舞台表演	娛樂業務	未分配	小計	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
Assets	資產										
Reportable segment assets	可報告分類資產	7,254	2,949	1,469	–	11,672	–	10,122	–	10,122	21,794
Elimination of inter-segment receivable	分類間應收款項撇銷	–	–	–	–	–	–	–	–	–	–
		7,254	2,949	1,469	–	11,672	–	10,122	–	10,122	21,794
Non-current financial assets	非流動金融資產	–	–	–	–	–	–	58,650	–	58,650	58,650
Goodwill	商譽	–	20,402	–	–	20,402	–	–	–	–	20,402
Unallocated head office and corporate assets	未分配總公司及企業資產	–	–	–	57,856	57,856	–	–	–	–	57,856
Consolidated total assets	綜合資產總值	7,254	23,351	1,469	57,856	89,930	–	68,772	–	68,772	158,702
Liabilities	負債										
Reportable segment liabilities	可報告分類負債	(4,070)	(1,969)	–	–	(6,039)	–	(29,732)	–	(29,732)	(35,771)
Elimination of inter-segment payable	分類間應付款項撇銷	–	–	–	–	–	–	–	–	–	–
Unallocated head office and corporate liabilities	未分配總公司及企業負債	–	–	–	(152,029)	(152,029)	–	–	–	–	(152,029)
Consolidated liabilities	綜合負債	(4,070)	(1,969)	–	(152,029)	(158,068)	–	(29,732)	–	(29,732)	(187,800)

		2011 二零一一年									
		Continuing operations 持續經營業務					Discontinued operations 已終止業務				
		Travel agent services	Unallocated head office	Sub-total	Entertainment	Stage Drama	Mobile lottery on-line recharging services	Sub-total	Total		
		旅遊代理服務	未分配總公司	小計	娛樂業務	舞台表演	手機彩票	小計	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		
Assets	資產										
Reportable segment assets	可報告分類資產	7,280	–	7,280	6,943	53,448	–	60,391	67,671		
Elimination of inter-segment receivable	分類間應收款項撇銷	–	–	–	–	–	–	–	–		
		7,280	–	7,280	6,943	53,448	–	60,391	67,671		
Non-current financial assets	非流動金融資產	–	–	–	47,078	38,919	–	85,997	85,997		
Goodwill	商譽	–	–	–	14,329	–	–	14,329	14,329		
Unallocated head office and corporate assets	未分配總公司及企業資產	–	62,327	62,327	–	–	–	–	62,327		
Consolidated total assets	綜合資產總值	7,280	62,327	69,607	68,350	92,367	–	160,717	230,324		
Liabilities	負債										
Reportable segment liabilities	可報告分類負債	(3,233)	–	(3,233)	(20,347)	(24,528)	–	(44,875)	(48,108)		
Elimination of inter-segment payable	分類間應付款項撇銷	–	–	–	–	–	–	–	–		
		(3,233)	–	(3,233)	(20,347)	(24,528)	–	(44,875)	(48,108)		
Unallocated head office and corporate liabilities	未分配總公司及企業負債	–	(172,933)	(172,933)	–	–	–	–	(172,933)		
Consolidated total liabilities	綜合負債總值	(3,233)	(172,933)	(176,166)	(20,347)	(24,528)	–	(44,875)	(221,041)		

13. SEGMENT REPORTING (CONTINUED)

Geographical Segments

The Group operates in two principal geographical areas – the People’s Republic of China (the “PRC”) and Hong Kong. The following table provides an analysis of the Group’s revenue and asset from external customers by geographical location:

		Revenue from external customers		Assets	
		收入來自外部客戶		資產	
		2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Continuing operations	持續經營業務				
– PRC	– 中國	17,017	24,176	7,254	7,280
– Hong Kong	– 香港	6,177	–	4,418	–
		23,194	24,176	11,672	7,280
Discontinuing operations	已終止業務				
– PRC	– 中國	397	277	–	53,448
– Hong Kong	– 香港	277	–	–	–
– Others	– 其他	–	1,179	10,122	6,943
		674	1,456	10,122	60,391

Major customers

No analysis of the Group’s turnover and contribution from operations by major customers has been presented as there is no transaction with a single external customer equal to or greater than 10 per cent of the Group’s total revenues.

13. 分類報告(續)

地區分類

本集團於中華人民共和國(「中國」)及香港兩個主要地區經營。下表為按地區載列之本集團來自外部客戶之收入及資產分析：

主要客戶

由於並無任何與單一外部客戶進行之交易相當於或超過本集團收益總額之10%，故並無呈列本集團按主要客戶劃分之營業額及經營貢獻分析。

14. PROPERTY, PLANT AND EQUIPMENT

The Group

14. 物業、廠房及設備

本集團

		Leasehold improvements	Furniture, fixtures and equipment	Drama equipment	Motor vehicles	Total
		租賃物業裝修	傢俬、裝置及設備	舞台劇設備	汽車	總計
		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
Cost:	成本：					
At 1 January 2011	於二零一一年一月一日	1,412	3,460	—	566	5,438
Exchange adjustments	匯兌調整	19	41	11	21	92
Additions	添置	3,729	914	3,328	1,197	9,168
Disposals	出售	—	(64)	—	—	(64)
Disposal of subsidiaries	出售附屬公司	(980)	(2,243)	—	(196)	(3,419)
Write-off	撇銷	(1,028)	(60)	—	—	(1,088)
At 31 December 2011 and 1 January 2012	於二零一一年十二月三十一日及於二零一二年一月一日	3,152	2,048	3,339	1,588	10,127
Exchange adjustments	匯兌調整	—	2	—	(2)	—
Additions	添置	617	2,065	—	—	2,682
Acquisition of subsidiaries	收購附屬公司	—	194	—	288	482
Disposals	出售	—	—	(4)	(1,197)	(1,201)
Disposal of discontinued operations	出售已終止業務	—	(511)	(3,335)	—	(3,846)
Transferred to assets held for sale	轉撥至持作出售資產	(3,391)	(2,804)	—	—	(6,195)
At 31 December 2012	於二零一二年十二月三十一日	378	994	—	677	2,049
Accumulated depreciation and impairment:	累計折舊及減值：					
At 1 January 2011	於二零一一年一月一日	454	1,606	—	185	2,245
Exchange adjustments	匯兌調整	6	28	1	8	43
Charge for the year	年內支出	769	360	277	196	1,602
Reclassification	重新分類	(493)	(1,173)	—	(65)	(1,731)
Written back on disposals	出售時撥回	—	(21)	—	—	(21)
Written back on write-off	撇銷撥回	(233)	(43)	—	—	(276)
At 31 December 2011 and 1 January 2012	於二零一一年十二月三十一日及於二零一二年一月一日	503	757	278	324	1,862
Exchange adjustment	匯兌調整	3	(5)	—	—	(2)
Charge for the year	年內支出	1,077	638	41	269	2,025
Acquisition of subsidiaries	收購附屬公司	—	141	—	156	297
Disposal of discontinued operations	出售已終止業務	—	(222)	(319)	—	(541)
Written back on disposals	出售時撥回	—	—	—	(339)	(339)
Transfer to asset held for sale	轉撥至持作出售資產	(1,512)	(551)	—	—	(2,063)
At 31 December 2012	於二零一二年十二月三十一日	71	758	—	410	1,239
Carrying amount:	賬面值：					
At 31 December 2012	於二零一二年十二月三十一日	307	236	—	267	810
At 31 December 2011	於二零一一年十二月三十一日	2,649	1,291	3,061	1,264	8,265

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Group (Continued)

- (a) Motor vehicles and equipment of net book value of approximately HK\$72,000 as at 31 December 2012 are held under finance lease (2011: HK\$1,437,000).

The Company

14. 物業、廠房及設備(續)

本集團(續)

- (a) 於二零一二年十二月三十一日之賬面淨面值約72,000港元之汽車及設備乃根據融資租賃持有(二零一一年：1,437,000港元)。

本公司

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture, fixtures and equipment 傢私、 裝置及設備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost:	成本：			
At 1 January 2011, 31 December 2011, and 1 January 2012	於二零一一年一月一日、 二零一一年十二月 三十一日及二零一二年 一月一日	78	170	248
Additions	添置	—	42	42
At 31 December 2012	於二零一二年 十二月三十一日	78	212	290
Accumulated depreciation and impairment:	累計折舊及減值：			
At 1 January 2011	於二零一一年一月一日	45	141	186
Charge for the year	年內支出	10	38	48
Write-off	撇銷	(38)	(39)	(77)
At 31 December 2011 and 1 January 2012	於二零一一年十二月 三十一日及二零一二年 一月一日	17	140	157
Charge for the year	年內支出	4	31	35
At 31 December 2012	於二零一二年十二月 三十一日	21	171	192
Carrying amount:	賬面值：			
At 31 December 2012	於二零一二年十二月 三十一日	57	41	98
At 31 December 2011	於二零一一年十二月 三十一日	61	30	91

15. INTANGIBLE ASSETS

The Group

15. 無形資產

本集團

		Exclusive operating licenses 獨家經營執照 HK\$'000 千港元	TMP platform TMP平台 HK\$'000 千港元	Travel agency licenses 旅遊代理執照 HK\$'000 千港元 (note a) (附註a)	Artistic related right 藝術相關專利 HK\$'000 千港元 (note b) (附註b)	Total 總計 HK\$'000 千港元
Cost:	成本：					
1 January 2011	二零一一年一月一日	801,448	5,834	901	—	808,183
Exchange adjustments	匯兌調整	—	58	45	—	103
Addition through acquisition of subsidiaries (note 36(a))	通過收購附屬公司之添置 (附註36(a))	—	—	—	91,668	91,668
Additions	添置	—	—	—	9,850	9,850
Disposal of subsidiaries	出售附屬公司	(801,448)	(5,892)	—	—	(807,340)
At 31 December 2011 and 1 January 2012	於二零一一年十二月三十一日 及二零一二年一月一日	—	—	946	101,518	102,464
Exchange adjustments	匯兌調整	—	—	(8)	(10)	(18)
Disposal of discontinued operations	出售已終止業務	—	—	—	(101,508)	(101,508)
At 31 December 2012	於二零一二年十二月三十一日	—	—	938	—	938
Accumulated amortisation and impairment loss:	累計攤銷及減值虧損：					
1 January 2011	二零一一年一月一日	794,683	4,119	549	—	799,351
Exchange adjustments	匯兌調整	—	16	29	—	45
Charge for the year	年內支出	25	167	92	5,972	6,256
Disposal of subsidiaries	出售附屬公司	(794,708)	(4,302)	—	—	(799,010)
Impairment loss	減值虧損	—	—	—	46,364	46,364
At 31 December 2011 and 1 January 2011	於二零一一年十二月三十一日 及二零一一年一月一日	—	—	670	52,336	53,006
Exchange adjustments	匯兌調整	—	—	(6)	—	(6)
Charge for the year	年內支出	—	—	93	11,570	11,663
Disposal of discontinued operations	出售已終止業務	—	—	—	(63,906)	(63,906)
At 31 December 2012	於二零一二年十二月三十一日	—	—	757	—	757
Carrying amount:	賬面值					
At 31 December 2012	於二零一二年十二月三十一日	—	—	181	—	181
At 31 December 2011	於二零一一年十二月三十一日	—	—	276	49,182	49,458

15. INTANGIBLE ASSETS (CONTINUED)

The Group (Continued)

Notes:

- (a) Travel agency licenses represent the rights to operate travel agency business within and outside the PRC.
- (b) Artistic-related right represents stage drama developed by the Company's subsidiary, Creative Works limited ("Creative Works"), under a non-exclusive license for adaption of a famous Chinese novel called "Born to be Hero" (天龍八部) as stage drama to be performed worldwide (excluding Japan) for a period until 31 December 2015, which is granted by its author Mr. Louis Cha Leung Yung (also known by his pen name as Jin-Yung 金庸). The stage drama in development was acquired by the Group through acquisition of its title owner, Creative Works, during the year. Internal development costs incurred for the stage drama have been capitalised after acquisition. The asset is amortised on a straight-line basis over its remaining royalty period of 51 months from the date of its completion of development.

15. 無形資產(續)

本集團(續)

附註：

- (a) 旅遊代理執照指於中國境內外經營旅遊代理業務之權利。
- (b) 藝術相關專利指由本公司附屬公司創意文化有限公司(「創意文化」)發展之舞台劇，其為根據非獨家權採用中國著名小說《天龍八部》改編為舞台劇，該舞台劇將於一段期間內於世界各地(日本除外)公演，直至二零一五年十二月三十一日止。該非獨家權乃由查良鏞先生(其筆名亦為金庸)授出。該發展中之舞台劇由本集團於年內通過收購其所有權擁有者創意文化而獲得。就該舞台劇產生之內部發展成本已於收購後資本化。完成發展後，資產乃於自舞台劇首演之日起計五十一個月之剩餘專利權期間內以直線基準攤銷。

16. GOODWILL

The Group

16. 商譽

本集團

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Cost:	成本：		
At 1 January	於一月一日	25,235	131,465
Arising on acquisition of subsidiaries (note 36)	通過收購附屬公司獲得 (附註36)	20,402	—
Disposal of discontinued operations	出售已終止業務	—	(106,230)
Transfer to assets held for sales	轉撥至持作出售資產	(25,235)	—
At 31 December	於十二月三十一日	20,402	25,235
Accumulated impairment losses:	累計減值虧損：		
At 1 January	於一月一日	10,906	106,230
Written back on disposal of discontinued operations	出售已終止業務之撇銷	—	(106,230)
Impairment loss for the year	年內減值虧損	14,329	10,906
Transfer to assets held for sales	轉撥至持作出售資產	(25,235)	—
At 31 December	於十二月三十一日	—	10,906
Carrying amount:	賬面值：		
At 31 December	於十二月三十一日	20,402	14,329

16. GOODWILL (CONTINUED)**The Group (Continued)**

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generation unit (“CGU”) that are expected to benefit from that business combination. After recognition of impairment losses, the carrying amount of goodwill had been allocated as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Advertising and Marketing Business	廣告及營銷業務	20,402	—
Entertainment related industry	娛樂相關行業	—	14,329

The recoverable amount of the CGU is determined based on value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding the discounts rates, growth rates and budgeted gross margin and turnover during the period. These calculations use cash flow projections based on financial budgets approved by management covering a ten-year period. Cash flows beyond the five-year period are extrapolated assuming no growth and no material change in the existing scope of business, business environment and market conditions. The growth rates used do not exceed the long-term average growth rates for the business in which the CGU operates. The cash flows are discounted using a discount rate of 7.61% (2011: 13.74%).

The goodwill as at 31 December 2011 was arising on the acquisition of 51% equity interest in Fountain City Holdings Limited in 2010.

The goodwill as at 31 December 2012 was arising on the acquisition of entire share capital of Creative Star Limited in 2012 and the details are set out in note 36(a).

At 31 December 2012, the directors of the Company reviewed the carrying values of the goodwill, taking into account an independent valuation report prepared by a professional valuer. Based on the assessment, the directors are of the opinion that impairment loss of approximately HK\$ 14,329,000 has been recognised in the profit and loss (2011: HK\$10,906,000).

16. 商譽(續)**本集團(續)**

於一項業務合併中收購之商譽乃於收購時分配至預期受惠於該業務合併之現金產生單位(「現金產生單位」)。於確認減值虧損後，商譽之賬面值已獲分配如下：

現金產生單位之可回收金額乃按使用價值之計算釐定。使用價值之計算主要假設為期內有關貼現率、增長率、預算毛利率以及營業額之計算。該等計算乃使用根據管理層批准之五年期財政預算之現金流量預測。假設並無增長而現時業務範圍、營商環境及市況並無重大變動，而推斷十年期以外之現金流量。所用增長率不會超過現金產生單位經營所在之業務之長期平均增長率。現金流量乃使用7.61%之貼現率貼現(二零一一年：13.74%)。

於二零一一年十二月三十一日，商譽乃來自二零一零年收購泉城控股有限公司51%之股權。

於二零一二年十二月三十一日，商譽乃來自二零一二年收購建星有限公司全部股本，有關詳情載於附註36(a)。

於二零一二年十二月三十一日，本公司董事經考慮由專業估值師編製之獨立估值報告，審閱商譽之賬面值。根據評估，董事認為減值虧損約14,329,000港元已於損益表確認(二零一一年：10,906,000港元)。

17. DERIVATIVE FINANCIAL INSTRUMENTS

17. 衍生金融工具

		The Group 本集團		The Company 本公司	
		2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Put options	認沽期權				
At 1 January	於一月一日	85,997	16,817	38,919	—
Arising on acquisition of subsidiaries during the year	年內通過收購附屬公司獲得	—	7,104	—	7,104
Changes in fair value	公平值變動	11,572	62,076	—	31,815
Transfer to assets held for sales	轉撥至持作出售資產	(58,650)	—	—	—
Exercise of put option	行使認沽期權	(38,919)	—	(38,919)	—
At 31 December	於十二月三十一日	—	85,997	—	38,919
Call option	認購期權				
At 1 January	於一月一日	(211)	—	(211)	—
Arising on acquisition of subsidiaries during the year	年內通過收購附屬公司獲得	—	(14,315)	—	(14,315)
Changes in fair value	公平值變動	—	14,104	—	14,104
Derecognition of derivative financial instruments	終止確認衍生金融工具	211	—	211	—
At 31 December	於十二月三十一日	—	(211)	—	(211)

On 7 October 2010, upon acquisition of 51% equity interest in Fountain City Holdings Limited (“Fountain City”) and its subsidiaries (collectively as “Fountain City Group”), the Group entered into a put option agreement with a vendor that the Group is granted a first put option to sell the consideration shares at HK\$41,400,000 within the first option period which has started since the completion date and will last for a year. The option is exercisable only when the gross profits of Fountain City Group for the first option period is less than HK\$15,000,000. The option lapsed during the year. The Group is also granted a second put option to sell the consideration shares at HK\$58,650,000 within the second option period which follows the first option period and will last for a year. The option is exercisable only when the gross profits of Fountain City Group for the second option period is less than HK\$30,000,000. The exercisable period is from 22 October 2012 to 21 November 2012.

於二零一零年十月七日，收購泉城控股有限公司（「泉城」）及其附屬公司（統稱「泉城集團」）51%股權後，本集團與賣方訂立認沽期權協議，據此本集團獲授第一認沽期權以於第一個期權期間（自完成日期已開始並將持續一年）內以41,400,000港元出售代價股份。僅當泉城集團於第一個期權期間之毛利少於15,000,000港元時方可行使該期權。該期權於年內失效。本集團亦獲授第二認沽期權以於第二個期權期間（緊隨第一個期權期間並將持續一年）內以58,650,000港元出售代價股份。僅當泉城集團於第二個期權期間之毛利少於30,000,000港元時方可行使該期權。行使期為二零一二年十月二十二日至二零一二年十一月二十一日。

17. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

On 28 December 2012, the Company exercised the put options as disclosed in note 11.

Upon completion of acquisition of Dragon Gain Worldwide Limited and its subsidiaries (collectively as “Dragon Gain Group”) on 1 June 2011, the Group has been granted a call option by the vendor, whereby the Company is entitled to exercise its right at its sole discretion to sell to the vendors all of the equity interests in Dragon Gain Group owned by the Company at HK\$49,200,000. The option is exercisable only when the consolidated net profit of Dragon Gain Group is less than HK\$25 million (“Profit Guarantee”) for the period from 1 July 2011 to 30 June 2013. The Company has also granted a call option to the vendors, whereby the vendors are entitled to exercise their right at their discretion to purchase in aggregate not more than 49% in shares of Dragon Gain Worldwide Limited. The option is exercisable as at the date immediately after three months of the expiry of the Profit Guarantee period. The call option price shall not exceed HK\$55 million.

For the year of 2012, as disclosed in note 11, the Group exercised the put options, therefore such put option has transferred to assets held for sales.

Valuation of the options

For the year of 2011, the options are measured at fair value estimated by a firm of independent professional valuers in Hong Kong by using the Binomial Option Pricing Model.

17. 衍生金融工具(續)

誠如附註11所披露，於二零一二年十二月二十八日，本公司行使認股期權。

於二零一一年六月一日完成收購龍盈國際有限公司及其附屬公司(統稱「龍盈集團」)後，本集團已獲賣方授予一份認購期權，據此本公司有權全權酌情行使其權利以49,200,000港元出售本公司所擁有龍盈集團之全部股權予賣方。僅當龍盈集團於二零一一年七月一日至二零一三年六月三十日期間之綜合純利少於25,000,000港元(「溢利保證」)方可行使該期權。本公司亦授出一份認購期權予賣方，據此賣方有權酌情行使彼等之權利收購合共不超過龍盈國際有限公司股份之49%。該期權可於緊隨溢利保證期間屆滿起計三個月當日予以行使。認購期權不得超過55,000,000港元。

截至二零一二年止年度，誠如附註11所披露，本集團行使認股期權，因此，該等認股期權已轉撥至持作出售資產。

期權之估值

截至二零一一年止年度，期權由香港一家獨立專業估值師行以二項式期權定價模式估計之公平值計量。

17. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

The inputs into the model for the value of the options as at 31 December 2011 were as follows:

17. 衍生金融工具(續)

計算於二零一一年十二月三十一日期權價值之模式之輸入數據如下：

		Arising on acquisition of Fountain City Group 通過收購泉城集團獲得之 Put option 認沽期權	Arising on acquisition of Dragon Gain Group 通過收購龍盈集團獲得之 Put option 認沽期權	Call option 認購期權
Annualized volatility	年度波幅	58.7%	51.2%	51.2%
Underlying asset value at date of valuation (HK\$'000)	於估值日相關資產值 (千港元)	11,363	10,125	10,125
Risk free rate	無風險利率	0.44%	0.33%	0.33%
Dividend yield	股息率	0%	0%	0%

The Binomial Option Pricing Model was developed to estimate the fair value of options. It is one of the commonly used models to estimate the fair value of an option which can be exercised before the expiry of the option period. Such option pricing model requires input of highly subjective assumptions, including the expected stock price volatility. Because changes in the subjective input assumptions can materially affect the fair value estimate, the Binomial Option Pricing Model costs does not necessarily provide a reliable measure of the fair value of the options.

開發二項式期權定價模式，乃用於估計期權之公平值。本方法為最常用之模式之一，乃用於估計在期權屆滿前可予行使之期權之公平值。該期權定價模式須輸入極主觀之假設，包括股價之預期波幅。由於主觀輸入假設之變動可重大影響公平值之估計，二項式期權定價模式成本未必能提供可靠之期權公平值計量。

18. INVESTMENT DEPOSITS

The Group and the Company

18. 投資訂金

本集團及本公司

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Investment deposits	投資訂金	—	5,000

Note:

On 14 November 2011, the Group entered into a sale and purchase agreement to acquire entire issued share capital of Creative Star Limited. The total consideration was HK\$20,000,000 in which HK\$5,000,000 was paid as refundable deposit upon signing of the agreement. The acquisition was completed on 28 February 2012.

附註：

於二零一一年十一月十四日，本集團訂立買賣協議收購建星有限公司之全部已發行股本。總代價為20,000,000港元，當中5,000,000港元已於簽署協議時支付，作為可退回訂金。收購於二零一二年二月二十八日完成。

19. INTERESTS IN SUBSIDIARIES

The Company

19. 於附屬公司之權益

本公司

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	50,705	77,464
Amounts due from subsidiaries (note (i))	應收附屬公司款項(附註(i))	498,252	496,286
Less: Impairment loss	減：減值虧損	(479,704)	(515,915)
		69,253	57,835

Note:

- (i) Amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment but settlement are not expected within one year from the date of the reporting period.

附註：

- (i) 應收附屬公司款項為無抵押、免息及無固定還款期，惟預期不會於報告期間日期日起計一年內償還。

The following list contains only the particulars of subsidiaries which principally affect the results, assets and liabilities of the Group.

下表僅載列主要影響本集團業績、資產及負債之附屬公司詳情。

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/成立及 經營地點	Particulars of issued/ registered and paid up capital 已發行/註冊及 實繳股本詳情	Proportion of ownership interest 所有權益比例			Principal activity 主要業務
			Group's effective holding 本集團實際 持有	Held by the Company 由本公司 持有	Held by a subsidiary 由一家附屬 公司持有	
Mega Field International Limited 偉大國際有限公司	Hong Kong 香港	1 ordinary share of HK\$1 each 1股面值1港元之 普通股	100%	100%	—	Investment holding 投資控股
Agros (China) Investment Limited	Hong Kong 香港	1 ordinary share of HK\$1 each 1股面值1港元之 普通股	100%	—	100%	Investment holding 投資控股
Argos Enterprise Management Consultant (Nanjing) Limited (note i) 雅高企業管理顧問(南京)有限 公司(附註i)	PRC 中國	Registered capital of RMB4,000,000 註冊資本人民幣 4,000,000元	100%	—	100%	Investment holding 投資控股

19. INTERESTS IN SUBSIDIARIES (CONTINUED)

The Company (Continued)

19. 於附屬公司之權益(續)

本公司(續)

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/成立及 經營地點	Particulars of issued/ registered and paid up capital 已發行/註冊及 實繳股本詳情	Proportion of ownership interest 所有權權益比例			Principal activity 主要業務
			Group's effective holding 本集團實際 持有	Held by the Company 由本公司 持有	Held by a subsidiary 由一家附屬 公司持有	
Xuzhou China International Travel Service Limited (note ii) 徐州中國國際旅行社有限公司 (附註ii)	PRC 中國	Registered capital of RMB1,500,000 註冊資本人民幣 1,500,000元	90%	—	90%	Provision of tour services and transportation 提供導遊服務及運輸
Millionstar.net Inc	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 each 1股面值1美元之 普通股	100%	—	100%	Investment holding 投資控股
Stars Manufacturing Limited 網絡星光大道有限公司	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股每股 面值1港元 之普通股	51%	—	51%	Dormant 暫無業務
Circle One International Limited (note iv) (附註iv)	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 each 1股面值 1美元之普通股	100%	100%	—	Investment holding 投資控股
Brilliant Reach Investments Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 each 1股面值 1美元之普通股	100%	100%	—	Investment holding 投資控股
Fountain City Holdings Limited 泉城控股有限公司	British Virgin Islands 英屬處女群島	50,000 ordinary shares of US\$1 each 50,000股每股面值 1美元之普通股	51%	—	51%	Investment holding 投資控股
Santos Group Entertainment and Advertising Limited	British Virgin Islands 英屬處女群島	5 ordinary share of US\$1 each 5股面值 1美元之普通股	51%	—	100%	Production of entertainment programmes and advertisement 娛樂節目及廣告製作
Macau Talent Academy Limited 澳門才華學會有限公司	Macau 澳門	Registered capital of MOP\$2,500,000 註冊資本 2,500,000澳門元	51%	—	100%	Operation of artist training school in Macau 於澳門經營藝人訓練學校

19. INTERESTS IN SUBSIDIARIES (CONTINUED)

The Company (Continued)

19. 於附屬公司之權益(續)

本公司(續)

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/成立及 經營地點	Particulars of issued/ registered and paid up capital 已發行/註冊及 實繳股本詳情	Proportion of ownership interest 所有權權益比例			Principal activity 主要業務
			Group's effective holding 本集團實際 持有	Held by the Company 由本公司 持有	Held by a subsidiary 由一家附屬 公司持有	
M & M Entertainment International Company Limited	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股每股 面值1港元之普通股	30.6%	–	60%	Production of entertainment programmes and provision of artist management services 娛樂節目製作及提供藝人 管理服務
Asiakey Holdings Limited	British Virgin Island 英屬處女群島	1 ordinary share of US\$1 each 1股面值 1美元之普通股	100%	100%	–	Investment holdings 投資控股
Smart Hero Enterprises Limited	British Virgin Island 英屬處女群島	1 ordinary share of US\$1 each 1股面值 1美元之普通股	100%	–	100%	Dormant 暫無業務
Dragon Gain Worldwide Limited (note v) 龍盈國際有限公司(附註v)	British Virgin Island 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值 1美元之普通股	100%	100%	–	Investment holdings 投資控股
Creative Works Limited (note v) 創意文化有限公司(附註v)	Hong Kong 香港	1,000 ordinary shares of HK\$1 each 1,000股每股面值1港 元之普通股	51%	–	51%	Operation of stage drama 舞台表演經營
Chuang Meng Chang (Beijing) Cultural Development Co., Limited (note iii) (note v) 創夢廠(北京)文化發展有限公司 (附註iii)(附註v)	PRC 中國	Registered capital of RMB1,000,000 註冊資本人民幣 1,000,000元	51%	–	51%	Operation of stage drama 舞台表演經營
Solution Gold Limited	British Virgin Island 英屬處女群島	1 ordinary share of US\$1 each 1股面值 1美元之普通股	100%	100%	–	Investment holdings 投資控股
Creative Star Limited 建星有限公司	Vanuatu 瓦努阿圖	10,000 ordinary share of US\$1 each 10,000股面值 1美元之普通股	100%	100%	–	Investment holdings 投資控股

19. INTERESTS IN SUBSIDIARIES (CONTINUED)

The Company (Continued)

19. 於附屬公司之權益(續)

本公司(續)

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/成立及 經營地點	Particulars of issued/ registered and paid up capital 已發行/註冊及 實繳股本詳情	Proportion of ownership interest 所有權益比例			Principal activity 主要業務
			Group's effective holding 本集團實際 持有	Held by the Company 由本公司 持有	Held by a subsidiary 由一家附屬 公司持有	
Hong Kong Marketing Service Limited	Hong Kong 香港	10,000 ordinary shares of US\$1 each 10,000股每股面值 1美元之普通股	60%	—	60%	Advertising and media project services 廣告及媒體項目服務
Miracle Glorious Limited	British Virgin Island 英屬處女群島	50,000 ordinary shares of HK\$1 each 50,000股每股面值1港 元之普通股	100%	100%	—	Securities Investments 證券投資
Pro-King Corporation Limited 博御有限公司	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股每股 面值1港元之普通股	100%	100%	—	Money lender 借貸公司
Fame Network Limited	British Virgin Island 英屬處女群島	50,000 ordinary share of US\$1 each 50,000股面值 1美元之普通股	100%	100%	—	Investment holdings 投資控股

Notes:

- (i) Registered under the laws of the PRC as wholly foreign-owned enterprise.
- (ii) Registered under the laws of the PRC as limited liability enterprise.
- (iii) The current PRC laws and regulations limit the provision of cultural business by companies with foreign ownership, which include activities and services operated by these companies. In order to enable the Company to make investment in the cultural business in the PRC, the equity interests of this company are held by individual nominees on behalf of the Group and certain contractual agreements have been effectuated among this company, its registered owner and cash flow to the effect that the operating and financial decisions of this company is effectively controlled by the Company. As a result of the contractual agreements, this company is accounted for as subsidiary of the Company for accounting purposes.
- (iv) Disposal on 31 August 2012.
- (v) Disposal on 28 December 2012.

附註：

- (i) 根據中國法律註冊為外商獨資企業。
- (ii) 根據中國法律註冊為有限責任企業。
- (iii) 目前之中國法律及法規限制外資公司提供文化業務，其包括該等公司所經營之活動及服務。為使本公司得以在中國投資文化業務，該公司之股權乃由個人名義代表本集團持有，而該公司訂立之若干合約性協議已經生效，其註冊擁有人及產生現金流量之該公司經營及財政決策實際上由本公司控制。由於該等合約性協議，就會計而言，該公司被入賬為本公司之附屬公司。
- (iv) 於二零一二年八月三十一日出售。
- (v) 於二零一二年十二月二十八日出售。

20. INTERESTS IN AN ASSOCIATE

20. 於聯營公司之權益

		The Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Cost of investment in an associate, unlisted	投資非上市聯營公司成本		
At 1 January	於一月一日	29,929	—
— Acquisition of an associate through acquisition of a subsidiary (note 36(b))	— 通過收購一家附屬公收購聯營 公司(附註36(b))	—	30,709
Share of post-acquisition losses and other comprehensive income, net of dividend received	分佔收購後虧損及扣除已收股息後 其他全面收入	(1,335)	(780)
		28,594	29,929
Amounts due from an associate	應收聯營公司款項	2,054	—
		30,648	29,929
Less: Accumulated impairment losses	減：累計減值虧損	(30,648)	(15,428)
		—	14,501

(a) Interests in an associate at 31 December 2012 and 31 December 2011 include goodwill of HK\$15,281,000.

(a) 二零一二年十二月三十一日及二零一一年十二月三十一日於聯營公司之權益包括15,281,000港元之商譽。

(b) Amounts due from an associate are unsecured, interest-free and recoverable on demand will not recover one year.

(b) 應收聯營公司款項為無抵押、免息及可按要求收回，並將不會於一年內撥回。

(c) The movements in accumulated impairment loss is summarised as follow:

(c) 累計減值虧損變動概述如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At 1 January	於一月一日	15,428	—
Impairment loss recognised	已確認減值虧損	15,220	15,428
At 31 December	於十二月三十一日	30,648	15,428

20. INTERESTS IN AN ASSOCIATE (CONTINUED)

(d) Details of principal an associate at 31 December 2012 are as follows:

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/ 成立及經營地點	Particulars of issued/ registered and paid up capital 已發行/註冊及 實繳股本詳情	Proportion of ownership interest 所有權權益比例			Principal activity 主要業務
			Group's effective holding 本集團實際持有	Held by the Company 由本公司持有	Held by a subsidiary 由一家附屬公司持有	
Star Most Limited 星萃有限公司	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股每股面值1港元之普通股	30%	—	30%	Investment holding 投資控股
Fiorucci Limited	Hong Kong 香港	4,000,000 ordinary shares of HK\$1 each 4,000,000股每股面值1港元之普通股	26.25%	—	26.25%	Retail and wholesale and franchise of fashion products 零售及批發時裝產品以及特許經營

(e) The following table illustrates the summarised financial information of the Group's associate extracted from their audited financial statements for the year ended 31 December 2012:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Assets	資產	455	1,284
Liabilities	負債	19,743	15,500
Revenues	收益	300	1,194
Losses	虧損	5,124	8,334

(f) At 31 December 2012, the directors of the Company reviewed the carrying values of the associates, based on the assessment of directors that the associate's profit or loss net liabilities position and long-term loss, the directors are of the opinion that an impairment loss HK\$15,220,000 (2011: HK\$15,428,000) should be provided in the profit and loss.

20. 於聯營公司之權益(續)

(d) 於二零一二年十二月三十一日之主要聯營公司詳情如下：

(e) 下表闡述本集團聯營公司之概要財務資料，其乃摘錄自本集團聯營公司截至二零一二年十二月三十一日止年度之經審核財務報表：

(f) 於二零一二年十二月三十一日，本公司董事經考慮由專業估值師編製之獨立估值報告，審閱聯營公司之賬面值。根據董事就聯營公司之損益、負債淨額及長期虧損評估，董事認為須於損益表內計提減值虧損撥備15,220,000港元(二零一一年：15,428,000港元)。

21. INTERESTS IN JOINTLY CONTROLLED ENTITIES 21. 於共同控制實體之權益

		The Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	1,500	1,500
Share of post-acquisition losses and other comprehensive income, net of dividend	分佔收購後虧損及扣除已收股息後其他全面收入	(1,373)	(1,091)
Impairment loss recognised	已確認減值虧損	(127)	—
		—	409

(a) Details of the jointly controlled entities at 31 December 2012 are as follows:

(a) 於二零一二年十二月三十一日之共同控制實體詳情如下：

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/ 成立及經營地點	Particulars of issued/ registered and paid up capital 已發行/註冊及實繳股本詳情	Proportion of ownership interest 所有權權益比例			Principal activity 主要業務
			Group's effective holding 本集團實際持有	Held by the Company 由本公司持有	Held by a subsidiary 由一家附屬公司持有	
Victory Team Group Limited 添凱集團有限公司	British Virgin Islands 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元之普通股	51%	—	51%	Investment holding 投資控股
Excel Vantage Investments Limited 遠略投資有限公司	Hong Kong 香港	1 ordinary share of HK\$1 each 1股面值1港元之普通股	51%	—	51%	Organising concerts and singing concerts 籌辦演唱會及歌唱比賽

Notwithstanding the Company's subsidiary has greater than 50 per cent equity interest in the jointly controlled entities, the Group does not have control over the board of the jointly controlled entities. According to the shareholders agreement, the jointly controlled entities are under common control by the shareholders.

儘管本公司附屬公司擁有共同控制實體超過50%股權，本集團並無對共同控制實體之董事會具有控制權。根據股東協議，共同控制實體乃受到股東共同控制。

The summarised financial information of the jointly controlled entities has not been disclosed as the amount is insignificant.

並無披露共同控制實體之概要財務資料，原因是金額並不重大。

22. TRADE AND OTHER RECEIVABLES

22. 貿易及其他應收款項

		The Group 本集團		The Company 本公司	
		2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Trade debtors	應收賬款	2,422	306	—	—
Amount due from a non-controlling interest holder (note 40(c))	應收非控股權益持有人款項(附註40(c))	—	32	—	—
Amounts due from affiliated companies of a non-controlling interest holder (note 40(c))	應收非控股權益持有人聯屬公司款項(附註40(c))	—	17	—	—
Other receivables	其他應收款項	44,186	2,928	42,200	—
Advance to a consultancy company (note a)	向一家顧問公司墊款(附註a)	—	4,000	—	4,000
Investment deposit refundable (note b)	退還投資訂金(附註b)	—	1,000	—	1,000
Rental and other deposits	租金及其他按金	7,191	2,958	4,732	32
Loans and receivables	貸款及應收款項	53,799	11,241	46,932	5,032
Prepayments	預付款項	7,576	2,295	5,523	115
		61,375	13,536	52,455	5,147

All of the trade and other receivables, apart from rental and other deposits, are expected to be recovered or recognised as expense within one year.

除租金及其他按金外，所有貿易及其他應收款項預期可於一年內收回或確認為開支。

Notes:

附註：

(a) It represents the amount receivable from a consultancy company. Pursuant to the agreement entered into between the consultancy company and the Company, the Company has appointed this consultancy company to solicit a potential investment project in the PRC and to provide consultancy services for a service fee of HK\$5,000,000 which full amount has been paid by the Company. The service fee should only be paid upon the successful on soliciting the potential investment. Upon the expiry of the consultancy agreement, since no potential investment had been solicited, the Company requested for a refund on the amount paid. With regard to the negotiation with the consultancy company, the directors of the Company expected that only HK\$4,000,000 will be refundable from this consultancy company and impairment loss of HK\$1,000,000 was recognised in the profit and loss accordingly.

(a) 該金額指應收一家顧問公司之款項。根據該顧問公司與本公司訂立之協議，本公司已委任該顧問公司在中國尋求一項潛在投資項目並提供顧問服務，服務費為5,000,000港元，而本公司已悉數支付該筆款項。僅於成功尋獲潛在投資時，方會支付服務費。於顧問協議屆滿時，由於並無尋獲任何潛在投資，本公司要求退回已支付之款項。經與顧問公司磋商後，本公司董事預期該顧問公司僅將會向本公司退還4,000,000港元，故1,000,000港元乃於損益表內確認為減值虧損。

22. TRADE AND OTHER RECEIVABLES (CONTINUED)

Notes: (Continued)

- (b) On 27 April 2011, the Company entered into a conditional sale and purchase agreement (the "Agreement") with an independent third party (the "Vendor") for the acquisition of 25% equity interest in Galaxy Mount International Limited at a consideration of HK\$212 million, which will be satisfied as to HK\$46 million in cash and as to HK\$166 million by the issue of convertible note by the Company. Details of the proposed acquisition are set out in the Company's circular dated 27 April 2011 and 13 June 2011. Deposits of HK\$46 million (the "Deposits") have been paid by the Group for the acquisition.

On 5 August 2011, the Company and the Vendor mutually agreed to terminate the Agreement and entered into a termination agreement (the "Termination Agreement"). Pursuant to the Termination Agreement, the Vendor and the Company have waived their respective rights under the Agreement with immediate effect and released the other party from further performance of its/his obligations under the Agreement and they also confirmed that they will not lodge any claim against the other in respect of the termination of the Agreement. Pursuant to the Addendum to the Termination Agreement, the Vendor shall return the Deposits of HK\$46 million, unsecured and without interest, in cash to the Company on or before 10 October 2011. Up to the date of this report, HK\$5 million has been refunded to the Company of which HK\$4 million was received before 31 December 2011.

Due to the prolonged discussion in arriving at a repayment schedule and uncertainty in the recoverability of the deposit, the directors of the Company were of the opinion that the outstanding balance of the Deposits of HK\$41 million would not be recoverable, and accordingly an allowance of HK\$41 million was recognised in profit and loss for the year ended 31 December 2011.

On 21 December 2012, Mr. Gao Feng has fully refunded the outstanding deposit of HK\$41 million to the Company as at 21 December 2012. As such, the relevant allowance has been reversed as other income and recognised in the profit and loss for the year ended 31 December 2012.

22. 貿易及其他應收款項(續)

附註：(續)

- (b) 於二零一一年四月二十七日，本公司與一名獨立第三方(「賣方」)訂立有條件買賣協議(「協議」)，以收購Galaxy Mount International Limited之25%股權，代價為212,000,000港元，將以現金46,000,000港元及由本公司發行可換股票據166,000,000港元支付。建議收購之詳情載於本公司日期為二零一一年四月二十七日及二零一一年六月十三日之通函。本集團已就收購支付訂金46,000,000港元(「訂金」)。

於二零一一年八月五日，本公司與賣方共同協定終止協議，並訂立終止協議(「終止協議」)。根據終止協議，賣方及本公司已放棄其各自於協議項下之權利，即時生效，並解除其他訂約方進一步履行其於協議項下之義務，而彼等亦確認彼等將不會就協議之終止而向其他訂約方提出任何申索。根據終止協議附件，賣方須於二零一一年十月十日或之前以現金向本公司退回無抵押及免息之訂金46,000,000港元。截至本報告日期，5,000,000港元已經退還本公司，其中4,000,000港元已於二零一一年十二月三十一日前收取。

由於達成還款時間表之討論時間過長及在收回訂金方面存有不明確因素，本公司董事認為訂金之尚未清償結餘41,000,000港元為不可收回，故此已於截至二零一一年十二月三十一日止年度之損益表內確認撥備41,000,000港元。

於二零一二年十二月二十一日，高峰先生已於二零一二年十二月二十一日向本公司全數退回未償還訂金41,000,000港元。故此，相關撥備已撥回為其他收入，並已於截至二零一二年十二月三十一日止年度之損益表確認。

22. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Ageing analysis

An ageing analysis of trade debtors at the end of reporting period date is as follows:

		The Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Within 1 month	一個月內	1,383	136
More than 1 month but within 3 months	超過一個月但於三個月內	500	20
More than 3 months but within 6 months	超過三個月但於六個月內	—	30
More than 6 months	超過六個月	539	120
		2,422	306

Trade debtors are generally granted with credit terms ranging from 30 days to 180 days. The Group may, on a case by case basis and after evaluation of the business relationship and creditworthiness, extend the credit period upon customers' requests. Further details on the Group's credit policy are set out in note 37.

應收賬款一般獲授予介乎30日至180日之信貸期。本集團可按個別情況及於評估業務關係及信譽後應客戶要求延長信貸期。本集團信貸政策之進一步詳情載於附註37。

(b) Trade debtors that are not impaired

The ageing analysis of trade debtors that are neither individually nor collectively considered to be impaired are as follows:

		The Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Neither past due nor impaired	既無逾期亦無減值	2,422	306
Less than 1 month past due	逾期少於一個月	—	—
		2,422	306

(b) 並無減值之應收賬款

並無個別或共同視作已減值之應收賬款賬齡分析如下：

22. TRADE AND OTHER RECEIVABLES (CONTINUED)**(b) Trade debtors that are not impaired (Continued)**

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

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.

22. 貿易及其他應收款項(續)**(b) 並無減值之應收賬款(續)**

既無逾期亦無減值之應收款項涉及眾多近期並無拖欠紀錄之客戶。

已逾期但無減值之應收款項涉及多名與本集團有良好還款紀錄之獨立客戶。基於過往經驗，由於信貸質素並無出現重大變動及有關結餘仍被視為可全數收回，故管理層認為毋須就該等結餘作出減值撥備。本集團並無就該等結餘持有任何抵押品。

23. TRADING SECURITY**23. 貿易證券**

		The Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Listed securities in Hong Kong	於香港上市之證券	981	—

Fair value are determined with reference to quoted market bid prices.

公平值乃根據就市場所報投標價之退款釐定。

24. RESTRICTED BANK DEPOSITS**24. 受限制銀行存款**

		The Group 本集團		The Company 本公司	
		2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Statutory deposit (note (i))	法定存款(附註(i))	1,721	1,728	—	—

Note:

(i) Statutory deposit is guarantee of travel agency quality.

附註：

(i) 法定存款為旅行社質量保證金。

25. CASH AND CASH EQUIVALENTS

25. 現金及現金等值物

		The Group 本集團		The Company 本公司	
		2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Cash at banks and on hand	銀行及手頭現金	4,491	37,101	2,962	34,726

26. TRADE AND OTHER PAYABLES

26. 貿易及其他應付款項

		The Group 本集團		The Company 本公司	
		2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Trade creditors (note a)	應付賬款(附註a)	619	117	—	—
Other payables and accrued charges	其他應付款項及應計費用	2,080	28,169	1,486	4,020
Short-term loans (note b)	短期貸款(附註b)	—	5,384	—	—
Amounts due to directors (note 40(c))	應付董事款項(附註40(c))	—	99	—	99
Amounts due to related persons (note 40(b))	應付關連人士款項(附註40(b))	280	15,450	—	—
Other taxes and government surcharges payables	其他應付稅項及政府附加費	7	19	—	—
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債	2,986	49,238	1,486	4,119
Receipts in advance (note c)	預收款項(附註c)	4,519	2,925	—	—
		7,505	52,163	1,486	4,119

All of the trade and other payables are expected to be settled within one year or are repayable on demand.

所有貿易及其他應付款項預期可於一年內清償或按要求償還。

26. TRADE AND OTHER PAYABLES (CONTINUED)**(a) Ageing analysis**

The ageing analysis of trade creditors at the end of the reporting period is as follows:

		The Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Within 1 month	一個月內	347	117
More than 1 month but within 3 months	超過一個月但於三個月內	155	—
More than 3 months	超過三個月	117	—
		619	117

(b) As at 31 December 2011, the short-term loans are interest-bearing at the rate of 25% per annum and are expected to be settled within one year or are repayable on demand.

(c) The amounts represent prepaid service income from customers, for which the related services are expected to be rendered within one year from the end of the reporting period.

26. 貿易及其他應付款項(續)**(a) 賬齡分析**

應付賬款於報告期間結算日之賬齡分析如下：

(b) 於二零一一年十二月三十一日，短期貸款按年利率25厘計息，且預期將會於一年內清償或按要求償還。

(c) 該等款項指來自客戶之預付服務收入，預期有關服務將自報告期間結算日起計一年內提供。

27. FINANCE LEASE PAYABLES

The Group leases certain of its motor vehicles and equipment for its business. These leases are classified as finance leases and have remaining lease terms for four years.

At 31 December 2012, the total future minimum lease payments under finance leases and their present values were as follows:

27. 融資租賃應付款項

本集團為其業務租賃若干汽車及設備。該等租賃乃分類為融資租賃，而餘下租期為四年。

於二零一二年十二月三十一日，融資租賃項下之未來最低租賃款項總額及其現值如下：

		Minimum lease payments 2012	Minimum lease payments 2011	Present value of minimum lease payments 2012	Present value of minimum lease payments 2011
		最低租賃 款項 二零一二年	最低租賃 款項 二零一一年	最低租賃款 項之現值 二零一二年	最低租賃款 項之現值 二零一一年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Amounts payable:	應付款項：				
Within one year	一年內	30	374	26	309
In the second year	第二年	—	385	—	340
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年)	—	594	—	566
Total minimum finance lease payments	最低融資租賃款項總額	30	1,353	26	1,215
Future finance charges	未來融資費用	(4)	(138)		
Total net finance lease payables	淨融資租賃應付款項 總額	26	1,215		
Portion classified as current liabilities	分類為流動負債之部分	(26)	(309)		
Non-current portion	非流動部分	—	906		

28. INTEREST-BEARING LOAN

The Group and the Company

28. 計息貸款

本集團及本公司

		2012 二零一二年			2011 二零一一年		
		Effective interest rate (%) 實際利率 (%)	Maturity 到期日	HK\$'000 千港元	Effective interest rate (%) 實際利率 (%)	Maturity 到期日	HK\$'000 千港元
Current:	即期：						
Loan from non-financial institutions — secured	非財務機構 貸款—有抵押	18	2013	122,600	—	—	—

On 30 May 2012, a secured and unguaranteed loan facility amounting to HK\$165,000,000 has been granted to the Group (“Loan Facility”). The security was a debenture of the Company dated 20 June 2012 under which all the undertaking property, assets, goodwill, rights and revenues of the Company are charged to the lender by way of first floating charge. On 11 June 2012 and 3 August 2012 HK\$100,000,000 and HK\$65,000,000 has been drawn down by the Group. The agreed interest rate is 1.5% per month.

On 17 December 2012 and 28 December 2012, the Group has partially repaid HK\$37,000,000 and HK\$5,400,000 to the lender.

於二零一二年五月三十日，本集團獲授有抵押及無擔保貸款融資165,000,000港元（「貸款融資」）。抵押品為本公司日期為二零一二年六月二十日之債權證，據此本公司所有物業、資產、商譽、權利及收益以第一浮動押記形式抵押予貸款人。於二零一二年六月十一日及二零一二年八月三日，本集團已分別提取100,000,000港元及65,000,000港元。協定利率為每月1.5厘。

於二零一二年十二月十七日及二零一二年十二月二十八日，本集團已向貸款人作37,000,000港元及5,400,000港元部分償還。

29. CONVERTIBLE BONDS

The Group and the Company

(A) CONVERTIBLE BONDS THAT DO NOT CONTAIN AN EQUITY COMPONENT

On 28 October 2011, an aggregate principal amount of HK\$50,000,000 of the convertible bonds (the “CB I”) was issued to Sun Finance Co., Limited (“Sun Finance”) at an initial conversion price of HK\$0.30 per conversion share under the terms and conditions of the instrument dated 28 October 2011 constituting the CB I (the “Instrument”), the maturity date falling on the sixth month or, extend at the discretion of the Company, the twelve month of the date of the issue of CB I. The CB I bear interest rate of 18% per annum. Pursuant to the terms of the CB I, the conversion price is subject to change and will be reset every two months after the issuance date (the “Reset Date”) if the arithmetic average of closing price per share of the Company during the thirty consecutive trading days prior to the Reset Date is less than the conversion price in effect, the conversion price will be adjusted to a price equivalent to the arithmetic average of the closing price per share (the “Reset Conversion Price”). The lowest Reset Conversion Price is limited to HK\$0.18 per conversion share. Assuming full conversion of the convertible bonds at the initial conversion price of HK\$0.30 per share, a total of 166,666,666 shares of the Company will be allotted and issued but there are no conversion shares issued as at 31 December 2011.

On 24 May 2012, the Company received a letter from Sun Finance stating that the Instrument had already been terminated. After careful consideration by the Board, on 25 May 2012 the Company accepted Sun Finance’s position regarding termination of the Instrument. The Company paid the debt owing to Sun Finance on 3 August 2012 which detailed in note 44(a).

The CB I is classified as derivative financial liability and is recognised initially and subsequently measured at fair value.

The fair values of the CB I were determined by the directors of the Company with reference to the valuation performed by a firm of independent professional valuers with appropriate qualifications and recent experiences in the valuation of similar derivative instruments with reference to market values.

29. 可換股債券

本集團及本公司

(A) 並無含有權益部分之可換股債券

於二零一一年十月二十八日，本金總額 50,000,000 港元之可換股債券「(可換股債券 I)」乃根據日期為二零一一年十月二十八日構成可換股債券 I 之文據「(文據)」之條款及條件發行予太陽國際金融有限公司「(太陽金融)」，初步兌換價為每股兌換股份 0.30 港元，到期日為可換股債券發行日期起計第六個月，或按本公司酌情決定可延至第十二個月。可換股債券 I 之年利率為 18 厘。根據可換股債券 I 之條款，兌換價可予變動，並將於發行日期後每兩個月「(重訂日期)」予以重訂，倘本公司每股股份收市價之算術平均數於重訂日期前連續三十個交易日低於生效兌換價，則兌換價將被調整至與每股股份收市價之算術平均數相等之價格「(重訂兌換價)」。最低重訂兌換價以每股兌換股份 0.18 港元為限。假設可換股債券按初步兌換價每股 0.30 港元獲悉數兌換，則將會配發及發行合共 166,666,666 股本公司股份，惟於二零一一年十二月三十一日未有發行任何兌換股份。

於二零一二年五月二十四日，本公司接獲太陽金融聲明文據已終止之函件。董事會經審慎考慮後，本公司於二零一二年五月二十五日接受太陽金融有關終止文據之意願。本公司於二零一二年八月三日支付結欠太陽金融之債項，有關詳情載於附註 44(a)。

可換股債券 I 乃分類為衍生金融負債，並獲初步確認及其後以公平值計量。

可換股債券 I 之公平值由本公司董事經參考由一家具有適合資格及經參考市值評估類似衍生工具之近期估值經驗之獨立專業估值師事務所進行之估值而釐定。

29. CONVERTIBLE BONDS (CONTINUED)

The Group and the Company (Continued)

(B) CONVERTIBLE BONDS THAT CONTAIN EQUITY COMPONENT

On 28 March 2011, an aggregate principal amount of HK\$60,000,000 of the zero coupon convertible bonds (the "CB II") was issued to Premier Capital Enterprises Limited at the conversion price of HK\$0.28 (adjusted to HK\$1.4 follow the consolidation of shares of the Company in October 2011) with the maturity date falling on the second anniversary of the date of the issue of the convertible bonds for settlement of promissory notes with principal amount of HK\$61,855,670.

The fair values of the CB II were determined by the directors of the Company with reference to the valuation performed by a firm of independent professional valuers with appropriate qualifications and recent experiences in the valuation of similar derivative instruments with reference to market values.

The CB II contain two components, the liability and the equity components. The fair value of the liability component was calculated based on the present value contractually determined stream of future cash flows discounted at the required yield, which was determined with reference to the market interest rate for an equivalent non-convertible notes and remaining time to maturity. The residual amount, representing the value of the equity conversion component is presented in equity as a "convertible bond reserve".

29. 可換股債券(續)

本集團及本公司(續)

(B) 含有權益部分之可換股債券

於二零一一年三月二十八日，本公司按兌換價0.28港元(緊隨本公司於二零一一年十月之股份合併經調整至1.4港元)向Premier Capital Enterprises Limited發行本金總額60,000,000港元之零息可換股債券(「可換股債券II」)，到期日為可換股債券發行日期起計滿第二週年之日，以償付本金額61,855,670港元之承兌票據。

可換股債券II之公平值由本公司董事經參考由一家具有適合資格及經參考市值評估類似衍生工具之近期估值經驗之獨立專業估值師事務所進行之估值而釐定。

可換股債券II含有兩個部分：負債及權益部分。負債部分之公平值乃按合約釐定之未來現金流量來源之現值按規定之股息率(其乃經參考相等非可換股票據之市場利率及到期前之剩餘時間)貼現。代表權益兌換部分之價值之剩餘金額乃於權益中呈列為「可換股債券儲備」。

29. CONVERTIBLE BONDS (CONTINUED)*The Group and the Company (Continued)***(B) CONVERTIBLE BONDS THAT CONTAIN EQUITY COMPONENT (CONTINUED)****29. 可換股債券(續)***本集團及本公司(續)***(B) 含有權益部分之可換股債券(續)**

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Proceed of issue:	發行所得款項：	—	72,464
Equity component	權益部分	—	(25,090)
Liability component at date of issue	於發行日期之負債部分	—	47,374

The movements in liability component of the convertible notes were set out as follows:

可換股債券之負債部分變動載列如下：

		HK\$'000 千港元
As at 1 January 2011	於二零一一年一月一日	—
Issue of Convertible Bonds	發行可換股債券	47,374
Imputed interest	估計利息	2,398
Conversion of Convertible Bonds	兌換可換股債券	(25,267)
As at 31 December 2011 and as at 1 January 2012	於二零一一年十二月三十一日及 於二零一二年一月一日	24,505
Imputed interest	估計利息	3,432
As at 31 December 2012	於二零一二年十二月三十一日	27,937

The effective interest rate of the liability component is 14.14% (2011: 14.14%) per annum. Interest expense on the bonds is calculated using the effective interest method by applying the effective interest rate to the liability component.

負債部分之實際年利率為14.14厘(二零一一年：14.14厘)。債券之利息開支乃透過應用負債部分之實際利率以實際利率法計算得出。

30. PROMISSORY NOTES

The Group and the Company

30. 承兌票據

本集團及本公司

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At 1 January	於一月一日	91,895	155,048
Interest charge	利息開支	8,105	15,761
Settlement made by issuance of convertible bonds	以發行可換股債券進行償付	—	(54,461)
Settlement of promissory notes	承兌票據之償付	(100,000)	(12,021)
Adjustment for the difference between the fair value of new promissory notes issued and the carrying amount of existing promissory notes replaced	已發行新承兌票據之公平值與已取代現有承兌票據之賬面值之差異之調整	—	(12,432)
At 31 December	於十二月三十一日	—	91,895

On 15 February 2011, the Company entered into the agreement to restructure the zero coupon promissory note dated 3 December 2010 issued by the Company in the aggregate principal amount of HK\$183,541,942 due and repayable on 8 January 2012 (the “Existing Promissory Note”) with Premier Capital Enterprises Limited, which is the holder of the Existing Promissory Note and beneficially wholly-owned by Mr. Lam Ho Laam (the “PN Holder”). Pursuant to the agreement, the parties conditionally agreed that (i) a principal amount of HK\$61,855,670 outstanding under the Existing Promissory Note shall be early repaid by the Company by way of issue of the convertible bonds in an aggregate principal amount of HK\$60,000,000; and (ii) the remaining principal amount outstanding under the Existing Promissory Note shall be settled by the Company issuing the new zero coupon promissory note (“New Promissory Note”) to PN Holder having the same terms and conditions of the Existing Promissory Note other than (a) the principal amount shall be the difference of the outstanding principal amount of the Existing Promissory Note immediately prior to completion of the restructuring of the Existing Promissory Note and the part of the outstanding principal amount of the Existing Promissory Note in the sum of HK\$61,855,670 which has been early repaid by the Company by way of issue of the convertible bonds (the “Early Repayment Amount”) and (b) the maturity date shall be 8 January 2013 instead of 8 January 2012. The principal amount of the convertible bonds of HK\$60,000,000 represents a discount of 3% to the Early Repayment Amount which is determined in accordance with the early repayment terms of the Existing Promissory Note. The restructuring of the Existing Promissory Note was completed on 28 March 2011.

於二零一一年二月十五日，本公司與 Premier Capital Enterprises Limited (即現有承兌票據持有人，並由 Lam Ho Laam 先生 (「承兌票據持有人」) 全資實益擁有) 訂立協議，以重組本公司於二零一零年十二月三日發行本金總額 183,541,942 港元，並須於二零一二年一月八日到期償還之零息承兌票據 (「現有承兌票據」)。根據協議，訂約各方有條件同意 (i) 現有承兌票據項下之尚未償還本金額 61,855,670 港元將由本公司透過發行本金總額 60,000,000 港元之可換股債券之方式提早償還；及 (ii) 現有承兌票據項下餘下尚未償還之本金額將由本公司透過向承兌票據持有人發行新零息承兌票據 (「新承兌票據」) 之方式償付，條款及條件與現有承兌票據相同，惟下列除外：(a) 本金額將為緊接重組現有承兌票據完成前現有承兌票據尚未償還本金額與已由本公司通過發行可換股債券之方式提早償還之現有承兌票據尚未償還本金額部分為數 61,855,670 港元 (「提早償還金額」) 之差額；及 (b) 到期日將為二零一三年一月八日，而非二零一二年一月八日。本金額 60,000,000 港元之可換股債券較根據現有承兌票據之提早償還條款釐定之提早償還金額折讓 3%。重組現有承兌票據已於二零一一年三月二十八日完成。

30. PROMISSORY NOTES (CONTINUED)

The Group and the Company (Continued)

During the year ended 31 December 2011, promissory notes with principal amount of HK\$15,463,917 was early repaid by cash settlement of HK\$15,000,000. The difference represents a discount of 3% to the early repayment amount in accordance with the early repayment terms of the promissory notes.

On 8 June 2012, the Company received an offer from the PN Holder to early redeem the promissory note with principal amount of HK\$106,222,355 by paying them a sum of HK\$100,000,000 in complete discharge of the Company's liabilities under the promissory note.

On 11 June 2012, the Company accepted the PN Holder's offer and the promissory notes with principal amount of HK\$106,222,355 was early repaid by cash settlement of HK\$100,000,000.

The fair value of New Promissory Notes is approximately HK\$94,561,000, as at the issue date, calculated based on the effective interest rate of 14.14% per annum. The promissory notes are classified as non-current liabilities and are carried at amortised cost basis until extinguished on redemption.

30. 承兌票據(續)

本集團及本公司(續)

截至二零一一年十二月三十一日止年度，本金額15,463,917港元之承兌票據已透過提早償付現金15,000,000港元償還。差額較根據承兌票據之提早償還條款之提早償還金額折讓3%。

於二零一二年六月八日，本公司接獲承兌票據持有人的要約，已透過完全履行本公司於承兌票據項下之負債，向承兌票據持有人支付100,000,000港元，提早贖回本金額106,222,355港元之承兌票據。

於二零一二年六月十一日，本公司接納承兌票據持有人的要約，本金額106,222,355港元之承兌票據已透過償付現金100,000,000港元提早償還。

於發行日期，按實際年利率14.14厘計算，新承兌票據之公平值約為94,561,000港元。承兌票據乃獲分類為非流動負債，並以攤銷成本列賬，直至於贖回時取消為止。

31. TAXATION IN THE STATEMENT OF FINANCIAL POSITION**(a) Deferred tax assets and liabilities recognised****THE GROUP**

The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

		Fair value adjustment on intangible assets 無形資產 公平值調整 HK\$'000 千港元
Deferred tax arising from:	由以下各項產生之遞延稅項：	
At 1 January 2011	於二零一一年一月一日	661
Credited to consolidated income statement (note 7(a))	計入綜合收益表(附註7(a))	(6)
Reversal of disposal of discontinued operations	出售已終止業務時撥回	(655)
At 31 December 2011 and 31 December 2012	於二零一一年十二月三十一日及 二零一二年十二月三十一日	—

(b) Deferred taxation not recognised

In accordance with the accounting policy set out in note 2(r), the Group has not recognised deferred tax assets in respect of tax losses of approximately HK\$8,936,000 (2011: HK\$11,448,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity.

31. 於財務狀況表之稅項**(a) 已確認遞延稅項資產及負債****本集團**

年內，於綜合財務狀況表確認之遞延稅項(資產)/負債部分及其變動如下：

(b) 未確認遞延稅項

按照附註2(r)所載之會計政策，本集團並無就稅項虧損確認遞延稅項資產約8,936,000港元(二零一一年：11,448,000港元)，乃由於不大可能可於有關稅務司法權區及實體動用未來應課稅溢利抵銷該虧損。

32. SHARE CAPITAL AND RESERVE

The Group and the Company

32. 股本及儲備

本集團及本公司

		2012 二零一二年		2011 二零一一年	
		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元	Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Authorised:	法定：				
Ordinary shares at HK\$0.5 (2011: HK\$0.05) each	每股面值0.5港元 (二零一一年：0.05 港元)之普通股	2,000,000	100,000	2,000,000	100,000
Issued and fully paid:	已發行及繳足：				
At 1 January	於一月一日	328,235	16,412	796,424	7,964
Shares issued upon conversion of convertible bonds (note (i))	因兌換可換股債券而 發行股份(附註(i))	—	—	114,000	1,140
Issue of placing shares (note (ii))	發行配售股份(附註(ii))	65,647	3,282	409,000	4,090
Shares issued for acquisition of subsidiaries (note (iii))	就收購附屬公司發行 股份(附註(iii))	—	—	321,753	3,218
Issue of rights share (note (iv))	發行供股股份 (附註(iv))	196,941	9,847	—	—
Share consolidation (note (v))	股份合併(附註(v))	(531,741)	—	(1,312,942)	—
Issue of placing shares after share consolidation (note (vi))	於股份合併後 發行配售股份 (附註(vi))	6,565	3,283	—	—
At 31 December	於十二月三十一日	65,647	32,824	328,235	16,412

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally as regard to the Company's residual assets.

普通股權持有人有權收取不時宣派之股息，並有權於本公司大會上就每股股份享有一票投票權。就本公司之剩餘資產而言，所有普通股享有同等權益。

32. SHARE CAPITAL AND RESERVE (CONTINUED)

Notes:

(i) On 28 March 2011, an aggregate principal amount of HK\$60,000,000 of the convertible bonds was issued to Premier Capital Enterprises Limited at the conversion price of HK\$0.28 with the maturity date falling on the second anniversary of the date of the issue of the convertible bonds. During the year ended 31 December 2011, an aggregate principal amount of HK\$31,920,000 of the convertible bonds has been converted into 114,000,000 ordinary shares of the Company.

(ii) On 5 June 2012, the Company issued and allotted 65,647,113 shares at a price of HK\$0.12 per shares by way of placing. The details were disclosed in the announcement of the Company dated 23 May 2012.

On 6 January 2011, the Company issued 94,000,000 ordinary shares of HK\$0.01 each at the issue price of HK\$0.32 per share by way of top-up placement.

On 25 January 2011, the Company issued 64,000,000 ordinary shares of HK\$0.01 each at the issue price of HK\$0.295 per share by way of top-up placement.

On 13 April 2011, the Company issued 100,000,000 ordinary shares of HK\$0.01 each at the issue price of HK\$0.295 per share by way of top-up placement.

On 12 May 2011, the Company issued 65,000,000 ordinary shares of HK\$0.01 each at the issue price of HK\$0.245 per share by way of top-up placement.

On 18 August 2011, the Company issued 86,000,000 ordinary shares of HK\$0.01 each at the issue price of HK\$0.10 per share by way of top-up placement.

(iii) On 18 April 2011, the Company acquired 100% equity interest in Dragon Gain Worldwide Limited and issued 145,283,018 consideration shares of HK\$0.01 each credited as fully paid at issue price of HK\$0.255 (market price) per share.

On 1 June 2011, the Company acquired 100% equity interest in Solution Gold Limited and issued 176,470,588 consideration shares of HK\$0.01 each credited as fully paid at issue price of HK\$0.174 (market price) per share.

(iv) On 22 August 2012, the shareholders of the Company approved a rights issue on the basis of one rights share for every two shares at a subscription price of HK\$0.05 per rights share. The rights issue became unconditional on 11 September 2012. 196,941,341 rights shares with the par value of HK\$0.05 each were allotted and issued on 14 September 2012. Details of the rights issue were set out in the circulars of the Company dated 25 July 2012 and 23 August 2012 and the announcement of the Company dated 3 August 2012 and 13 September 2012.

32. 股本及儲備(續)

附註：

(i) 於二零一一年三月二十八日，本公司按兌換價0.28港元向Premier Capital Enterprises Limited發行本金總額60,000,000港元之可換股債券，到期日為可換股債券發行日期滿兩週年之日。截至二零一一年十二月三十一日止年度，本金總額為31,920,000港元之可換股債券已兌換為114,000,000股本公司普通股。

(ii) 於二零一二年六月五日，本公司以配售形式發行及配發65,647,113股每股0.12港元股份。有關詳情於本公司日期為二零一二年五月二十三日之公佈披露。

於二零一一年一月六日，本公司以先舊後新配售方式按發行價每股0.32港元，發行94,000,000股每股面值0.01港元之普通股。

於二零一一年一月二十五日，本公司以先舊後新配售方式按發行價每股0.295港元，發行64,000,000股每股面值0.01港元之普通股。

於二零一一年四月十三日，本公司以先舊後新配售方式按發行價每股0.295港元，發行100,000,000股每股面值0.01港元之普通股。

於二零一一年五月十二日，本公司以先舊後新配售方式按發行價每股0.245港元，發行65,000,000股每股面值0.01港元之普通股。

於二零一一年八月十八日，本公司以先舊後新配售方式按發行價每股0.10港元，發行86,000,000股每股面值0.01港元之普通股。

(iii) 於二零一一年四月十八日，本公司收購龍盈國際有限公司之100%股權，並按發行價每股0.255港元(市價)，發行145,283,018股每股面值0.01港元之入賬列作繳足之代價股份。

於二零一一年六月一日，本公司收購Solution Gold Limited之100%股權，並按發行價每股0.174港元(市價)，發行176,470,588股每股面值0.01港元之入賬列作繳足之代價股份。

(iv) 於二零一二年八月二十二日，本公司股東批准按每持有兩股股份發行一股供股股份之基準進行供股，認購價為每股供股股份0.05港元。供股於二零一二年九月十一日成為無條件。196,941,341股每股0.05港元面值之供股股份於二零一二年九月十四日發行及配發。供股詳情載於本公司日期為二零一二年七月二十五日及二零一二年八月二十三日之通函，以及本公司日期為二零一二年八月三日及二零一二年九月十三日之公佈。

32. SHARE CAPITAL AND RESERVE (CONTINUED)

Notes: (CONTINUED)

- (v) On 19 September 2012, the share consolidation of every ten shares of HK\$0.05 each in the issued and unissued share capital of the Company consolidated into one consolidated share of HK\$0.5 each in the issued and unissued share capital of the Company (the "Share Consolidation") became effective on 19 September 2012. Upon the Share Consolidation has become effective, the authorised share capital of the Company became HK\$100,000,000 divided into 200,000,000 consolidated shares of HK\$0.5 each, of which 59,082,402 consolidated shares has been issued and fully paid or credited as fully paid. Details of the Share Consolidated were set out in the announcements of the Company dated 8 June 2012, 6 July 2012, 18 July 2012 and 18 September 2012 and the circular of the Company dated 27 August 2012.

On 19 October 2011, the Company proposed a share consolidation of every five shares of HK\$0.01 each in the issued and unissued share capital of the Company consolidated into one consolidation share of HK\$0.05 each in the issued and unissued share capital of the Company (the "Share Consolidation") became effective on 19 October 2011. Upon the Share Consolidation has been effective, the existing authorised share capital of the Company is HK\$100,000,000 divided into 2,000,000,000 consolidated shares, of which 328,235,569 consolidated shares have been issued and fully paid or credited as fully paid. The board lot size has also been adjusted from 2,000 shares to 5,000 consolidated shares.

- (vi) On 11 October 2012, an aggregate of 6,364,711 Placing Shares have been successfully placed to not less than six Placees at the Placing Price of HK\$0.5 per Placing Share pursuant to the terms and conditions of the Placing Agreement. Details of the Placing were published in the Company announcement dated 4 October 2012 and 11 October 2012.

32. 股本及儲備(續)

附註：(續)

- (v) 於二零一二年九月十九日，每十股每股面值0.05港元之股份(於本公司已發行及未發行股本)合併為一股面值0.5港元之股份(於本公司已發行及未發行股本)之股份合併於二零一二年九月十九日生效。股份合併生效後，本公司法定股本為100,000,000港元，分為200,000,000股每股0.5港元之合併股份，當中59,082,402股合併股份已獲發行及繳足或入賬列作繳足。股份合併詳情載於本公司日期為二零一二年六月八日、二零一二年七月六日、二零一二年七月十八日及二零一二年九月十八日之公佈，以及本公司日期為二零一二年八月二十七日之通函。

於二零一一年十月十九日，本公司建議每五股每股面值0.01港元之股份(於本公司已發行及未發行股本)合併為一股面值0.05港元之股份(於本公司已發行及未發行股本)之股份合併(「股份合併」)於二零一一年十月十九日生效。股份合併生效後，本公司現有法定股本為100,000,000港元，分為2,000,000,000股之合併股份，當中328,235,569股合併股份已獲發行及繳足或入賬列作繳足。每手買賣單位已由2,000股股份調整為5,000股股份。

- (vi) 於二零一二年十月十一日，合共6,364,711股配售股份已成功根據配售協議之條款及條件按每股配售股份0.5港元之配售價向不少於六名承配人配售。配售詳情刊載於本公司日期為二零一二年十月四日及二零一二年十月十一日之公佈。

32. SHARE CAPITAL AND RESERVE (CONTINUED)

(a) The Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 148 to 149 of the annual report.

(I) SHARE PREMIUM

Share premium represents the share premium of the Company, the application of which is governed by section 48B of the Hong Kong Companies Ordinance.

(II) EXCHANGE RESERVE

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 2(u).

(III) STATUTORY RESERVE

Transfers from 10% of net profits to statutory reserve fund were made in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiaries established in the PRC and were approved by the respective boards of directors.

Statutory reserve fund can be used to make good previous years' losses, if any, and may be converted into paid-up capital provided that the balance of the statutory reserve fund after such conversion is not less than 25% of their registered capital.

The Company's subsidiaries in the PRC are required to transfer a minimum of 10% of their net profits, as determined in accordance with the PRC accounting rules and regulations, to the statutory reserve fund until the reserve balance reaches 50% of the registered capital. The transfer to this fund must be made before distribution of dividends to equity holders.

(IV) ASSET REVALUATION RESERVE

The asset revaluation reserve has been set up and is dealt with in accordance with the accounting policy adopted for buildings in note 2(h). The revaluation reserve is not distributable to the equity shareholders of the Company.

32. 股本及儲備(續)

(a) 本集團

本集團儲備金額及其於本年度及過往年度變動呈列於本年度報告第148至149頁綜合權益變動表。

(I) 股份溢價

股份溢價指本公司之股份溢價，其應用受香港公司條例第48B條規管。

(II) 匯兌儲備

匯兌儲備包括換算海外業務之財務報表所產生之所有匯兌差額。該項儲備乃根據附註2(u)所載之會計政策處理。

(III) 法定儲備

轉撥純利之10%至法定儲備金乃根據中國相關規則及規例以及本公司於中國成立之附屬公司之組織章程細則進行，並獲相關董事會批准。

法定儲備金可用作補償過往年度虧損(如有)，亦可轉撥至實繳股本，惟於有關轉撥後之法定儲備金結餘不得少於註冊資本之25%。

本公司之中國附屬公司須根據中國會計規則及規例，將純利之最少10%轉撥至法定儲備金，直至儲備結餘達至註冊資本之50%為止。轉撥該資金須於向股權持有人分派股息前進行。

(IV) 資產重估儲備

已設立資產重估儲備，並根據附註2(h)就樓宇採納之會計政策處理。重估儲備不會分派予本公司之股權持有人。

32. SHARE CAPITAL AND RESERVE (CONTINUED)

(a) The Group (Continued)

(V) CONVERTIBLE BOND RESERVE

The convertible bond reserve represents the value of the unexercised equity component of convertible bonds issued by the Company recognised in accordance with the accounting policy adopted for convertible bonds in note 2(m).

(VI) SHARE OPTION RESERVE

The share option reserve represents the fair value of the share options granted by the Company which are yet to be exercised, and recognised in accordance with the accounting policy adopted for share-based payments in note 2(q)(ii).

(b) Distributable reserves

As at 31 December 2012, there was not any aggregate amount of reserves available for distribution to equity shareholders of the Company (2011: Nil).

(c) Reserve The Company

32. 股本及儲備(續)

(a) 本集團(續)

(V) 可換股債券儲備

可換股債券儲備指根據附註2(m)所述就可換股債券採納之會計政策，確認本公司所發行之可換股債券之未行使權益部分之價值。

(VI) 購股權儲備

購股權儲備指根據附註2(q)(ii)所述就以股份為基礎之付款採納之會計政策，確認本公司已授出但尚未獲行使之購股權之公平值。

(b) 可供分派儲備

於二零一二年十二月三十一日，概無任何可供分派予本公司股權持有人之儲備總額(二零一一年：零)。

(c) 儲備 本公司

		Share premium	Convertible bond reserve	Share option reserve	Accumulated losses	Total
		可換股債券 股份溢價	儲備	購股權儲備	累計虧損	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
At 1 January 2011	於二零一一年一月一日	376,330	—	4,166	(509,612)	(129,116)
Issue of placing shares	發行配售股份	96,323	—	—	—	96,323
Issuance of convertibles bonds	發行可換股債券	—	25,090	—	—	25,090
Share issued upon conversion of convertible bonds	因兌換可換股債券而發行股份	37,475	(13,348)	—	—	24,127
Share issued for acquisition of subsidiaries	就收購附屬公司發行股份	64,535	—	—	—	64,535
Share option lapsed	已失效購股權	—	—	(1,102)	1,102	—
Loss for the year	本年度虧損	—	—	—	(126,383)	(126,383)
At 31 December 2011 and 1 January 2012	於二零一一年十二月三十一日 及二零一二年一月一日	574,663	11,742	3,064	(634,893)	(45,424)
Issue of placing shares	發行配售股份	4,014	—	—	—	4,014
Share option lapsed	已失效購股權	—	—	(1,877)	1,877	—
Loss for the year	本年度虧損	—	—	—	(18,669)	(18,669)
At 31 December 2012	於二零一二年十二月三十一日	578,677	11,742	1,187	(651,685)	(60,079)

33. EMPLOYEE RETIREMENT BENEFITS

- (a) The Group operates a Mandatory Provident Fund Scheme (the “MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$25,000 (2011: HK\$20,000). Contributions to the plan vest immediately.
- (b) Pursuant to the relevant labour rules and regulations in the PRC, the Group participates in defined contribution retirement benefit schemes (the “Retirement Scheme”) organised by the relevant local government authorities, whereby the Group as required to make contributions to the Retirement Scheme at 21%–22% of the eligible employees’ salaries. The local government authorities are responsible for the entire pension obligations payable to retired employees which are calculated based on a certain percentage of the basic payroll.

34. SHARE-BASED PAYMENT TRANSACTION

The Company operates a share option scheme (the “Option Scheme”) which was adopted on 30 July 2001. Subject to the terms of the Option Scheme, the directors may, at their absolute discretion, invite full-time employees of the Group, including directors of the Company or any of its subsidiaries to take up options to subscribe for shares.

The maximum number of shares in respect of which options may be granted (together with options exercised and options then outstanding) at any time under this scheme shall not, when aggregated with any shares subject to any other schemes involving the issue or grant of option over shares by the Company, or for the benefit of the eligible participants, exceed such number of shares as shall represent 10% of the issued share capital of the Company at the adoption date (the “Scheme Mandate Limit”). Options that lapse in accordance with the terms of this scheme will not be counted for the purpose of calculating the Scheme Mandate Limit unless the Company obtains a fresh approval from shareholders to renew the 10% limit provided that the maximum number of shares in respect of which options may be granted under the Option Scheme together with any options outstanding and yet to be exercised under the Option Scheme and any other schemes shall not exceed 30% of the issued shares from time to time.

33. 僱員退休福利

- (a) 本集團根據香港強制性公積金計劃條例，為受香港僱傭條例管轄之受僱員工，提供強制性公積金計劃（「強積金計劃」）。強積金計劃為由獨立受托人管理之定額供款退休計劃。根據強積金計劃，僱主及其僱員僱主均須向計劃作出供款，供款額為僱員有關收入之5%，惟每月有關收入上限為25,000港元（二零一一年：20,000港元）。計劃供款即時歸屬。
- (b) 根據中國有關勞工法例及規例，本集團參與由有關地方政府機關管理之定額供款退休福利計劃（「退休計劃」），據此，本集團須向退休計劃供款，供款額為合資格僱員薪金之21%至22%。地方政府機關須負責向退休僱員支付全數退休金，其乃按基本薪金之若干百分比計算。

34. 以股份為基礎之付款交易

本公司實行一項於二零零一年七月三十日採納之購股權計劃（「購股權計劃」）。根據購股權計劃之條款，董事可全權酌情邀請本集團全職僱員（包括本公司或其任何附屬公司之董事），接納購股權以認購股份。

根據本計劃，任何時候可能授出之購股權（連同已行使購股權及當時尚未行使之購股權）所涉及之最高股份總數，連同根據本公司任何其他涉及就股份發出或授出購股權或為合資格參與者利益而設之其他計劃所涉及之任何股份合計時，不得超過相當於本公司於採納日期之已發行股本之10%之股份數目（「計劃授權上限」）。就計算計劃授權上限而言，根據本計劃之條款失效之購股權將不會計算在內，惟本公司重新取得股東批准重訂10%限制除外，惟根據購股權計劃可予授出之購股權連同根據該計劃及任何其他計劃已授出及尚未行使之任何購股權所涉及之最高股份數目不得超過不時已發行股份之30%。

34. SHARE-BASED PAYMENT TRANSACTION (CONTINUED)

(a) The terms and conditions of the grants that exists as at year end are as follows, whereby all options are settled by physical delivery of shares:

34. 以股份為基礎之付款交易(續)

(a) 於年終存在之授出條款及條件如下，而所有購股權乃據此透過實質交付股份結算：

		Exercise price per share	Outstanding at 1.1.2012	Number of options		Vesting conditions
				Lapsed during the year	Outstanding at 31.12.2012	
		每股行使價	未獲行使	於年內失效	未獲行使	歸屬條件
		HK\$	'000		'000	
		港元	千份		千份	
Options granted to directors:	授予董事之購股權：					
– 29 June 2009	– 二零零九年六月二十九日	32.40	85,367	(85,367)	–	No vesting condition 並無任何歸屬條件
– 4 June 2010	– 二零一零年六月四日	17.90	161,249	(161,249)	–	No vesting condition 並無任何歸屬條件
Options granted to employees:	授予僱員之購股權：					
– 29 June 2009	– 二零零九年六月二十九日	32.40	28,456	–	28,456	No vesting condition 並無任何歸屬條件
– 4 June 2010	– 二零一零年六月四日	17.90	161,249	(18,969)	142,280	No vesting condition 並無任何歸屬條件
Total share options granted	已授出購股權總數		436,321	(265,585)	170,736	

Upon the Share Consolidation has been effective, the exercise prices of the options and the numbers of shares falling to be allotted in respected of the options were adjusted.

The options granted on 4 June 2010 have a contractual life from 4 June 2010 to 3 June 2020. The options granted on 29 June 2009 have a contractual life from 29 June 2009 to 28 June 2019.

於股份合併生效後，購股權之行使價及因購股權而將予配發之股份數目已經調整。

於二零一零年六月四日授出之購股權之合約期限為二零一零年六月四日至二零二零年六月三日。於二零零九年六月二十九日授出之購股權之合約期限為二零零九年六月二十九日至二零一九年六月二十八日。

34. SHARE-BASED PAYMENT TRANSACTION (CONTINUED)

(b) The number and weighted average exercise prices of share options are as follows:

34. 以股份為基礎之付款交易(續)

(b) 購股權之數目及加權平均行使價如下：

		2012 二零一二年		2011 二零一一年	
		Weighted average exercise price 加權平均 行使價	Number of options 購股權數目 '000 千份	Weighted average exercise price 加權平均 行使價	Number of options 購股權數目 '000 千份
Outstanding at the beginning of the period	於期初尚未行使	HK\$2.057 2.057港元	4,600	HK\$0.435 0.435港元	28,300
Effect on Share Consolidation	股份合併之影響	HK\$1.851 1.851港元	431,721	HK\$0.348 0.348港元	(22,640)
Forfeited during the period	於期內已沒收	HK\$22.561 22.561港元	(265,585)	HK\$2.682 2.682港元	(1,060)
Exercisable at the end of the period	於期終可予行使	HK\$20.317 20.317港元	170,736	HK\$2.057 2.057港元	4,600

The 28,456,000 options and 142,280,000 options outstanding at 31 December 2012 had an exercise price of HK\$32.40 and HK\$17.90 respectively. Their weighted average remaining contractual life are 6.5 and 7.5 years respectively (2011: 7.5 and 8.5 years).

於二零一二年十二月三十一日，28,456,000份購股權及142,280,000份尚未行使購股權之行使價分別為32.40港元及17.90港元。該等購股權之剩餘加權平均合約期限分別為6.5年及7.5年(二零一一年：7.5年及8.5年)。

(c) Fair value of share options and assumptions

The fair value of services received in return for share options grants is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a Black-Scholes Option Pricing Model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the Black-Scholes Option Pricing Model.

(c) 購股權之公平值及假設

以授出購股權作回報而獲取服務之公平值乃經參考所授出購股權之公平值計量。所授出購股權之公平值估計乃按柏力克-舒爾斯期權定價模式計量。購股權之合約年期會用作此模式之輸入數據。預期提早行使乃計入柏力克-舒爾斯期權定價模式。

34. SHARE-BASED PAYMENT TRANSACTION (CONTINUED)

(c) Fair value of share options and assumptions (Continued)

FAIR VALUE OF SHARE OPTIONS AND ASSUMPTIONS

34. 以股份為基礎之付款交易(續)

(c) 購股權之公平值及假設(續)

購股權之公平值及假設

Date of offer to grant options	提呈授出購股權日期	4 June 2010 二零一零年 六月四日	29 June 2009 二零零九年 六月二十九日
Fair value at measurement date	於計量日期之公平值	HK\$0.091 0.091港元	HK\$0.254 0.254港元
Share price at granted date	於授出日期之股價	HK\$0.300 0.300港元	HK\$0.600 0.600港元
Exercise price	行使價	HK\$17.90 17.90港元	HK\$32.40 32.40港元
Expected volatility (represents the 52-week weekly volatility)	預期波幅(指52個星期之每週波幅)	67.64%	110%
Options life	購股權年期	10 years 10年	10 years 10年
Expected dividends	預期股息	n/a 不適用	n/a 不適用
Risk-free interest rate (based on Exchange Fund Note)	無風險利率 (按外匯基金票據為基準)	0.38%	0.11%

The expected volatility is based on the historic volatility (representing the 52-week weekly return on the Company's share). According to the dividend policy of the Company, no dividend yield is adopted in the above valuation. There was no service condition or market condition associated with the share options granted.

預期波幅乃根據過往波幅(指本公司股份於52個星期之每周回報)而釐定。根據本公司之股息政策,上述估值並無採納任何股息率。概無任何與所授出購股權相關之服務條件或市場條件。

35. DISPOSAL OF DISCONTINUED OPERATIONS**(a) For the year ended 31 December 2012**

The effect on the financial position, the total considerations received and gain on disposal of the Dragon Gain Group and Circle One Group are as follows:

35. 出售已終止業務

(a) 截至二零一二年十二月三十一日止年度財務狀況、所收取之總代價及出售龍盈集團及Circle One集團之影響如下：

		As at the date of disposal		
		於出售日期		
		Dragon Gain Group	Circle One Group	Total
		龍盈集團	Circle One 集團	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Property, plant and equipment	物業、廠房及設備	3,015	290	3,305
Intangible assets	無形資產	37,603	—	37,603
Trade and other receivables	貿易及其他應收款項	1,596	10	1,606
Cash and cash equivalents	現金及現金等值物	5	27	32
Trade and other payables	貿易及其他應付款項	(24,050)	(1,063)	(25,113)
		18,169	(736)	17,433
Non-controlling interests	非控股權益	(2,462)	—	(2,462)
Derecognition of derivative financial instruments	終止確認衍生 金融工具			
— put option	— 認股期權	38,919	—	38,919
— call option	— 認股期權	(212)	—	(212)
Exchange reserve released	匯兌儲備解除	(5,330)	55	(5,275)
(Loss)/gain on disposal of discontinued operations	出售已終止業務 (「虧損」)/收益	(5,330)	683	(4,647)
Total consideration	總代價	43,754	2	43,756
Satisfied by:	支付方式：			
Consideration received	所收取代價	7,000	1	7,001
Consideration to be received	將予收取代價	42,200	—	42,200
		49,200	1	49,201
Net cash inflow arising on disposal:	出售產生之現金流入 淨額：			
Cash consideration	現金代價	7,000	1	7,001
Bank balances and cash disposed of	所出售之銀行結餘 及現金	(5)	(27)	(32)
		6,995	(26)	6,969

The impact of the disposal group on the Group's result and cash flows in the current and prior periods is disclosed in note 11.

出售集團對本集團於本期間及過往期間之業績及現金流量之影響於附註11披露。

35. DISPOSAL OF DISCONTINUED OPERATIONS (CONTINUED)

(b) For the year ended 31 December 2011

On 30 March 2011, Mega Field International Limited, a wholly owned subsidiary of the Company, entered into a sale and purchase agreement with Mr. Au Chi Kong for the disposal of the Group's 65% equity interests in Wisdom In Holdings Limited and the loan due from Wisdom In Holdings Limited and its subsidiaries to Mega Field International Limited at an aggregate consideration of HK\$2,300,000.

35. 出售已終止業務(續)

(b) 截至二一一年十二月三十一日止年度於二零一一年三月三十日，本公司全資附屬公司偉大國際有限公司與Au Chi Kong先生訂立買賣協議，以出售本集團於Wisdom In Holdings Limited之65%股權以及Wisdom In Holdings Limited及其附屬公司結欠偉大國際有限公司之貸款，總代價為2,300,000港元。

		As at the date of disposal 於出售日期 HK\$'000 千港元
NET LIABILITIES DISPOSED OF	所出售負債淨值	
Property, plant and equipment	物業、廠房及設備	1,688
Intangible assets	無形資產	8,330
Trade and other receivables	貿易及其他應收款項	2,651
Cash and cash equivalents	現金及現金等值物	339
Other loan	其他貸款	(27,993)
Trade and other payables	貿易及其他應付款項	(16,104)
Deferred tax liabilities	遞延稅項負債	(655)
		(31,744)
Non-controlling interests	非控股權益	12,647
Exchange reserve released	匯兌儲備解除	4,725
Gain on disposal of discontinued operations (note 11)	出售已終止業務收益(附註11)	16,672
Total consideration	總代價	2,300
Satisfied by:	支付方式：	
Cash	現金	2,300
Net cash outflow arising on disposal:	出售產生之現金流出淨額：	
Cash consideration	現金代價	2,300
Bank balances and cash disposed of	所出售之銀行結餘及現金	(339)
		1,961

The impact of the disposal group on the Group's results and cash flows in the current and prior periods is disclosed in note 11.

出售集團對本集團於本期間及過往期間之業績及現金流量之影響於附註11披露。

36. ACQUISITION OF SUBSIDIARIES**(a) Acquisition in 2012**

On 29 February 2012, the Group acquired the entire share capital of the Creative Star Limited (the “Creative Star”) from an independent third party. The total consideration paid for the acquisition of Creative Star was HK\$20,000,000. Upon the acquisition, Creative Star and become a wholly owned subsidiary of the Group. Creative Star is an investing holding incorporated in Vanuatu with limited liabilities and held as to 60% of equity interest of Hong Kong Marketing Service Limited (“Hong Kong Marketing”) which is incorporated in Hong Kong with limited liabilities. The principle activities of Hong Kong Marketing is engaged in product advertising and promotion, marketing agency and planning, function organization and media project services.

The net assets acquired in the transaction are as follows:

36. 收購附屬公司**(a) 二零一二年之收購**

於二零一二年二月二十九日，本集團自獨立第三方收購建星有限公司(「建星」)全部已發行股本，收購建星所支付之總代價為20,000,000港元。完成後，建星成為本集團全資附屬公司。建星為一家投資控股公司及於瓦努阿圖註冊成立之有限公司，並持有於香港註冊成立之有限公司Hong Kong Marketing Service Limited(「Hong Kong Marketing」)之60%股本權益。Hong Kong Marketing之主要業務為產品廣告及推廣、營銷代理及計劃、項目統籌及媒體項目服務。

於交易中所收購資產淨值如下：

		Fair value 公平值 HK\$'000 千港元
Net liabilities acquired:	已收購負債淨值：	
Property, plant and equipment	物業、廠房及設備	184
Trade other receivables	貿易及其他應收款項	1,801
Cash and bank balances	現金及銀行結餘	1
Trade and other payables	貿易及其他應付款項	(2,640)
		(654)
Non-controlling interest	非控股權益	252
Goodwill	商譽	20,402
Total consideration	總代價	20,000
Total consideration satisfied by:	以下列償付總代價：	
Cash	現金	20,000
Analysis of the net cash outflow in respect of the acquisition:	有關收購之現金流出淨額分析如下：	
Consideration settled in cash	以現金償付之代價	(20,000)
Investment disposal paid in 2011	於二零一一年已付出售投資	5,000
Cash and cash equivalent acquired	所收購之現金及現金等值物	1
Net outflow of cash and cash equivalents in respect of acquisition of subsidiary	有關收購附屬公司之現金及現金等值物之流出淨額	(14,999)

36. ACQUISITION OF SUBSIDIARIES (CONTINUED)

(b) Acquisition in 2011

(1) ACQUISITION OF INTANGIBLE ASSETS THROUGH ACQUISITION OF A SUBSIDIARY

On 18 April 2011, the Group acquired the entire issued share capital of Dragon Gain Worldwide Limited (“Dragon Gain”) from three independent third parties. The total consideration paid for the acquisition of Dragon Gain was HK\$41,000,000. Dragon Gain is an investment holding company, incorporated in the British Virgin Islands with limited liability, and held as to 51% of the shares of Creative Works Limited (“Creative Works”). Creative Works is incorporated in Hong Kong with limited liability. A non-exclusive license for adaption of a famous Chinese novel called “Born to be Hero” (天龍八部) as stage drama to be performed worldwide (excluding Japan) for a period until 31 December 2015 has been granted to Creative Works by its author Mr. Louis Cha Leung Yung (also known by his pen name as Jin-yung 金庸). Other than developing the said stage drama under non-exclusive license, Creative Works has not conducted any business activity before acquisition.

The consideration was satisfied by the Group in the following manner:

- (i) as to HK\$2,500,000 by cash; and
- (ii) as to HK\$38,500,000 by allotment of 145,283,018 shares of HK\$0.01 each in its ordinary share capital at the issue price of HK\$0.265 per share. At the completion date, the fair value of the consideration shares totalling HK\$37,047,170 is based on HK\$0.255 per share, being market price of the shares of the Company as at completion date.

The consideration includes a put option granted by the vendor to the Group and a call option granted by the Group to the vendor as detailed in note 17.

36. 收購附屬公司(續)

(b) 二零一一年之收購

(1) 通過收購一家附屬公司收購無形資產

於二零一一年四月十八日，本集團自三名獨立第三方收購龍盈國際有限公司(「龍盈」)之全部已發行股本。就收購龍盈所付之總代價為41,000,000港元。龍盈乃一家投資控股公司，並為於英屬處女群島註冊成立之有限公司，且持有創意文化有限公司(「創意文化」)股份之51%權益。創意文化為一家於香港註冊成立之有限公司。一份有關改編著名中文小說《天龍八部》為將於全球(日本除外)公映之舞台劇且為期直至二零一五年十二月三十一日之非獨定許可證已獲其作者查良鏞先生(筆名為金庸)授予創意文化。除根據非獨家許可證發展上述舞台劇外，創意文化於收購前並無進行任何業務。

本集團以下列方式支付代價：

- (i) 以現金償付2,500,000港元；及
- (ii) 透過按發行價每股0.265港元配發145,283,018股每股面值0.01港元之普通股股份償付38,500,000港元，於完成日期，合共37,047,170港元之代價股份公平值乃根據本公司股份於完成日期之市價每股0.255港元計算。

代價包括由賣方授予本集團之認沽期權以及由本集團向賣方之認購期權，其詳述於附註17。

36. ACQUISITION OF SUBSIDIARIES (CONTINUED)**(b) Acquisition in 2011 (Continued)****(1) ACQUISITION OF INTANGIBLE ASSETS THROUGH ACQUISITION OF A SUBSIDIARY (CONTINUED)**

The net assets acquired in the transaction are as follows:

36. 收購附屬公司(續)**(b) 二零一一年之收購(續)****(1) 通過收購一家附屬公司收購無形資產(續)**

於交易中所收購之淨資產如下：

		Fair value
		公平值
		HK\$'000
		千港元
Net assets acquired:	已收購淨資產：	
Intangible assets (note 15)	無形資產(附註15)	91,668
Other receivable	其他應收款項	11
Non-controlling interests	非控股權益	(44,921)
		46,758
Put option granted to the Group (note 17)	授予本集團之認沽期權(附註17)	7,104
Call option granted by the Group (note 17)	由本集團授出之認購期權(附註17)	(14,315)
		39,547
Total consideration satisfied by:	以下列方式償付總代價：	
Fair value of the consideration shares as at the completion date	代價股份於完成日期之公平值	39,547

36. ACQUISITION OF SUBSIDIARIES (CONTINUED)

(b) Acquisition in 2011 (Continued)

(2) ACQUISITION OF ASSOCIATES THROUGH ACQUISITION OF A SUBSIDIARY

On 1 June 2011, the Company acquired the entire share capital of the Solution Gold Limited (the “Solution Gold Acquisition”) for an aggregate consideration of HK\$30,000,000, which shall be satisfied by allotment and issue of 176,470,588 new shares of the Company. The principal activity of Solution Gold Limited was investment holding and has exclusive right to use brand name “Fiorcucci” on or in relation to the marketing and distribution of licensed products.

The net assets acquired in the transaction are as follows:

36. 收購附屬公司(續)

(b) 二零一一年之收購(續)

(2) 通過收購一家附屬公司收購聯營公司

於二零一一年六月一日，本公司收購Solution Gold Limited之全部股本(「Solution Gold收購」)，總代價為30,000,000港元，須以配發及發行176,470,588股本公司新股份之方式清付。Solution Gold Limited之主要業務為控資控股，並有獨家權利於獲特許經營產品上或就該等產品之行銷及分銷使用「Fiorcucci」之品牌名稱。

於交易中所收購之淨資產如下：

		Fair value 公平值 HK\$'000 千港元
Net assets acquired:	已收購淨資產：	
Interests in an associates (note 20)	於聯營公司之權益(附註20)	30,709
Other payable	其他應付款項	(3)
		30,706
Total consideration satisfied by:	以下列方式償付總代價：	
Fair value of the consideration shares as at the completion date	代價股份於完成日期之公平值	30,706

37. FINANCIAL INSTRUMENTS**(a) Financial instruments by category**

The carrying amounts of each of the categories of financial instruments as at the end of each reporting period are as follows:

THE GROUP

37. 金融工具**(a) 按類別分類之金融工具**

於各報告期間結算日各類別之金融工具賬面值如下：

本集團

Financial assets	金融資產	2012 二零一二年		2011 二零一一年	
		Financial assets at fair value through profit or loss 按公平值計入損益之金融資產 HK\$'000 千港元	Loans and receivables 貸款及應收款項 HK\$'000 千港元	Financial assets at fair value through profit or loss 按公平值計入損益之金融資產 HK\$'000 千港元	Loans and receivables 貸款及應收款項 HK\$'000 千港元
Trading security	貿易證券	981	—	—	—
Derivative financial instruments	衍生金融工具	—	—	85,997	—
Trade and other receivables	貿易及其他應收款項	—	61,375	—	13,536
Restricted bank deposits	受限制銀行存款	—	1,721	—	1,728
Cash and cash equivalents	現金及現金等值物	—	4,491	—	37,101
		981	67,587	85,997	52,365

37. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial instruments by category (Continued)

37. 金融工具(續)

(a) 按類別分類之金融工具(續)

		2012 二零一二年	2011 二零一一年	
		Financial liabilities at amortised cost	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost
Financial liabilities	金融負債	按攤銷成本計算之金融負債 HK\$'000 千港元	按公平值計入損益之金融負債 HK\$'000 千港元	按攤銷成本計算之金融負債 HK\$'000 千港元
Interest bearing loan	計息貸款	122,600	—	—
Trade and other payables	貿易及其他應付款項	7,505	—	52,163
Finance lease payables	融資租賃應付款項	26	—	309
Convertible bonds	可換股債券	27,937	50,000	24,505
Promissory notes	承兌票據	—	—	91,895
Derivative financial instruments	衍生金融工具	—	211	—
		158,068	50,211	168,872

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		2012 二零一二年	2011 二零一一年	
		Loans and receivables	Loans and receivables at fair value through profit or loss	Loans and receivables
Financial assets	金融資產	借貸及應收款項 HK\$'000 千港元	按公平值計入損益之金融資產 HK\$'000 千港元	借貸及應收款項 HK\$'000 千港元
Derivative financial instrument	衍生金融工具	—	38,919	—
Amounts due from subsidiaries	應收附屬公司款項	69,253	—	16,241
Other receivables and deposit paid	其他應收款項及已付訂金	52,455	—	5,147
Cash and cash equivalents	現金及現金等值物	2,962	—	34,726
		124,670	38,919	56,114

37. FINANCIAL INSTRUMENTS (CONTINUED)(a) **Financial instruments by category (Continued)**
THE COMPANY (CONTINUED)**37. 金融工具(續)**(a) **按類別分類之金融工具(續)**
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		2012 二零一二年	2011 二零一一年	
		Financial liabilities at amortised cost	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost
Financial liabilities	金融負債	按攤銷成本計算之金融負債 HK\$'000 千港元	按公平值計入損益之金融負債 HK\$'000 千港元	按攤銷成本計算之金融負債 HK\$'000 千港元
Interest bearing loan	計息貸款	122,600	—	—
Other payables	其他應付款項	1,486	—	4,119
Derivative financial instrument	衍生金融工具	—	211	—
Convertible bonds	可換股債券	27,937	50,000	24,505
Promissory notes	承兌票據	—	—	91,895
		152,023	50,211	120,519

37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management

Exposure to credit risk, liquidity risk and market risks arises in the normal course of the Group's business. These risks are mitigated by the Group's financial management policies and practices described below.

(A) CREDIT RISK

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

In respect of trade and other receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 to 180 days from the date of billing. Normally, the Group does not obtain collateral from customers. The impairment losses on bad and doubtful debts account are within management's expectation.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. At the end of reporting period, the Group does not have significant concentration of credit risk.

Further quantitative disclosure in respect of the Group's exposure to credit risk arising from trade and other receivables and investment deposits are set out in notes 22 and 18 respectively.

In respect of deposits with banks, the Group mitigates its exposure to credit risk by placing deposits with financial institutions with established credit ratings.

37. 金融工具(續)

(b) 財務風險管理

本集團於一般業務過程中承受信貸風險、流動資金風險及市場風險。該等風險因下文所述之本集團財務管理政策及慣例而有所減低。

(A) 信貸風險

於二零一二年十二月三十一日，本集團面對之最大信貸風險將由於交易對方未能履行責任而導致本集團出現財務虧損，這風險乃源自綜合財務狀況表所示各已確認金融資產之賬面值。

就貿易及其他應收款項而言，會對需要就若干數額給予信貸之所有客戶個別進行信貸評估。該等評估工作集中於客戶過往償還到期款項之記錄及目前之還款能力，亦考慮該名客戶之特定賬目資料及關於該客戶經營所在經濟環境之賬目資料。貿易應收款項自發出賬單之日起計30至180日內到期應付。一般情況下，本集團並無向客戶取得抵押品。就呆壞賬作出之減值虧損乃於管理層之預計內。

本集團之信貸風險主要受各客戶之個別特性影響。客戶經營所在行業及國家之違約風險亦對信貸風險造成影響，惟影響程度較低。於各報告期間結算日，本集團並無重大集中信貸風險。

有關本集團承受貿易及其他應收款項以及投資訂金所產生信貸風險之進一步量化披露資料分別載於附註22及18。

就銀行存款而言，本集團透過於具有良好信貸評級之財務機構存放存款，減少其承受之信貸風險。

37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(B) LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Group's reputation.

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

37. 金融工具(續)

(b) 財務風險管理(續)

(B) 流動資金風險

流動資金風險指本集團不能於到期時履行其財務責任之風險。本集團管理流動資金之方針為盡可能確保一直具備充裕流動資金，以應付其到期負債，而不會產生不能承受虧損或損害本集團聲譽之風險。

本集團旗下個別營運實體負責本身之現金管理，包括現金盈餘短期投資，及籌措貸款以應付預期現金需求，惟倘借貸超出若干預定授權水平，則須獲母公司董事會批准。本集團之政策為定期監控其流動資金需要及其有否遵守貸款契據，確保維持充裕現金儲備及可即時變現之有價證券以及自主要財務機構獲取足夠已承諾貸款額，藉以應付其短期及較長期之流動資金需要。

37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(B) LIQUIDITY RISK (CONTINUED)

The following table details the remaining contractual maturities at the end of each reporting period of the Group's and the Company's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the statement of financial position date) and the earliest date the Group and the Company can be required to pay:

The Group

		2012 二零一二年					2011 二零一一年			
		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Carrying amount	Total contractual undiscounted cash flow	Within 1 year of on demand	More than 1 year but less than 2 years
		賬面值	合約未貼現現金流量總額	於一年內或按要求	超過一年但少於兩年	超過兩年但少於五年	賬面值	合約未貼現現金流量總額	按要求後的一年內	超過一年但少於兩年
		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
Trade and other payables	貿易及其他應付款項	7,505	7,505	7,505	-	-	52,163	52,163	52,163	-
Finance lease payable	融資租賃應付款項	26	26	26	-	-	1,215	1,353	374	395
Interest bearing loan	計息貸款	122,600	122,600	122,600	-	-	-	-	-	-
Convertible bonds	可換股債券	27,937	27,937	-	27,937	-	74,505	74,505	50,000	24,505
Promissory notes	承兌票據	-	-	-	-	-	91,895	106,686	-	106,686
		158,068	158,068	130,131	27,937	-	219,778	234,707	102,537	131,586

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The Company

		2012 二零一二年					2011 二零一一年			
		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Carrying amount	Total contractual undiscounted cash flow	Within 1 year of on demand	More than 1 year but less than 2 years
		賬面值	合約未貼現現金流量總額	於一年內或按要求	超過一年但少於兩年	超過兩年但少於五年	賬面值	合約未貼現現金流量總額	按要求後的一年內	超過一年但少於兩年
		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
Interest bearing loan	計息貸款	122,600	122,600	122,600	-	-	-	-	-	-
Other payables	其他應付款項	1,486	1,486	1,486	-	-	4,119	4,119	4,119	-
Convertible bonds	可換股債券	27,937	27,937	-	27,937	-	74,505	74,505	50,000	24,505
Promissory notes	承兌票據	-	-	-	-	-	91,895	106,686	-	106,686
		152,023	152,023	124,086	27,937	-	170,519	185,310	54,119	131,191

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37. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (Continued)****(C) MARKET RISK****(i) Currency risk**

The business transactions of the Group conducted during the year were mainly denominated and settled in either RMB or HKD. The Group currently does not have hedging policy in respect of the foreign currency risk. However, management monitors the related foreign currency risk exposure closely and will consider hedging significant foreign currency risk exposure should the needs arises.

Based on the market condition at end of reporting period, the Group determined that it is reasonably possible for RMB to strengthen/weaken by 10% against HKD in the coming twelve months (2011: 10%). Hence, 10% are the sensitivity rates used in the current year when reporting foreign currency risk internally to key management personnel and represent management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes outstanding foreign currency denominated monetary items and based on the assumption that other variables are held constant. A positive number below indicates an increase in profit or equity where RMB strengthens 10% against HKD. For a 10% weakening of RMB against HKD, there would be a comparable impact on the profit or equity, and the balances below would be negative.

37. 金融工具(續)**(b) 財務風險管理(續)****(C) 市場風險****(i) 貨幣風險**

本集團於年內進行之業務交易主要以人民幣或港元列賬及結算。本集團現時並無有關外幣風險之對沖政策。然而，管理層密切監控所面臨之有關外幣風險，並考慮在必要時對沖重大外幣風險。

基於報告期間結束時之市況，本集團認為人民幣兌港元可能於未來十二個月升值／貶值10%（二零一一年：10%）。因此，本年度向主要管理人員內部匯報外匯風險時所採用之敏感度率為10%，代表管理層對匯率可能出現變動作出之合理評估。此項敏感度分析包括以外幣為單位之未結付貨幣項目，假設其他因素並無變動。下列正數數字指當人民幣兌港元升值10%時溢利或權益之增加。當人民幣兌港元貶值10%，溢利或權益將會受到之影響程度相若，而下列結餘將為負數。

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Profit or loss ¹	溢利或虧損 ¹	(39,984)	131,019
Equity ²	權益 ²	(210,832)	(178,233)

Notes:

- (1) This is mainly attributable to the exposure outstanding on receivable and payable denominated in RMB at the end of the reporting period.
- (2) This is mainly attributable to the reserves which are denominated in RMB included in equity at the end of the reporting period.
- (3) In the opinion of the management, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

附註：

- (1) 主要來自於報告期間結束時就以人民幣列賬之應收款及應付款面對之風險。
- (2) 主要來自於報告期間結束時以人民幣計值並計入權益之儲備。
- (3) 管理層認為，敏感度分析未能代表內在外匯風險，原因為於報告期間結束時所面對之風險未能反映年內所面對風險。

37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(C) MARKET RISK (CONTINUED)

(ii) Interest rate risk

Apart from cash and cash equivalents, the interest bearing loan which is at fixed rates, the Group has no significant interest-bearing assets and liabilities. The Group's income, expenses and operating cash flows are substantially independent of changes in market interest rates. Fluctuation of market rates does not have significant impact to operating cash flows.

(D) FAIR VALUES

(i) Financial instruments carried at fair value

The following table presents the carrying value of the financial instruments measured at fair value at the statement of financial position date across the three levels of the fair value hierarchy defined in HKFRS 7, Financial Instruments: Disclosures, with the fair value of each financial instruments categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

- Level 1 (highest level): fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments.
- Level 2: fair values measured using quoted prices in active market for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable data.
- Level 3 (lowest level): fair value measured using valuation techniques in which any significant input is not on based observable market data.

The movement during the year is of derivative financial instruments is shown in note 17.

37. 金融工具(續)

(b) 財務風險管理(續)

(C) 市場風險

(ii) 利率風險

除現金及現金等值物及定息計息貸款借款外，本集團並無重大計息資產及負債。本集團之收入、開支及經營現金流量大致上獨立於市場利率變動。市場利率波動對經營現金流量並無重大影響。

(D) 公平值

(i) 以公平值列賬之金融工具

下表為按公平值計量之金融工具於財務狀況表日期之賬面值，按照香港財務報告準則第7號「金融工具：披露」所界定之公平值架構分為三類級別，每項金融工具之公平值整體按對有關公平值之計量有重大影響之最低輸入級別分類。有關級別之定義如下：

- 級別一（最高級別）：使用交投活躍之市場中相同金融工具之報價（未經調整）計量之公平值。
- 級別二：使用交投活躍之市場中類似金融工具之報價，或所有重要輸入項目皆直接或間接以可觀察市場數據為依據之估值技術計量之公平值。
- 級別三（最低級別）：使用重要輸入項目均不以可觀察市場數據為依據之估值技術計量之公平值。

衍生金融工具於年內之變動列示於附註17。

37. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (Continued)****(D) FAIR VALUES (CONTINUED)**

- (ii) Financial instruments carried at other than fair value
All significant financial assets and liabilities are carried at amounts not materially different from their fair values as at 31 December 2012 and 2011, except for the balances due to a director, a related company and non-controlling interest holders, which are interest-free and have no fixed repayment terms. Given these terms, it is not meaningful to disclose their fair values.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in this entirety.

37. 金融工具(續)**(b) 財務風險管理(續)****(D) 公平值(續)**

- (ii) 並非以公平值列賬之金融工具
於二零一二年及二零一一年十二月三十一日，所有重大金融資產及負債乃按與其公平值並無重大差異之金額列賬，惟應付一名董事款項餘額、應付一家關連公司款項餘額及應付非控股權益持有人款項餘額則除外，有關應付款項為免息且並無固定還款期。基於該等條款，披露該等公平值並無意義。

該公平值層次結構(當中公平值計量乃按整體分類)內的各級別，乃按對整體公平值計量屬重要的最低級別輸入數據而釐定。

		The Group and the Company 本集團及本公司							
		2012 二零一二年				2011 二零一一年			
		Level 1 第一級	Level 2 第二級	Level 3 第三級	Total 總計	Level 1 第一級	Level 2 第二級	Level 3 第三級	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產								
Trading securities	貿易證券	981	—	—	981	—	—	—	—
Derivative Financial Instruments	衍生金融工具	—	—	—	—	—	—	85,997	85,997
		981	—	—	981	—	—	85,997	85,997
Financial liabilities at fair value through profit or loss	按公平值計入損益之財務負債								
Derivative component of convertible bonds	可換股債券之衍生部分	—	—	—	—	—	—	50,000	50,000
Derivative Financial Instruments	衍生金融工具	—	—	—	—	—	—	211	211
		—	—	—	—	—	—	50,211	50,211

37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(F) FAIR VALUE ESTIMATION

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments.

- (i) Derivative financial instruments
The estimate of the fair value of the options is measured using the Binomial Option Pricing Model.

38. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

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 manages capital by regularly monitoring its current and expected liquidity requirement rather than using debt/equity ratio analysis.

37. 金融工具(續)

(b) 財務風險管理(續)

(F) 公平值估計

下文概述在估計金融工具公平值時所使用之主要方法及假設。

- (i) 衍生金融工具
使用二項式期權定價模式計量期權之估計公平值。

38. 資本風險管理

本集團管理資本之主要目標，乃保障本集團能繼續按持續經營基準經營，從而能透過與風險水平相對應之產品及服務定價以及獲得合理成本之融資，繼續為股東創造回報以及使其他權益持有人受惠。

本集團積極定期檢討及管理其資本結構，以在較高股東回報情況下可能伴隨之較高借貸水平與良好資本狀況帶來之好處及保障之間維持平衡，並因應經濟環境變動對資本結構作出調整。

為維持或調整資本結構，本集團或會調整向股東派付之股息金額、向股東退回資本、發行新股份或出售資產，以減少債務。

本集團透過定期監察其目前及預期流動資金需求管理資本，而非採用債務／權益比例分析。

39. COMMITMENTS

At 31 December 2012, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		The Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Within 1 year	一年內	3,181	3,703
Within 5 years and after 1 year	一年後但五年內	13,024	12,006
After 5 years	五年後	2,894	6,367
		19,099	22,076

The Group is the lessee in respect of a number of properties held under operating leases. The leases typically run for an initial period of 2 to 5 years. The leases did not include any extension options. None of the leases include any contingent rentals.

39. 承擔

於二零一二年十二月三十一日，根據不可撤銷經營租賃之日後最低租金付款總額應按下表支付：

本集團為多項根據經營租賃持有之物業之承租人。該等租賃一般初步為期二至五年。租賃不包括任何重續選擇權。租約概不附帶任何或然租金。

40. MATERIAL TRANSACTIONS AND BALANCES WITH RELATED PARTIES**(a) Key management personnel compensation**

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 8 and certain of the highest paid employees as disclosed in note 9, is as follows:

40. 重大關連人士交易及結餘**(a) 主要管理人員之補償**

本集團主要管理人員酬金(包括附註8所披露已付本公司董事之金額及附註9所披露已付若干最高薪僱員之金額)如下：

		The Group 本集團		The Company 本公司	
		2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Short-term employees benefits	短期僱員福利	2,786	6,685	1,599	4,444
Post-employment benefits	退休福利	4	44	12	36
Share-based payment	以股份為基礎之付款	—	—	—	—
		2,790	6,729	1,611	4,480

Total remuneration is included in "staff costs" (see note 6(b)).

酬金總額已計入「員工成本」(見附註6(b))。

40. MATERIAL TRANSACTIONS AND BALANCES WITH RELATED PARTIES (CONTINUED)

40. 重大關連人士交易及結餘(續)

(b) Transactions with other related parties

During the years ended 31 December 2012 and 2011, the Directors consider that the following are related parties of the Group.

(b) 與其他關連人士交易

截至二零一二年及二零一一年十二月三十一日止年度，董事認為以下各方為本集團關連人士。

Name of party 關連方姓名／名稱	Relationship with the Group 與本集團之關係
Ms. Bibi Mariam Maria Cordero ("Ms. Cordero") Bibi Mariam Maria Cordero女士 ([Cordero女士])	Ms. Bibi Mariam Maria Cordero ("Ms. Cordero"), a director of the subsidiary of the Company Bibi Mariam Maria Cordero女士([Cordero女士])為本公司附屬公司之董事
True Regent International Limited ("True Regent") True Regent International Limited ([True Regent])	Ms. Cordero is one of the shareholders of True Regent Cordero女士為True Regent股東之一
Mr. Chin Wing Keung ("Mr. Chin") Chin Wing Keung先生([Chin先生])	The spouse of Mr. Chin is a minority equity holder of the Group Chin先生之配偶為本集團之少數權益持有人
Mr. Chan Chi Kwong ("Mr. Chan") Chan Chi Kwong先生([Chan先生])	The spouse of Mr. Chan is a minority equity holder of the Group Chan先生之配偶為本集團之少數權益持有人

(i) RENTAL EXPENSES TO TRUE REGENT

During the year ended 31 December 2012, no such expenses has been incurred by the Group.

During the year ended 31 December 2011, the Group paid rental expenses of approximately HK\$1,278,200 to True Regent for providing premises and certain audio and video equipment and instruments to the Group.

(i) 支付租賃開支予TRUE REGENT

截至二零一二年十二月三十一日止年度，本集團概無產生任何開支。

截至二零一一年十二月三十一日止年度，本集團支付約1,278,200港元之租賃開支予True Regent以獲提供物業以及若干音響及錄影設備和樂器予本集團。

(ii) RENTAL EXPENSES TO TRUE REGENT

During the year ended 31 December 2012, no such expenses has been incurred by the Group.

During the year ended 31 December 2011, the Group paid rental expenses of approximately HK\$94,500 to Ms. Cordero for providing premises to the Group.

(ii) 支付租賃開支予TRUE REGENT

截至二零一二年十二月三十一日止年度，本集團概無產生任何開支。

截至二零一一年十二月三十一日止年度，本集團支付約94,500港元之租賃開支予Cordero女士以獲提供物業。

40. MATERIAL TRANSACTIONS AND BALANCES WITH RELATED PARTIES (CONTINUED)

(b) Transactions with other related parties (Continued)

(III) ARTISTS MANAGEMENT INCOME FROM TRUE REGENT

During the year ended 31 December 2012, no such expenses has been incurred by the Group.

During the year ended 31 December 2011, the Group received artists management income of approximately HK\$457,000 from True Regent.

(IV) DEVELOPMENT COSTS TO MR. CHIN

During the year ended 31 December 2012, the Group has no development costs incurred for the stage drama (2011: HK\$1,852,000) which have been capitalised to intangible assets.

(V) DEVELOPMENT COSTS TO MR. CHAN

During the year ended 31 December 2012, the Group has no development costs incurred for the stage drama (2011: HK\$1,235,000) which have been capitalised to intangible assets.

(c) Other related party balances

Other than those balances disclosed elsewhere in the consolidated financial statements which is unsecured, interest-free and repayable on demand except otherwise stated, the Group has no other balance with related parties as at 31 December 2012 and 2011.

40. 重大關連人士交易及結餘(續)

(b) 與其他關連人士交易(續)

(III) 自TRUE REGENT之藝人管理獲取收入

截至二零一二年十二月三十一日止年度，本集團概無產生任何開支。

截至二零一一年十二月三十一日止年度，自True Regent收取約457,000港元之藝人管理收入。

(IV) 支付發展成本予CHIN先生

截至二零一二年十二月三十一日止年度，本集團舞台劇並無產生發展成本(二零一一年：1,852,000港元)，其已被資本化至無形資產。

(V) 支付發展成本予CHAN先生

截至二零一二年十二月三十一日止年度，本集團舞台劇並無產生發展成本(二零一一年：1,235,000港元)，其已被資本化至無形資產。

(c) 與其他關連人士之結餘

除綜合財務報表其他部分所披露之該等結餘(為無抵押、免息及按要求償還)外，除非另有說明，本集團於二零一二年及二零一一年十二月三十一日概無其他與關連人士之結餘。

41. ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group's management makes assumptions, estimates and judgements in the process of applying the Group's accounting policies that affect the assets, liabilities, income and expenses in the financial statements prepared in accordance with HKFRS. The assumptions, estimates and judgements are based on historical experience and other factors that are believed to be reasonable under the circumstances. While the management reviews their judgements, estimates and assumptions continuously, the actual results will seldom equal to the estimates.

(a) Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following accounting judgements:

(i) *USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS*

Management determines the estimated useful lives of and related depreciation/amortisation charges for its property, plant and equipment and intangible assets. This estimate is based on the actual useful lives of assets of similar nature and functions. It could change significantly as a result of significant technical innovations and competitor actions in response to industry cycles. Management will increase the depreciation/amortisation charges where useful lives are less than previously estimated lives, or will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

(ii) *GOING CONCERN BASIS*

Management makes an assessment of the Group's ability to continue as a going concern when preparing the consolidated financial statements. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the date of this report. The degree of consideration depends on the facts in each case.

41. 會計估算及判斷

本集團管理層於應用本集團會計政策時作出會影響根據香港財務報告準則所編製之財務報表之資產、負債、收入及開支之假設、估計及判斷。該等假設、估計及判斷乃根據過往經驗及於多個情況下相信為合理之其他因素作出。雖然管理層持續審閱彼等之判斷、估計及假設，惟實際結果很少會與估計相同。

(a) 應用本集團會計政策時所作出之重要會計判斷

在應用本集團之會計政策時，管理層作出以下會計判斷：

(i) *物業、廠房及設備以及無形資產之可使用年期*

管理層釐定其物業、廠房及設備以及無形資產之估計可使用年期以及有關折舊／攤銷費用。該估計乃以相似性質及功能之資產之實際可使用年期為基準。這可能因重大科技創新及競爭對手應對行業周期之行動而大幅改變。倘可使用年期較先前所估計之年限為短，則管理層將增加折舊／攤銷費用，或將撇銷或撇減已棄置或出售之技術過時或非策略性資產。

(ii) *持續經營基準*

管理層在編製綜合財務報表時評估本集團持續經營之能力。在評估持續經營之假設是否恰當時，管理層考慮所有現有有關未來(即至少但不限於自本報告日期起計十二個月內)之資料。考慮程度視乎個別事實之情況而定。

41. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Critical accounting judgements in applying the Group's accounting policies (Continued)

(II) GOING CONCERN BASIS (CONTINUED)

Management believes that the Group is able to continue as a going concern after taking into account the measures, financial supports and the future profitable operations as detailed in note 2(b). Accordingly, management has prepared the consolidated financial statements on a going concern basis. An adverse change in any of the above conditions would require the financial statements to be prepared on an alternative authoritative basis and such basis, together with the fact that the consolidated financial statements is not prepared on a going concern basis, would need to be disclosed. If the Group was unable to continue as a going concern, adjustments relating to the recoverability and classification of recorded asset amounts or classification of liabilities may need to be incorporated into the consolidated financial statements.

(III) INCOME TAXES AND DEFERRED TAXATION

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and certain tax losses are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred tax and tax in the periods in which such estimate is changed.

41. 會計估算及判斷(續)

(a) 應用本集團會計政策時所作出之重要會計判斷(續)

(II) 持續經營基準(續)

經考慮附註2(b)所詳述之措施、財政支援及未來可獲盈利之業務後，管理層相信本集團有能力持續經營。因此，管理層根據持續經營基準編製綜合財務報表。上述任何情況出現不利轉變均須以其他權威性基準編製財務報表，並須披露此基準連同綜合財務報表並非以持續經營基準編製之事實。倘本集團未能持續經營，則可能須於綜合財務報表載入與就已記錄資產金額之可收回性及分類或負債之分類相關之調整。

(III) 所得稅及遞延稅項

本集團須於若干司法權區繳納所得稅。在釐定所得稅撥備時，需要作出重大判斷。在一般業務過程中，有多項交易及計算所涉及之最終稅務釐定均並不確定。本集團根據估計附加稅是否將到期而確認預期稅項事項之負債。倘該等事項之最終稅務結果與最初記錄之金額不同，有關差額將會影響作出此等釐定期間之所得稅及遞延稅項撥備。

凡管理層認為日後可能有應課稅溢利可用作抵銷暫時差額或稅項虧損，則與若干暫時差額及若干稅項虧損有關之遞延稅項資產將予確認。倘預期金額與原定估計不同，則該等差額將會影響該估計出現變動期間之遞延稅項及稅項之確認。

41. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Sources of estimation uncertainty

Key sources of estimation uncertainty are as follows:

(i) IMPAIRMENT OF ASSETS

The Group reviews the carrying amounts of the assets at the end of each reporting date to determine whether there is objective evidence of impairment. When indication of impairment is identified, management prepares discounted future cashflow to assess the differences between the carrying amount and value in use and provided for impairment loss. In determining the value in use of certain assets and liabilities, the Group makes assumptions of the effects of uncertain future events on those assets and liabilities at the statement of financial position date. These estimates involve assumptions about such items as risk adjustment to cash flows or discount rate used, future changes in salaries and future changes in prices affecting other costs. The Group's estimates and assumptions are based on the expectations of future events and are reviewed periodically. Any change in the assumptions adopted in the cash flow forecasts would increase or decrease in the provision of the impairment loss and affect the Group's net asset value.

An increase or decrease in the above impairment loss would affect the net profit in future years.

(ii) FAIR VALUE OF DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments of the Group represented put and call options granted by the vendor of a company acquired by the Group. This requires an initial recognition of the put and call options at its fair value and subsequent measurement at fair value.

In assessing the fair value of the put and call options, the Binomial Option Pricing Model was used. This model is one of the generally accepted methodologies used to calculate the fair value of the put and call options. It requires the input of subjective assumptions. Any changes in these assumptions can significantly affect the estimate of the fair value of the put and call options.

41. 會計估算及判斷(續)

(b) 估計不確定因素之來源

估計不確定因素之主要來源如下：

(i) 資產減值

本集團於各報告期末審閱資產之賬面值，以釐定是否存在客觀減值跡象。倘發現減值跡象，則管理層準備經貼現未來現金流量，以評估賬面值與使用價值之間的差額及作出減值虧損撥備。在釐定若干資產及負債之使用價值時，本集團會假設不明確之未來事件對財務狀況表日期之資產及負債產生之影響。此等估計涉及現金流量或所用貼現率之風險調整、未來薪金變化及影響其他成本之未來價格變動等項目之假設。本集團之估計及假設乃根據對未來事件之預期而作出，並會定期予以檢討。現金流量預測採取之假設之任何變動，將增加或減少減值虧損撥備並影響本集團之資產淨值。

上述減值虧損之增加或減少將影響未來年度之純利。

(ii) 衍生金融工具公平值

本集團之衍生金融工具為本集團所收購之公司之賣方授出之認沽及認購期權。其須按公平值初步確認認沽及認購期權，並於其後以公平值計量。

在評估認沽及認購期權之公平值時，使用了二項式期權定價模式。該模式乃用於計算認沽及認購期權公平值時的公認方法之一。該模式要求輸入主觀性假設。該等假設若出現任何變動，將對認沽及認購期權之公平值估計產生重大影響。

41. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Sources of estimation uncertainty (Continued)

(III) ESTIMATED IMPAIRMENT OF GOODWILL

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value used in the calculation requires the Group to estimate the future cash flows expected to arise from cash-generated unit and a suitable discount rate in order to calculate the present value.

Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2012, the carrying amount of goodwill was approximately HK\$20,402,000 (2011: HK\$14,329,000).

Details of the recoverable amount calculated are disclosed in note 16.

(IV) ALLOWANCE FOR IMPAIRMENT OF BAD AND DOUBTFUL DEBTS

The Group makes allowance for impairment of bad and doubtful debts based on an assessment of the recoverability of trade and other receivables and deposits. Allowances are applied to trade and other receivables and deposits where events or changes in circumstances indicate that the balances may not be collectible. The identification of allowance for impairment of bad and doubtful debts requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact carrying value of receivables and allowance for impairment in the period in which such estimate has been changed.

41. 會計估算及判斷(續)

(b) 估計不確定因素之來源(續)

(III) 商譽之估計減值

釐定商譽是否減值須估計商譽獲分配之現金產生單位之使用價值。計算所使用之數值需要本集團估計預期現金產生單位所產生之未來現金流量及適當之貼現率，以計算現值。

當實際未來現金流量低於預期值時，可能會產生重大減值虧損。於二零一二年十二月三十一日，商譽之賬面價值為20,402,000港元(二零一一年：14,329,000港元)。

有關所計算之可收回金額之詳情於附註16披露。

(IV) 呆壞賬減值撥備

本集團按照貿易及其他應收款項以及訂金之可收回程度評估就呆壞賬減值計提撥備。一旦事件或環境之轉變顯示不大可能收回餘款時，則會將撥備應用於貿易及其他應收款項以及訂金。識別呆壞賬減值撥備需要使用判斷及估計。倘預期金額與原定估計有差異時，則該差額將會影響該估計出現變動期間內之應收賬款及減值撥備之賬面值。

42. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2012

The following Hong Kong Financial Reporting Standards in issue at 31 December 2012 have not been applied in the preparation of the company's consolidated financial statements for the year then ended since they were not yet effective for the annual period beginning on 1 January 2012:

HKAS 19 (2011)
香港會計準則第19號(二零一一年)

Employee Benefits
僱員福利

HKAS 27
香港會計準則第27號

Separate Financial Statements
獨立財務報表

HKAS 28
香港會計準則第28號

Investments in Associates and Joint Ventures
於聯營公司及合營公司之投資

HKFRS 9
香港財務報告準則第9號

Financial Instruments
金融工具

HKFRS 10
香港財務報告準則第10號

Consolidated Financial Statements
綜合財務報表

HKFRS 11
香港財務報告準則第11號

Joint Arrangements
聯合安排

HKFRS 12
香港財務報告準則第12號

Disclosure of Interests in Other Entities
披露於其他實體之權益

HKFRS 13
香港財務報告準則第13號

Fair Value Measurement
公平值計量

HK(IFRIC) — Int 20
香港(國際財務報告詮釋委員會) — 詮釋第20號

Stripping Costs in the Production Phase of a Surface Mine
露天礦場生產期的拆卸成本

Amendments to HKAS 1
香港會計準則第1號(修訂本)

Presentation of Items of Other Comprehensive Income
其他全面收入項目之呈列

Amendments to HKAS 32
香港會計準則第32號(修訂本)

Offsetting Financial Assets and Financial Liabilities
抵銷金融資產及金融負債

Amendments to HKFRS 7
香港財務報告準則第7號(修訂本)

Disclosures — Offsetting Financial Assets and Financial Liabilities
披露 — 抵銷金融資產及金融負債

Amendments to HKFRS 10
香港財務報告準則第10號(修訂本)

Investment Entities
投資實體

Annual improvements to HKFRSs (2009-2011)
香港財務報告準則之年度改進
(二零零九年至二零一一年)

Amendments to HKAS 1, HKAS 16 and HKAS 32
香港會計準則第1號、香港會計準則第16號及香港會計準則
第32號之修訂本

42. 於截至二零一二年十二月三十一日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋之可能影響

下列於二零一二年十二月三十一日頒佈之香港財務報告準則並未應用於編製本公司本年度之綜合財務報表，乃由於其並未於二零一二年一月一日之年度期間生效。

42. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)

The company is required to initially apply these Hong Kong Financial Reporting Standards in its annual consolidated financial statements beginning on 1 January 2013, except that the company is required to initially apply Amendments to HKAS 32 and HKFRS 10 in its annual consolidated financial statements beginning on 1 January 2014 and HKFRS 9 in its annual consolidated financial statements beginning on 1 January 2015.

The Group has commenced an assessment of the impact of these new and amended HKFRSs but is not yet in a position to state whether they would have a significant impact on its results of operations and financial position.

43. NON-ADJUSTING POST BALANCE SHEET EVENTS

Events after the reporting period

- (a) On 26 November 2012, the Group, through its wholly owned subsidiary, Fame Network Limited (“Fame Network”), entered into an agreement with an independent third party for the acquisition of the entire issued share capital of Mass Apex Limited at a consideration of HK\$68 million. The consideration shall be settled by cash of HK\$9,200,000 and promissory note of HK\$58,800,000.

The transaction has not yet been completed up to the date of approval of these financial statements.

- (b) On 28 December 2012, Brilliant Reach Investments Limited (the “Purchaser”), a wholly owned subsidiary of the Group and the original purchaser of 51% of the entire issued share capital of Fountain City Holdings Limited (“Option Shares”), has exercised the Put Option to put back the Option Shares to their original vendor, Diwang Limited (the “Vendor”) at the Option Exercise Price of HK\$58.65 million.

Pursuant to the terms of the Agreement dated 7 October 2010, the Purchaser and the Vendor, completion of putting back the Option Shares from the Purchaser to the Vendor shall take place within 180 days from the date of exercising the Put Option (i.e., on or before 26 June 2013).

42. 於截至二零一二年十二月三十一日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋之可能影響(續)

本公司須自二零一三年一月一日起於其全年綜合財務報表初步應用此等香港財務報告準則，惟本公司須自二零一四年一月一日起於其全年綜合財務報表初步應用香港會計準則第32號及香港財務報告準則第10號之修訂本，而自二零一五年一月一日起於其全年綜合財務報表初步應用香港財務報告準則第9號。

本集團已就該等新訂及經修訂香港財務報告準則之影響展開評估，惟未能指出該等準則是否對本集團經營業績及財務狀況構成重大影響。

43. 非調整性結算日後事項

報告期間後事項

- (a) 於二零一二年十一月二十六日，本集團透過其全資附屬公司Fame Network Limited(「Fame Network」)與一名獨立第三方訂立協議，以按代價68,000,000港元收購Mass Apex Limited全部已發行股本。代價以現金9,200,000港元及承兌票據58,800,000港元清付。

截至有關財務報表獲批准日期，是項交易尚未完成。

- (b) 於二零一二年十二月二十八日，本集團全資附屬公司Brilliant Reach Investments Limited(「買方」)及擁有泉城控股有限公司全部已發行股本51%(「期權股份」)之原買方已行使認股期權向彼等原賣方Diwang Limited(「賣方」)售回期權股份，期權行使價為58,650,000港元。

根據日期為二零一零年十月七日之協議條款，買方向賣方售回期權股份應於行使認股期權日期(於二零一三年六月二十六日或之前)起計180日內完成。

43. NON-ADJUSTING POST BALANCE SHEET EVENTS (CONTINUED)

Events after the reporting period (Continued)

- (c) On 8 January 2013, the Company and the Noteholder entered into the Extension Agreement to amend the Conditions relating to (i) the maturity date of the Convertible Note by extension of one year to 28 March 2014; (ii) interest by providing interest of 2% per annum on the outstanding principal of the Convertible Note and related provisions on the extinction of rights to repayment, interest on conversion amount, early redemption by the Company and non-payment; (iii) the right to convert into Shares by changing it from 5% to 29.9%; (iv) the public float restriction by adding new Condition and (v) the Conversion Price by changing it to HK\$0.50 per Conversion Share.

As at 31 December 2012, the aggregate outstanding principal amount of the Convertible Note of approximately HK\$27,937,000 which is legally and beneficially owned by the Noteholder. The transaction has not yet been completed up to the date of approval of these financial statements.

- (d) On 5 February 2013, the Company entered into the Underwriting Agreement with the Underwriter in relation to the underwriting and the relevant arrangements in respect of the Open Offer, on a fully underwritten basis. The Company proposes to raise not less than approximately HK\$65,600,000 and not more than approximately HK\$65,800,000 before expenses by issuing not less than 131,294,226 Offer Shares and not more than 131,635,698 Offer Shares at the Offer Price of HK\$0.50 per Offer Share on the basis of two Offer Shares for every one existing Share held on the Record Date and payable in full on acceptance.

The transaction has not yet been completed up to the date of approval of these financial statements.

43. 非調整性結算日後事項(續)

報告期間後事項(續)

- (c) 於二零一三年一月八日，本公司及票據持有人訂立延期協議，以修訂下列條件(i)延長可換股票據到期日一年至二零一四年三月二十八日；(ii)就可換股票據尚未償還本金額提供每年2厘利息計息及有關取消還款權之條文、換股金額之利息、本公司提早贖回以及毋須付款；(iii)轉換股份權利由5%改為29.9%；(iv)藉加入新條件之公眾持股量限制；及(v)換股價改為每股換股股份0.50港元；

於二零一二年十二月三十一日，可換股票據尚未償還本金總額為約27,937,000港元，該金額為票據持有人合法實益擁有。截至有關財務報表獲批准日期，是項交易尚未完成。

- (d) 於二零一三年二月五日，本公司與包銷商訂立包銷協議，內容有關按悉數包銷基準就公开发售進行包銷及作出相關安排。本公司建議按於記錄日期每持有一股現有股份獲發兩股發售股份之基準，以每股發售股份0.50港元發行不少於131,294,226股但不多於131,635,698股發售股份(須於接納時繳足)之方式籌集不少於約65,600,000港元及不多於約65,800,000港元。

截至有關財務報表獲批准日期，是項交易尚未完成。

43. NON-ADJUSTING POST BALANCE SHEET EVENTS (CONTINUED)

Events after the reporting period (Continued)

- (e) On 5 February 2013, the Board has determined by resolution to propose to the Shareholders to increase the authorised share capital of the Company from HK\$100,000,000 to HK\$1,000,000,000 by the creation of 1,800,000,000 new Shares of HK\$0.50 each and shall convene a meeting of the Shareholders to pass an ordinary resolution to approve the increase of the authorized share capital of the Company.

The transaction has not yet been completed up to the date of approval of these financial statements.

44. LITIGATION

- (a) Reference is made to the announcements of the Company dated 27 May 2012, 6 June 2012, 14 June 2012 and 3 August 2012 (“the Announcements”) in relation to the HK\$50 million Convertible Bonds issued by the Company on 28 October 2011 to Sun Finance Co., Ltd. (“Sun Finance”).

On 17 May 2012, Sun Finance served a statutory demand on the Company pursuant to s.177 & 178 of the Companies Ordinance demanding for a sum of HK\$54,975,000 (“the Statutory Demand”).

On 6 June 2012, the Company obtained from the Court of First Instance of the High Court in the proceedings of HCMP 1121/2012 an Ex Parte injunction order (“the Injunction Order”) that, amongst other things, Sun Finance be restrained, whether by itself or by its officers, servants or agents, or otherwise howsoever, from presenting and/or issuing winding-up petition against the Company upon or in respect of the Statutory Demand, whether for or on the basis of the non-satisfaction or otherwise of the said demand, until after the hearing of the Inter-Partes Summons on 15 June 2012 at 9:30 a.m. before a Summons Judge or until further order meanwhile.

43. 非調整性結算日後事項(續)

報告期間後事項(續)

- (e) 於二零一三年二月五日，董事會決定向股東提呈決議案，藉增設1,800,000,000股每股0.50港元新股份，將本公司法定股本由100,000,000港元增加至1,000,000,000港元，並召開股東大會以通過普通決議案批准增加本公司法定股本。

截至有關財務報表獲批准日期，是項交易尚未完成。

44. 訴訟

- (a) 茲提述本公司日期為二零一二年五月二十七日、二零一二年六月六日、二零一二年六月十四日及二零一二年八月三日之公佈(「該等公佈」)，內容有關本公司於二零一一年十月二十八日向太陽國際金融有限公司(「太陽金融」)發行50,000,000港元之可換股債券。

於二零一二年五月十七日，太陽金融根據公司條例第177及178條向本公司送達要求支付54,975,000港元之法定繳費通知書(「法定通知書」)。

於二零一二年六月六日，本公司接獲高等法院原訟法庭就聆訊二零一二年第1121號發出之單方面禁制令(「禁制令」)，有關(其中包括)禁止太陽金融(不論由其本身或其高級人員、受僱人員或代理人或以其他方式)向本公司就或有關法定通知書提出及/或發出清盤呈請，不論是由於或基於並無履行上述通知書或其他原因，直至二零一二年六月十五日上午九時三十分傳票法官聽取各方之間的傳訊或直至作出進一步指令。

44. LITIGATION (CONTINUED)

(a) (Continued)

On 3 August 2012, the Company reached a full and final settlement with Sun Finance in respect of the Court Application and all of the claims by Sun Finance against the Company arising from the Bonds, the Instrument and the Statutory Demand by virtue of a Settlement Agreement dated 3 August 2012 (“the Settlement Agreement”). The parties also signed and submitted to the Court a Consent Order on 6 August 2012 in respect of the proceedings of HCMP 1121/2012 (“the Consent Order”). Pursuant to the Settlement Agreement and the Consent Order, (i) the Company paid a sum of HK\$56,885,245.90 to Sun Finance in full settlement of the principal amount of HK\$50 million of the Bonds and the interest accrued thereon up to and including 2 August 2012 whereupon all liabilities of the Company towards Sun Finance arising from the Bonds, the Instrument and the Statutory Demand shall be discharged; and (ii) the Court Application shall be stayed.

On 3 August 2012, the Company reached a Settlement Agreement with Sun Finance and made a further drawdown under the Loan Facility in an amount of HK\$65 million and paid a sum of HK\$56,885,245.90 of which to Sun Finance in full settlement of the principal amount of HK\$50 million and the interest accrued thereon up to and including 2 August 2012 whereupon all liabilities of the Company towards Sun Finance were discharged.

- (b) On 10 October 2012, a writ of summon (the “Writ”) was served on the Company. The Writ was issued on 21 September 2012 by Song Zizhang (the “Plaintiff”) against: Cheung Man Yau, Timothy as 1st defendant, Glorison Development Limited as 2nd defendant and the Company as 3rd defendant.

44. 訴訟(續)

(a) (續)

於二零一二年八月三日，本公司透過日期為二零一二年八月三日之和解協議（「和解協議」）就法庭申請及太陽金融向本公司提出因債券、文據及法定通知書產生之全部索償，與太陽金融達成全面最終和解。各訂約方亦於二零一二年八月六日就聆訊二零一二年第1121號簽訂及向法庭提交同意令（「同意令」）。根據和解協議及同意令，(i)本公司已向太陽金融支付56,885,245.90港元之款項，作為全數支付債券之本金額50,000,000港元連同截至二零一二年八月二日（包括該日）止應計之利息，此後，本公司就債券、文據及法定通知書結欠太陽金融之所有負債將予解除；及(ii)法庭申請將予擱置。

於二零一二年八月三日，本公司與太陽金融達成和解協議並進一步提取貸款融資項下金額65,000,000港元，並已向太陽金融支付56,885,245.90港元之款項，其中全數支付本金額50,000,000港元連同截至二零一二年八月二日（包括該日）止累計之利息，此後，本公司就結欠太陽金融之所有負債將予解除。

- (b) 於二零一二年十月十日，本公司獲送達一份傳召令狀（「傳召令狀」）。傳召令狀乃由宋子章（「原告人」）於二零一二年九月二十一日對張晚有（作為第一被告人）、Glorison Development Limited（作為第二被告人）及本公司（作為第三被告人）發出。

44. LITIGATION (CONTINUED)

(b) (Continued)

Pursuant to the Writ, the Plaintiff claims, among other things, against the Company for (i) a declaration that the Company do cause the transfer of all TLT Services (Shanghai) Limited's shares (the "Shares") to the Plaintiff; and (ii) an order that the Company do transfer or cause to transfer the Licence (the "Licenses", defined in the statement of Claim indorsed to the Writ as to mean the two licenses for the purposes of permission to operate add-value mobile business and permission to use recharging and access code of short message services in China obtained by Shanghai Tang Road Communication Company Limited (whose name was later changed to TLT (Shanghai) Limited)).

The board of the directors of the Company is of the view that the Plaintiff's claims against the Company under the Writ are unfounded and the Company has retained solicitors to defend the Plaintiff's claims against the Company under the Writ.

It was stated in the Announcement that the Board was of the view that the Plaintiff's claims against the Company under the Writ were unfounded.

On 13 December 2012, the Company has applied to the High Court to strike out the Plaintiff's claim against the Company under the Writ and hearing of the application is scheduled on 22 May 2013.

Details of the transaction were published in the Company's announcement dated 13 March 2013.

45. COMPARATIVE FIGURES

Certain comparative figures have been re-presented to conform to current year's presentation.

46. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 25 March 2013.

44. 訴訟(續)

(b) (續)

根據傳召令狀，原告人就(其中包括)(i)聲明本公司須安排將上海唐路科技服務有限公司所有股份(「股份」)轉讓予原告人；及(ii)下令本公司須轉讓或安排轉讓特許權(「特許權」，按背書於傳召令狀之索償書之定義，其指上海唐路文化傳播有限公司(其後更改名稱為上海唐路科技有限公司)已取得批准經營增值流動業務及批准於中國使用充值及短訊服務登入碼之兩項特許權)向本公司提出申索。

本公司董事會認為，原告人根據傳召令狀向本公司提出之申索並無根據，故本公司已聘用律師就原告人根據傳召令狀對本公司提出之申索作出抗辯。

根據公佈所述，董事會認為，原告人根據傳召令狀向本公司提出之申索並無根據。

於二零一二年十二月十三日，本公司向高等法院提出申請，以駁回原告人根據傳召令狀向本公司提出之申索，該申請之聆訊訂於二零一三年五月二十二日進行。

交易詳情已刊載於日期為二零一三年三月十三日之本公司公佈內。

45. 比較數字

若干比較數字已重新呈列，以符合本期間之呈列方式。

46. 批准財務報表

本財務報表已於二零一三年三月二十五日經董事會批准及授權刊發。

