



FOREFRONT GROUP LIMITED

福方集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號: 885)



Annual Report 年報
2012

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors:

Mr. Yeung Ming Kwong^{#^} (*Chairman*)
Ms. Lo Oi Kwok, Sheree
Mr. Wen Louis

Independent Non-Executive Directors:

Mr. Chung Yuk Lun^{*#}
Ms. Lam Yan Fong, Flora^{*#^}
Mr. Pak William Eui Won^{*#^}

* *Member of Audit Committee*
Member of Remuneration Committee
^ *Member of Nomination Committee*

COMPANY SECRETARY

Mr. Chui Kark Ming

REGISTERED OFFICE

P.O. Box 309, Uglan House,
South Church Street, George Town,
Grand Cayman, Cayman Islands,
British West Indies

PRINCIPAL PLACE OF BUSINESS

Room 1103, 11/F., China United Centre,
28 Marble Road, North Point,
Hong Kong

AUDITOR

Mazars CPA Limited
Certified Public Accountants
42nd Floor, Central Plaza,
18 Harbour Road,
Wan Chai,
Hong Kong

PRINCIPAL BANKER

Standard Chartered Bank (Hong Kong) Limited

董事會

執行董事：

楊明光先生^{#^} (主席)
羅愛過女士
溫耒先生

獨立非執行董事：

鍾育麟先生^{*#}
林欣芳女士^{*#^}
Pak William Eui Won先生^{*#^}

* 審核委員會成員
薪酬委員會成員
^ 提名委員會成員

公司秘書

崔格鳴先生

註冊辦事處

P.O. Box 309, Uglan House,
South Church Street, George Town,
Grand Cayman, Cayman Islands,
British West Indies

主要營業地點

香港
北角馬寶道28號
華滙中心11樓1103室

核數師

瑪澤會計師事務所有限公司
執業會計師
香港
灣仔
港灣道18號
中環廣場42樓

主要往來銀行

渣打銀行(香港)有限公司

Corporate Information 公司資料

CAYMAN ISLAND LEGAL ADVISERS

Maples and Calder Asia
53rd Floor, The Centre,
99 Queen's Road Central,
Hong Kong

Conyers Dill & Pearman
2901 One Exchange Square
8 Connaught Place, Central
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
26/F., Tesbury Centre,
28 Queen's Road East, Wan Chai
Hong Kong

STOCK CODE

885

COMPANY WEBSITE

www.forefront.com.hk

開曼群島法律顧問

Maples and Calder Asia
香港
皇后大道中99號
中環中心53樓

Conyers Dill & Pearman
香港
中環康樂廣場8號
交易廣場第一座2901室

香港股份過戶登記分處

卓佳登捷時有限公司
香港
灣仔皇后大道東28號
金鐘匯中心26樓

股份代號

885

公司網址

www.forefront.com.hk

Chairman's Statement & Management Discussion and Analysis

主席報告以及管理層討論及分析

On behalf of the board of directors (the "Board") of Forefront Group Limited (the "Company"), I would like to present the annual report of the Company and its subsidiaries (the "Group") for the year ended 31 December 2012.

BUSINESS REVIEW AND PROSPECTS

FINANCIAL RESULTS

The Group's audited consolidated net loss for the year was approximately HK\$41.88 million (2011: net loss of approximately HK\$329.31 million). The net asset value of the Group decreased from approximately HK\$954.84 million as at 31 December 2011 to approximately HK\$951.11 million as at 31 December 2012. The net loss was mainly attributed to the unrealised loss from securities trading and an impairment loss on assets held by a disposal group.

FINAL DIVIDEND

The Board of Directors does not recommend the payment of a final dividend for the year.

BUSINESS REVIEW

Logistic Services

The Group through its indirect wholly-owned subsidiary invests 40% issued share capital of Golden Fame International Investments Group Limited ("GFIIGL") since 13 September 2007. The Company's interest in GFIIGL was treated as an interest in associates. GFIIGL provides various logistic services in Hong Kong and the PRC including third party logistics, freight forwarding, airline general sales agency, supply chain management, river trade shipping and terminal stevedoring.

本人謹代表福方集團有限公司(「本公司」)董事會(「董事會」)提呈本公司及其附屬公司(「本集團」)截至二零一二年十二月三十一日止年度之年報。

業務回顧及前景

財務業績

本集團之年內經審核綜合虧損淨額約為41,880,000港元(二零一一年:虧損淨額約329,310,000港元)。本集團之資產淨值由二零一一年十二月三十一日約954,840,000港元下降至二零一二年十二月三十一日約951,110,000港元。虧損淨額主要源自證券買賣之未變現虧損及出售集團所持資產之減值虧損。

末期股息

董事會不建議派付本年度之末期股息。

業務回顧

物流服務

本集團自二零零七年九月十三日起透過其間接全資附屬公司投資於金信環球投資集團有限公司(「金信」)已發行股本之40%。本公司於金信之權益被視為於聯營公司之權益。金信在香港及中國提供各類物流服務,包括第三方物流、貨運、一般航空銷售代理、供應鏈管理、內河貨運及碼頭裝卸。

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During the year under review, the overall operation performance of GFIIGL has been able to sustain at a level similar to that for the year in 2011, relatively undeterred by a weak economic recovery in the United States, the ongoing Euro crisis and low global trade. Subsequent to the mild decrease in business in the first half of 2012, the turnover has improved during the rest of 2012 as the result of the increase in throughput volume and usage of integrated logistics freight services. However, it was mainly due to group restructuring and additional costs that incurred for listing application at the Growth Enterprise Market ("GEM") board market of The Stock Exchange of Hong Kong Limited ("HKEx"), a profit of approximately HK\$0.28 million was shared by the Group as a result. Subject to market trends and conditions, it is expected that the result of GFIIGL for the coming year would remain stable.

As informed by GFIIGL to the Company, GFIIGL and its subsidiaries intend to list on the GEM of the HKEx. GFIIGL has further informed the Company that the application for the listing is in progress.

Trading of Securities

The Group through its indirect wholly-owned subsidiary, Sino Wealthy Limited, invested in Hong Kong's listed securities and unlisted securities as short-term investments. During the first half of the year, the European sovereign debt crisis continued to drive volatility in the Hong Kong stock market. From the third quarter of the year, the debt crisis stabilised and the Hong Kong stock market showed sign of recovery. During the year, the Group recorded realised losses of approximately HK\$2.32 million from the disposal of certain securities and an unrealised loss of approximately HK\$34.72 million on the portfolio.

Money Lending Business

The Group through its indirect wholly-owned subsidiary, Forefront Finance Co., Limited, provides short-term loans to various borrowers. These short-term loans normally carried interest rates of 2.5% to 24% per annum. Within the financial year, the money lending business contributed HK\$2.48 million in interest income to the Group and a net charge of bad and doubtful debts provision amounting to approximately HK\$1 million was made to the loan portfolio.

於回顧年度，儘管美國經濟復甦動力疲弱、歐元危機持續及全球貿易量低企，金信相對不受影響，整體營運表現仍能保持與二零一一年相若之水平。於二零一二年上半年業務輕微收縮後，二零一二年餘下時間之處理貨量以及綜合物流貨運服務之使用率均有所上升，營業額有所改善，然而，主要由於為申請於香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）上市而進行集團重組及產生額外成本，導致本集團分佔溢利約280,000港元。取決於市場走勢及市況，預期金信於來年之業績將維持平穩。

金信告知本公司，金信及其附屬公司擬於聯交所創業板上市。金信已進一步告知本公司，上市申請正在進行。

證券買賣

本集團透過其間接全資附屬公司Sino Wealthy Limited投資於香港上市證券及非上市證券作短期投資。於本年度上半年，歐洲主權債務危機繼續令香港股票市場動蕩不定。債務危機由本年度第三季起轉趨穩定，香港股票市場亦見復甦。於本年度，本集團因出售若干證券而錄得已變現虧損約2,320,000港元，且投資組合則錄得未變現虧損約34,720,000港元。

貸款業務

本集團透過其間接全資附屬公司福方財務有限公司向多名借款人提供短期貸款。該等短期貸款一般按利率每年2.5厘至24厘計息。於本財政年度內，貸款業務為本集團貢獻2,480,000港元之利息收入，而就貸款組合計提呆壞帳撥備支出淨額約1,000,000港元。

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主席報告以及管理層討論及分析

Disposal of a Subsidiary

On 26 April 2010, the Company's indirectly wholly-owned subsidiary, Regent Square Limited, completed its acquisition of Richful Zone International Limited at a consideration of HK\$79.2 million. The consideration was satisfied by an issue of 330,000,000 shares of the Company at an issue price of HK\$0.24 per share to Mascotte Holdings Limited. Richful Zone International Limited and its subsidiary ("Richful Zone Group") hold 50% of the interests in the concession rights and forestry contracts in respect of three pieces of forest lands located in Simao District, Puer City, Yunnan Province, the PRC, with a total site area of approximately 36,735 Chinese Mu. The concession rights and interest in the forest lands will expire in January 2060. Since acquisition, the operation of the forest lands has not achieved the level of profits which can contribute profit to the Group after payment of estimated management fee to the PRC partner. In view of this situation, on 8 June 2012, the Board decided to dispose the entire equity interest in Richful Zone International Limited to a subsidiary of Heritage International Holdings Limited (stock code: 412) at a consideration of HK\$50 million. The Board believes that the disposal will provide the Company with a good opportunity to realise the value of an asset which needs a medium and long holding period before it can generate profits contribution to the Group. Furthermore, the Company received significant cash inflow to improve the liquidity position of the Company, which provided the Company with financial flexibility to participate in attractive investment opportunities as they arise. Accordingly, the assets and liabilities of Richful Zone Group were classified as held for sale in the Group's 2012 interim financial statements. As the selling price was lower than the carrying amount of net assets of Richful Zone Group, an impairment loss of approximately HK\$16.94 million was recognised in profit or loss for the year. The disposal was completed in September 2012 and no further gain or loss on disposal was recognised at the completion date.

出售一間附屬公司

於二零一零年四月二十六日，本公司之間接全資附屬公司Regent Square Limited完成收購豐域國際有限公司，代價為79,200,000港元。代價已透過按發行價每股0.24港元向馬斯葛集團有限公司發行330,000,000股本公司股份之方式支付。豐域國際有限公司及其附屬公司（「豐域集團」）持有三塊林地之特許權利及林地合約之50%權益。該等林地位於中國雲南省普洱市思茅區，總地盤面積約為36,735畝。該等林地之特許權利及權益將於二零六零年一月屆滿。自收購以來，經向中國夥伴支付估計管理費後，該等林地之營運並未達致能為本集團帶來溢利之溢利水平。有鑑於此，於二零一二年六月八日，董事會決定將豐域國際有限公司之全部股本權益售予漢基控股有限公司（股份代號：412）之附屬公司，代價為50,000,000港元。董事會相信，是項出售為本公司提供良機，變現需持有中長期方能為本集團帶來溢利貢獻之資產之價值。此外，本公司獲得龐大現金流入，提升其流動資金水平，讓本公司在財務方面可於具吸引力之投資機會出現時靈活參與。因此，豐域集團之資產及負債於本集團之二零一二年中期財務報表內分類為持作出售。由於豐域集團之售價低於其淨資產之帳面金額，故年內已於損益中確認減值虧損約16,940,000港元。出售事項已於二零一二年九月完成，並無於完成日期進一步確認出售收益或虧損。

Chairman's Statement & Management Discussion and Analysis

主席報告以及管理層討論及分析

PROSPECT

On 28 January 2013, the Company announced the proposed rights issue at a subscription price of HK\$0.25 each on the basis of one rights share for every two shares held on the record date.

The rights issue was completed on 15 March 2013. The Company utilised HK\$45 million from the net proceeds of HK\$47.75 million of the rights issue for its money lending business and the remaining balance of the net proceeds will be applied for its general working capital.

On 19 March 2013, the Company entered into the placing agreement with a placing agent to place 80,404,339 new shares on a fully underwritten basis at a price of HK\$0.21 per placing share. The placing was completed on 25 March 2013. The net proceeds from the placing will amount to approximately HK\$16.03 million. The Company intends to apply the aggregate net proceeds as general working capital for the existing businesses of the Group and/or to finance any future investment when opportunities arise.

As at 31 December 2012, the Group's cash resource stated at HK\$49.41 million. The Group at an advantageous position to take on new investments when opportunities arise.

前景

於二零一三年一月二十八日，本公司宣佈建議按於記錄日期每持有兩股股份供一股供股股份之基準，以每股0.25港元之認購價進行供股。

供股已於二零一三年三月十五日完成。供股之所得款項淨額為47,750,000港元，本公司已將其中45,000,000港元用於其貸款業務，而所得款項淨額餘款將會用作其一般營運資金。

於二零一三年三月十九日，本公司與配售代理訂立配售協議，按悉數包銷基準以每股配售股份0.21港元之價格配售80,404,339股新股份。配售事項已於二零一三年三月二十五日完成。配售事項之所得款項淨額將約為16,030,000港元。本公司計劃將總所得款項淨額用作本集團現有業務之一般營運資金，及／或用於日後機會出現時為任何投資提供資金。

於二零一二年十二月三十一日，本集團之現金資源達49,410,000港元。本集團處於有利狀況，可於機會湧現時進行新投資。

Chairman's Statement & Management Discussion and Analysis

主席報告以及管理層討論及分析

FINANCIAL REVIEW

Liquidity, Financial Resources, Borrowing and Gearing Ratio

The Group financed its operation largely through internal cash resources. As at the end of the reporting period, the cash balance was maintained at approximately HK\$49.41 million (2011: HK\$138.18 million). The Group's gearing ratio, calculated as total borrowings divided by net assets, is stated at 0% (2011: 0%) since the Group had no outstanding borrowing as at 31 December 2012 (as at 31 December 2011: HK\$Nil). As at 31 December 2012, the Group's net assets value amounted to approximately HK\$951.11 million (as at 31 December 2011: HK\$954.84 million) with total assets of approximately HK\$958.73 million (as at 31 December 2011: HK\$958.24 million). Net current assets were approximately HK\$526.49 million (as at 31 December 2011: HK\$746.94 million) and the current ratio was 70.03 times (as at 31 December 2011: 220.49 times).

Capital Structure

On 31 January 2012, 365,474,270 share options were granted to qualified allottees under the share option scheme at an exercise price of HK\$0.1042 per ordinary share of HK\$0.01 each. The share options were fully exercised on 7 February 2012. The Company received proceeds of approximately HK\$38.08 million.

財務回顧

流動資金、財務資源、借貸及負債資產比率

本集團主要透過內部現金資源為其業務提供資金。於報告期結束日，現金結餘維持約49,410,000港元(二零一一年：138,180,000港元)。由於本集團於二零一二年十二月三十一日並無尚未償還之借貸(於二零一一年十二月三十一日：零港元)，故本集團之負債資產比率(以借貸總額除以資產淨值計算)為0%(二零一一年：0%)。於二零一二年十二月三十一日，本集團之資產淨值約為951,110,000港元(於二零一一年十二月三十一日：954,840,000港元)，資產總值約為958,730,000港元(於二零一一年十二月三十一日：958,240,000港元)。流動資產淨值約為526,490,000港元(於二零一一年十二月三十一日：746,940,000港元)，而流動比率為70.03倍(於二零一一年十二月三十一日：220.49倍)。

資本架構

於二零一二年一月三十一日，365,474,270份購股權根據購股權計劃授予合資格承配人，行使價為每股面值0.01港元之普通股0.1042港元。該等購股權已於二零一二年二月七日獲悉數行使。本公司收取之款項約為38,080,000港元。

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On 29 June 2012, the Company proposed the consolidation of every ten issued shares of par value of HK\$0.01 each into one consolidated share of par value of HK\$0.10 each then a reduction in nominal value of all the issued consolidated shares from par value of HK\$0.10 each to par value of HK\$0.001 each by the cancellation of the paid-up capital to the extent of HK\$0.099 on each consolidated share and the share subdivision of each of the authorised but unissued share at par value of HK\$0.01 each into ten shares of par value at HK\$0.001 each. The capital reorganisation was approved by shareholders at the EGM of the Company held on 14 August 2012 and approved by the Grand Court of Cayman Islands on 16 November 2012.

Foreign Currency Exposure

The Group is not subject to material foreign currency exposure since its operations are mainly denominated in Hong Kong dollars. As such, no hedging instrument was considered necessary by the Board during the year.

Pledge of Assets

As at 31 December 2012, margin facilities from regulated securities brokers were granted to the Group, which was secured by the Group's financial assets at fair value through profit or loss with a carrying amount of HK\$434,762,000 (2011: HK\$445,338,000). As at 31 December 2012, the Group has not utilised (as at 31 December 2011: HK\$Nil) any of these facilities.

EMPLOYEES, REMUNERATION POLICY AND RETIREMENT BENEFIT SCHEME

As at 31 December 2012, the Group had 22 employees including directors of the Company. Employee remuneration, bonus, share option scheme and training policies are commensurate with performance, experience and comparable to the market rate. The Group contributes to a Mandatory Provident Fund under the Hong Kong Mandatory Provident Fund Schemes Ordinance.

於二零一二年六月二十九日，本公司建議將每十股每股面值0.01港元之已發行股份，合併為1股面值0.10港元之合併股份，其後藉註銷每股合併股份之實繳股本0.099港元，將所有已發行合併股份之面值由每股面值0.10港元削減至每股面值0.001港元，並將每股面值0.01港元之法定但未發行股份拆細為十股每股面值0.001港元之股份。股本重組經股東於本公司在二零一二年八月十四日舉行之股東特別大會上批准，並於二零一二年十一月十六日經開曼群島大法院批准。

外幣風險

由於本集團之業務主要以港元計值，故本集團並無面對任何重大外幣風險。因此，董事會於年內認為無必要使用對沖工具。

資產抵押

於二零一二年十二月三十一日，受規管證券經紀向本集團授出若干孖展融資，並以本集團帳面金額為434,762,000港元（二零一一年：445,338,000港元）之於損益帳按公平值處理之財務資產作擔保。於二零一二年十二月三十一日，本集團並無動用任何該等融資（於二零一一年十二月三十一日：零港元）。

僱員、酬金政策及退休福利計劃

於二零一二年十二月三十一日，本集團共有22名僱員，包括本公司董事。僱員酬金、花紅、購股權計劃及培訓政策均按表現、經驗和參照市場水平釐定。本集團根據香港強制性公積金計劃條例向強制性公積金供款。

Chairman's Statement & Management Discussion and Analysis

主席報告以及管理層討論及分析

CONTINGENT LIABILITIES

As at 31 December 2012, the Group had no material contingent liabilities (2011: HK\$Nil).

Yeung Ming Kwong

Chairman

Hong Kong

27 March 2013

或然負債

於二零一二年十二月三十一日，本集團並無重大或然負債（二零一一年：零港元）。

主席

楊明光

香港

二零一三年三月二十七日

Management Profile

管理層履歷

EXECUTIVE DIRECTORS

Mr. Yeung Ming Kwong (“Mr. Yeung”), aged 54, joined the Company on 26 April 2007. Mr. Yeung is the Chairman of the Company, formerly an executive director and CEO of Kai Yuan Holdings Limited, stock code: 1215 (formerly known as Wah Lee Resources Holdings Limited) and an executive director of Goldwiz Holdings Limited (delisted on 8 September 2008, stock code: 586). He has over 20 years of experience in import and export trading and investment business in the PRC. He also holds directorships in major subsidiaries of the Company.

Ms. Lo Oi Kwok, Sheree (“Ms. Lo”), aged 44, joined the Company on 26 April 2007. She holds an EMBA from Cheung Kong Graduate School of Business and a Bachelor’s Degree of Arts from York University, Canada. Ms. Lo has over 10 years of experience in business development and investment. She was an executive director of Goldwiz Holdings Limited (delisted on 8 September 2008, stock code: 586) from May 2006 to January 2007. She also holds directorships in major subsidiaries of the Company.

Mr. Wen Louis (“Mr Wen”), aged 78, joined the Company on 1 September 2006. He holds a Bachelor of Engineering degree from City University of New York and was an Executive Director of Forefront International (Hong Kong) Limited (“FIHK”) from 1993 to 1997 and General Manager of FIHK since August 2005. Mr. Wen has extensive experience in engineering, marketing and advertising from previous position at J. Walter Thompson Co. and Dow Jones International Marketing Service in the United States. Mr. Wen is also an independent non-executive director of Willie International Holdings Limited (stock code: 273) since 22 April 2009.

執行董事

楊明光先生（「楊先生」），54歲，於二零零七年四月二十六日加入本公司。楊先生現為本公司主席，曾任開源控股有限公司（前稱華利資源控股有限公司，股份代號：1215）之執行董事及行政總裁以及科維控股有限公司（已於二零零八年九月八日除牌，股份代號：586）之執行董事。彼於中國進出口貿易及投資業務方面擁有逾20年之經驗。楊先生亦出任本公司主要附屬公司之董事。

羅愛過女士（「羅女士」），44歲，於二零零七年四月二十六日加入本公司。彼持有長江商學院高層管理人員工商管理碩士銜頭及加拿大約克大學之文學士學位。羅女士於業務發展及投資方面擁有逾10年經驗。彼於二零零六年五月至二零零七年一月擔任科維控股有限公司（已於二零零八年九月八日除牌，股份代號：586）之執行董事。彼亦出任本公司主要附屬公司之董事。

溫耒先生（「溫先生」），78歲，於二零零六年九月一日加入本公司。彼持有美國City University of New York工程學學士學位。彼曾於一九九三年至一九九七年擔任福方（香港）有限公司（「福方香港」）之執行董事，並自二零零五年八月起一直出任福方香港總經理一職。溫先生曾在美國智威湯遜公司及Dow Jones International Marketing Service出任要職，具備工程、市場推廣及廣告推銷方面之豐富經驗。溫先生自二零零九年四月二十二日起亦擔任威利國際控股有限公司（股份代號：273）之獨立非執行董事。

Management Profile 管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Chung Yuk Lun (“Mr. Chung”), aged 52, joined the Company on 26 April 2007. He is a fellow member of the Association of Chartered Certified Accountants, a member of The Hong Kong Institute of Certified Public Accountants and an Associate Chartered Accountants (England and Wales). Mr. Chung has over 20 years of experience in finance and project investment. He is an executive director and Chairman of Radford Capital Investment Limited (Stock code: 901), an executive director of Ming Fung Jewellery Group Limited (Stock code: 860) and an independent non-executive director of Heritage International Holdings Limited (stock code: 412) and Dragonite International Limited (stock code: 329).

Ms. Lam Yan Fong, Flora (“Ms. Lam”), aged 37, joined the Company on 18 May 2007. She obtained a Bachelor Degree in Law from the University of Hong Kong in 1999 and a Postgraduate Certificate in Laws in 2001. Ms. Lam is a practicing solicitor in Hong Kong. Ms. Lam joined Messrs. Lam & Co. in 2007 and is now a partner of the firm. Ms. Lam is an independent non-executive director of Tack Fiori International Group Limited (stock code: 928) (formerly known as Tack Fat Group International Limited) and Radford Capital Investment Limited (stock code: 901).

Mr. Pak William Eui Won (“Mr. Pak”), aged 33, joined the Company on 28 December 2009. He is currently a director of HEC Capital Limited and its subsidiaries and formerly a director of Hennabun Capital Group Limited. He holds a Master of Laws degree in U.S. taxation from the University of Washington School of Law, a Juris Doctor’s degree from the University of British Columbia Faculty of Law and an Economics and Commerce degree from the University of British Columbia Faculty of Arts. Mr. Pak is an attorney licensed by the New York State Bar and is a member of the New York State Bar Association and the American Bar Association. He was a lawyer in the investment funds practice at White & Case’s New York and Hong Kong offices. He has substantive experience in the establishment and representation of both U.S. and international private investment funds including private equity funds, hedge funds, real estate funds, distressed funds and hybrid funds.

獨立非執行董事

鍾育麟先生（「鍾先生」），52歲，於二零零七年四月二十六日加入本公司。彼為英國特許公認會計師公會資深會員、香港會計師公會會員以及英格蘭及威爾斯特許會計師。鍾先生於金融及項目投資方面擁有逾20年經驗。彼現任萊福資本投資有限公司（股份代號：901）之執行董事兼主席、明豐珠寶集團有限公司（股份代號：860）之執行董事、漢基控股有限公司（股份代號：412）之獨立非執行董事及叁龍國際有限公司（股份代號：329）之獨立非執行董事。

林欣芳女士（「林女士」），37歲，於二零零七年五月十八日加入本公司。彼於一九九九年獲香港大學頒授法律學士學位，另於二零零一年獲香港大學頒授法律深造文憑。林女士為香港執業律師。林女士於二零零七年加入林炳昌律師事務所，現為該事務所之合夥人。林女士為野馬國際集團有限公司（前稱德發集團國際有限公司，股份代號：928）及萊福資本投資有限公司（股份代號：901）之獨立非執行董事。

Pak William Eui Won先生（「Pak先生」），33歲，於二零零九年十二月二十八日加入本公司。彼現為HEC Capital Limited及其附屬公司之董事，曾任Hennabun Capital Group Limited之董事。彼持有University of Washington School of Law（華盛頓大學法學院）之法學碩士學位（主修美國稅務）、University of British Columbia Faculty of Law（英屬哥倫比亞大學法學院）之法律博士學位及University of British Columbia Faculty of Arts（英屬哥倫比亞大學文學院）之經濟及商業學位。Pak先生為紐約州執業律師，並為紐約州律師公會及美國律師協會會員。彼曾任偉凱律師事務所紐約及香港辦事處之投資基金常規律師。彼於成立及代表美國及國際私人投資基金（包括私募股本基金、對沖基金、房地產基金、受壓基金及混合基金）方面擁有豐富經驗。

Report of the Directors

董事會報告

The directors herein present their report together with the audited consolidated financial statements of the Company and its subsidiaries for the financial year ended 31 December 2012.

PRINCIPAL ACTIVITIES

The Company is an investment holding company, and through its subsidiaries and an associated company, is principally engaged in the business of provision of logistic services in Hong Kong and the PRC; investment in forest interest; properties investments; securities trading and money lending business.

After the completion of the disposal of Richful Zone Group in September 2012, the Company, through its subsidiaries and an associated company, continues to be principally engaged in the provision of logistic services in Hong Kong and the PRC, properties investments, securities trading and money lending business.

MAJOR CUSTOMERS

For the year ended 31 December 2012, the five largest customers accounted for approximately 67.74% of the Group's turnover in respect to the money-lending business and the securities trading service providers of the Group accounted for 100% of the Group's service costs in relation to the securities trading business. The largest customer accounted for approximately 40.29% of the Group's turnover in respect of the money-lending business. At no time during the year did a director or a shareholder of the Company (which the knowledge of the directors of the Company owned more than 5% of the Company's issued capital) have any material interest in any of the Group's largest customers.

RESULT AND DIVIDENDS

The Group's loss for the financial year ended 31 December 2012 and the state of affair of the Company and of the Group at the date are set out in the consolidated financial statements on pages 35 to 110.

The directors do not recommend the payment of any dividend.

董事謹此提呈本公司及其附屬公司截至二零一二年十二月三十一日止財政年度之年報及經審核綜合財務報表。

主要業務

本公司為一間投資控股公司，並透過其附屬公司及一間聯營公司主要從事在香港及中國提供物流服務、投資林地權益、物業投資、證券買賣及貸款業務。

於二零一二年九月完成出售豐域集團後，本公司透過其附屬公司及一間聯營公司繼續主要從事在香港及中國提供物流服務、物業投資、證券買賣及貸款業務。

主要客戶

截至二零一二年十二月三十一日止年度，五大客戶佔本集團貸款業務營業額約67.74%，而本集團證券買賣服務供應商佔本集團證券買賣業務之服務成本達100%。最大客戶佔本集團貸款業務營業額約40.29%。於年內任何時間，本公司董事或股東（據本公司董事所知擁有本公司已發行股本5%以上者）概無於本集團任何最大客戶中擁有任何重大權益。

業績及股息

本集團截至二零一二年十二月三十一日止財政年度之虧損及本公司與本集團於該日之業務狀況載於第35至110頁之綜合財務報表。

董事並不建議派付任何股息。

Report of the Directors

董事會報告

SUBSIDIARIES

Particulars of the Company's principal subsidiaries are set out in note 16 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in property, plant and equipment during the year are set out in note 10 to the consolidated financial statements.

SHARE CAPITAL AND SHARE OPTION

Details of movements in share capital and share option scheme of the Company are set out in notes 22 and 23 respectively to the consolidated financial statements.

CONVERTIBLE SECURITIES, OPTION, WARRANTS OR OTHER SIMILAR RIGHTS

Details of movements in share option of the Company are set out in note 23 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association and the laws in the Cayman Islands, which would oblige the Company to offer shares on a pro rata basis to its existing shareholders.

PURCHASE, SALES OR REDEMPTION OF SECURITIES

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

附屬公司

本公司主要附屬公司之詳情載於綜合財務報表附註16。

物業、廠房及設備以及投資物業

物業、廠房及設備於年內之變動詳情載於綜合財務報表附註10。

股本及購股權

本公司股本及購股權計劃之變動詳情分別載於綜合財務報表附註22及23。

可換股證券、購股權、認股權證或其他相類權利

本公司購股權之變動詳情載於綜合財務報表附註23。

優先購買權

本公司組織章程細則及開曼群島法律並無關於本公司須按比例向其現有股東發售股份之優先購買權之條文。

購買、出售或贖回證券

於截至二零一二年十二月三十一日止年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

Report of the Directors

董事會報告

RESERVES

Movements in the reserves of the Company during the year are set out in note 24 to the consolidated financial statements. The surplus in distributable reserves of the Company as at 31 December 2012 amounted to approximately HK\$898,639,000 (2011: HK\$838,023,000).

FIVE YEARS SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 111 and 112 of the annual report.

RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTION

Related party transactions are disclosed in note 28 of the financial statements. The Company was not aware that any related parties transaction as set out in note 28 constitute a connected transactions of the Group, nor are there any connected transactions that shall be disclosed in this annual report under the Listing Rules.

儲備

本公司儲備於年內之變動載於綜合財務報表附註24。於二零一二年十二月三十一日，本公司之可供分派儲備盈餘約為898,639,000港元（二零一一年：838,023,000港元）。

五年概要

本集團過去五個財政年度之業績及資產負債概要載於年報第111及112頁。

關連人士交易及關連交易

關連人士交易於財務報表附註28披露。本公司並不知悉附註28所載任何關連人士交易構成本集團之關連交易，亦不知悉有任何關連交易根據上市規則須於本年報內披露。

Report of the Directors

董事會報告

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors who held office during the year and up to the date of this report were:

Executive Directors

Mr. Yeung Ming Kwong (*Chairman*)
Ms. Lo Oi Kwok, Sheree
Mr. Lam Yick Sing (resigned on 28 February 2013)

Mr. Wen Louis
Mr. Zhuang You Dao (resigned on 26 February 2013)

Independent Non-Executive Directors

Mr. Chung Yuk Lun
Ms. Lam Yan Fong, Flora
Mr. Pak William Eui Won

In accordance with Article 116 of the Article of Association of the Company, Ms. Lo Oi Kwok, Sheree and Mr. Pak William Eui Won will retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming Annual General Meeting.

DIRECTORS' SERVICE CONTRACTS

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

MANAGEMENT CONTRACTS

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

董事及董事之服務合約

年內及截至本報告日期任職之董事如下：

執行董事

楊明光先生 (主席)
羅愛過女士
林益勝先生
(於二零一三年二月二十八日辭任)
溫未先生
莊友道先生
(於二零一三年二月二十六日辭任)

獨立非執行董事

鍾育麟先生
林欣芳女士
Pak William Eui Won先生

按照本公司組織章程細則第116條，羅愛過女士及Pak William Eui Won先生將於應屆股東週年大會上輪流告退及符合資格並願意膺選連任。

董事之服務合約

擬於應屆股東週年大會上重選之董事概無與本公司訂立任何本公司不可於一年內免付補償 (法定補償除外) 而終止之服務合約。

管理合約

年內概無訂立或存在關於本公司全部或任何重大部分業務之管理及行政合約。

Report of the Directors 董事會報告

DIRECTORS' INTEREST AND SHORT POSITIONS IN SHARE AND UNDERLYING SHARES

As at 31 December 2012, the interests and short positions of the Directors and the Company's chief executives in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Future Ordinance ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or deemed to have under such provisions of the SFO), the Model Code for Securities Transaction by Directors of Listed Companies and which were required to be entered in the register required to be kept under section 352 of the SFO were as follows:

(i) Long positions in shares of the Company

| Name of Directors | Capacity | Number of shares held | % of the Company's issued share capital 佔本公司已發行股本之百分比 |
|---------------------------------------|---------------------------|-----------------------|--|
| 董事姓名 | 身份 | 所持股份數目 | |
| Mr. Yeung Ming Kwong 楊明光先生 | Beneficial owner 實益擁有人 | 397,893 | 0.10% |
| Mr. Lam Yick Sing (Note) 林益勝先生(附註) | Beneficial owner 實益擁有人 | 2,400,000 | 0.60% |

Note: Mr. Lam Yick Sing resigned as Executive Director on 28 February 2013.

董事於股份及相關股份之權益及淡倉

於二零一二年十二月三十一日，董事及本公司主要行政人員於本公司或任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及8分部及上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有之權益及淡倉），以及須根據證券及期貨條例第352條而存置之登記冊所記錄之權益及淡倉如下：

(i) 於本公司股份中之好倉

附註：林益勝先生於二零一三年二月二十八日辭任執行董事職務。

Report of the Directors

董事會報告

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Share Option Scheme" below and note 23 in the consolidated financial statements, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate, neither the Directors nor any of their spouses or children under the age of 18 had any right to subscribe for the securities or debt securities of the Company or had exercised any such right.

DIRECTORS' INTEREST IN CONTRACTS

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

DIRECTORS' INTEREST IN A COMPETING BUSINESS

During the year and up to the date of this report, no director is considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules.

董事購買股份或債權證之權利

除下文「購股權計劃」一節及綜合財務報表附註23所披露者外，於年內任何時間，本公司或其任何附屬公司概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債務證券（包括債權證）而獲取利益，而各董事或彼等之配偶或十八歲以下子女概無擁有可認購本公司證券或債務證券之任何權利，亦無行使任何該等權利。

董事於合約之權益

於年終或年內任何時間並無存在由本公司或其任何附屬公司或控股公司就本集團業務訂立，且本公司任何董事或管理層成員於當中直接或間接擁有重大權益之重大合約。

董事於競爭業務之權益

於年內及截至本報告日期，概無董事被視為於與本集團業務直接或間接競爭或可能競爭之業務中擁有權益（定義見上市規則）。

Report of the Directors

董事會報告

SHARE OPTION SCHEME

The Company adopted a new share option scheme (the "Scheme") on 6 August 2007. Under the Scheme, the Directors may grant options to those qualified participants (including Directors and employees) who, in the opinion of the Board, have contributed or may contribute to the development of the Group and any entity in which the Group holds an equity interest.

The following table discloses movement in the Company's share options under the Scheme during the year.

| Category of participant | Date of grant | Exercise price | As at 1 January 2012 | Granted during the year | Exercised during the year | As at 31 December 2012 |
|----------------------------------|-----------------|----------------|----------------------|-------------------------|---------------------------|------------------------|
| 參與者類別 | 授出日期 | 行使價 | 於二零一二年一月一日 | 年內授出 | 年內行使 | 於二零一二年十二月三十一日 |
| Qualified allottees in aggregate | 31 January 2012 | HK\$0.1042 | – | 365,474,270 shares | 365,474,270 shares | – |
| 合資格承配人總計 | 二零一二年一月三十一日 | 0.1042港元 | – | 365,474,270 股股份 | 365,474,270 股股份 | – |

No share options were lapsed or cancelled under the Scheme during the year.

As at 31 December 2012, no option has been granted to any directors.

購股權計劃

本公司於二零零七年八月六日採納一項新購股權計劃(「該計劃」)。根據該計劃，董事可向董事會認為曾經或可能對本集團及本集團持有任何股權之任何實體之發展作出貢獻之合資格參與者(包括董事及僱員)授出購股權。

下表披露年內該計劃下本公司之購股權變動。

年內該計劃下並無購股權失效或註銷。

於二零一二年十二月三十一日，概無向任何董事授出購股權。

Report of the Directors

董事會報告

SUBSTANTIAL SHAREHOLDER AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2012, the following person (other than the Directors or Chief Executive of the Company) has interests or short position in the shares and underlying shares of the Company, being 5% or more of the Company's issued share capital, as known to the Company or recorded in the register required to be kept under Section 336 of the SFO and in accordance with information received by the Company.

| Name of Shareholders 股東名稱 | Number in shares (Long position) 股份數目 (好倉) | % of voting right (Long position) 佔投票權之百分比 (好倉) | Number of shares (Short position) 股份數目 (淡倉) | % of voting right (Short position) 佔投票權之百分比 (淡倉) |
|------------------------------|---|--|--|---|
| HEC Capital Limited (Note 1) | 39,723,546 | 9.88% | - | - |
| HEC Capital Limited (附註1) | | | | |

Note 1: HEC Capital Limited is interested in the share capital of the Company through its wholly-owned subsidiary Hennabun Development Limited which in turn wholly owns Murtsu Capital Management Limited, being the beneficial owner of the relevant shares.

主要股東及其他人士於股份及相關股份之權益

於二零一二年十二月三十一日，據本公司所知或根據證券及期貨條例第336條須存置之登記冊所記錄及按照本公司獲得之資料，以下人士（董事或本公司主要行政人員除外）於本公司股份及相關股份中擁有相當於本公司已發行股本5%或以上之權益或淡倉。

附註1：HEC Capital Limited透過其全資附屬公司Hennabun Development Limited擁有本公司之股本權益，而Hennabun Development Limited全資擁有Murtsu Capital Management Limited（即有關股份之實益擁有人）。

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained the prescribed public float under the Listing Rules.

公眾持股量之充足度

本公司已維持上市規則規定之公眾持股量。

CODE OF BEST PRACTICE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 22 to 32.

最佳常規守則

本公司採納之主要企業管治常規載於第22至32頁之企業管治報告。

Report of the Directors

董事會報告

AUDITOR

The consolidated financial statements of the Company for the year ended 31 December 2012 were audited by Mazars CPA Limited since the year 2007.

A resolution will be submitted to the forthcoming annual general meeting of the Company to re-appoint Mazars CPA Limited as auditor of the Company.

ON BEHALF OF THE BOARD

Yeung Ming Kwong

Chairman

Hong Kong

27 March 2013

核數師

本公司截至二零一二年十二月三十一日止年度之綜合財務報表自二零零七年度以來一直由瑪澤會計師事務所有限公司審核。

本公司將於應屆股東週年大會上提呈一項決議案，續聘瑪澤會計師事務所有限公司為本公司之核數師。

代表董事會

主席

楊明光

香港

二零一三年三月二十七日

Corporate Governance Report

企業管治報告

The Company recognises that good governance standards maintained throughout the Group serves as an effective risk management mechanism for the Company. The Board of Directors (the “Board”) of the Company is committed to ensuring a high level of corporate governance standards.

CORPORATE GOVERNANCE PRACTICES

The Board of the Company has adopted its own code on corporate governance practices which incorporate all the code provision in the Code on Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The Company will continue to enhance the corporate governance standards throughout the Group and ensure further standards be put in place by reference to the recommended best practices whenever suitable and appropriate.

DIRECTORS’ SECURITIES TRANSACTIONS

Conduct on Share Dealings

The Company has adopted a code of conduct for securities transactions and dealings (the “Code of Conduct”) based on the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules (the “Model Code”). The terms of Code of Conduct are no less exacting than the standards in the Model Code, and the Code of Conduct applies to all the relevant persons as defined therein. Specific enquiry has been made of all Directors of the Company who have confirmed in writing of their compliance with the required standards set out in the Code of Conduct during the year under review.

本公司確認，本集團上下奉行之良好管治標準能有效地管理本公司之風險。本公司董事會（「董事會」）致力確保維持高企業管治水平。

企業管治常規

本公司董事會已採納自訂企業管治常規守則，該守則加入香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四載列之企業管治常規守則（「企業管治守則」）之所有守則條文。本公司將繼續提升本集團整體之企業管治標準，確保於合適及適當之時參考建議最佳常規採用進一步之標準。

董事之證券交易

股份買賣操守

本公司已根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）採納證券交易及買賣之操守守則（「操守守則」）。操守守則之條款不遜於標準守則內之標準，而操守守則適用於當中界定之全部有關人士。本公司已向全體董事作出特定查詢，而所有董事已書面確認於回顧年度內已遵守操守守則所載之規定標準。

Corporate Governance Report

企業管治報告

CORPORATE MANAGEMENT

Board of Directors

Composition

As at the date of this report, the Board is comprised of 6 members including 3 executive directors and 3 independent non-executive directors. The biographical details are set out on pages 11 to 12 of this report. The executive directors are responsible for managing the Group's business, including business development, corporate strategies and company policies. The Independent Non-executive Directors endeavor to assist the Board to maintain high standards of financial and other mandatory reporting standards as well as providing adequate checks and balance for safeguarding the interest of shareholders and the Company as a whole. For the year ended 31 December 2012, the number of Independent Non-executive Directors at all times exceeded one-third of the Board membership. Pursuant to the Listing Rules, the Company has received written confirmation from each independent non-executive director of his/her independence to the Company. None of the existing Independent Non-executive Directors of the Company is appointed for a specific term which constitutes a deviation from code provision A.4.1 of the CG Code. However, one-third of the Directors of the Company (both executive and independent non-executive) are subject to retirement by rotation at each annual general meeting under the Articles of Association of the Company. The Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are in line to those of the CG Code. The Board is comprised of professionally qualified and diversified individuals.

企業管理

董事會

成員

於本報告日期，董事會由六名成員組成，包括三名執行董事及三名獨立非執行董事，彼等之履歷載於本報告第11至12頁。執行董事負責管理本集團之業務，包括業務發展、企業策略及公司政策。獨立非執行董事致力協助董事會維持高水平之財政及其他強制性申報標準，並作出充份制衡，以保障股東及本公司之整體利益。截至二零一二年十二月三十一日止年度，獨立非執行董事之人數一直超過董事會成員人數三分之一。根據上市規則，本公司已接獲各獨立非執行董事發出之確認書，確認其獨立於本公司。本公司現任獨立非執行董事概無特定任期，此舉構成偏離企業管治守則之守則條文A.4.1。然而，按照本公司組織章程細則，本公司三分之一之董事（包括執行董事及獨立非執行董事）須於每屆股東週年大會上輪流告退。本公司認為已採取足夠措施，確保本公司之企業管治常規符合企業管治守則之守則條文。董事會成員包括具備專業資格之多個界別人士。

Corporate Governance Report

企業管治報告

Directors' Training

All directors should keep abreast of the responsibilities as a director, and of the conduct and business activities of the Company. The Company is responsible for arranging and funding suitable training for its directors. During the year, all directors, namely Mr. Yeung Ming Kwong, Ms. Lo Oi Kwok, Sheree, Mr. Wen Louis, Mr. Lam Yick Sing, Mr. Zhuang You Dao, Mr. Chung Yuk Lun, Ms. Lam Yan Fong, Flora and Mr. Pak William Eui Won had participated in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the board remains informed and relevant.

All directors had provided the Company Secretary with their training records for the year under review.

Board Process

The Board meets regularly throughout the year to discuss the overall strategy as well as the operational and financial performance of the Group. In 2012, the Board held 4 scheduled full board meetings. In addition, executive Board meetings are convened when necessary to deal with day-to-day matters that require the Board's prompt decision, and therefore usually only executive directors attend. Individual attendance records on full board meetings, committees meetings and general meetings are set out on page 25 of this Annual Report. Directors who are considered having conflict of interests or material interests in the proposed transactions or issues to be discussed would not be counted in the quorum of meeting and would abstain from voting on the relevant resolutions subject to certain exceptions set out in the Articles of Association of the Company. The Company Secretary maintains minutes of the Board meetings for inspection by directors. All directors have access to the services of the Company Secretary who regularly updates the Board on corporate governance and regulatory matters. Any Director, Audit Committee member, Remuneration Committee member and Nomination Committee member of the Company may take independent professional advice at the expense of the Company should they so wish.

董事培訓

全體董事應恪守董事責任及操守，並緊貼本公司業務。本公司有責任為其董事安排及撥資進行合適培訓。年內，全體董事楊明光先生、羅愛過女士、溫未先生、林益勝先生、莊友道先生、鍾育麟先生、林欣芳女士及Pak William Eui Won先生均有參與合適之持續專業發展活動，以獲得及更新知識及技能，從而確保在得到全面資訊情況下為董事會作出切合其需要之貢獻。

全體董事已向公司秘書提供彼等於回顧年度內之培訓紀錄。

董事會程序

董事會在全年定期舉行會議，討論整體策略以及本集團之經營及財務表現。於二零一二年，董事會曾舉行4次全體會議。此外，必要時會召開執行董事會議，處理需要董事會迅速決策之日常事宜，有關會議一般僅由執行董事出席。個別出席全體董事會會議、委員會會議及股東大會之紀錄載於本年報第25頁。被認為於建議交易或將予討論事宜中存在利益衝突或擁有重大權益之董事，將不會計入會議法定人數，並會放棄就相關決議案投票，惟本公司組織章程細則所載之若干例外情況除外。公司秘書保存董事會會議之紀錄以供董事查閱。公司秘書定期為董事會更新企業管治及法規事宜之資料，並向所有董事提供有關服務。本公司董事、審核委員會成員、薪酬委員會成員及提名委員會成員均可按意願獲取獨立專業意見，費用由本公司承擔。

Corporate Governance Report

企業管治報告

Board, Committee and General meetings Attendance

The following table indicates the number of Board, Committee and general meetings during the financial year and the number of attendance by each of the Directors:

董事會、委員會及股東大會之出席率

下表顯示董事會、其轄下委員會及股東大會於本財政年度內舉行會議之數目及各董事出席該等會議之次數：

| Name 姓名 | Board 董事會 | Number of meetings attended/held 出席／舉行會議次數 | | | General 股東大會 |
|---|--------------|---|------------------------------------|----------------------------------|-----------------|
| | | Audit Committee 審核委員會 | Remuneration Committee 薪酬委員會 | Nomination Committee 提名委員會 | |
| Executive Directors 執行董事 | | | | | |
| Mr. Yeung Ming Kwong 楊明光先生 | 10/10 | 2/2 | 2/2 | 1/1 | 3/3 |
| Ms. Lo Oi Kwok, Sheree 羅愛過女士 | 7/10 | - | - | - | 0/3 |
| Mr. Lam Yick Sing 林益勝先生 | 10/10 | - | - | - | 3/3 |
| Mr. Wen Louis 溫耒先生 | 10/10 | - | - | - | 3/3 |
| Mr. Zhuang You Dao 莊友道先生 | 7/10 | - | - | - | 1/3 |
| Independent Non-executive Directors 獨立非執行董事 | | | | | |
| Mr. Chung Yuk Lun 鍾育麟先生 | 3/10 | 2/2 | 2/2 | - | 3/3 |
| Ms. Lam Yan Fong, Flora 林欣芳女士 | 7/10 | 2/2 | 2/2 | 1/1 | 0/3 |
| Mr. Pak William Eui Won Pak William Eui Won先生 | 7/10 | 2/2 | 2/2 | 1/1 | 1/3 |

During the year, meetings of the Chairman and the independent non-executive Directors without presence of the Executive Directors and the management were held to discuss and review the performance of the Executive Directors and the management.

年內，主席與獨立非執行董事在並無執行董事及管理層在場情況下舉行會議，討論及檢討執行董事及管理層之表現。

Corporate Governance Report

企業管治報告

Directors' Duties

The Board is in charge of leadership and supervision on the Group's affairs and is collectively responsible for promoting the success of the Group. Each director has a duty to act in good faith and in the best interests of the Company.

Matters that require decisions by the Board normally include but not limited to overall Group strategies, major acquisitions and disposals, annual and interim results, recommendation on the appointment or reappointment of directors, and other significant operational and financial matters. Directors are kept up-to-date by monthly management information on a timely basis as well as on major changes that may affect the Group's businesses, including relevant rules and regulations. The Board acknowledges its responsibility to prepare the financial statements and have them audited on an annual basis. The Company has adopted the generally accepted accounting standards in Hong Kong in preparing financial statements. Reasonable and prudent judgment and estimates have been made. The Group announces its financial results on a timely basis.

Corporate Governance Functions

The Board is responsible for performing the corporate governance duties including:

- (a) to develop and review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

董事之職責

董事會之職責為領導及監督本集團事務，並須共同負責為本集團之成功作出努力。各董事有責任盡心為本公司之最佳利益行事。

須提交董事會決定之事宜一般包括（但不限於）本集團整體策略、主要收購事項及出售事項、年度及中期業績、就任命或重新任命董事提出推薦建議以及其他重大營運及財務事宜。各董事均會透過每月管理資料適時獲得可能影響本集團業務之重大變動之最新資訊，包括相關規則及規例。董事會知悉其有責任編製財務報表，並安排每年將之審核。本公司於編製財務報表時採納香港公認會計原則，並已作出合理而審慎之判斷及估計。本集團適時公佈其財務業績。

企業管治職能

董事會負責履行企業管治責任，包括：

- (a) 制訂及檢討本公司之企業管治政策及常規；
- (b) 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- (c) 檢討及監察本公司有關遵守法律及監管規定方面之政策及常規；

Corporate Governance Report

企業管治報告

- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with Appendix 14 to the Listing Rules (Corporate Governance Code and Corporate Governance Report).

Indemnification of Directors and Officers

The directors and officers are indemnified under a directors' and officers' liability insurance against any liability incurred by them in the discharge of their duties while holding office as the directors and officers of the Company.

Chairman and Chief Executive Officer

Code Provision A.2.1 provides that the role of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not have a designated position of Chief Executive Officer. The daily operation and management of the Company is monitored by the Executive Directors.

BOARD COMMITTEES

The Board established an Audit Committee, a Remuneration Committee and a Nomination Committee with defined terms of reference. Audit Committee and Remuneration Committee are chaired by Independent Non-Executive Directors and Nomination Committee is chaired by the Chairman of the Group. On 16 March 2012, the Board adopted a new terms of reference of Audit Committee, Remuneration Committee and Nomination Committee to align with the Listing Rules requirements.

- (d) 制定、檢討及監察適用於僱員及董事之操守守則及合規手冊(如有);及
- (e) 檢討本公司遵守上市規則附錄十四(企業管治守則及企業管治報告)之情況。

董事及高級職員之彌償保證

董事及高級職員凡就其擔任本公司董事及高級職員時，為履行職責而招致之任何責任，均可根據董事及高級職員責任保險獲得彌償。

主席及行政總裁

守則條文A.2.1訂明主席及行政總裁之角色應有所區分，不應由同一人兼任。本公司並無設立行政總裁一職，惟執行董事負責監督本公司日常營運及管理。

董事委員會

董事會已成立具有界定職權範圍之審核委員會、薪酬委員會及提名委員會。審核委員會及薪酬委員會均由獨立非執行董事擔任主席，而提名委員會則由本集團主席擔任主席。於二零一二年三月十六日，董事會採納審核委員會、薪酬委員會及提名委員會之新職權範圍，以符合上市規則之規定。

Corporate Governance Report

企業管治報告

(a) Audit Committee

The Company has established an Audit Committee which comprises of three Independent Non-Executive Directors of the Company. The Audit Committee has reviewed the audit findings, the accounting principles and practices adopted by the Group, the Listing Rules and statutory compliance, and has discussed auditing, internal control, risk management and financial reporting matters (including the interim and annual financial statements) with senior management and the auditor. In addition, the Audit Committee has also reviewed the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting function.

(b) Remuneration Committee

The Company has established a Remuneration Committee responsible for the review and determination of the remuneration policy and packages of the directors and management executives. The Remuneration Committee comprises three Independent Non-executive Directors and one Executive Director. The terms of reference of the Remuneration Committee follow the CG Code. No director is involved in deciding his/her own remuneration.

(c) Nomination Committee

A Nomination Committee has been established in accordance with the requirements of the CG Code. The Nomination Committee comprises two independent non-executive directors and an executive director. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board, and select and make recommendations to the Board on the appointment of Directors and senior management.

(a) 審核委員會

本公司已成立審核委員會，由本公司之三名獨立非執行董事組成。審核委員會已審閱核數結果、本集團所採納之會計原則及慣例、上市規則及法定事宜之遵守情況，並聯同高級管理層及核數師討論審核、內部監控、風險管理及財務申報事宜（包括中期及年度財務報表）。此外，審核委員會亦已審閱本集團會計及財務申報職能員工之資源、資格及經驗是否足夠。

(b) 薪酬委員會

本公司已成立薪酬委員會，負責審閱及釐定董事及管理級行政人員之薪酬政策及組合。薪酬委員會由三名獨立非執行董事及一名執行董事組成。薪酬委員會之職權範圍按照企業管治守則訂定。概無董事參與釐定其本身之薪酬。

(c) 提名委員會

本公司已根據企業管治守則之規定成立提名委員會。提名委員會由兩名獨立非執行董事及一名執行董事組成。提名委員會之主要職責為檢討董事會之架構、規模及成員，以及就委任董事及高級管理人員進行甄選，並向董事會作出建議。

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is committed to providing a balanced, clear and comprehensive assessment of the financial performance and prospects of the Group in all the disclosures made to the shareholders and the regulatory authorities.

Timely release of interim and annual results announcements reflects the Board's commitment to provide transparent and up-to-date disclosures of the Group's performance.

The Board, assisted by the Audit Committee, oversees the financial reporting process and the quality of the financial reporting of the Group. The Audit Committee reviews and monitors the integrity of the Group's annual and interim financial statements. It also reviews the appropriateness of the Group's accounting policies and the changes to these policies as well as ensuring these financial statements comply with accounting standards and regulatory requirements.

The Directors acknowledge their responsibilities for preparing the accounts of the Company and the responsibilities of the external auditors with in respect to financial reporting which are set out in the Independent Auditors' Report on pages 33 to 34.

External Auditor

The fees payable to the Company's auditor, Mazars CPA Limited, in respect of audit, review services and non-audit services in relation to the circulars of a major transaction for the year ended 31 December 2012 amounted to HK\$700,000, HK\$150,000 and HK\$90,000 respectively.

問責及審核

財務申報

董事會致力於向股東及監管機構作出之披露資料中，就本集團之財務表現及前景提供不偏不倚、清晰而全面之評估。

適時發佈中期及年度業績公告，反映董事會致力提供有關本集團表現之具透明度及最新披露資料。

在審核委員會協助下，董事會監督本集團財務申報程序及財務申報之素質。審核委員會檢討及監察本集團年度及中期財務報表之完整性，亦檢討本集團會計政策及該等政策之變更是否恰當，以及確保該等財務報表符合會計準則及監管規定。

董事確認彼等有責任編製本公司帳目，而外聘核數師就財務申報所負之責任載於第33至34頁之獨立核數師報告。

外聘核數師

截至二零一二年十二月三十一日止年度，應付本公司核數師瑪澤會計師事務所有限公司之審核、審閱及非審核服務（有關一項主要交易之通函）之費用分別為700,000港元、150,000港元及90,000港元。

Corporate Governance Report

企業管治報告

INTERNAL CONTROL

The Board recognises the overall responsibility for the establishment, maintenance, and review of an internal control system that provides reasonable assurance of the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, the safeguarding of assets and the compliance with laws and regulations. This system of internal control is designed to manage rather than eliminate all risks of failure where its goal is to provide reasonable but not absolute assurance regarding the achievement of organisational objectives.

The Board, through its Audit Committee and external auditor, assesses the effectiveness of the Group's internal control system which covers all material controls, including financial, operational and compliance control.

CONSTITUTIONAL DOCUMENTS

During the year, the Company amended and adopted an amended and restated Memorandum and Articles of Association, Details can be referred to the Company's circular dated 22 May 2012. A copy of the latest consolidated version of the Memorandum and Articles of Association is posted on the websites of the Company and the Stock Exchange.

內部監控

董事會確認其有整體責任成立、維持及檢討內部監控系統，以合理地確保財務及營運資料之可靠性及真實性、營運效率及效益、保障資產及遵守法律及法規。內部監控系統乃為管理而非消除所有錯誤之風險而設，旨在就達成組織目標提供合理而非絕對之保證。

董事會透過審核委員會及外聘核數師評估本集團內部監控系統之成效，有系統涵蓋所有重大監控事宜，包括財務、營運及遵例監控。

憲章文件

年內，本公司已修改及採納經修訂及重列之組織章程大綱及細則，詳情請參閱本公司日期為二零一二年五月二十二日之通函。本公司及聯交所網站載有最新組織章程大綱及細則之綜合版本。

SHAREHOLDERS' RIGHTS

Convening Extraordinary General Meeting and Putting Forward Proposals at Shareholders' Meetings

Pursuant to the Articles of Association of the Company, shareholders are requested to follow article 72 of the Articles of Association of the Company to propose new resolutions at the general meetings. According to article 72 of the Articles of Association of the Company, general meetings shall be convened on the written requisition of any two or more members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member of the Company which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

股東權利

召開股東特別大會及於股東大會上提呈建議

本公司之組織章程細則要求股東於股東大會上提呈新決議案時，依循本公司之組織章程細則第72條。根據本公司之組織章程細則第72條，股東大會須在兩名或以上股東向本公司於香港的主要辦事處（倘本公司並無主要辦事處）登記辦事處送達書面要求之情況下召開，書面要求須列明大會目的，並由提出要求之人士簽署，惟提出要求之人士於遞交要求當日須持有有權於本公司股東大會投票之本公司繳足股本不少於十分一。股東大會亦可在一名屬認可結算所之本公司股東（或其代名人）向本公司於香港之主要辦事處（倘本公司並無主要辦事處）登記辦事處送達書面要求之情況下召開，書面要求須列明大會目的，並由提出要求之人士簽署，惟提出要求之人士於遞交要求當日須持有有權於本公司股東大會投票之本公司繳足股本不少於十分一。倘董事會未有於接獲要求後21日內正式召開大會，提出要求之人士或當中持有彼等投票權過半之任何人士可自行以與董事會召開大會同樣之方式（盡可能相近）召開大會，惟如此召開之大會不可遲於提交要求當日起三個月後召開，而提出要求之人士因董事未能完成有關要求而涉及之所有合理開支，將由本公司向彼等作出補償。

Corporate Governance Report

企業管治報告

If a shareholder, who is entitled to attend and vote at the relevant general meeting, wishes to nominate a person (not being the nominating shareholder) to stand for election as a Director, he or she should give a notice to the secretary of the Company in writing of the intention to propose a person for election as a Director and notice in writing by that person of his or her willingness to be so elected, no earlier than the day after the dispatch of the notice of the relevant general meeting and no later than 7 days prior to the date appointed for the relevant general meeting.

Detailed procedures for shareholders to propose a person for election as a Director are available on the Company's website.

INVESTOR RELATIONS AND COMMUNICATIONS

The Company continues to pursue a proactive policy in promoting investor relations and communication by maintaining meetings with institutional shareholders, fund managers and analysts through different means including meetings, presentations and correspondence. In an effort to enhance communications with shareholders and investors, the Company maintains a website (www.forefront.com.hk) to disseminate information relating to the latest business developments and all Company announcements. The Company regards the Annual General Meeting (the "AGM") as an important event as it provides direct communication between the Board and its shareholders. All shareholders of the Company are given at least a minimum of 20 clear business days notice of the date and venue of the AGM at which time the Directors and Committee members are available to answer questions on the business. The Company supports the CG Code's principle to encourage shareholder participation. The Board, according to the Listing Rules, will conduct voting at the forthcoming AGM by poll. The results of the Company voting will be announced on the Hong Kong Stock Exchange website and the Company website.

倘有權出席相關股東大會並於會上投票之股東有意提名任何人士（並非作出提名之股東）參選董事，應向本公司秘書發出書面意向通知，表示建議該名人士參選董事，而該名人士亦應向本公司秘書發出書面通知，表明願意參選。有關通知須於相關股東大會通告寄發翌日至相關股東大會指定舉行日期前七日期間送交本公司秘書。

股東建議人士參選董事之詳細程序可於本公司網站查閱。

投資者關係及溝通

本公司繼續採取主動促進投資者關係和溝通之政策，與機構股東、基金經理及分析師會面，形式包括會議、簡報及書信。為加強與股東及投資者之溝通，本公司已設立一個網站 (www.forefront.com.hk)，方便發放有關最新業務發展之資料及本公司所有公佈。本公司將股東週年大會（「股東週年大會」）視為重要事件，因股東週年大會可讓董事會與其股東直接溝通。本公司全體股東於股東週年大會舉行前至少有最短20個完整營業日獲通知大會舉行日期及地點，而董事及委員會成員屆時會於會上回應有關業務之提問。本公司支持企業管治守則鼓勵股東參與之原則。董事會將根據上市規則，於即將舉行之股東週年大會上以投票表決方式進行投票。本公司之投票結果將於香港聯交所網站及本公司網站公佈。

Independent Auditor's Report

獨立核數師報告



MAZARS CPA LIMITED

瑪澤會計師事務所有限公司

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18 Harbour Road, Wanchai, Hong Kong

香港灣仔港灣道18號中環廣場42樓

Tel 電話: (852) 2909 5555

Fax 傳真: (852) 2810 0032

Email 電郵: info@mazars.hk

Website 網址: www.mazars.hk

To the shareholders of Forefront Group Limited

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Forefront Group Limited (the "Company") and its subsidiaries (together "the Group") set out on pages 35 to 110, which comprise the consolidated and the Company's statements of financial position as at 31 December 2012, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements

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

Auditor's responsibility

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

致福方集團有限公司

(於開曼群島註冊成立之有限公司)

全體股東

吾等已審核列載於第35至110頁福方集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表。綜合財務報表包括二零一二年十二月三十一日之綜合及貴公司財務狀況表,以及截至該日止年度之綜合全面收入報表、綜合股東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附註解釋。

董事就綜合財務報表之責任

貴公司董事負責根據由香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定,編製可真實而公平地反映狀況之綜合財務報表,並對董事釐定就編製並無重大錯誤陳述(無論因欺詐或錯誤)之綜合財務報表而言屬必要之有關內部監控負責。

核數師之責任

吾等之責任是根據吾等之審核,就該等綜合財務報表提出意見,並僅向全體股東報告吾等之意見,除此以外不作其他用途。吾等概不就本報告內容向任何其他人士承擔或負上任何責任。吾等乃根據香港會計師公會頒佈之香港核數準則進行審核工作。該等準則要求吾等遵守道德規範,並策劃及執行審核,以合理確定該等綜合財務報表是否不存在任何重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of the 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 disclosure requirements of the Hong Kong Companies Ordinance.

Mazars CPA Limited

Certified Public Accountants

Hong Kong,
27 March 2013

Fung Shiu Hang

Practising Certificate number: P04793

審核涉及進行取得綜合財務報表所載金額及披露事項之審核憑證之程序。獲選用之程序取決於核數師之判斷，包括評估綜合財務報表因欺詐或錯誤而存在重大錯誤陳述之風險。在評估有關風險時，核數師會考慮與實體編製可真實而公平地反映狀況之綜合財務報表相關之內部監控，以設計適合有關情況之審核程序，惟並非旨在對實體內部監控之成效發表意見。審核亦包括評估所採用之會計政策是否合適，董事作出之會計估計是否合理，以及評估綜合財務報表之整體呈報方法。

吾等相信已獲足夠而合適之審核憑證作為吾等審核意見之基礎。

意見

吾等認為，綜合財務報表已根據香港財務報告準則真實而公平地顯示 貴公司及 貴集團於二零一二年十二月三十一日之財務狀況，以及 貴集團於截至該日止年度之虧損及現金流量，並已根據香港公司條例之披露規定妥為編製。

瑪澤會計師事務所有限公司

執業會計師

香港
二零一三年三月二十七日

馮兆恆

執業證書編號：P04793

Consolidated Statement of Comprehensive Income

綜合全面收入報表

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

| | | Note | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|--|------------------------|-------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Turnover | 營業額 | 3(a) | 2,189 | (80,852) |
| Other revenue | 其他收益 | 3(b) | 21,301 | - |
| Other income | 其他收入 | 3(c) | 2,848 | 46,434 |
| Net (charge) release on provision for bad and doubtful debts | 呆壞帳撥備(支出)撥回淨額 | 17(d) | (999) | 70,141 |
| General and administrative expenses | 一般及行政開支 | | (15,845) | (18,606) |
| Changes in fair value of financial assets at fair value through profit or loss | 於損益帳按公平值處理之財務資產之公平值變動 | | (34,716) | (346,732) |
| Impairment loss on assets held by a Disposal Group (as defined in note 19) | 出售集團所持資產之減值虧損(定義見附註19) | 19 | (16,937) | - |
| Loss from operation | 經營虧損 | | (42,159) | (329,615) |
| Share of result of an associate/associates | 應佔一間聯營公司/ 聯營公司之業績 | 11 | 282 | 307 |
| Loss before taxation | 除稅前虧損 | 4 | (41,877) | (329,308) |
| Taxation | 稅項 | 7 | - | - |
| Loss attributable to owners of the parent | 母公司擁有人應佔虧損 | 8 | (41,877) | (329,308) |
| Other comprehensive income for the year | 年內其他全面收入 | | - | - |
| Total comprehensive loss attributable to owners of the parent | 母公司擁有人應佔全面虧損總額 | | (41,877) | (329,308) |
| | | | HK\$ 港元 | HK\$ 港元 |
| | | | | (Restated) (經重列) |
| Basic and diluted loss per share | 每股基本及攤薄虧損 | 9 | (0.10) | (1.18) |

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

| | Note 附註 | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|--|------------|----------------------------------|----------------------------------|
| Non-current assets | | | |
| Property, plant and equipment | 10 | 41 | 56 |
| Interest in an associate/associates | | | |
| 於一間聯營公司／ 聯營公司之權益 | 11 | 36,530 | 32,248 |
| Long-term debt investment | 12 | 280,051 | – |
| Intangible assets | 13 | – | 67,592 |
| Available-for-sale financial assets | 14 | 108,000 | 108,000 |
| | | 424,622 | 207,896 |
| Current assets | | | |
| Financial assets at fair value through profit or loss | | | |
| 於損益帳按公平值處理之 財務資產 | 15 | 454,717 | 445,338 |
| Loan receivables | 17 | 25,724 | 164,146 |
| Other receivables | 18 | 4,260 | 2,677 |
| Bank balances and cash | | 49,411 | 138,183 |
| | | 534,112 | 750,344 |
| Current liabilities | | | |
| Other payables | | 7,627 | 3,403 |
| Net current assets | | 526,485 | 746,941 |
| NET ASSETS | | 951,107 | 954,837 |
| Capital and reserves | | | |
| Share capital | | 402 | 36,547 |
| Reserves | 22 | 950,705 | 918,290 |
| TOTAL EQUITY | | 951,107 | 954,837 |

Approved and authorised for issue by the Board of Directors on 27 March 2013 and are signed on behalf by:

經由董事會於二零一三年三月二十七日批准及授權刊發，並由下列董事代表簽署：

Yeung Ming Kwong

楊明光

Director

董事

Lo Oi Kwok, Sheree

羅愛過

Director

董事

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

| | | Note | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|-------------------------------------|---------------|------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Non-current assets | 非流動資產 | | | |
| Interest in subsidiaries | 於附屬公司之權益 | 16 | 917,194 | 881,800 |
| Available-for-sale financial assets | 可供出售財務資產 | 14 | — | — |
| | | | 917,194 | 881,800 |
| Current assets | 流動資產 | | | |
| Other receivables | 其他應收款項 | 18 | 258 | 343 |
| Bank balances and cash | 銀行結存及現金 | | 25,153 | 65,589 |
| | | | 25,411 | 65,932 |
| Current liabilities | 流動負債 | | | |
| Other payables | 其他應付款項 | | 5,435 | 1,190 |
| Amounts due to subsidiaries | 應付附屬公司款項 | 16 | 36,956 | 70,799 |
| | | | 42,391 | 71,989 |
| Net current liabilities | 流動負債淨額 | | (16,980) | (6,057) |
| NET ASSETS | 資產淨值 | | 900,214 | 875,743 |
| Equity and reserves | 股權及儲備 | | | |
| Share capital | 股本 | 22 | 402 | 36,547 |
| Reserves | 儲備 | 24 | 899,812 | 839,196 |
| TOTAL EQUITY | 股權總值 | | 900,214 | 875,743 |

Approved and authorised for issue by the Board of Directors on 27 March 2013 and are signed on behalf by:

Yeung Ming Kwong
楊明光
Director
董事

Lo Oi Kwok, Sheree
羅愛過
Director
董事

經由董事會於二零一三年三月二十七日批准及授權刊發，並由下列董事代表簽署：

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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 the equity holders of the parent 母公司股權持有人應佔 | | | | | | |
|--|------------------------------|--|------------------|----------------------|-----------------|----------------------------|---------------------|----------------|
| | | Share capital | Share premium | Share option reserve | Capital reserve | Capital redemption reserve | Accumulated deficit | Total equity |
| | | 股本 | 股份溢價 | 購股權儲備 | 資本儲備 | 資本贖回儲備 | 累計虧絀 | 股權總值 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 January 2011 | 於二零一一年一月一日 | 406,082 | 1,177,654 | - | 10,482 | 1,173 | (705,146) | 890,245 |
| Comprehensive loss | 全面虧損 | | | | | | | |
| Loss for the year | 年內虧損 | - | - | - | - | - | (329,308) | (329,308) |
| Total comprehensive loss for the year | 年內全面虧損總額 | - | - | - | - | - | (329,308) | (329,308) |
| Transactions with owners | 與擁有人進行之交易 | | | | | | | |
| Issue of shares on rights issue, net of expenses | 供股時發行股份 (已扣除開支) | 32,487 | 361,413 | - | - | - | - | 393,900 |
| Capital reorganisation | 股本重組 | (402,022) | - | - | - | - | 402,022 | - |
| Total transactions with owners | 與擁有人進行之交易總額 | (369,535) | 361,413 | - | - | - | 402,022 | 393,900 |
| At 31 December 2011 and 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 | 36,547 | 1,539,067 | - | 10,482 | 1,173 | (632,432) | 954,837 |
| Comprehensive loss | 全面虧損 | | | | | | | |
| Loss for the year | 年內虧損 | - | - | - | - | - | (41,877) | (41,877) |
| Total comprehensive loss for the year | 年內全面虧損總額 | - | - | - | - | - | (41,877) | (41,877) |
| Transactions with owners | 與擁有人進行之交易 | | | | | | | |
| Share options granted (note 23(c)) | 已授出購股權 (附註23(c)) | - | - | 67 | - | - | - | 67 |
| Exercise of share options (note 23(b)) | 行使購股權 (附註23(b)) | 3,655 | 34,492 | (67) | - | - | - | 38,080 |
| Capital reorganisation (note 22(a)) | 股本重組 (附註22(a)) | (39,800) | - | - | - | - | 39,800 | - |
| Total transactions with owners | 與擁有人進行之交易總額 | (36,145) | 34,492 | - | - | - | 39,800 | 38,147 |
| At 31 December 2012 | 於二零一二年十二月三十一日 | 402 | 1,573,559 | - | 10,482 | 1,173 | (634,509) | 951,107 |

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

| | Note 附註 | 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 | | | |
| Cash generated from (used in) operations | 25 | 87,306 | (362,359) |
| Net cash generated from (used in) operating activities | | 87,306 | (362,359) |
| INVESTING ACTIVITIES 投資活動 | | | |
| Interest received | | 4,791 | 581 |
| Purchase of property, plant and equipment | | (16) | – |
| Purchase of available-for-sale financial assets | | – | (125,281) |
| Purchase of long-term debt investment | | (265,000) | – |
| Net cash inflow on disposal of a subsidiary | 19 | 50,000 | 100,000 |
| Capital contribution to an associate | | (4,000) | – |
| Net cash used in investing activities | | (214,225) | (24,700) |
| FINANCING ACTIVITIES 融資活動 | | | |
| Proceeds from issue of new shares under share option scheme | | 38,147 | – |
| Proceeds from issue of new shares on rights issue, net of expenses | | – | 393,900 |
| Net cash generated from financing activities | | 38,147 | 393,900 |

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

| | Note 附註 | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|--|------------|----------------------------------|----------------------------------|
| Net (decrease) increase in cash and cash equivalents | | (88,772) | 6,841 |
| Cash and cash equivalents at beginning of year | | <u>138,183</u> | <u>131,342</u> |
| Cash and cash equivalents at end of year, represented by bank balances and cash | | <u>49,411</u> | <u>138,183</u> |

Notes to the Financial Statements

財務報表附註

1. CORPORATION INFORMATION

Forefront Group Limited (the “Company”) is a limited liability company incorporated in the Cayman Islands and its shares are listed on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office, principal place of business, activities and particulars of the Company and its subsidiaries are set out in the Corporation Information and Report of the Directors of this annual report.

2. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) which collective term includes all applicable 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 consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2011 consolidated financial statements. A summary of principal accounting policies adopted by the Group is set out below.

1. 公司資料

福方集團有限公司（「本公司」）為於開曼群島註冊成立之有限公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司及其附屬公司之註冊辦事處及主要營業地點地址、業務及詳情載於本年報公司資料及董事會報告內。

2. 主要會計政策

編製基準

此等綜合財務報表乃根據香港財務報告準則（「香港財務報告準則」）編製。香港財務報告準則為一統稱，包括香港會計師公會（「香港會計師公會」）頒佈之所有適用香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋、香港公認會計原則及香港公司條例之披露規定。此等綜合財務報表亦符合聯交所證券上市規則之適用披露條文。

此等綜合財務報表之編製基準與二零一一年綜合財務報表所採納之會計政策貫徹一致。下文載列本集團已採納之主要會計政策概要。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Basis of measurement

The measurement basis used in the preparation of these financial statements is historical cost, except for certain financial instruments, which are measured at fair value as explained in the accounting policies set out below.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries as at 31 December each year. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balance, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceased.

Non-controlling interests are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from owners of the parent. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, is measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis.

2. 主要會計政策 (續)

計量基準

編製此等財務報表所採用之計量基準為歷史成本，惟如下文載列之會計政策所述，若干財務工具乃以公平值計量。

綜合基準

綜合財務報表包括本公司及其所有附屬公司截至每年十二月三十一日為止之財務報表。附屬公司之財務報表乃於與本公司相同之報告年度使用與本公司貫徹一致之會計政策編製。

集團內公司間之所有結餘、交易、收支及集團內公司間交易所產生盈虧會全數對銷。附屬公司之業績由本集團取得控制權當日起至有關控制權終止當日止綜合計算。

非控股權益乃於綜合全面收入報表及綜合財務狀況表之股權中分開呈列，並與母公司擁有人分開呈列。於被收購公司之非控股權益為現時擁有權權益，賦予持有人權利於被收購公司清盤時按比例攤分被收購公司之淨資產，初步按公平值或按現時擁有權工具所佔被收購公司可識別淨資產已確認金額之比例計量。計量基準會因應逐項收購選擇。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Allocation of total comprehensive income

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

Changes in ownership interest

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the parent.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary is recognised on the same basis as would be required if the parent had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary is accounted for as a financial asset, associate, jointly controlled entity or others as appropriate from the date when control is lost.

2. 主要會計政策 (續)

綜合基準 (續)

分配全面收入總額

損益及其他全面收入各組成部分均歸屬於母公司擁有人以及非控股權益。全面收入總額歸於母公司擁有人以及非控股權益，即使此舉會導致非控股權益之結餘出現虧絀。

擁有權權益變動

倘本集團於附屬公司之擁有權權益出現變動，但並無導致本集團失去對該附屬公司之控制權，則入帳列作股權交易。本集團之控股與非控股權益之帳面金額均予以調整，以反映彼等於附屬公司之相關權益之變動。非控股權益之調整款額與已付或已收代價之公平值兩者間之任何差額，均直接於股權確認並歸屬於母公司擁有人。

倘本集團失去對附屬公司之控制權，則出售損益按(i)已收代價之公平值及於失去控制權當日所釐定任何保留權益之公平值之總額與(ii)該附屬公司之資產(包括商譽)及負債以及任何非控股權益於失去控制權當日之帳面金額兩者間之差額計算。先前就已出售附屬公司於其他全面收入確認之款額，按母公司直接出售相關資產或負債所須使用之相同基準確認。在前附屬公司保留之任何投資及該前附屬公司所結欠或應收之任何金額，會由失去控制權當日起入帳列作財務資產、聯營公司、共同控制實體或其他項目(如適用)。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Subsidiaries

A subsidiary is an entity in which the Group has the power to govern the financial and operating policies so as to obtain benefits from activities.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment losses. The carrying amount of the investment is reduced to its recoverable amount on an individual basis. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

Associates

An associate is an entity in which the Group has significant influence and which is neither a subsidiary nor a joint venture.

The Group's investment in associate is accounted for under the equity method of accounting. The consolidated statement of comprehensive income includes the Group's share of the post-acquisition results of the associate for the year. The consolidated statement of financial position includes the Group's share of the net assets of the associate and also goodwill. The Group discontinues recognising its share of further losses when the Group's share of losses of the associate equals or exceeds the carrying amount of its interest in the associate, which includes any long term interests that, in substance, form part of the Group's net investment in the associate.

2. 主要會計政策 (續)

附屬公司

附屬公司指本集團有權規管其財務及營運政策以自業務中獲取利益之實體。

於本公司之財務狀況表中，於附屬公司之投資乃按成本減去減值虧損入帳。投資之帳面金額按個別基準扣減至其可收回金額。本公司按已收及應收股息基準將附屬公司之業績入帳。

聯營公司

聯營公司指本集團對其擁有重大影響力但不屬於附屬公司及合營公司之實體。

本集團於聯營公司之投資以權益會計法入帳。綜合全面收入報表包括年內本集團應佔聯營公司之收購後業績。綜合財務狀況表包括本集團應佔聯營公司之淨資產及商譽。倘本集團應佔聯營公司之虧損相等於或超過其於該聯營公司之權益（包括任何實質上構成本集團於該聯營公司之淨投資一部分之長期權益）之帳面金額，則本集團不再確認其應佔之進一步虧損。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Associates (Continued)

On the loss of significant influence, the Group remeasures any retained interest in the former associate at fair value. The difference between the fair value of any retained investment and proceeds from disposing of the part interest in the associate and the carrying amount of the investment at the date when significant influence is lost is recognised in profit or loss. In addition, all amounts previously recognised in other comprehensive income in respect of the former associate are accounted for on the same basis as would be required if the former associate had directly disposed of the related assets or liabilities. The fair value of the retained interest on the date of ceasing to be an associate is regarded as the fair value on initial recognition as a financial asset subsequently.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repair and maintenance are charged to the profit or loss during the year in which they are incurred.

2. 主要會計政策 (續)

聯營公司 (續)

失去重大影響力時，本集團按公平值重新計量於前聯營公司之任何保留權益。任何保留投資及出售該聯營公司部分權益所得款項之公平值與失去重大影響力當日投資帳面金額兩者間之差額於損益帳確認。此外，之前於其他全面收入中就前聯營公司確認之所有金額均按前聯營公司直接出售相關資產或負債所須使用之相同基準入帳。保留權益於不再為聯營公司當日之公平值被視為其後首次確認為財務資產時之公平值。

物業、廠房及設備

物業、廠房及設備按成本減累計折舊及減值虧損列帳。物業、廠房及設備項目之成本包括其購買價及令資產達致其營運狀況及運送至其運作地點作擬定用途之任何直接應佔費用。維修及保養開支於產生當年在損益帳中扣除。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method. Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis and depreciated separately:

| | |
|-----------------------|-----------|
| Leasehold improvement | 50% |
| Furniture and fixture | 20% – 50% |
| Motor vehicles | 33% |

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year in which the item is derecognised.

Intangible assets

Intangible assets that are acquired by the Group are stated in consolidated statement of financial position at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses.

Amortisation of intangible assets with finite useful lives is charged to the profit or loss on a straight-line basis over the assets' estimated useful lives which are determined by the period over which it is expected to bring economic benefits to the Group. The forestry land use rights and tree entitlement are amortised from the date they are available for use over their estimated useful life of 50 years.

2. 主要會計政策 (續)

物業、廠房及設備 (續)

本集團於計及物業、廠房及設備之估計餘值後，於由可供使用日期起之下述估計可用年內以直線法撇銷成本減累計減值虧損，以作出折舊撥備。倘物業、廠房及設備項目之各個部分之可用年期不同，則該項目之成本會按合理基準分配，並分開計算折舊：

| | |
|--------|-----------|
| 租賃物業裝修 | 50% |
| 傢具及裝置 | 20% – 50% |
| 汽車 | 33% |

物業、廠房及設備項目於出售時或預期持續使用該資產不會產生未來經濟利益時終止確認。終止確認資產所產生之任何盈虧（按出售所得款項淨額與項目帳面金額之差額計算）計入項目終止確認年度之損益帳。

無形資產

本集團收購之無形資產於綜合財務狀況表內按成本減累計攤銷（估計可使用年期有限之無形資產）及減值虧損列帳。

可使用年期有限之無形資產之攤銷會於資產估計可使用年內按直線法在損益帳中扣除，而有關估計可使用年期乃按資產預期為本集團帶來經濟利益之期限釐定。林地使用權及林木所有權由可供使用當日起按50年之估計可使用年期攤銷。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Intangible assets (Continued)

The Group reviews the estimated useful life and amortisation method for these intangible assets annually and makes adjustment when necessary.

Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and the Group has transferred substantially all the risks and rewards of ownership of the financial asset. A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement

Financial assets or financial liabilities are initially recognised at their fair value plus, in the case of financial assets or financial liabilities not carried at fair value through profit or loss, transaction costs that are direct attributable to the acquisition or issue of the financial assets or financial liabilities.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. They are carried at fair value, with any resultant gain and loss recognised in profit or loss.

2. 主要會計政策 (續)

無形資產 (續)

本集團會每年檢討此等無形資產之估計可使用年期及攤銷方法，並於有需要時作出調整。

財務工具

確認及終止確認

當且僅當本集團成為該等工具之合約條文之一方時，財務資產及財務負債方會確認，而於確認時乃以交易日期為基準。

當且僅當(i)本集團於財務資產未來現金流量之合約權利屆滿，或(ii)本集團轉讓該財務資產，同時轉移該項財務資產擁有權之絕大部分風險及回報時，方會終止確認財務資產。當且僅當財務負債消除時（即相關合約列明之義務被免除、取消或屆滿時），財務負債方會終止確認。

分類及計量

財務資產或財務負債初步按公平值另加（如並非於損益帳按公平值列帳）收購或發行財務資產或財務負債直接應佔之交易成本確認。

於損益帳按公平值處理之財務資產

於損益帳按公平值處理之財務資產包括持作買賣之財務資產及於首次確認時指定於損益帳按公平值處理之財務資產，以公平值列帳，所產生之任何盈虧於損益帳中確認。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

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

Financial assets are classified as held for trading if they are (i) acquired or incurred principally for the purpose of selling or repurchasing in the near future; (ii) part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or (iii) derivatives that are not designated financial guarantee contracts or not designated and effective hedging instruments.

Financial assets are designated at initial recognition as at fair value through profit or loss only if (i) the designation eliminate or significantly reduce the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on a different basis; or (ii) they are part of a group of financial assets and/or financial liabilities that are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) they contain embedded derivatives that would need to be separately recorded.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial asset at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

2. 主要會計政策 (續)

財務工具 (續)

於損益帳按公平值處理之財務資產 (續)

倘財務資產(i)主要為於短期內出售或購回而購入或產生；(ii)由本集團集中管理且有跡象顯示近期出現實際短期獲利之已識別財務工具組合之一部分；或(iii)並非指定財務擔保合約亦非指定為有效對沖工具之衍生工具，則分類為持作買賣財務資產。

財務資產僅會於下列情況下於首次確認時指定為於損益帳按公平值處理：(i)該項指定消除或大幅減少因按不同基準計量資產或負債或確認盈虧而導致處理方法不一之情況；或(ii)該等財務資產屬受管理且根據明文風險管理策略按公平值基準評估表現之一組財務資產及／或財務負債之一部分；或(iii)該等財務資產包含須分開記錄之嵌入式衍生工具。

倘一份合約包含一項或多項嵌入式衍生工具，則整份混合合約或會指定為於損益帳按公平值處理之財務資產，惟倘嵌入式衍生工具不能大幅改變現金流量或明顯不得將嵌入式衍生工具分開則除外。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Loans and receivables

Loans and receivables including loans and other receivables and amounts due from subsidiaries are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are measured at amortised cost using the effective interest method, except where receivables are interest-free loans and without any fixed repayment term or the effect of discounting would be insignificant. In such case, the receivables are stated at cost less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition over the year to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in profit or loss.

2. 主要會計政策 (續)

財務工具 (續)

貸款及應收款項

貸款及應收款項包括貸款及其他應收款項以及應收附屬公司款項，為有固定或可釐定付款額而並無活躍市場報價且非持作買賣之非衍生財務資產。此等貸款及應收款項以實際利率法按攤銷成本計量，惟倘應收款項為無固定還款期或貼現影響不大之免息貸款，則按成本減去減值虧損列帳。攤銷成本於到期前各年經計及收購時之任何折讓或溢價後計算。終止確認、減值或透過攤銷過程所產生之盈虧於損益帳確認。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated at this category or not classified in any of the other categories of financial assets. They are measured at fair value with changes in value recognised as a separate component of equity until the assets are sold, collected or otherwise disposed of, or until the assets are determined to be impaired, at which time the cumulative gain or loss previously reported in other comprehensive income shall be reclassified to profit or loss as a reclassification adjustment.

Available-for-sale financial assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are stated at cost less impairment loss.

Financial liabilities

The Group's financial liabilities include other payables and amount due to subsidiaries. All financial liabilities except for derivatives are recognised initially at their fair value and subsequently measured at amortised cost, using effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

2. 主要會計政策 (續)

財務工具 (續)

可供出售財務資產

可供出售財務資產為指定為此類別或不予分類為其他財務資產類別之非衍生財務資產，按公平值計量，而價值變動確認為股權獨立部分，直至資產被出售、收集或以其他方式處置為止，或直至資產被釐定為已減值為止，屆時，之前於其他全面收入中呈報之累計收益或虧損將重新分類至損益帳，列作重新分類調整。

並無活躍市場報價且公平值不能可靠地計量之可供出售財務資產按成本減去減值虧損列帳。

財務負債

本集團之財務負債包括其他應付款項及應付附屬公司款項。所有財務負債（衍生工具除外）初步按公平值確認，其後以實際利率法按攤銷成本計量，惟倘貼現影響並不重大，則按成本列帳。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets

At the end of each reporting period, the Group assesses whether there is objective evidence that financial assets, other than those at fair value through profit or loss, are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. Such impairment loss is reversed in subsequent periods through profit or loss when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

For an available-for-sale financial asset that is carried at cost, the amount of impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss shall not be reversed.

2. 主要會計政策 (續)

財務工具 (續)

財務資產減值

本集團會於各報告期結束日評估是否有客觀證據顯示財務資產(於損益帳按公平值處理者除外)出現減值。按攤銷成本列帳之財務資產之減值虧損按資產帳面金額與按財務資產原實際利率貼現之估計未來現金流量現值之差額計量。倘資產之可收回金額增加,而是項增加能夠客觀地與確認減值後發生之事件有關,則於往後期間透過損益帳撥回有關減值虧損,惟該項資產於撥回減值當日之帳面金額不得超過原先並無確認減值時之攤銷成本。

至於按成本列帳之可供出售財務資產,減值虧損之金額按財務資產之帳面金額與按類似財務資產現有市場回報率貼現之估計未來現金流量現值之差額計量。有關減值虧損不予撥回。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Cash equivalents

For the purpose the consolidated statement of cash flows, cash equivalent represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value, net of bank overdrafts. For classification in the statement of financial position, cash equivalents represent assets similar in nature to cash and which are not restricted as to use.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue and costs, if applicable, can be measured reliably and on the following bases.

Realised gain or loss on financial assets at fair value through profit or loss is recognised on a trade date basis whilst unrealised gain or loss on financial assets at fair value through profit or loss is recognised to restate to their fair value at the end of the reporting period.

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

Interest income from financial assets is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2. 主要會計政策 (續)

現金等價物

就綜合現金流量表而言，現金等價物指扣除銀行透支後可隨時轉換為可知數額現金，而所承受之價值變動風險不大之短期高流動性投資項目。就財務狀況表中之分類而言，現金等價物指性質與現金類似，且用途並無限制之資產。

收益確認

收益乃於經濟利益極有可能將會流入本集團且收益及成本（如適用）能可靠地計量時按下列基準確認。

於損益帳按公平值處理之財務資產之已變現收益或虧損按交易日基準確認，而於損益帳按公平值處理之財務資產之未變現收益或虧損則以重列其於報告期結束日之公平值之方式確認。

投資股息收入乃於本集團之收款權利確立時確認。

財務資產之利息收入參考未償還本金及適用實際利率按時間基準計算。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Foreign currency translation

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

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses resulting from the retranslation of non-monetary items carried at fair value are recognised in profit or loss except for those arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the gains or losses are also recognised directly in equity.

The results and financial position of all the Group entities that have a functional currency different from the presentation currency ("foreign operations") are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented and, where applicable, goodwill and fair value adjustments on the carrying amounts of assets and liabilities arising on an acquisition of a foreign operation which are to be treated as assets and liabilities of that foreign operation, are translated at the closing rate at the end of the reporting period;
- Income and expenses for each statement of comprehensive income are translated at average exchange rate; and

2. 主要會計政策 (續)

外幣換算

本集團各實體之財務報表內所列項目乃依各實體營運所在之主要經濟環境所用貨幣(「功能貨幣」)計量。綜合財務報表以本集團之功能及呈列貨幣港元呈列。

外幣交易使用交易日之匯率換算為功能貨幣。因結算該等交易及按年結日匯率換算以外幣計值之貨幣資產及負債而產生之外匯收益及虧損於損益帳中確認。因重新換算以公平值列帳之非貨幣項目而產生之外匯收益及虧損於損益帳中確認，惟倘有關收益及虧損乃因重新換算直接於股權確認收益及虧損之非貨幣項目而產生，則同樣直接於股權確認。

功能貨幣有別於呈列貨幣之各本集團實體(「海外業務」)之業績及財務狀況，乃按以下方式換算為呈列貨幣：

- 於各財務狀況表呈列之資產及負債，以及(如適用)就收購海外業務產生之資產及負債(被視為該海外業務之資產及負債)帳面金額作出之商譽及公平值調整，按報告期結束日之收市匯率換算；
- 各全面收入報表之收入及開支按平均匯率換算；及

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Foreign currency translation (Continued)

- All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity.
- On disposal of a foreign operation, which includes the disposal of the Group's entire interest in a foreign operation, the loss of control of a subsidiary that includes a foreign operation, the loss of significant influence over an associate that includes a foreign operation, and the loss of joint control over a jointly controlled entity that includes a foreign operation, the cumulative amount of the exchange differences deferred in the separate component of equity relating to that foreign operation is recognised in profit or loss when the gain or loss on disposal is recognised.
- On disposal or partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and are not recognised in profit or loss.
- On all other partial disposals, which includes partial disposal of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control, the proportionate share of the cumulative amount of exchange differences recognised in the separate component of equity is reclassified to profit or loss.

2. 主要會計政策 (續)

外幣換算 (續)

- 所有因上述換算而產生之匯兌差額及因構成本集團於海外業務之淨投資一部分之貨幣項目而產生之匯兌差額，確認為股權之獨立部分。
- 出售海外業務時（包括出售本集團於海外業務之全部權益、喪失包含海外業務之附屬公司之控制權、喪失包含海外業務之聯營公司之重大影響力及喪失包含海外業務之共同控制實體之共同控制權），歸入涉及該海外業務股權獨立部分之匯兌差額之累計金額於確認出售盈虧時在損益帳中確認。
- 出售或部分出售本集團包含海外業務之附屬公司之權益，而本集團不會因此喪失對該附屬公司之控制權時，於股權獨立部分確認之按比例應佔匯兌差額之累計金額部分重新歸入該海外業務之非控股權益，且不會於損益帳確認。
- 至於所有其他部分出售（包括部分出售聯營公司或共同控制實體，而本集團不會因此喪失重大影響力或共同控制權），於股權獨立部分確認之按比例應佔匯兌差額之累計金額部分重新分類至損益帳。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indication that its property, plant and equipment and intangible assets with finite useful lives may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs to sell and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income in profit or loss immediately.

2. 主要會計政策 (續)

非財務資產之減值

於各報告期結束日，本集團審閱內部及外部所得資料，以評估是否有跡象顯示其物業、廠房及設備以及具有限可使用年期之無形資產可能出現減值，或先前確認之減值虧損是否不再存在或可能有所減少。倘有任何該等跡象存在，則根據其公平值減銷售成本及使用價值（以較高者為準）估計該項資產之可收回金額。倘無法估計個別資產之可收回金額，本集團則估計可獨立產生現金流量之最小資產組別（即現金產生單位）之可收回金額。

倘資產或現金產生單位之可收回金額估計低於其帳面金額，則資產或現金產生單位之帳面金額會減至其可收回金額。減值虧損即時確認為開支。

撥回之減值虧損以假設在過往年度並無確認減值虧損之情況下釐定之資產或現金產生單位之帳面金額為限。撥回之減值虧損即時於損益帳確認為收入。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made. Expenditures for which a provision has been recognised are charged against the related provision in the year in which the expenditures are incurred. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount provided is the present value of the expenditures expected to be required to settle the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Leases

Leases which do not transfer substantially all the risks and rewards of ownership to the lessee are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

Lease incentives are recognised in profit or loss as an integral part of the net consideration agreed for the use of leased asset.

2. 主要會計政策 (續)

撥備

當本集團因過往事件而須承擔現時之法定或推定責任，而履行該責任時可能需要流出帶有經濟利益之資源且有關責任之金額能可靠估計時，即會確認撥備。已確認撥備之支出會在產生支出年度與有關撥備互相抵銷。本集團會於各報告期結束日審閱撥備，並作出調整，以反映當前之最佳估計。倘有關撥備金額之時間值影響重大，則撥備金額應為履行責任預期所需支出之現值。倘本集團預期撥備將會獲得償還，則償還款會確認為獨立資產，惟僅於實際上肯定須償還時方予確認。

租賃

並無將擁有權之絕大部分風險及回報轉移予承租人之租賃分類為經營租賃。

根據經營租賃應付之租金於相關租賃期內以直線法從損益帳中扣除。

租賃優惠於損益帳確認為使用租賃資產所協定之淨代價之一部分。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Employee benefits

Short term employee benefits

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 payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

Defined contribution plans

The obligations for contributions to defined contribution retirement schemes are recognised as expenses in profit or loss as incurred. The assets of the schemes are held separately from those of the Group in an independently administered fund.

Long service payment

The Group's net obligation in respect of long service payment under the Employment Ordinance is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and discounted to its present value and after deducting the fair value of any related assets, including retirement scheme benefit.

2. 主要會計政策 (續)

僱員福利

短期僱員福利

薪金、年度花紅、有薪年假、界定供款退休計劃供款及非貨幣福利之成本於僱員提供相關服務之年度累計。倘若遞延付款或結算，而影響屬重大，則此等金額按其現值列帳。

界定供款計劃

向界定供款退休計劃供款之責任於產生時於損益帳中確認為開支。計劃資產與本集團之資產分開，由獨立管理之基金管理。

長期服務金

本集團根據僱傭條例之長期服務金責任淨額為僱員於本期間及過往期間提供服務所賺取之未來福利金額。有關責任乃以估計單位基數法計算，並貼現至其現值，再扣除任何相關資產（包括退休計劃福利）之公平值。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Share based payment transactions

Equity-settled transactions

The Group's employees, including directors, receive remuneration in the form of share-based payment transactions, whereby the employees rendered services in exchange for shares or rights over shares. The cost of such transactions with employees is measured by reference to the fair value of the equity instruments at the grant date. The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a reserve within equity. The fair value is determined using the Black-Scholes Model, taking into account the terms and conditions of the transactions, other than conditions linked to the price of the shares of the Company ("market conditions").

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the years in which the vesting conditions are to be fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("vesting date"). During the vesting period, the number of share options that is expected to vest ultimately 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, with a corresponding adjustment to the reserve within equity.

2. 主要會計政策 (續)

以股份付款之交易

以股權結算之交易

本集團僱員(包括董事)提供服務以換取股份或有關股份之權利時,即以股份付款之交易方式收取薪酬。與僱員進行該等交易之成本乃參考股本工具於授出日期之公平值計量。向僱員授出之購股權之公平值確認為僱員成本,而股權內之儲備會相應增加。公平值乃使用布萊克-斯克爾斯模型釐定,當中已考慮交易條款及條件,惟不包括與本公司股份價格相關之條件(「市場條件」)。

以股權結算之交易之成本連同股權之相應增加於達成歸屬條件之年度確認,直至有關僱員全面享有有關獎勵之日(「歸屬日期」)為止。本公司於歸屬期內審閱預期最終歸屬之購股權數目。已於以往年度確認之累計公平值之任何調整於審閱年度於損益帳中扣除/計入,並於股權內對儲備作出相應之調整。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Taxation

The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investment in subsidiaries, associates and jointly controlled entities, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2. 主要會計政策 (續)

稅項

即期所得稅支出乃按就無須課稅或不得扣除項目調整之年內業績計算，並使用於報告期結束日已實行或大致上已實行之稅率計算。

遞延稅項乃使用負債法，就資產與負債之稅基以及該等資產與負債於綜合財務報表內所列之帳面金額間於報告期結束日之所有暫時差額作出撥備。然而，倘遞延稅項因首次確認商譽而產生，或因業務合併以外之交易之其他資產或負債而產生，而進行交易時對會計溢利或應課稅溢利或虧損均無影響，則不予確認。

遞延稅項負債及資產乃按照於報告期結束日已實行或大致上實行之稅率及稅務法律，按照預期將於收回資產或償還負債之期間適用之稅率計量。

遞延稅項資產乃在極可能有未來應課稅溢利以動用以抵扣暫時差額、稅項虧損及稅項抵免時確認。

遞延稅項按於附屬公司、聯營公司及共同控制實體之投資所產生之暫時差額作出撥備，惟本集團可控制暫時差額之撥回時間，以及暫時差額不大可能於可見未來撥回之情況除外。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Related parties

A related party is a person or entity that is related to the Group.

- (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 the Group or of the parent of the Group.
- (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 of 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.

2. 主要會計政策 (續)

關連人士

關連人士為與本集團有關連之人士或實體。

- (a) 任何人士或其近親如符合以下情況，即與本集團有所關連：
 - (i) 擁有本集團之控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或其母公司主要管理層成員。
- (b) 任何實體如符合以下任何條件，即與本集團有所關連：
 - (i) 該實體與本集團屬同一集團之成員公司（意即母公司、附屬公司及同系附屬公司各自互有關連）。
 - (ii) 一個實體為另一實體之聯營公司或合營公司（或另一實體為當中成員之集團之成員之聯營公司或合營公司）。
 - (iii) 兩個實體均為同一第三方之合營公司。
 - (iv) 一個實體為第三方實體之合營公司，而另一實體為該第三方之聯營公司。

Notes to the Financial Statements 財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Related parties (Continued)

(b) (Continued)

- (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. If the Group is itself such a plan, the sponsoring employers are also 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 and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

2. 主要會計政策 (續)

關連人士 (續)

(b) (續)

- (v) 該實體為一離職後福利計劃，而其受益人為本集團或與本集團有所關連之實體之僱員。倘本集團本身為該計劃，則發起之僱主亦與本集團有所關連。
- (vi) 該實體受(a)項列明之人士控制或共同控制。
- (vii) (a)(i)項列明之人士對該實體有重大影響力或為該實體(或其母公司)之主要管理層成員。

任何人士之近親為可能預期於與該實體之交易中影響該名人士或受該名人士影響之家族成員，包括：

- (a) 該名人士之子女及配偶或同居伴侶；
- (b) 該名人士之配偶或同居伴侶之子女；及
- (c) 該名人士或其配偶或同居伴侶之受養人。

於關連人士之定義中，聯營公司包括該聯營公司之附屬公司，而合營公司包括該合營公司之附屬公司。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

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.

Critical accounting estimates and judgements

Estimates and assumptions concerning the future and judgements are made by the management in the preparation of the consolidated financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

2. 主要會計政策 (續)

分類報告

經營分類及於財務報表報告之各分類項目金額均按定期提供予本集團最高層行政管理人員之財務資料劃分，以於本集團各業務及地區之間分配資源及評估其表現。

個別重大經營分類於進行財務報告時不會合併計算，惟倘若分類具有類似經濟特性，以及產品及服務性質、生產程序性質、客戶種類或類型、分銷產品或提供服務之方法以及監管環境性質相類似時則作別論。並非個別重大之經營分類在上述大部分條件共通時可予合併。

關鍵會計估計及判斷

管理層於編製綜合財務報表時會作出關於未來之估計及假設以及判斷。有關估計、假設及判斷會影響本集團會計政策之應用情況、資產、負債、收入及開支之申報金額以及所披露之資料，並持續根據經驗及相關因素（包括在各種情況下相信對未來事件作出之合理預期）評估。於適用時，會計估計之修訂會於作出修訂之期間及未來期間（如有關修訂同時影響未來期間）確認。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements (Continued)

Allowance for bad and doubtful debts

The provisioning policy for bad and doubtful debts of the Group is based on the evaluation of collectability of the loans receivable. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including assessing the current creditworthiness and the past collection history of each customer. If the financial conditions of these customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance will be required. At the end of reporting period, the carrying amount of loans receivable after provision for impairment amounted to HK\$25,724,000 (2011: HK\$164,146,000).

Impairment of investments and receivables

The Group assesses annually if investment in subsidiaries/ associates has suffered any impairment in accordance with HKAS 36 and follows the guidance of HKAS 39 in determining whether amounts due from these entities are long-term debt investment and available-for-sale financial assets stated at cost less impairment loss are impaired. Details of the approach are stated in the respective accounting policies. The assessment requires an estimation of future cash flows, including expected dividends, from the assets and the selection of appropriate discount rates. Future changes in financial performance and position of these entities would affect the estimation of impairment loss and cause the adjustments of their carrying amounts.

Fair value estimation

The Group's unlisted convertibles notes are stated at fair value based on the valuations performed by independent professional valuers. In determining the fair value, the valuers have based on a method of valuation which involves certain estimates. In relying on the valuation reports, the directors of the Group have exercised their judgement and are satisfied that the method of valuations is reflective of the current market conditions.

2. 主要會計政策 (續)

關鍵會計估計及判斷 (續)

呆壞帳撥備

本集團之呆壞帳撥備政策乃根據能否收回應收貸款作出評估。於評估該等應收款項之最終變現能力時，須從多方面作出判斷，包括評估各名客戶之現時信譽及過往收帳記錄。倘該等客戶之財務狀況惡化，令其還款能力受損，將須作出額外撥備。於報告期結束日，應收貸款於扣除減值撥備後之帳面金額為25,724,000港元(二零一一年：164,146,000港元)。

投資及應收款項之減值

本集團根據香港會計準則第36號每年評估於附屬公司／聯營公司之投資有否出現減值，並依循香港會計準則第39號之指引釐定應收此等實體款項、長期債務投資及按成本減去減值虧損列帳之可供出售財務資產有否出現減值。有關方法詳載於相關之會計政策。評估時須估計資產之未來現金流量(包括預期股息)及挑選適當之貼現率。倘此等實體之財務表現及狀況日後有變，會影響對減值虧損之估計，因而須對帳面金額作出調整。

公平值估計

本集團之非上市可換股票據根據獨立專業估值師進行之估值按公平值列帳。於釐定公平值時，估值師以涉及若干估計之估值法為基礎。於倚賴估值報告時，本集團董事已行使判斷，並信納估值法能反映現時市況。

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Future changes in HKFRS

At the date of authorisation of these consolidated financial statements, the HKICPA has issued a number of new/revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

| | |
|--|---|
| Amendments to HKAS 1 | Presentation of items of other comprehensive income ¹ |
| HKAS 19 (2011) | Employee Benefits ² |
| HKAS 27 (2011) | Separate Financial Statements ² |
| HKAS 28 (2011) | Investments in Associates and Joint Ventures ² |
| HKFRS 10 | Consolidated financial statements ² |
| HKFRS 11 | Joint Arrangements ² |
| HKFRS 12 | Disclosures of Interests in Other Entities ² |
| Amendments to HKFRS 10, HKFRS 11, HKFRS 12 | Additional transition relief – Consolidated financial statements, Joint Arrangements, Disclosures of Interests in Other Entities ² |
| HKFRS 13 | Fair value measurement ² |
| Amendments to HKFRS 1 | First-time Adoption of Hong Kong Financial Reporting Standards ² |
| HK(IFRIC) – Int 20 | Stripping Costs in the Production Phase of a Surface Mine ² |
| Various HKFRSs | Annual Improvements Project – 2009-2011 Cycle ² |

2. 主要會計政策 (續)

香港財務報告準則之未來變動

於授權刊發此等綜合財務報表當日，香港會計師公會已頒佈以下多項新訂／經修訂香港財務報告準則，該等準則於本年度尚未生效，而本集團亦未有提早採納。

| | |
|---|--|
| 香港會計準則第1號之修訂 | 呈列其他全面收入項目 ¹ |
| 香港會計準則第19號 (二零一一年) | 僱員福利 ² |
| 香港會計準則第27號 (二零一一年) | 獨立財務報表 ² |
| 香港會計準則第28號 (二零一一年) | 於聯營公司及合資公司之投資 ² |
| 香港財務報告準則第10號 | 綜合財務報表 ² |
| 香港財務報告準則第11號 | 聯合安排 ² |
| 香港財務報告準則第12號 | 披露其他實體權益 ² |
| 香港財務報告準則第10號、香港財務報告準則第11號、香港財務報告準則第12號之修訂 | 額外過渡寬免—綜合財務報表、聯合安排、披露其他實體權益 ² |
| 香港財務報告準則第13號 | 公平值計量 ² |
| 香港財務報告準則第1號之修訂 | 首次採納香港財務報告準則 ² |
| 香港(國際財務報告詮釋委員會)–詮釋第20號 | 露天礦場生產階段之剝採成本 ² |
| 多項香港財務報告準則 | 年度改進項目—二零零九年至二零一一年週期 ² |

Notes to the Financial Statements

財務報表附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Future changes in HKFRS (Continued)

| | |
|--|---|
| Amendments to HKFRS 7 | Disclosure – Offsetting Financial Assets and Financial Liabilities ² |
| Amendments to HKAS 32 | Presentation – Offsetting Financial Assets and Financial Liabilities ³ |
| Amendments to HKAS 27 (2011), HKFRS 10, HKFRS 12 | Investment Entities – Amendments to Separate Financial Statements, Consolidated Financial Statements, Disclosures of Interests in Other Entities ³ |
| HKFRS 9 | Financial Instruments ⁴ |
| Amendments to HKFRS 9 and HKFRS 7 | Mandatory Effective Date of HKFRS 9, Financial Instruments, and Transition Disclosure ⁴ |

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

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

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

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

The Group is in the process of assessing the possible impact on the future adoption of these new/revised HKFRSs, but is not yet in a position to reasonably estimate their impact on the Group's consolidated financial statements.

2. 主要會計政策 (續)

香港財務報告準則之未來變動 (續)

| | |
|---|---|
| 香港財務報告準則第7號之修訂 | 披露 – 對銷財務資產及財務負債 ² |
| 香港會計準則第32號之修訂 | 呈列 – 對銷財務資產及財務負債 ³ |
| 香港會計準則第27號 (二零一一年)、香港財務報告準則第10號、香港財務報告準則第12號之修訂 | 投資實體 – 獨立財務報表、綜合財務報表、披露其他實體權益之修訂 ³ |
| 香港財務報告準則第9號 | 財務工具 ⁴ |
| 香港財務報告準則第9號及香港財務報告準則第7號之修訂 | 香港財務報告準則第9號之強制生效日期、財務工具及過渡披露 ⁴ |

¹ 於二零一二年七月一日或之後開始之年度期間生效

² 於二零一三年一月一日或之後開始之年度期間生效

³ 於二零一四年一月一日或之後開始之年度期間生效

⁴ 於二零一五年一月一日或之後開始之年度期間生效

本集團現正評估未來採納該等新訂／經修訂香港財務報告準則可能產生之影響，惟目前尚未能夠合理估計對本集團綜合財務報表之影響。

Notes to the Financial Statements

財務報表附註

3. TURNOVER AND REVENUE

Turnover and revenue recognised by category are analysed as follows:

3. 營業額及收益

按分類確認之營業額及收益分析如下：

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|--|---------------------------|----------------------------------|----------------------------------|
| (a) Turnover | | | |
| (a) 營業額 | | | |
| Net realised loss on disposal of financial assets at fair value through profit or loss | 出售於損益帳按公平值處理之財務資產之已變現虧損淨額 | (2,315) | (97,884) |
| Interest income from loan receivables | 應收貸款之利息收入 | 2,482 | 11,517 |
| Dividend income from listed securities | 上市證券之股息收入 | 2,022 | 5,515 |
| | | <u>2,189</u> | <u>(80,852)</u> |
| (b) Other revenue | | | |
| (b) 其他收益 | | | |
| Interest income from unlisted long-term debt investment | 非上市長期債務投資之利息收入 | 21,301 | - |

Notes to the Financial Statements 財務報表附註

3. TURNOVER AND REVENUE (Continued)

3. 營業額及收益 (續)

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|----------------------------------|-----------------|----------------------------------|----------------------------------|
| (c) Other income | (c) 其他收入 | | |
| Interest income | 利息收入 | 365 | 581 |
| Write back of other payable | 撥回其他應付款項 | – | 23,910 |
| Gain on disposal of a subsidiary | 出售一間附屬公司之盈利 | – | 17,661 |
| Other | 其他 | 2,483 | 4,282 |
| | | 2,848 | 46,434 |

4. LOSS BEFORE TAXATION

This is stated after charging:

4. 除稅前虧損

除稅前虧損經扣除下列各項後列帳：

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|--|--------------|----------------------------------|----------------------------------|
| Auditor's remuneration | 核數師酬金 | 700 | 950 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 31 | 353 |
| Operating lease charges on premises | 物業經營租賃支出 | 2,056 | 1,463 |
| Amortisation of intangible assets | 無形資產攤銷 | 587 | 1,408 |
| Staff costs, including directors' emoluments: | 員工成本，包括董事酬金： | | |
| – Salaries and other allowances | – 薪金及其他津貼 | 5,257 | 4,828 |
| – Contributions to defined contribution plans | – 界定供款計劃供款 | 148 | 143 |

Notes to the Financial Statements 財務報表附註

5. DIRECTORS' REMUNERATION (Continued)

5. 董事酬金 (續)

| | | Year ended 31 December 2011 截至二零一一年十二月三十一日止年度 | | | | | |
|-------------------------|-----------------------|--|-----------------------------|------------|---|--|--------------|
| Name of Director | 董事姓名 | Appointed during the year | Resigned during the year | Fees | Basic | Mandatory | Total |
| | | | | | salaries, allowance and other benefits | Provident Fund scheme contribution | |
| | | | | 袍金 | 基本薪金、 津貼及其他福利 | 強制性公積金 計劃供款 | 總計 |
| | | | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | | | 千港元 | 千港元 | 千港元 | 千港元 |
| Mr. Wen Louis | 溫耒先生 | - | - | - | 318 | - | 318 |
| Ms. Lo Oi Kwok, Sheree | 羅愛過女士 | - | - | - | 420 | 12 | 432 |
| Mr. Yeung Ming Kwong | 楊明光先生 | - | - | - | 420 | 12 | 432 |
| Mr. Chung Yuk Lun | 鍾育麟先生 | - | - | 120 | - | - | 120 |
| Ms. Lam Yan Fong, Flora | 林欣芳女士 | - | - | 120 | - | - | 120 |
| Mr. Zhuang You Dao | 莊友道先生 | - | - | - | 120 | - | 120 |
| Mr. Pak William Eui Won | Pak William Eui Won先生 | - | - | 120 | - | - | 120 |
| Mr. Lam Yick Sing | 林益勝先生 | - | - | - | 375 | 12 | 387 |
| | | | | <u>360</u> | <u>1,653</u> | <u>36</u> | <u>2,049</u> |

No director waived any emoluments during the year. No incentive payment nor compensation for loss of office was paid or payable to any director for the year ended 31 December 2012 (2011: Nil).

年內並無董事放棄任何酬金。於截至二零一二年十二月三十一日止年度，本集團概無向任何董事支付或應付任何款項作為獎金或離職補償（二零一一年：無）。

Notes to the Financial Statements

財務報表附註

6. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Among the five individuals with the highest emoluments, three (2011: three) are executive directors whose emoluments are disclosed in note 5.

The emoluments paid to the remaining two (2011: two) individuals during the year were as follows:

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|-------------------------------|---------|----------------------------------|----------------------------------|
| Basic salaries and allowances | 基本薪金及津貼 | 1,020 | 1,020 |
| Pension scheme contributions | 退休金計劃供款 | 28 | 24 |
| | | 1,048 | 1,044 |

The emoluments fell within the following band:

| | | Number of individuals 人數 | |
|-------------------------|-----------------|-----------------------------|---------------|
| | | 2012 二零一二年 | 2011 二零一一年 |
| HK\$Nil – HK\$1,000,000 | 零港元至1,000,000港元 | 2 | 2 |

During the year, no payments were paid to the five highest paid individuals (including directors and other employees) as inducement to join or upon joining the Group or as compensation for loss of office.

6. 最高薪人士

五位最高薪人士中，有三位（二零一一年：三位）為執行董事，彼等之酬金已於附註5內披露。

年內已付其餘兩位（二零一一年：兩位）人士之酬金如下：

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|-------------------------------|---------|----------------------------------|----------------------------------|
| Basic salaries and allowances | 基本薪金及津貼 | 1,020 | 1,020 |
| Pension scheme contributions | 退休金計劃供款 | 28 | 24 |
| | | 1,048 | 1,044 |

酬金介乎以下範圍：

| | | Number of individuals 人數 | |
|-------------------------|-----------------|-----------------------------|---------------|
| | | 2012 二零一二年 | 2011 二零一一年 |
| HK\$Nil – HK\$1,000,000 | 零港元至1,000,000港元 | 2 | 2 |

年內，本集團並無向五位最高薪人士（包括董事及其他僱員）支付款項，作為鼓勵加盟或加盟本集團時之獎金或離職補償。

Notes to the Financial Statements

財務報表附註

7. TAXATION

The Company is incorporated in the Cayman Islands and is exempted from taxation in the Cayman Islands. Hong Kong Profits Tax has not been provided in the financial statements as the Company and its subsidiaries have no assessable profits for the years of 2012 and 2011.

Reconciliation of tax expenses

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|---|---|----------------------------------|----------------------------------|
| Loss before taxation | 除稅前虧損 | (41,877) | (329,308) |
| Income tax at Hong Kong Profits Tax rate of 16.5% (2011: 16.5%) | 按香港利得稅稅率16.5% (二零一一年: 16.5%) 計算之所得稅 | (6,909) | (54,336) |
| Non-deductible expenses | 不可扣稅開支 | 3,237 | 271 |
| Tax exempted revenue | 免稅收益 | (289) | (7,764) |
| Unrecognised temporary differences | 未確認之暫時差額 | (37) | 15 |
| Unrecognised tax losses | 未確認之稅項虧損 | 3,998 | 61,814 |
| Taxation | 稅項 | - | - |

8. LOSS ATTRIBUTABLE TO OWNERS OF THE PARENT

The loss attributable to owners of the parent includes a loss of HK\$13,676,000 (2011: HK\$377,386,000) which has been dealt with in the financial statements of the Company.

No dividend was paid or proposed during the year and up to the date of these consolidated financial statements (2011: HK\$Nil).

7. 稅項

本公司於開曼群島註冊成立，並獲豁免繳納開曼群島稅項。由於本公司及其附屬公司於二零一二年及二零一一年並無應課稅溢利，故並無於財務報表中計提香港利得稅撥備。

稅項開支對帳

8. 母公司擁有人應佔虧損

母公司擁有人應佔虧損包括虧損13,676,000港元(二零一一年: 377,386,000港元)，有關溢利已於本公司財務報表中處理。

於年內及截至此等綜合財務報表日期並無已派付或擬派股息(二零一一年: 零港元)。

Notes to the Financial Statements

財務報表附註

9. LOSS PER SHARE

Basic loss per share

The calculation of basic loss per share attributable to owners of the parent is based on the weighted average number of ordinary shares of 413,069,000 shares (2011: (restated) 278,633,000 shares) in issue during the year.

The weighted average number of ordinary shares adopted in the calculation of the basic loss per share for the years of 2012 and 2011 has been adjusted to reflect the impact of the capital reorganisation effected in November 2012 and rights issue effected subsequent to the end of reporting period (see note 31(a)).

The calculation of basic loss per share attributable to owners of the parent is based on loss for the year of HK\$41,877,000 (2011: loss of HK\$329,308,000) and the denominators detailed above in respect of weighted average number of shares.

Diluted loss per share

Diluted loss per share is the same as the basic loss per share for the years ended 31 December 2012 and 2011 as the effect of all potential ordinary shares is anti-dilutive.

9. 每股虧損

每股基本虧損

母公司擁有人應佔每股基本虧損乃按年內已發行413,069,000股(二零一一年: (經重列)278,633,000股)普通股加權平均數計算。

計算二零一二年及二零一一年之每股基本虧損時採納之普通股加權平均數已作出調整,以反映於二零一二年十一月實行之股本重組及於報告期結束日後實行之供股之影響(見附註31(a))。

母公司擁有人應佔每股基本虧損乃按年內虧損41,877,000港元(二零一一年:虧損329,308,000港元)及上文詳述有關股份加權平均數之分母計算。

每股攤薄虧損

由於全部潛在普通股均具有反攤薄影響,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與每股基本虧損相同。

Notes to the Financial Statements

財務報表附註

10. PROPERTY, PLANT AND EQUIPMENT

10. 物業、廠房及設備

| | | Leasehold improvements 租賃物業裝修 HK\$'000 千港元 | Furniture and equipment 傢具及設備 HK\$'000 千港元 | Motor vehicles 汽車 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|----------------------------|-------------------|--|---|--|--------------------------------|
| Carrying amount | 帳面金額 | | | | |
| At beginning of year 2011 | 於二零一一年初 | - | 217 | 192 | 409 |
| Depreciation | 折舊 | - | (161) | (192) | (353) |
| At 31 December 2011 | 於二零一一年 十二月三十一日 | - | 56 | - | 56 |
| At 31 December 2011 | 於二零一一年 十二月三十一日 | | | | |
| Cost | 成本 | 1,247 | 1,016 | 2,219 | 4,482 |
| Accumulated depreciation | 累計折舊 | (1,247) | (960) | (2,219) | (4,426) |
| | | - | 56 | - | 56 |
| Carrying amount | 帳面金額 | | | | |
| At beginning of year 2012 | 於二零一二年初 | - | 56 | - | 56 |
| Additions | 添置 | - | 16 | - | 16 |
| Depreciation | 折舊 | - | (31) | - | (31) |
| At 31 December 2012 | 於二零一二年 十二月三十一日 | - | 41 | - | 41 |
| At 31 December 2012 | 於二零一二年 十二月三十一日 | | | | |
| Cost | 成本 | 1,247 | 1,032 | 2,219 | 4,498 |
| Accumulated depreciation | 累計折舊 | (1,247) | (991) | (2,219) | (4,457) |
| | | - | 41 | - | 41 |

Notes to the Financial Statements

財務報表附註

11. INTEREST IN AN ASSOCIATE/ASSOCIATES

The interest in an associate/associates is set out below:

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|--|-------------|----------------------------------|----------------------------------|
| Share of net assets | 應佔資產淨值 | 36,530 | 36,794 |
| Realised upon disposal of a subsidiary | 出售一間附屬公司時變現 | — | (4,546) |
| | | 36,530 | 32,248 |

Details of the associate at the end of the reporting period is as follows:

11. 於一間聯營公司／聯營公司之權益

於一間聯營公司／聯營公司之權益載列如下：

於報告期結束日之聯營公司詳情如下：

| Name of associate | Principal place of operation/ Place of incorporation | Class of shares held | Proportion of nominal value of issued ordinary shares held by the Group 本集團所持已發行普通股面值所佔比例 | Principal activity |
|---|---|----------------------|--|--------------------|
| 聯營公司名稱 | 主要營運地點／ 註冊成立地點 | 所持股份類別 | | 主要業務 |
| Golden Fame International Investment Group Limited ("Golden Fame") | Hong Kong | Ordinary | 40% | Logistic business |
| 金信環球投資集團有限公司 ([金信]) | 香港 | 普通股 | 40% | 物流業務 |

Notes to the Financial Statements

財務報表附註

11. INTEREST IN AN ASSOCIATE/ASSOCIATES (Continued)

Summary of financial information of associates are as follows:

11. 於一間聯營公司／聯營公司之權益 (續)

聯營公司之財務資料概要如下：

| | | Golden Fame 金信 | | Tianjin Kai Sheng Automobile Service Co., Ltd. 天津市凱聲汽車維修有限公司 | | Total 總計 | |
|---|-------------------|----------------------------------|----------------------------------|--|----------------------------------|----------------------------------|----------------------------------|
| | | 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 |
| Total assets | 資產總值 | 205,691 | 224,776 | - | - | 205,691 | 224,776 |
| Total liabilities | 負債總額 | (114,367) | (144,155) | - | - | (114,367) | (144,155) |
| Net assets | 資產淨值 | 91,324 | 80,621 | - | - | 91,324 | 80,621 |
| Group's share of net assets of associates | 本集團應佔聯營公司 資產淨值 | 36,530 | 32,248 | - | - | 36,530 | 32,248 |
| Total revenue | 收益總額 | 452,112 | 444,376 | - | 384,803 | 452,112 | 829,179 |
| Total profit (loss) | 溢利(虧損)總額 | 309 | (2,168) | - | 3,316 | 309 | 1,148 |
| Group's share of results of associates | 本集團應佔聯營公司業績 | 282 | (764) | - | 1,071 | 282 | 307 |

Notes to the Financial Statements

財務報表附註

12. LONG-TERM DEBT INVESTMENT

12. 長期債務投資

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|--|-------------|----------------------------------|----------------------------------|
| Unlisted investments, at amortised cost | 非上市投資，按攤銷成本 | | |
| Debt securities | 債務證券 | 280,051 | - |

During the year ended 31 December 2012, the Group acquired unsecured bonds in an aggregate principal amount of HK\$300 million issued by Mascotte Holdings Limited, an independent third party company, at a cash consideration of HK\$265 million. According to the terms of the unsecured bonds, the maturity date is 2 years from the issue date of 4 January 2012. At the maturity date, the issuer may elect at its discretion to extend the term for another 5 years. The unsecured bonds bear interest at 2.5% per annum for the first 2 years and 12.5% per annum afterwards for the extension period of five years. Interest is payable quarterly in arrears. In addition, the issuer may redeem part or all of the unsecured bonds any time during the repayment term at principal amount and interest accrued up to redemption date. During the year ended 31 December 2012, an interest income from long-term debt investment of HK\$21,301,000 was recognised to profit or loss.

於截至二零一二年十二月三十一日止年度，本集團收購一間獨立第三方公司馬斯葛集團有限公司所發行本金總額為300,000,000港元之無抵押債券，現金代價為265,000,000港元。根據無抵押債券之條款，到期日為由發行日期二零一二年一月四日起計兩年。於到期日，發行人可酌情選擇將年期延長五年。無抵押債券於首兩年按年利率2.5厘計息，而於其後五年延長期則按年利率12.5厘計息。利息須於每季季末支付。此外，發行人可於還款期內隨時按本金額加截至贖回日期應計之利息贖回部分或全部無抵押債券。於截至二零一二年十二月三十一日止年度，已於損益中確認長期債務投資之利息收入21,301,000港元。

Notes to the Financial Statements 財務報表附註

13. INTANGIBLE ASSETS

13. 無形資產

| | | Forestry rights 林地權 HK\$'000 千港元 |
|--|------------------------------|--|
| <hr/> | | |
| Reconciliation of carrying amount – year ended 31 December 2011 | 帳面金額對帳—截至二零一一年 十二月三十一日止年度 | |
| At beginning of the year | 於年初 | 69,000 |
| Amortisation | 攤銷 | <u>(1,408)</u> |
| At end of the reporting period | 於報告期結束日 | <u>67,592</u> |
| At 31 December 2011 | 於二零一一年十二月三十一日 | |
| Cost | 成本 | 82,500 |
| Accumulated amortisation and impairment losses | 累計攤銷及減值虧損 | <u>(14,908)</u> |
| | | <u>67,592</u> |

Notes to the Financial Statements

財務報表附註

13. INTANGIBLE ASSETS (Continued)

13. 無形資產 (續)

| | | Forestry rights 林地權 HK\$'000 千港元 |
|--|--------------------------------|---|
| Reconciliation of carrying amount – year ended 31 December 2012 | | |
| | 帳面金額對帳 – 截至二零一二年 十二月三十一日止年度 | |
| At beginning of the year | 於年初 | 67,592 |
| Amortisation and impairment losses | 攤銷及減值虧損 | (587) |
| Disposal of a subsidiary (Note 19) | 出售一間附屬公司 (附註19) | (67,005) |
| At end of the reporting period | 於報告期結束日 | – |
| At 31 December 2012 | | |
| Cost | 於二零一二年十二月三十一日 成本 | – |
| Accumulated amortisation and impairment losses | 累計攤銷及減值虧損 | – |
| | | – |

The intangible assets represented the rights to (i) obtain 50% of forestry land use rights and forestry trees entitlement of three forestry sites in Simao District, Puer City, Yunnan Province, the People's Republic of China (the "PRC"); and (ii) share 50% of distributable profits of these forests.

無形資產指以下各項權利：(i)取得中華人民共和國（「中國」）雲南省普洱市思茅區三塊林地之林地使用權及林木權利之50%權益；及(ii)分佔該等林地之50%可分派溢利。

Notes to the Financial Statements

財務報表附註

14. AVAILABLE-FOR-SALE FINANCIAL ASSETS

14. 可供出售財務資產

| | | 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 |
| | | Note 附註 | | | |
| At cost: | 按成本： | | | | |
| Unlisted equity interest outside Hong Kong | 於香港境外之非上市股本權益 | | 6,908 | 6,908 | 6,908 |
| Unlisted equity interest in a private limited company incorporated outside Hong Kong | 於香港境外註冊成立之私人有限公司之非上市股本權益 | 14(a) | 108,000 | - | - |
| | | | 114,908 | 6,908 | 6,908 |
| Impairment loss recognised | 已確認之減值虧損 | | (6,908) | (6,908) | (6,908) |
| | | | 108,000 | - | - |

The unlisted investments represented long-term investments in unlisted equity securities issued by private entities. In the opinion of the directors, their fair values cannot be measured reliably because the range of reasonable fair value estimates is so significant and the probabilities of the various estimates cannot be reasonably assessed. As a result, they are measured at cost less impairment at the end of each reporting period.

非上市投資指於私人實體發行之非上市股本證券之長期投資。董事認為，由於非上市投資之合理公平值估計範圍過大，且多項估計之可能性不能合理評估，故非上市投資之公平值不能可靠地計量。因此，於各報告期結束日，非上市投資按成本減去減值計量。

Notes to the Financial Statements

財務報表附註

14. AVAILABLE-FOR-SALE FINANCIAL ASSETS

(Continued)

14(a) In 2011, the Group through its wholly-owned subsidiary Equity Base Investments Limited acquired 4.79% (subsequently diluted to 3.76%) equity interest in Hennabun Capital Group Limited (“HCG”), a company incorporated in the British Virgin Islands and engaged in securities brokerage and provision of finance, at a consideration of HK\$108 million.

During the year, HCG entered into a share swap agreement (the “Agreement”) with HEC Capital Limited (“HEC”), a company incorporated in the Cayman Islands, and Allied Well Development Limited (“Allied Well”), a company incorporated in the British Virgin Islands. According to the Agreement, the parties agreed to undergo the reorganisation through the allotment and issue of 249,154,460 shares of HCG to Allied Well in exchange for 249,154,460 shares in HEC on the terms of the Agreement and to cancel the old shares of HCG. Upon the completion of the share swap transaction, the Group held 2.86% (subsequently diluted to 2.03%) equity interest in HEC and ceased to hold any equity interest in HCG. The principal activities of HEC are provision of financial services, trading of investment and property investment.

14. 可供出售財務資產 (續)

14(a) 於二零一一年，本集團透過其全資附屬公司Equity Base Investments Limited收購Hennabun Capital Group Limited (「HCG」，一間於英屬處女群島註冊成立之公司，從事證券經紀及提供融資業務)之4.79%股本權益(其後被攤薄至3.76%)，代價為108,000,000港元。

於年內，HCG與HEC Capital Limited (「HEC」，一間於開曼群島註冊成立之公司)及Allied Well Development Limited (「Allied Well」，一間於英屬處女群島註冊成立之公司)訂立一份換股協議(「該協議」)。根據該協議，訂約各方協定進行重組，按該協議之條款向Allied Well配發及發行249,154,460股HCG股份，換取249,154,460股HEC股份，並註銷舊HCG股份。於換股交易完成後，本集團持有HEC之2.86%股本權益(其後被攤薄至2.03%)，而不再持有HCG任何股本權益。HEC之主要業務為提供金融服務、投資買賣及物業投資。

Notes to the Financial Statements 財務報表附註

14. AVAILABLE-FOR-SALE FINANCIAL ASSETS

(Continued)

14(a) (Continued)

Details of the equity investee of which the carrying amount exceeds 10% of the total assets of the Group at 31 December 2012 were as follows:

| Company name | Place of incorporation | Class of shares held | Proportion of the nominal value of issued ordinary shares held by the Group 本集團 所持已發行 普通股面值 百分比 |
|--------------|------------------------|------------------------|--|
| 公司名稱 | 註冊成立地點 | 所持股份類別 | |
| HEC | Cayman Islands 開曼群島 | Ordinary Shares 普通股 | 2.03% |

14. 可供出售財務資產 (續)

14(a) (續)

帳面金額超出本集團資產總值10%之股權接受投資公司於二零一二年十二月三十一日之詳情如下：

Notes to the Financial Statements

財務報表附註

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

15. 於損益帳按公平值處理之財務資產

| | | Note 附註 | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|--|---------------------|------------|----------------------------------|----------------------------------|
| Held for trading, equity securities listed in Hong Kong | 持作買賣之香港上市股本證券 | | | |
| At beginning of year | 於年初 | | 402,884 | 393,003 |
| Additions | 購入 | | 246,083 | 1,067,427 |
| Disposals | 出售 | | (177,555) | (731,136) |
| Fair value adjustments | 公平值調整 | | (36,164) | (326,410) |
| At the end of the reporting period | 於報告期結束日 | | 435,248 | 402,884 |
| Designated upon initial recognition, unlisted convertible notes | 於首次確認時指定分類之非上市可換股票據 | | | |
| At beginning of year | 於年初 | | 42,454 | 58,321 |
| Additions | 購入 | | – | 40,025 |
| Disposals | 出售 | | (24,433) | (35,570) |
| Fair value adjustments | 公平值調整 | | 1,448 | (20,322) |
| At the end of the reporting period | 於報告期結束日 | 15(a) | 19,469 | 42,454 |
| Total | 總計 | | 454,717 | 445,338 |

The fair value of listed equity securities is based on quoted market prices in active markets at the end of the reporting period.

上市股本證券之公平值乃根據報告期結束日在活躍市場所報之市價計算。

Notes to the Financial Statements

財務報表附註

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

At the end of the reporting period, none of the Group's financial assets at fair value through profit or loss exceeded 10% of the Group's total assets. In addition, the Group's shareholding in each of the investees did not exceed 20% of the issued shares of the investees.

15(a) Valuation basis of unlisted convertible notes

The debt investments are unlisted convertible notes issued by several listed companies in Hong Kong and designated as financial assets at fair value through profit or loss on initial recognition as they form part of a contract containing one or more embedded derivatives which satisfies the conditions for designation. At the end of the reporting period, the convertible notes were revalued by independent professional valuer using the Binomial Tree Pricing Model. The contractual maturity of the convertible notes is used as an input to this model.

15. 於損益帳按公平值處理之財務資產 (續)

於報告期結束日，本集團於損益帳按公平值處理之財務資產概無超過本集團總資產之10%。此外，本集團於各接受投資公司之股權並無超過該等接受投資公司已發行股份之20%。

15(a) 非上市可換股票據之估值基準

債務投資為多間香港上市公司發行之非上市可換股票據，且由於債務投資構成包含一項或以上嵌入式衍生工具，符合指定分類條件之合約一部分，債務投資於首次確認時指定分類為於損益帳按公平值處理之財務資產。於報告期結束日，可換股票據經由獨立專業估值師使用二項式樹狀模型進行重估。可換股票據之合約到期日已用作本模型之數據。

| | | Convertible note A 可換股票據A | Convertible note B 可換股票據B | Total 總計 |
|------------------------------|------------|--------------------------------------|--|-------------|
| Principal amount (HK\$'000): | 本金額 (千港元): | 4,500 | 17,000 | 21,500 |
| Date of maturity: | 到期日: | 9 December 2013 二零一三年 十二月九日 | 30 November 2013 二零一三年 十一月三十日 | |
| Coupon rate: | 票息: | 8% per annum 每年8厘 | Zero coupon 零票息 | |
| Early redemption clause: | 提早贖回條文: | (i) | (ii) | |

Notes to the Financial Statements

財務報表附註

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

15(a) Valuation basis of unlisted convertible notes (Continued)

| | | Convertible note A 可換股票據A | Convertible note B 可換股票據B | Total 總計 |
|---|--------------------------|---------------------------------|---------------------------------|-----------------|
| Volatility of underlying listed shares: | 相關上市股份波幅： | 67.26% | 53.28% | |
| Risk-free interest rate (with reference to Hong Kong Exchange Fund Note): | 無風險利率（參照香港外匯基金債券）： | 0.085% | 0.083% | |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Fair value at 31 December 2012 | 於二零一二年十二月三十一日之公平值 | | | |
| Convertible notes | 可換股票據 | <u>4,362</u> | <u>15,107</u> | <u>19,469</u> |

- (i) The issuer of convertible note A may redeem the whole or any part of the notes at any time after 1 year from the issue date by giving not less than seven business days prior notice.
- (ii) The issuer of convertible note B may redeem the whole or any part of the notes at any time from the issue date to the maturity date by giving not less than seven business days prior notice.

15. 於損益帳按公平值處理之財務資產（續）

15(a) 非上市可換股票據之估值基準（續）

- (i) 可換股票據A發行人可於發行日期起計一年後隨時發出不少於七個營業日之事先通知，贖回全部或任何部分票據。
- (ii) 可換股票據B發行人可由發行日期起至到期日止隨時發出不少於七個營業日之事先通知，贖回全部或任何部分票據。

Notes to the Financial Statements 財務報表附註

16. INTEREST IN SUBSIDIARIES/AMOUNTS DUE FROM/TO SUBSIDIARIES

16. 於附屬公司之權益／應收／應付附屬公司款項

| | | 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 | - | - |
| Amounts due from subsidiaries | 應收附屬公司款項 | <u>2,333,146</u> | <u>2,296,287</u> |
| | | 2,333,146 | 2,296,287 |
| Less: Provision for amounts due from subsidiaries | 減：應收附屬公司款項撥備 | <u>(1,415,952)</u> | <u>(1,414,487)</u> |
| | | <u>917,194</u> | <u>881,800</u> |

The amounts due from/to subsidiaries are unsecured, non-interest bearing and the settlement of which is neither planned nor likely to occur in the foreseeable future.

應收／應付附屬公司款項為無抵押及免息，並無計劃亦不大可能於可見未來清償。

Notes to the Financial Statements

財務報表附註

16. INTEREST IN SUBSIDIARIES/AMOUNTS DUE FROM/TO SUBSIDIARIES (Continued)

Details of the Company's principal subsidiaries at 31 December 2012 were as follows:

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ operation 註冊成立/經營地點 | Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本 | Percentage of equity interest held by the Company 本公司所持股本權益百分比 | | Principal activities 主要業務 |
|---|---|--|---|------------------|--|
| | | | Directly 直接 | Indirectly 間接 | |
| Equity Base Investments Limited | British Virgin Islands 英屬處女群島 | US\$1 1美元 | - | 100% | Investment holding 投資控股 |
| Forefront Automotive Services Company Limited 福方汽車服務有限公司 | Hong Kong 香港 | HK\$20 20港元 | - | 100% | Trading of motor vehicle accessories 汽車零配件貿易 |
| Forefront Finance Company Limited 福方財務有限公司 | Hong Kong 香港 | HK\$2,000,000 2,000,000港元 | - | 100% | Money-lending 放債 |
| Forefront International (Hong Kong) Limited 福方(香港)有限公司 | Hong Kong 香港 | HK\$100,000 Ordinary share HK\$6,000,000 Non-voting deferred shares (i) 100,000港元普通股 6,000,000港元 無投票權遞延股份(i) | - | 100% | Provision of management services for the Group 為本集團提供管理服務 |
| Loyal Fine Ltd | British Virgin Islands 英屬處女群島 | US\$1 1美元 | 100% | - | Investment holding 投資控股 |
| Sino Wealthy Ltd | British Virgin Islands 英屬處女群島 | US\$1 1美元 | - | 100% | Trading of securities 證券買賣 |
| Smart Oriental Limited | British Virgin Islands 英屬處女群島 | US\$1 1美元 | - | 100% | Investment holding 投資控股 |

Note:

(i) Holders of deferred shares have no rights to vote at general meetings or receive any dividend. Upon winding up, they are entitled to one half of the balance of the company's assets after HK\$100,000,000,000 has been distributed to holders of ordinary shares.

None of the subsidiaries had any loan capital in issue at any time during the year ended 31 December 2012.

16. 於附屬公司之權益/應收/應付附屬公司款項(續)

本公司主要附屬公司於二零一二年十二月三十一日之詳情如下:

附註:

(i) 遞延股份之持有人無權在股東大會上投票,亦無權收取任何股息。在清盤時,該公司資產中100,000,000,000港元將首先用於分派予普通股之持有人,而餘額之一半由遞延股份之持有人享有。

各附屬公司於截至二零一二年十二月三十一日止年度內任何時間並無任何已發行借貸資本。

Notes to the Financial Statements

財務報表附註

17. LOAN RECEIVABLES

Loans granted to borrowers are repayable according to repayment schedules. The balance comprises loans receivable from:

| | | Note | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|---|------------------|----------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Third parties | 第三方 | (a), (b) | 47,399 | 184,822 |
| Allowance for doubtful debts | 呆帳撥備 | (d) | (21,675) | (20,676) |
| Balances due within one year and included in current assets | 計入流動資產、於一年內到期之結餘 | (c), (e) | 25,724 | 164,146 |

Notes:

- (a) At the end of the reporting period, (1) loans receivable carry effective interest rate of 5% per annum (2011: 5% to 6% per annum); (2) loan balances of HK\$21,675,000 (2011: HK\$1,421,000) were overdue and fully impaired; (3) the remaining loan balances of HK\$25,724,000 (2011: HK\$183,401,000) are within the respective maturity dates (see also note (b) below); and (4) loan balances of HK\$25,724,000 are secured and the fair value of the securities pledged to the Group is HK\$12,145,000 (2011: loan balances of HK\$183,401,000 are secured and fair value of the securities pledged to the Group is HK\$46,782,000).
- (b) During the year, additional allowance of HK\$1,035,000 (2011: HK\$19,255,000) was provided on the Group's secured loans receivable balance. The impairment for secured loan was determined taken into account the value of the securities pledged for the loans and the amount recovered from the borrowers up to the date of the authorisation of these consolidated financial statements.
- (c) The directors assessed the collectability of loans receivable at the end of the reporting period individually with reference to borrowers' past collection history and current creditworthiness. Based on the assessment with reference to the collaterals secured by the borrowers and the amount recovered from the borrowers up to the date of the authorisation of these consolidated financial statements, the collectability of loans receivable amounting to HK\$21,675,000 (2011: HK\$20,676,000) was in doubt and provision amounting to HK\$1,035,000 (2011: HK\$19,255,000) was made accordingly. In the directors' opinion, there was no indication of deterioration in the collectability of the remaining amount of HK\$25,724,000 (2011: HK\$164,146,000) and thus no additional allowance was considered necessary.

17. 應收貸款

借款人獲授之貸款須按照還款時間表償還。有關結餘包括來自下列各方之應收貸款：

| | | Note | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|---|------------------|----------|----------------------------------|----------------------------------|
| | | 附註 | | |
| Third parties | 第三方 | (a), (b) | 47,399 | 184,822 |
| Allowance for doubtful debts | 呆帳撥備 | (d) | (21,675) | (20,676) |
| Balances due within one year and included in current assets | 計入流動資產、於一年內到期之結餘 | (c), (e) | 25,724 | 164,146 |

附註：

- (a) 於報告期結束日，(1)應收貸款之實際利率為年利率5厘（二零一一年：年利率5厘至6厘）；(2)貸款結餘21,675,000港元（二零一一年：1,421,000港元）乃逾期未付並已全數減值；(3)餘下貸款結餘25,724,000港元（二零一一年：183,401,000港元）均無逾期（另見下文附註(b)）；及(4)貸款結餘25,724,000港元為有擔保，已抵押予本集團之證券之公平值為12,145,000港元（二零一一年：貸款結餘183,401,000港元為有擔保，已抵押予本集團之證券之公平值為46,782,000港元）。
- (b) 於年內，已就本集團有擔保貸款應收結餘計提額外撥備1,035,000港元（二零一一年：19,255,000港元）。經考慮截至此等綜合財務報表授權刊發日期止就貸款作出抵押之證券價值及已收回有關借入人之款額後，本集團已釐定有擔保貸款出現減值。
- (c) 董事於報告期結束日參照借款人過往之還款紀錄及現時之信用程度，個別評估能否收回應收貸款。根據參照借款人抵押之抵押品及截至此等綜合財務報表授權刊發日期止已向借入人收回之金額作出之評估，應收貸款21,675,000港元（二零一一年：20,676,000港元）之可收回程度成疑，因而作出撥備1,035,000港元（二零一一年：19,255,000港元）。董事認為並無跡象顯示收回餘額25,724,000港元（二零一一年：164,146,000港元）方面出現問題，故無須作出額外撥備。

Notes to the Financial Statements

財務報表附註

17. LOAN RECEIVABLES (Continued)

Notes: (Continued)

(d) The movements of allowance for doubtful debts are analysed as follows:

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|------------------------------------|-------------|----------------------------------|----------------------------------|
| Allowance for doubtful debts | 呆帳撥備 | | |
| Balance at beginning of year | 年初結餘 | 20,676 | 90,817 |
| Increase in allowance (note (b)) | 撥備增加(附註(b)) | 1,035 | 19,255 |
| Amount recovered on secured loan | 已收回有擔保貸款金額 | - | (89,370) |
| Amount recovered on unsecured loan | 已收回無擔保貸款金額 | (36) | (26) |
| | | <u>(36)</u> | <u>(89,396)</u> |
| Net charge (release) | 支出(撥回)淨額 | 999 | (70,141) |
| | | <u>21,675</u> | <u>20,676</u> |

(e) The aging analysis of loan receivables that neither individually nor collectively considered to be impaired is as follows:

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|-------------------------------|---------|----------------------------------|----------------------------------|
| Neither past due nor impaired | 並無逾期或減值 | <u>25,724</u> | <u>164,146</u> |

Receivables that were neither past due nor impaired relate to a wide range of borrowers for whom there was no recent history of default and there had not been significant change in credit quality. These loans are repayable within 6 months (2011: within 6 months).

17. 應收貸款(續)

附註:(續)

(d) 呆帳撥備變動分析如下:

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|------------------------------------|-------------|----------------------------------|----------------------------------|
| Allowance for doubtful debts | 呆帳撥備 | | |
| Balance at beginning of year | 年初結餘 | 20,676 | 90,817 |
| Increase in allowance (note (b)) | 撥備增加(附註(b)) | 1,035 | 19,255 |
| Amount recovered on secured loan | 已收回有擔保貸款金額 | - | (89,370) |
| Amount recovered on unsecured loan | 已收回無擔保貸款金額 | (36) | (26) |
| | | <u>(36)</u> | <u>(89,396)</u> |
| Net charge (release) | 支出(撥回)淨額 | 999 | (70,141) |
| | | <u>21,675</u> | <u>20,676</u> |

(e) 並無個別或集體被視為已減值之應收貸款之帳齡分析如下:

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|-------------------------------|---------|----------------------------------|----------------------------------|
| Neither past due nor impaired | 並無逾期或減值 | <u>25,724</u> | <u>164,146</u> |

並無逾期或減值之應收款項涉及近期並無違約紀錄而層面廣泛之借款人，信貸質素並無重大變動。該等貸款須於六個月內(二零一一年:六個月內)償還。

Notes to the Financial Statements

財務報表附註

18. OTHER RECEIVABLES

18. 其他應收款項

| | | The Group 本集團 | | The Company 本公司 | |
|---|----------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
| Deposits, prepayments and other debtors | 按金、預付款項及其他應收帳款 | 4,260 | 2,677 | 258 | 343 |

19. DISPOSAL OF A SUBSIDIARY

On 8 June 2012, the Group entered into a conditional sale and purchase agreement in relation to the disposal of the entire equity interest of Richful Zone International Limited ("Disposal Group"), a subsidiary of the Company, to an independent third party company, at a cash consideration of HK\$50 million. Accordingly, the assets and liabilities of the Disposal Group were classified as held for sale in the Group's 2012 interim financial statements. As the selling price was lower than the carrying amount of net assets of Disposal Group, an impairment loss of HK\$16,937,000 was recognised to profit or loss for the year.

19. 出售一間附屬公司

於二零一二年六月八日，本集團訂立有條件買賣協議，內容有關向一間獨立第三方公司出售本公司附屬公司豐域國際有限公司（「出售集團」）全部股本權益，現金代價為50,000,000港元。因此，出售集團之資產及負債於本集團之二零一二年中期財務報表內分類為持作出售。由於出售集團之售價低於其淨資產之帳面金額，故年內已於損益中確認減值虧損16,937,000港元。

Notes to the Financial Statements

財務報表附註

19. DISPOSAL OF A SUBSIDIARY (Continued)

The disposal of this subsidiary was completed in September 2012 and no further gain or loss on disposal of a subsidiary was recognised to profit or loss. The net assets disposed of at the completion date were as follows:

19. 出售一間附屬公司 (續)

此附屬公司已於二零一二年九月完成出售，並無於損益中進一步就出售一間附屬公司確認收益或虧損。於完成日期出售之淨資產如下：

| | | 2012 二零一二年 HK\$'000 千港元 |
|--|---------------|----------------------------------|
| Carrying amount of net assets of Disposal Group: | 出售集團淨資產之帳面金額： | |
| Intangible assets | 無形資產 | 67,005 |
| Less: Impairment allowance | 減：減值撥備 | <u>(16,937)</u> |
| | | 50,068 |
| Other creditors and accruals | 其他應付款項及應計費用 | <u>(68)</u> |
| Cash consideration received | 已收取現金代價 | <u>50,000</u> |

In September 2011, the Group disposed of the entire equity interest in a subsidiary, Crown Creation Limited, to an independent third party at a consideration of HK\$100 million. A net gain on disposal of approximately HK\$17,661,000 was recognised during the year ended 31 December 2011. Please refer to 2011 annual report for details.

於二零一一年九月，本集團向一名獨立第三方出售附屬公司Crown Creation Limited之全部股本權益，代價為100,000,000港元。於截至二零一一年十二月三十一日止年度確認出售收益淨額約17,661,000港元。詳情請參閱二零一一年年報。

Notes to the Financial Statements

財務報表附註

20. DEFINED CONTRIBUTION PLANS

The group companies in Hong Kong participate in the Mandatory Provident Fund (the "MPF Scheme") which is a defined contribution scheme managed by independent trustees. The assets of the fund are held separately from those of the group companies and are managed by independent professional fund managers. Under the MPF Scheme, each of the Group (the employer) and its employees make monthly contributions to the MPF Scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. The monthly contributions of each of the employees are subject to a cap of HK\$1,000 from January to May 2012 and HK\$1,250 from June to December 2012 and thereafter contributions are voluntary.

Contributions of approximately HK\$148,000 (2011: HK\$143,000) were made during the year ended 31 December 2012.

At 31 December 2012, the Group had no material forfeited contribution available to reduce its contributions to the retirement benefits scheme in future years (2011: Nil).

21. DEFERRED TAXATION

The Group has not recognised deferred tax asset in respect of unused tax loss of HK\$1,118,356,000 (2011: HK\$1,094,128,000) relating to the Company and certain Hong Kong incorporated subsidiaries. The tax losses have no expiry date under current tax legislation. The deferred tax asset has not been recognised due to uncertainty of its recoverability.

20. 界定供款計劃

本集團旗下在香港之公司已參加強制性公積金計劃(「強積金計劃」)，該計劃乃由獨立受託人管理之界定供款計劃。該基金之資產與本集團各公司之資產分開持有，並由獨立專業基金經理管理。根據強積金計劃，本集團(僱主)及其僱員須根據強制性公積金法例之規定，各自每月向強積金計劃作出相等於僱員收入5%之供款。每名僱員之每月供款上限於二零一二年一月至五月為1,000港元，於二零一二年六月至十二月為1,250港元，超出之供款純屬自願性質。

本集團於截至二零一二年十二月三十一日止年度作出之供款約為148,000港元(二零一一年：143,000港元)。

於二零一二年十二月三十一日，本集團並無重大已沒收供款可供扣減未來年度之退休福利計劃供款(二零一一年：無)。

21. 遞延稅項

本集團並無就有關本公司及若干於香港註冊成立之附屬公司之未動用稅項虧損1,118,356,000港元(二零一一年：1,094,128,000港元)確認遞延稅項資產。根據現行稅法，稅項虧損並無屆滿日期。遞延稅項資產因未能估計可收回性而未予確認。

Notes to the Financial Statements

財務報表附註

22. SHARE CAPITAL

22. 股本

| | | 2012 二零一二年 | | 2011 二零一一年 | |
|---|---|-----------------------|-----------------|-----------------------|-----------------|
| | | No. of shares 股份數目 | HK\$'000 千港元 | No. of shares 股份數目 | HK\$'000 千港元 |
| | | '000 千股 | | '000 千股 | |
| Authorised: | 法定： | | | | |
| At beginning of year | 於年初 | | | | |
| Ordinary shares of HK\$0.01 each | 每股面值0.01港元之普通股 | 500,000,000 | 5,000,000 | 50,000,000 | 5,000,000 |
| Capital reorganisation (Note a) | 股本重組(附註a) | 4,500,000,000 | - | 450,000,000 | - |
| | | | | | |
| At end of the year | 於年終 | | | | |
| Ordinary shares of HK\$0.001 each (2011: ordinary shares of HK\$0.01 each) | 每股面值0.001港元之普通股 (二零一一年:每股面值0.01港元之普通股) | 5,000,000,000 | 5,000,000 | 500,000,000 | 5,000,000 |
| | | | | | |
| Issued and fully paid: | 已發行及繳足： | | | | |
| At beginning of year | 於年初 | | | | |
| Ordinary shares of HK\$0.01 each | 每股面值0.01港元之普通股 | 3,654,742 | 36,547 | 4,060,825 | 406,082 |
| Capital reorganisation (Note a) | 股本重組(附註a) | (3,618,195) | (39,800) | (3,654,743) | (402,022) |
| Issue of shares on rights issue | 供股時發行股份 | - | - | 3,248,660 | 32,487 |
| Issue of shares under share option scheme (Note 23(b)) | 根據購股權計劃發行股份 (附註23(b)) | 365,474 | 3,655 | - | - |
| | | | | | |
| At end of the reporting period | 於報告期結束日 | | | | |
| Ordinary shares of HK\$0.001 each (2011: ordinary shares of HK\$0.01 each) | 每股面值0.001港元之普通股 (二零一一年:每股面值0.01港元之普通股) | 402,021 | 402 | 3,654,742 | 36,547 |

Note:

- (a) At the extraordinary general meeting of the Company held on 14 August 2012, the resolutions in respect of the share consolidation, the capital reduction and the capital subdivision of the Company (the "Capital Reorganisation") were approved by the shareholders. The effects of the Capital Reorganisation were as follows:
- (i) Under the share consolidation, every 10 issued shares of par value of HK\$0.01 each was consolidated into one adjusted issued share of par value of HK\$0.1 each.

附註：

- (a) 於本公司在二零一二年八月十四日舉行之股東特別大會上，股東批准多項關於本公司股份合併、股本削減及股份拆細（「股本重組」）之決議案。股本重組之影響如下：
- (i) 根據股份合併，將每10股每股面值0.01港元之已發行股份合併為一股面值0.1港元之經調整已發行股份。

Notes to the Financial Statements

財務報表附註

22. SHARE CAPITAL (Continued)

Note: (Continued)

- (ii) Immediately following the share consolidation, the par value of each issued consolidated share will be reduced from par value of HK\$0.1 each to par value of HK\$0.001 each by cancellation of the paid up capital to the extent of HK\$0.099 on each issued consolidated share by the way of reduction of capital.
- (iii) The credit arising from such capital reduction was applied to set-off the accumulated deficit of the Company with the balance (if any) to be transferred to the distributable capital redemption reserve account of the Company.
- (iv) Under the share subdivision, each of the authorised but unissued shares of par value of HK\$0.01 each was subdivided into ten adjusted shares of par value of HK\$0.001 each.

23. SHARE OPTIONS

(a) Share option scheme

A share option scheme was approved by shareholders on 6 August 2007 which will remain in force for a period of 10 years commencing on 6 August 2007.

Under the share option scheme, the Company may grant to directors and employees of the Group and any other persons who, in the sole discretion of the Board, have contributed or will contribute to the Group. The maximum number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the share option scheme and any other share option scheme of the Company must not in aggregate exceed 30% of the total number of shares in issue from time to time. The total 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 scheme of the Company must not in aggregate exceed 10% of the shares in issue, the General Scheme Limit, at the date of the passing of the relevant ordinary resolution. If any option is to be granted to connected person(s), it must be approved by independent non-executive directors or independent shareholders as the case may be.

22. 股本 (續)

附註：(續)

- (ii) 緊隨股份合併後，以股本削減之方式藉註銷每股已發行合併股份之繳足股本0.099港元，將每股已發行合併股份之面值由每股0.1港元削減至每股0.001港元。
- (iii) 動用股本削減所產生之進帳額抵銷本公司之累計虧絀，餘額（如有）則轉撥至本公司之可分派資本贖回儲備帳。
- (iv) 根據股份拆細，每股面值0.01港元之法定但未發行股份將分拆為十股每股面值0.001港元之經調整股份。

23. 購股權

(a) 購股權計劃

購股權計劃於二零零七年八月六日獲股東批准，自二零零七年八月六日起生效，有效期10年。

根據購股權計劃，本公司可向董事、本集團僱員及董事會全權酌情認為曾經或將會對本集團作出貢獻之任何其他人士授出購股權。因行使根據購股權計劃及本公司任何其他購股權計劃授出但未行使之全部發行在外購股權而發行之股份數目上限合共不得超過不時已發行股份總數之30%。因行使根據購股權計劃及本公司任何其他購股權計劃授出之全部購股權而可發行之股份總數合共不得超過於通過相關普通決議案當日已發行股份之10%（整體計劃限額）。授予關連人士任何購股權須先經獨立非執行董事或獨立股東（視情況而定）批准。

Notes to the Financial Statements

財務報表附註

23. SHARE OPTIONS (Continued)

(a) Share option scheme (Continued)

The maximum number of shares in respect of which share options may be granted to a specifically identified single grantee under the share option scheme (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue.

Under the share option scheme, the options granted may be accepted by a participant within 14 days from the date of such offer. A consideration of HK\$1 is payable on acceptance of the offer of grant of an option. Options may be exercised at any time no later than 10 years from the date of grant. The subscription price for shares payable on exercise of share options granted under the share option scheme shall be a price determined by the directors, but shall in any event be not be less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a trading day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of share.

23. 購股權 (續)

(a) 購股權計劃 (續)

於任何十二個月期間根據購股權計劃可向特別選定單一承授人授出之購股權(包括已行使、已註銷及未行使購股權)涉及之股份最高數目不得超過已發行股份總數之1%。

根據購股權計劃,授出之購股權可由參與者於由要約日期起計14日內接納。接納授出購股權之要約時須支付1港元代價。購股權可由授出日期起10年內隨時行使。根據購股權計劃授出之購股權獲行使時應付之股份認購價由董事釐定,惟在任何情況下不得低於下列之最高者:(i)股份於授出要約日期(必須為交易日)在聯交所每日報價表所報之收市價;(ii)股份於緊接授出要約日期前五個交易日在聯交所每日報價表所報之平均收市價;及(iii)股份面值。

Notes to the Financial Statements

財務報表附註

23. SHARE OPTIONS (Continued)

(b) Share options granted during the year

On 31 January 2012, 365,474,270 share options were granted under the share option scheme to qualified participants. The share price at the date of grant is HK\$0.103. The share price at the date of grant is the Stock Exchange closing price on the trading date immediately prior to the date of the grant of the options. The weighted average closing price immediately prior to exercise date is HK\$0.1122. The options were fully exercised on 7 February 2012 and the Company received proceeds of HK\$38 million. The weighted average share price at the date of exercise is HK\$0.110. No share options granted under the share option scheme were outstanding at 31 December 2012 and 2011.

(c) Fair value of share options and assumptions

The fair value of share option granted at the grant date was HK\$0.00018 per share, which is calculated using the Black-Scholes model with the following inputs:

| | |
|-------------------------------|--------------|
| Share price at the grant date | : HK\$0.103 |
| Exercise price | : HK\$0.1042 |
| Expected volatility | : 8.492% |
| Expected option period | : 8 days |
| Risk free rate | : 0.079% |

The expected volatility is based on the historical volatility of the Company over the expected option period. Changes in the subjective input assumptions could materially affect the fair value of the share options granted.

23. 購股權 (續)

(b) 年內授出之購股權

於二零一二年一月三十一日，365,474,270份購股權根據購股權計劃授予合資格參與者。授出當日之股價為0.103港元。授出當日之股價乃股份緊接購股權授出日期前交易日之聯交所收市價。緊接行使日期前之加權平均收市價為0.1122港元。該等購股權已於二零一二年二月七日獲悉數行使，本公司收取之款項為38,000,000港元。於行使日期之加權平均股價為0.110港元。於二零一二年及二零一一年十二月三十一日，概無根據購股權計劃授出而尚未行使之購股權。

(c) 購股權公平值及假設

已授出購股權於授出日期之公平值為每股0.00018港元，乃根據下列數據以布萊克-斯克爾斯模型計算：

| | |
|----------|------------|
| 於授出日期之股價 | : 0.103港元 |
| 行使價 | : 0.1042港元 |
| 預期波幅 | : 8.492% |
| 預期有效期 | : 8日 |
| 無風險利率 | : 0.079% |

預期波幅乃以預期有效期內之本公司過往波幅為基準。主觀輸入假設變動可對已授出購股權之公平值構成重大影響。

Notes to the Financial Statements

財務報表附註

24. RESERVES

The Company

24. 儲備

本公司

| | | Share premium 股份溢價 HK\$'000 千港元 | Share option reserve 購股權儲備 HK\$'000 千港元 | Capital contributed surplus 資本繳入盈餘 HK\$'000 千港元 | Capital reserve 資本儲備 HK\$'000 千港元 | Capital redemption reserve 資本贖回儲備 HK\$'000 千港元 | Accumulated deficit 累計虧絀 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|--------------------------|---|--|--|---|---|---|--------------------------------|
| At 1 January 2011 | 於二零一一年一月一日 | | | | | | | |
| Beginning of year | 年初 | 1,177,654 | - | 16,692 | 4,492 | 1,173 | (746,864) | 453,147 |
| Comprehensive loss | 全面虧損 | | | | | | | |
| Loss for the year | 年內虧損 | - | - | - | - | - | (377,386) | (377,386) |
| Total comprehensive loss for the year | 年內全面虧損總額 | - | - | - | - | - | (377,386) | (377,386) |
| Transactions with owners | 與擁有人進行之交易 | | | | | | | |
| Issue of shares on rights | 供股時發行股份 | | | | | | | |
| issues, net of expenses | (已扣除開支) | 361,413 | - | - | - | - | - | 361,413 |
| Capital reorganisation | 股本重組 | - | - | - | - | - | 402,022 | 402,022 |
| Total transactions with owners for the year | 年內與擁有人進行之交易總額 | 361,413 | - | - | - | - | 402,022 | 763,435 |
| At 31 December 2011 and 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 | | | | | | | |
| Beginning of year | 年初 | 1,539,067 | - | 16,692 | 4,492 | 1,173 | (722,228) | 839,196 |
| Comprehensive loss | 全面虧損 | | | | | | | |
| Loss for the year | 年內虧損 | - | - | - | - | - | (13,676) | (13,676) |
| Total comprehensive loss for the year | 年內全面虧損總額 | - | - | - | - | - | (13,676) | (13,676) |
| Transactions with owners | 與擁有人進行之交易 | | | | | | | |
| Share option granted (note 23(c)) | 已授出之購股權(附註23(c)) | - | 67 | - | - | - | - | 67 |
| Exercise of share options (note 23(b)) | 行使購股權(附註23(b)) | 34,492 | (67) | - | - | - | - | 34,425 |
| Capital reorganisation (note 22(a)) | 股本重組(附註22(a)) | - | - | - | - | - | 39,800 | 39,800 |
| Total transactions with owners for the year | 年內與擁有人進行之交易總額 | 34,492 | - | - | - | - | 39,800 | 74,292 |
| At 31 December 2012 | 於二零一二年十二月三十一日 | 1,573,559 | - | 16,692 | 4,492 | 1,173 | (696,104) | 899,812 |

Notes to the Financial Statements

財務報表附註

25. CASH GENERATED FROM (USED IN) OPERATIONS

25. 經營所得(所用)現金

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|---|-------------------|----------------------------------|----------------------------------|
| Loss before taxation | 除稅前虧損 | (41,877) | (329,308) |
| Interest income | 利息收入 | (21,666) | (581) |
| Share of results of an associate/associates | 應佔一間聯營公司／聯營公司之業績 | (282) | (307) |
| Impairment loss on assets held by a Disposal Group | 出售集團所持資產之減值虧損 | 16,937 | - |
| Gain on disposal of a subsidiary | 出售一間附屬公司之盈利 | - | (17,661) |
| Depreciation and amortisation expenses | 折舊及攤銷開支 | 618 | 1,761 |
| Write back of other payable | 撥回其他應付款項 | - | (23,910) |
| Net charge (release) provision for bad and doubtful debts | 呆壞帳撥備支出(撥回)淨額 | 999 | (70,141) |
| Changes in working capital: | 營運資金之變動: | | |
| Financial assets at fair value through profit or loss | 於損益帳按公平值處理之財務資產 | (9,379) | 5,986 |
| Other receivables | 其他應收款項 | 241 | 17,743 |
| Other payables | 其他應付款項 | 4,292 | (2,508) |
| Loans receivable | 應收貸款 | 137,423 | 56,567 |
| Cash generated from (used in) operations | 經營所得(所用)現金 | 87,306 | (362,359) |

26. MARGIN FACILITIES

As at 31 December 2012, margin facilities of HK\$219,381,000 (2011: HK\$199,683,000) from regulated securities brokers were granted to the Group under which financial assets at fair value through profit or loss of HK\$434,762,000 (2011: HK\$445,338,000) were treated as collateral for the facilities granted. The Group has not utilised any of these facilities as at 31 December 2012 (2011: HK\$Nil).

26. 孖展融資

於二零一二年十二月三十一日，受規管證券經紀向本集團授出孖展融資219,381,000港元(二零一一年：199,683,000港元)，據此，於損益帳按公平值處理之財務資產434,762,000港元(二零一一年：445,338,000港元)被視為獲授融資之抵押品。於二零一二年十二月三十一日，本集團並無動用任何該等融資(二零一一年：零港元)。

Notes to the Financial Statements

財務報表附註

27. COMMITMENTS

Commitments under operating leases

The Group leases a number of properties under operating leases, which typically run for an initial period of 1-3 years. None of these leases includes contingent rentals. At the end of the reporting period, the Group had future lease payments under non-cancellable operating leases, which are payable as follows:

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|--|----------------|----------------------------------|----------------------------------|
| Within one year | 一年內 | 1,593 | 861 |
| In the second to fifth years inclusive | 第二至第五年（包括首尾兩年） | 82 | 149 |
| | | 1,675 | 1,010 |

28. RELATED PARTY TRANSACTIONS

Other than disclosed elsewhere in the financial statements, during the year the Group had the following significant related party transactions:

Remunerations of key management personnel:

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|---|----------|----------------------------------|----------------------------------|
| Employee benefits expenses | 僱員福利開支 | 2,059 | 2,013 |
| Contributions to defined contribution schemes | 界定供款計劃供款 | 42 | 36 |
| | | 2,101 | 2,049 |

27. 承擔

經營租賃承擔

本集團以一般初步為期一至三年之經營租賃租用多項物業。有關租賃並不包括或然租金。於報告期結束日，本集團於不可註銷經營租賃之未來租賃付款應按以下年期支付：

28. 關連人士交易

除財務報表其他部分所披露者外，本集團於年內進行之重大關連人士交易如下：

主要管理人員之酬金：

Notes to the Financial Statements

財務報表附註

29. FINANCIAL RISK MANAGEMENT

The Group's principal financial instruments are available-for-sale financial assets, long-term debt investment, financial assets through profit or loss, loans receivable, bank balances and cash. The main purpose of these financial instruments is to raise and maintain finance for the Group's operations. The Group has various other financial instruments such as other receivables and other payables, which arise directly from its business activities.

The main risks arising from the Group's financial instruments are equity price risk, credit risk and liquidity risk. The Board of Directors generally adopts conservative strategies on its risk management and limits the Group's exposure to these risks to a minimum. The Board of Directors reviews and agrees policies for managing each of these risks and they are summarised below. The Group also monitors the market price risk arising from all financial instruments.

Equity price risk

The Group is exposed to equity price risk arising from trading of listed securities and unlisted convertible notes included in financial assets at fair value through profit or loss. The sensitivity analysis has been determined based on the exposure to equity price risk.

At the end of the reporting period, if the quoted stock prices had been 5% (2011: 5%) higher or lower while all other variables were held constant, the Group's net loss would decrease or increase by HK\$22,736,000 (2011: HK\$22,267,000) as a result of changes in fair value of investments. The Group's sensitivity to equity price has not changed significantly from the prior year.

29. 財務風險管理

本集團之主要財務工具為可供出售財務資產、長期債務投資、於損益帳處理之財務資產、應收貸款、銀行結存及現金。此等財務工具之主要用途乃為本集團之業務籌集及維持融資。本集團有若干其他財務工具，如直接自其業務活動產生之其他應收款項及其他應付款項。

本集團財務工具所產生之主要風險為股價風險、信貸風險及流動資金風險。董事會一般對風險管理採納審慎策略，並將本集團承擔之風險減至最低。董事會為管理以上各種風險檢討及協定有關政策，各種風險已概列於下文。本集團亦會監察所有財務工具所產生之市場價格風險。

股價風險

本集團之股價風險來自上市證券買賣及計入於損益帳按公平值處理之財務資產之非上市可換股票據。敏感度分析乃根據股價風險釐定。

於報告期結束日，倘若所報股價上調或下滑5%（二零一一年：5%），在所有其他變數不變之情況下，本集團之虧損淨額將因為投資公平值變動而減少或增加22,736,000港元（二零一一年：22,267,000港元）。本集團對股價之敏感程度較往年並無大幅轉變。

Notes to the Financial Statements

財務報表附註

29. FINANCIAL RISK MANAGEMENT (Continued)

Equity price risk (Continued)

The sensitivity analysis has been determined assuming that the reasonably possible changes in the stock prices or other relevant risk variables had occurred at the end of the reporting period and had been applied to the exposure to equity price risk in existence at that date. It is also assumed that the fair values of the Group's investments would change in accordance with the historical correlation with the relevant stock market index or the relevant risk variables, that none of the Group's securities investments would be considered impaired as a result of a reasonably possible decrease in the relevant stock market index or other relevant risk variables, and that all other variables remain constant. The stated changes represent management's assessment of reasonably possible changes in the relevant stock market index or the relevant risk variables over the period until the end of the next annual reporting period. The analysis is performed on the same basis for 2011.

Credit risk

Credit risk refers to the risk that debtors will default on their obligations to repay the amounts due to the Group, resulting in a loss to the Group. The Group has adopted procedures in extending credit terms to loan borrowers and in monitoring its credit risk. The credit policy on extending credit terms to loan borrowers includes assessing and evaluating loan borrowers' creditworthiness and financial standing. Management also closely monitors all outstanding debts and reviews the collectability of other receivables periodically. At the end of the reporting period, the Group has a concentration of credit risk as 33% (2011: 12%) and 100% (2011: 56%) of the total loans receivable was due from the Group's largest borrower and the three (2011: five) largest borrowers respectively.

29. 財務風險管理 (續)

股價風險 (續)

敏感度分析乃假設股價或其他相關風險變數於報告期結束日出現合理可能變動而釐定，並適用於當日之股價風險。敏感度分析亦假設本集團投資之公平值隨相關股票市場指數或相關風險變數之歷史關係而變動，本集團之證券投資不會因相關股票市場指數或其他相關風險變數之合理可能下調而被視作減值，以及所有其他變數不變。上述變動指管理層對相關股票市場指數或相關風險變數於下年度報告期結束日前期間之合理可能變動之評估。分析之基準與二零一一年相同。

信貸風險

信貸風險指債務人未能履行其償還應付本集團款項之責任，致令本集團蒙受虧損之風險。本集團已採納若干有關給予貸款借款人之信貸期之程序，並監察有關信貸風險。給予貸款借款人信貸期之信貸政策包括評定及估計貸款借款人之信用度及財務狀況。管理層亦會密切監察所有應收未收債項及定期審閱其他應收款項之收回情況。於報告期結束日，本集團之信貸風險集中，應收貸款總額中有33% (二零一一年：12%) 及100% (二零一一年：56%) 分別源自本集團之最大借款人及三大 (二零一一年：五大) 借款人。

Notes to the Financial Statements

財務報表附註

29. FINANCIAL RISK MANAGEMENT (Continued)

Credit risk (Continued)

For the Group's credit risk arising from long-term debt investment, the management considers the credit risk to be low taking into account the financial positions of the investees.

The Group has limited credit risk with its money deposited in financial institutions and brokers, which are leading and reputable and are assessed as having low credit risk. The Group has not had any significant loss arising from non-performance by these parties in the past and management does not expect so in the future.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the financial statements.

Liquidity risk

Liquidity risk refers to the risk in which the Group is unable to meet its short-term obligations. Liquidity risk is minimal and is managed by matching the payments and receipts cycles. The Group's operations are financed mainly through its business activities.

All the financial liabilities of the Group and the Company at the end of the reporting period are repayable on demand.

29. 財務風險管理 (續)

信貸風險 (續)

就本集團因長期債務投資而產生之信貸風險而言，管理層於計及接受投資公司之財務狀況後，認為信貸風險不高。

本集團於金融機構及經紀之存款面對之信貸風險有限，原因是該等金融機構及經紀均具領導地位及聲譽，獲評定為低信貸風險。本集團過往並無因有關人士不履行責任而產生之重大虧損，而管理層預期日後亦不會出現該等情況。

信貸風險之最高額度為財務報表內各項財務資產之帳面金額。

流動資金風險

流動資金風險指本集團無力履行其短期責任之風險。流動資金風險微不足道，乃透過配合還款及收款週期加以管理。本集團之營運主要透過商業活動提供資金。

於報告期結束日，本集團及本公司之所有財務負債均按要求償還。

Notes to the Financial Statements

財務報表附註

29. FINANCIAL RISK MANAGEMENT (Continued)

Capital management

The objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to provide returns for shareholders. The Group manages its capital structure and makes adjustments, including payment of dividend to shareholders, return capital to shareholders or issue new shares or sell assets to reduce debts. No changes were made in the objectives, policies or processes during the years ended 31 December 2012 and 2011.

The Group monitors capital on the basis of debt-to-equity capital ratio, which is net debt divided by adjusted capital. The debt-to-equity capital ratios at the end of the reporting period were as follows:

29. 財務風險管理 (續)

資本管理

本集團管理資本之目的為保障本集團能持續經營，並為股東帶來回報。本集團管理其資本架構並作出調整，包括向股東派付股息、向股東退還資本或發行新股或出售資產以減少債項。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更改有關目標、政策或程序。

本集團根據債務與股本比率（以債務淨額除以經調整股本計算）監察資本。於報告期結束日之債務與股本比率如下：

| | | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
|------------------------------|-----------|----------------------------------|----------------------------------|
| Other payables | 其他應付款項 | 7,627 | 3,403 |
| Less: Bank balances and cash | 減：銀行結存及現金 | (49,411) | (138,183) |
| Net debt | 債務淨額 | (41,784) | (134,780) |
| Total equity | 股權總值 | 951,107 | 954,837 |
| Debt-to-equity capital ratio | 債務與股本比率 | N/A不適用 | N/A不適用 |

Notes to the Financial Statements

財務報表附註

29. FINANCIAL RISK MANAGEMENT (Continued)

Fair value

All financial instruments are carried at amounts not materially different from their fair values as at 31 December 2012 and 2011.

The fair value of financial instruments traded in active markets (such as held for trading) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price.

The carrying values of loan and other receivables, long-term debt investment and other payables are approximately their fair values.

Fair value disclosures

The following presents the carrying value of financial instruments measured at fair value at 31 December 2012 across the three levels of the fair value hierarchy defined in HKFRS 7, Financial Instruments: Disclosures, with the fair value of each financial instrument 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 markets for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable market data;
- Level 3 (lowest level): fair values measured using valuation techniques in which any significant input is not based on observable market data.

29. 財務風險管理 (續)

公平值

所有財務工具按與其於二零一二年及二零一一年十二月三十一日之公平值差異不大之金額列帳。

於活躍市場買賣之財務工具(例如持作買賣)之公平值乃根據於報告期結束日所報之市價計算。本集團所持財務資產使用之市場報價為當前之買入價。

貸款及其他應收款項、長期債務投資及其他應付款項之帳面值與其公平值相若。

公平值披露

下文呈列按公平值計量之財務工具於二零一二年十二月三十一日之帳面值，並按照香港財務報告準則第7號「財務工具：披露事項」所界定三個級別公平值等級制分類，當中每項財務工具之公平值乃按對有關公平值計量有重大影響之最低輸入級別將整項公平值分類。有關級別界定如下：

- 級別一(最高級別)：使用活躍市場中相同財務工具之報價(未經調整)計量之公平值；
- 級別二：使用活躍市場中類似財務工具之報價，或所有重大輸入項目均直接或間接基於可觀察市場數據之估值方法計量之公平值；
- 級別三(最低級別)：使用有任何重大輸入項目並非基於可觀察市場數據之估值方法計量之公平值。

Notes to the Financial Statements

財務報表附註

29. FINANCIAL RISK MANAGEMENT (Continued)

Fair value disclosures (Continued)

Assets measured at fair value

| | | 31 December 2012 二零一二年 十二月三十一日 HK\$'000 千港元 | Level 1 級別一 HK\$'000 千港元 | Level 2 級別二 HK\$'000 千港元 | Level 3 級別三 HK\$'000 千港元 |
|---|-----------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Financial assets at fair value through profit or loss | 於損益帳按公平值處理之財務資產 | | | | |
| - Equity securities | - 股本證券 | 435,248 | 435,248 | - | - |
| - Unlisted convertible notes | - 非上市可換股票據 | 19,469 | - | 19,469 | - |
| | | 454,717 | 435,248 | 19,469 | - |

29. 財務風險管理 (續)

公平值披露 (續)

按公平值計量之資產

| | | 31 December 2011 二零一一年 十二月三十一日 HK\$'000 千港元 | Level 1 級別一 HK\$'000 千港元 | Level 2 級別二 HK\$'000 千港元 | Level 3 級別三 HK\$'000 千港元 |
|---|-----------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Financial assets at fair value through profit or loss | 於損益帳按公平值處理之財務資產 | | | | |
| - Equity securities | - 股本證券 | 402,884 | 402,884 | - | - |
| - Unlisted convertible notes | - 非上市可換股票據 | 42,454 | - | 42,454 | - |
| | | 445,338 | 402,884 | 42,454 | - |

During the years ended 31 December 2012 and 2011, there was no transfer between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

於截至二零一二年及二零一一年十二月三十一日止年度，並無於公平值計量級別一及級別二之間進行轉撥，亦無轉至及轉自公平值計量級別三之項目。

Notes to the Financial Statements

財務報表附註

30. SEGMENTAL INFORMATION

The chief operating decision maker has evaluated the performance of operating segments and to allocate resources to those segments based on the Group's internal reporting in respect of these segments. The executive directors consider investing, securities trading and provision of financing services as the Group's major operating segments which securities trading and other investing activities were regarded as a single segment in the financial statements. Segment results represent the result from each segment without allocation of finance costs and share of results of associates. The following analysis is the measure reported to the chief operating decision maker for the purposes of resources allocation and assessment of segment performance.

By business segments

An analysis of the Group's result by operating segment is set out below:

30. 分類資料

主要營運決策人已根據本集團各經營分類之內部報告，評估該等分類之表現以及將資源分配至各分類。執行董事認為投資、證券買賣及提供融資服務為本集團之主要經營分類，當中，證券買賣及其他投資活動於財務報表內被視為單一分類。分類業績指各分類之業績，當中並無分配融資成本及應佔聯營公司之業績。以下分析為向主要營運決策人作出報告之方法，以供分配資源及評估分類表現。

按業務分類

本集團業績按經營分類之分析載列如下：

| | | Year ended 31 December 2012 截至二零一二年十二月三十一日止年度 | | | |
|--|---------------------------|--|------------------------------------|--|--------------------------------|
| | | Investing 投資 HK\$'000 千港元 | Financing 融資 HK\$'000 千港元 | Unallocated 未經分配 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
| Turnover | 營業額 | | | | |
| Net realised loss on disposal of financial assets at fair value through profit or loss | 出售於損益帳按公平值處理之財務資產之已變現虧損淨額 | (2,315) | - | - | (2,315) |
| Dividend income | 股息收入 | 2,022 | - | - | 2,022 |
| Interest income from loan receivables | 應收貸款之利息收入 | - | 2,482 | - | 2,482 |
| Total turnover | 總營業額 | (293) | 2,482 | - | 2,189 |
| Other revenue | 其他收益 | | | | |
| Interest income from unlisted long-term debt investment | 非上市長期債務投資之利息收入 | 21,301 | - | - | 21,301 |
| Total turnover and revenue | 總營業額及收益 | 21,008 | 2,482 | - | 23,490 |
| Operating results | 經營業績 | | | | |
| Segment results | 分類業績 | (12,290) | (3,951) | (8,981) | (25,222) |
| Share of result of an associate | 應佔一間聯營公司之業績 | | | | 282 |
| Impairment loss on assets held by a Disposal Group | 出售集團所持資產之減值虧損 | | | | (16,937) |
| Loss attributable to owners of the parent | 母公司擁有人應佔虧損 | | | | (41,877) |

Notes to the Financial Statements

財務報表附註

30. SEGMENTAL INFORMATION (Continued)

By business segments (Continued)

An analysis of the Group's assets and liabilities by operating segment is set out below:

30. 分類資料 (續)

按業務分類 (續)

本集團資產及負債按經營分類之分析載列如下：

| | | As at 31 December 2012 於二零一二年十二月三十一日 | | | |
|--|---------------------------|---|------------------------------------|--|--------------------------------|
| | | Investing 投資 HK\$'000 千港元 | Financing 融資 HK\$'000 千港元 | Unallocated 未經分配 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
| Other information | 其他資料 | | | | |
| Assets | 資產 | <u>844,774</u> | <u>48,583</u> | <u>28,847</u> | <u>922,204</u> |
| - Interest in an associate | - 於一間聯營公司之權益 | | | | <u>36,530</u> |
| | | | | | <u>958,734</u> |
| Liabilities | 負債 | <u>-</u> | <u>(52)</u> | <u>(7,575)</u> | <u>(7,627)</u> |
| Additions to non-current assets | 添置非流動資產 | <u>-</u> | <u>-</u> | <u>4,016</u> | <u>4,016</u> |
| Change in fair value of financial assets at fair value through profit or loss | 於損益帳按公平值處理之 財務資產之公平值變動 | <u>34,716</u> | <u>-</u> | <u>-</u> | <u>34,716</u> |
| Provision for doubtful debts | 呆帳撥備 | <u>-</u> | <u>1,035</u> | <u>-</u> | <u>1,035</u> |
| Depreciation and amortisation | 折舊及攤銷 | <u>587</u> | <u>-</u> | <u>31</u> | <u>618</u> |

Notes to the Financial Statements 財務報表附註

30. SEGMENTAL INFORMATION (Continued)

By business segments (Continued)

30. 分類資料 (續)

按業務分類 (續)

| | | Year ended 31 December 2011 截至二零一一年十二月三十一日止年度 | | | |
|--|---------------------------|--|------------------------------------|--|--------------------------------|
| | | Investing 投資 HK\$'000 千港元 | Financing 融資 HK\$'000 千港元 | Unallocated 未經分配 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
| Turnover | 營業額 | | | | |
| Net realised loss on disposal of financial assets at fair value through profit or loss | 出售於損益帳按公平值處理之財務資產之已變現虧損淨額 | (97,884) | - | - | (97,884) |
| Dividend income | 股息收入 | 5,515 | - | - | 5,515 |
| Interest income from loan receivables | 應收貸款之利息收入 | - | 11,517 | - | 11,517 |
| | | <u>(92,369)</u> | <u>11,517</u> | <u>-</u> | <u>(80,852)</u> |
| Total turnover | 總營業額 | | | | |
| | | <u>(92,369)</u> | <u>11,517</u> | <u>-</u> | <u>(80,852)</u> |
| Operating results | 經營業績 | | | | |
| Segment results | 分類業績 | <u>(437,125)</u> | <u>67,792</u> | <u>22,057</u> | <u>(347,276)</u> |
| Share of result of associates | 應佔聯營公司之業績 | | | | 307 |
| Gain on disposal of a subsidiary | 出售一間附屬公司之收益 | | | | <u>17,661</u> |
| Loss attributable to owners of the parent | 母公司擁有人應佔虧損 | | | | <u>(329,308)</u> |

Notes to the Financial Statements

財務報表附註

30. SEGMENTAL INFORMATION (Continued)

By business segments (Continued)

30. 分類資料 (續)

按業務分類 (續)

| | | As at 31 December 2011 於二零一一年十二月三十一日 | | | |
|--|---------------------------|---|-----------|-------------|----------|
| | | Investing | Financing | Unallocated | Total |
| | | 投資 | 融資 | 未經分配 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| Other information | 其他資料 | | | | |
| Assets | 資產 | 620,930 | 235,873 | 69,189 | 925,992 |
| - Interest in associates | - 於聯營公司之權益 | | | | 32,248 |
| | | | | | 958,240 |
| Liabilities | 負債 | (38) | - | (3,365) | (3,403) |
| Additions to non-current assets | 添置非流動資產 | - | - | - | - |
| Net realised loss on disposal of financial assets at fair value through profit or loss | 出售於損益帳按公平值處理之財務資產之已變現虧損淨額 | 346,732 | - | - | 346,732 |
| Provision for doubtful debts | 呆帳撥備 | - | 19,255 | - | 19,255 |
| Write back of other payables | 撥回其他應付款項 | - | - | (23,910) | (23,910) |
| Depreciation and amortisation | 折舊及攤銷 | 1,408 | - | 353 | 1,761 |

For the purpose of monitoring segment performance and allocating resources between segments, all assets are allocated to reportable segment other than interest on associates.

就監察分類表現及於各分類間分配資源而言，所有資產均獲分配至可報告分類，惟於聯營公司之權益除外。

Notes to the Financial Statements

財務報表附註

30. SEGMENTAL INFORMATION (Continued)

Geographical information

The following is analysis of the carrying amount of non-current assets other than available-for-sale financial assets and long-term debt investment, analysed by the geographical areas in which the assets of the Group are located:

| | | As at 31 December 2012 於二零一二年十二月三十一日 | | |
|--------------------|-------|---|---------------------------------------|-----------------|
| | | Hong Kong 香港 | Other regions in the PRC 中國其他地區 | Total 總計 |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Non-current assets | 非流動資產 | 36,571 | – | 36,571 |

| | | As at 31 December 2011 於二零一一年十二月三十一日 | | |
|--------------------|-------|---|---------------------------------------|-----------------|
| | | Hong Kong 香港 | Other regions in the PRC 中國其他地區 | Total 總計 |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Non-current assets | 非流動資產 | 32,304 | 67,592 | 99,896 |

Nearly all of revenue of the Group for the years ended 31 December 2012 and 2011 was derived in Hong Kong, the place of domicile of the Group's operating entities.

Information about major customers

Included in the turnover arising from financing segment of HK\$2,482,000 (2011: HK\$11,517,000) are turnover of approximately HK\$1,000,000 (2011: HK\$1,194,000) which arose from interest income from one (2011: one) of the Group's largest customers which contributed more than 10% of the Group's turnover.

30. 分類資料 (續)

地區資料

以下為本集團非流動資產(可供出售財務資產及長期債務投資除外)按其所在地區劃分之帳面金額分析:

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接近全部之收入均源自香港(即本集團經營實體之註冊地點)。

主要客戶資料

融資分類產生之營業額2,482,000港元(二零一一年: 11,517,000港元)包括貢獻本集團營業額超過10%之本集團一名(二零一一年: 一名)最大客戶之利息收入產生之營業額約1,000,000港元(二零一一年: 1,194,000港元)。

Notes to the Financial Statements

財務報表附註

31. EVENTS AFTER THE REPORTING PERIOD

Other than disclosed elsewhere in these financial statements, a summary of events transacted after reporting period is set out below:

- (a) As disclosed in the announcement dated 28 January 2013, the Company proposed to implement a rights issue in the proportion of one rights share for every two adjusted shares held at the subscription price of HK\$0.25 per rights share.

The rights issue proceeded in accordance with the expected timetable as set out in the prospectus made by the Company on 22 February 2013. Pursuant to the prospectus, 201,010,848 shares were issued and allotted under the rights issue. The net proceeds from the rights issue were approximately HK\$47.75 million. The Company utilised HK\$45 million from the net proceeds of the rights issue for its money lending business. For the remaining balance of net proceeds, the Company intends to apply for its general working capital.

- (b) On 19 March 2013, the Company entered into the placing agreement with the placing agent pursuant to which the placing agent has conditionally agreed to place 80,404,339 new shares on a fully underwritten basis, to not less than six independent places, at a price of HK\$0.21 per share.

The placing shares represent approximately 13.33% of the existing issued share capital of the Company and approximately 11.76% of the Company's issued share capital as enlarged by the issue of the placing shares. The placing shares will be allotted under the general mandate.

It is expected that the net proceeds from the placing after the deducting the placing commission and expenses will amount to approximately HK\$16.03 million. The Company intends to apply the aggregate net proceeds as general working capital for the existing business of the Group and/or to finance any future investment when opportunities arise.

31. 報告期後事項

除此等財務報表其他部分所披露者外，報告期後進行之事項概述如下：

- (a) 如日期為二零一三年一月二十八日之公佈所披露，本公司建議按每持有兩股經調整股份供一股供股股份之比例進行供股，認購價為每股供股股份0.25港元。

供股按本公司於二零一三年二月二十二日刊發之供股章程所載之預期時間表進行。根據供股章程，201,010,848股股份根據供股發行及配發。供股之所得款項淨額約為47,750,000港元。本公司已動用供股所得款項淨額之45,000,000港元於其貸款業務。本公司計劃將所得款項淨額餘款用作其一般營運資金。

- (b) 於二零一三年三月十九日，本公司與配售代理訂立配售協議，據此，配售代理有條件同意按悉數包銷基準以每股0.21港元之價格向不少於六名獨立承配人配售80,404,339股新股份。

配售股份相當於本公司現有已發行股本約13.33%，及本公司經發行配售股份擴大後之已發行股本約11.76%。配售股份將根據一般授權配發。

配售事項之所得款項淨額（扣除配售佣金及開支後）預期約為16,030,000港元。本公司計劃將總所得款項淨額用作本集團現有業務之一般營運資金，及／或用於日後機會出現時為任何投資提供資金。

Financial Summary

財務概要

The following is a summary of the published consolidated statement of comprehensive income and consolidated statement of financial position of Forefront Group Limited (the "Company") and its subsidiaries (together the "Group") for the past five years.

以下為福方集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)過去五年之已刊發綜合全面收入報表及綜合財務狀況表概要。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收入報表

| | | 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 |
|---|-----------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Turnover | 營業額 | 2,189 | (80,852) | (21,703) | 46,518 | (71,564) |
| Other revenue | 其他收益 | 21,301 | - | - | - | - |
| Other income | 其他收入 | 2,848 | 46,434 | 29,239 | 513 | 15,567 |
| (Provision) Written back of provision for bad and doubtful debts | 呆壞帳(撥備)撥備撥回 | (999) | 70,141 | (89,346) | 42,769 | (44,240) |
| Distribution and selling expenses | 分銷及銷售開支 | - | - | - | - | - |
| General and administrative expenses | 一般及行政開支 | (15,845) | (18,606) | (18,913) | (19,637) | (25,947) |
| Changes in fair value of financial assets at fair value though profit or loss | 於損益帳按公平值處理之財務資產之公平值變動 | (34,716) | (346,732) | (116,551) | 26,839 | (142,310) |
| Impairment loss on assets held by a Disposal Group | 出售集團所持資產之減值虧損 | (16,937) | - | - | - | - |
| Finance costs | 融資成本 | - | - | (1,324) | (992) | (1,630) |
| Share of results of associates | 應佔聯營公司之業績 | 282 | 307 | 1,393 | 2,676 | 4,464 |
| Impairment loss on interest in an associate | 於一間聯營公司之權益之減值虧損 | - | - | - | (158,500) | - |
| Impairment loss on intangible assets | 無形資產之減值虧損 | - | - | (12,258) | - | - |
| Loss before taxation | 除稅前虧損 | (41,877) | (329,308) | (229,463) | (59,814) | (265,660) |
| Taxation | 稅項 | - | - | - | - | - |
| Loss from continuing operations | 來自持續經營業務之虧損 | (41,877) | (329,308) | (229,463) | (59,814) | (265,660) |
| Loss from discontinued operations | 來自終止經營業務之虧損 | - | - | - | (1,798) | (8,642) |
| Total comprehensive loss attributable to the owners of the parent | 母公司擁有人應佔全面虧損總額 | (41,877) | (329,308) | (229,463) | (61,612) | (274,302) |

Financial Summary

財務概要

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 | 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 |
|---------------------------------------|-----------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Non-current assets | 非流動資產 | <u>424,622</u> | <u>207,896</u> | <u>166,408</u> | <u>38,298</u> | <u>39,534</u> |
| Current assets | 流動資產 | <u>534,112</u> | <u>750,344</u> | <u>753,657</u> | <u>483,163</u> | <u>230,821</u> |
| Current liabilities | 流動負債 | <u>(7,627)</u> | <u>(3,403)</u> | <u>(29,820)</u> | <u>(28,603)</u> | <u>(45,080)</u> |
| Net current assets | 流動資產淨值 | <u>526,485</u> | <u>746,941</u> | <u>723,837</u> | <u>454,560</u> | <u>185,741</u> |
| Total assets less current liabilities | 資產總值減流動負債 | <u>951,107</u> | <u>954,837</u> | <u>890,245</u> | <u>492,858</u> | <u>225,275</u> |
| Non-current liabilities | 非流動負債 | <u>–</u> | <u>–</u> | <u>–</u> | <u>84,461</u> | <u>–</u> |
| Net assets | 資產淨值 | <u>951,107</u> | <u>954,837</u> | <u>890,245</u> | <u>408,397</u> | <u>225,275</u> |



FOREFRONT GROUP LIMITED
福方集團有限公司*

* For identification purposes only 僅供識別