



Pacific Plywood Holdings Limited

太平洋實業控股有限公司

(Stock Code 股份代號: 00767)

ANNUAL REPORT
年報 2012



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EXECUTIVE DIRECTORS

Mr. NG Kwok Fai, *Chairman*
Mr. HUANG Chuan Fu, *Deputy Chairman*
Mr. LIANG Jian Hua
Ms. JIA Hui
Mr. JIANG Yi Ren

NON-EXECUTIVE DIRECTOR

Mr. CHAN Kin Sang

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. WONG Chun Hung
Mr. CHENG Po Yuen
Mr. WONG Sze Kai (appointed on 14 December 2012)
Mr. LI Sui Yang (ceased on 21 September 2012)

COMPANY SECRETARY

Ms. TAM Hang Yin

AUDIT COMMITTEE MEMBERS

Mr. WONG Chun Hung, *Chairman*
Mr. CHENG Po Yuen
Mr. WONG Sze Kai (appointed on 14 December 2012)
Mr. LI Sui Yang (ceased on 21 September 2012)

NOMINATION COMMITTEE MEMBERS

(established on 13 February 2012)

Mr. CHENG Po Yuen, *Chairman* (appointed on 13 February 2012)
Mr. WONG Chun Hung (appointed on 13 February 2012)
Mr. WONG Sze Kai (appointed on 14 December 2012)
Mr. LI Sui Yang (appointed on 13 February 2012 and
ceased on 21 September 2012)

REMUNERATION COMMITTEE MEMBERS

Mr. WONG Chun Hung, *Chairman*
Mr. CHENG Po Yuen
Mr. HUANG Chuan Fu
Mr. LI Sui Yang (ceased on 21 September 2012)

執行董事

吳國輝先生，*主席*
黃傳福先生，*副主席*
梁建華先生
賈輝女士
蔣一任先生

非執行董事

陳健生先生

獨立非執行董事

黃鎮雄先生
鄭保元先生
黃思佳先生(於二零一二年十二月十四日獲委任)
李隨洋先生(於二零一二年九月二十一日離任)

公司秘書

譚杏賢女士

審核委員會成員

黃鎮雄先生，*主席*
鄭保元先生
黃思佳先生(於二零一二年十二月十四日獲委任)
李隨洋先生(於二零一二年九月二十一日離任)

提名委員會成員

(於二零一二年二月十三日成立)

鄭保元先生，*主席*(於二零一二年二月十三日獲委任)
黃鎮雄先生(於二零一二年二月十三日獲委任)
黃思佳先生(於二零一二年十二月十四日獲委任)
李隨洋先生(於二零一二年二月十三日獲委任並
於二零一二年九月二十一日離任)

薪酬委員會成員

黃鎮雄先生，*主席*
鄭保元先生
黃傳福先生
李隨洋先生(於二零一二年九月二十一日離任)

AUDITORS

ZHONGLEI (HK) CPA Company Limited
Suites 313–317
3/F., Shui On Centre
6–8 Harbour Road
Wanchai
Hong Kong

PRINCIPAL BANKER

DBS Bank (Hong Kong) Limited

SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712–1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton, HM 12
Bermuda

PRINCIPAL OFFICE

Units 3301–3303, 33/F.
West Tower Shun Tak Centre
168–200 Connaught Road Central
Sheung Wan
Hong Kong

COMPANY'S WEBSITE

<http://www.irasia.com/listco/hk/pphl>

STOCK CODE

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核數師

中磊(香港)會計師事務所有限公司
香港
灣仔
港灣道6–8號
瑞安中心
3樓313–317室

主要往來銀行

星展銀行(香港)有限公司

股份過戶登記處

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心17樓
1712–1716號舖

註冊辦事處

Canon's Court
22 Victoria Street
Hamilton, HM 12
Bermuda

主要辦事處

香港
上環
干諾道中168–200號
信德中心西座
33樓3301–3303室

公司網站

<http://www.irasia.com/listco/hk/pphl>

股份代號

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LETTER FROM THE BOARD

董事會函件

On behalf of the board of directors (the “Board”) of Pacific Plywood Holdings Limited (the “Company”), I have the pleasure to report on the financial results, operations and other aspects of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2012.

The audit report is presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Group.

FINANCIAL RESULTS

For the year ended 31 December 2012, the Group recorded a profit for the year of HK\$62,279,000 (2011: loss of HK\$144,959,000), the basic and diluted profit per share were HK\$0.09 per share and HK\$0.09 per share (2011: basic and diluted loss of HK\$1.98 per share and HK\$1.98 per share (restated)) respectively.

As at 31 December 2012, the consolidated net assets of the Group were HK\$690,087,000 (31 December 2011: net assets of HK\$410,111,000).

DIVIDEND

No dividend for the year ended 31 December 2012 (2011: nil) is recommended by the Board.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Company is an investment holding company, and through its subsidiaries, is principally engaged in the business of money lending and provision of credits, securities investments, provision of corporate secretarial and consultancy services and forestry business. During the year, the Group has undergone several significant investments aiming at improving the financial performance and position of the Group, including (i) the completion of acquisition of interests in a forest in the Independent State of Papua New Guinea (the “PNG”) as announced by the Company on 12 April 2012; (ii) the subscription of 8% coupon convertible notes (the “Convertible Notes”) issued by China Environmental Energy Investment Limited (Stock Code: 986) (“China Environmental”) with an aggregate principal amount of HK\$95,000,000 as announced by the Company on 26 June 2012 and the conversion price of which was fixed at HK\$0.592 upon its completion as announced by the Company on 12 October 2012; and (iii) the subscription of 90 redeemable convertible preference shares of Million Wealth Capital Investment Limited (“Million Wealth”) at the subscription price of HK\$90,000,000 by Perpetual Master Limited (“Perpetual Master”), a wholly-owned subsidiary of the Company as announced by the Company on 11 October 2012.

本人謹代表太平洋實業控股有限公司(「本公司」)董事會(「董事會」)欣然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財務業績、營運及其他方面。

審核報告以港元(「港元」)呈列，亦即本集團功能貨幣。

財務業績

截至二零一二年十二月三十一日止年度，本集團錄得年內溢利62,279,000港元(二零一一年：虧損144,959,000港元)；每股基本及攤薄溢利分別為每股0.09港元及每股0.09港元(二零一一年：每股基本及攤薄虧損分別為1.98港元及1.98港元(重列))。

於二零一二年十二月三十一日，本集團之綜合資產淨值為690,087,000港元(二零一一年十二月三十一日：資產淨值410,111,000港元)。

股息

董事會不建議派發截至二零一二年十二月三十一日止年度之股息(二零一一年：無)。

管理層討論及分析

業務回顧

本公司為投資控股公司，透過其附屬公司主要從事借貸及信貸、證券投資、企業秘書及諮詢服務業務及森林業務。年內，本集團曾進行多項重大投資，旨在改善其財務表現及狀況，包括(i)本公司於二零一二年四月十二日公佈，完成收購位於巴布亞新畿內亞獨立國(「巴布亞新畿內亞」)一個森林之權益；(ii)本公司於二零一二年六月二十六日公佈，認購中國環保能源投資有限公司(股份代號：986，「中國環保」)所發行本金總額為95,000,000港元之8厘孳息可換股票據(「可換股票據」)，另本公司於二零一二年十月十二日公佈，轉換價於完成時已訂為0.592港元；及(iii)本公司於二零一二年十月十一日公佈，本公司全資附屬公司Perpetual Master Limited(「Perpetual Master」)認購寶萬創富有限公司(「寶萬創富」)90股可贖回可換股優先股，認購價為90,000,000港元。

Money Lending and Provision of Credits Business

Since obtaining the Money Lenders License under the Money Lenders Ordinance (Cap.163 of the laws of Hong Kong) in 2011, Joy Wealth Finance Limited ("Joy Wealth"), a wholly-owned subsidiary of the Company, has provided a wide variety of loans with an accumulated amount of approximately HK\$665,000,000 with interest rates ranging from 8% to 48% per annum. For the year ended 31 December 2012, the interest income was approximately HK\$29,981,000 (2011: HK\$52,958,000).

During the year ended 31 December 2012, a reversal of impairment loss of HK\$83,717,000 had been recognised as an income in the consolidated income statement after the repayment of principal and interest from a loan debtor. Such recovered and reversed amount was included in the impairment loss in respect of loan and interest receivables which was made as at 31 December 2011 as an utmost prudence approach and strict compliance with the applicable accounting standards in accordance with the procedure manual for credit facilities reviewed by a Big 4 Accounting Firm. An amount of approximately HK\$18,294,000 has been provided as an impairment loss in the current year as prudent and consistent as last year.

Securities Investments Business

As at the date of this report, the Group had invested in Simsen International Corporation Limited, a company whose shares are listed on the main board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") (Stock Code: 993) ("Simsen International") as a strategic investment with the intention to promote the finance business of Joy Wealth through the retail platform provided by Simsen International as the subsidiaries of Simsen International have a broad customer base and distribution channels for its businesses such as securities business, insurance products, money lending and provision of credits etc.

As at the date of this report, the shares of Simsen International are yet to be disposed of because they are regarded as a long term strategic investment for the sake of the development of the key business of money lending of the Group.

借貸及信貸業務

自於二零一一年根據香港法例第163章放債人條例取得放債人牌照後，本公司全資附屬公司寶欣財務有限公司(「寶欣」)提供廣泛類型貸款，累計金額約為665,000,000港元，年利率介乎8厘至48厘。截至二零一二年十二月三十一日止年度，利息收入約為29,981,000港元(二零一一年：52,958,000港元)。

截至二零一二年十二月三十一日止年度，於貸款之借方償還本金及利息後，於綜合損益表中將83,717,000港元之減值虧損撥回確認為收入。有關收回及撥回金額乃根據極為審慎方法及為嚴格遵守四大會計師行審閱信貸融資程序手冊之適用會計準則，於二零一一年十二月三十一日就應收貸款及利息計提減值虧損。貫徹去年之審慎態度及一致性，本年度已就約18,294,000港元之款項計提減值虧損。

證券投資業務

於本報告日期，本集團投資於天行國際(控股)有限公司(其股份於香港聯合交易所有限公司(「聯交所」)主板上市之公司，股份代號：993，「天行國際」)作為策略投資，有意借助天行國際提供之零售平台推廣寶欣之融資業務，因天行國際之附屬公司擁有龐大客戶基礎及可為其業務(如證券業務、保險產品及借貸及信貸等)提供分銷渠道。

於本報告日期，天行國際之股份尚未出售，乃由於該等股份對本集團主要業務借貸之發展而言屬長期策略投資。

On 26 June 2012, the Company entered into a subscription agreement with China Environmental, a company whose shares are listed on the main board of the Stock Exchange, to subscribe for the Convertible Notes (the "CN Subscription"). The CN Subscription was completed on 12 October 2012. In order for the Company to enjoy more flexibility in capturing the possible capital gains, the Company entered into a call option deed with an optionholder on 12 October 2012, pursuant to which the Company had agreed to grant and the optionholder had agreed to obtain a call option at the premium of HK\$4,800,000 under which the optionholder can purchase from the Company the Convertible Notes with principal amount of up to HK\$60,000,000 at the price equivalent to 120% of the principal amount of these Convertible Notes.

On 11 October 2012, Perpetual Master entered into a subscription agreement with Million Wealth (as issuer) and Mr. Fok Ho Yin, Thomas (as guarantor) ("Mr. Fok") pursuant to which Perpetual Master had conditionally agreed to subscribe for and Million Wealth had conditionally agreed to issue and allot 90 redeemable convertible preference shares (the "Preference Shares") at the subscription price of HK\$90,000,000 (the "Preference Share Subscription"). Through the Preference Share Subscription, which was completed on 30 November 2012, the Group will earn a dividend at a rate of 10% per annum, compounded annually, and will have an additional money lending platform to further promote and develop its money lending and provision of credits business. Perpetual Master is entitled the rights to convert the Preference Shares into ordinary shares as and when appropriate.

Subsequent to 31 December 2012, the Group has disposed all the investment in Huili Resources (Group) Limited (Stock Code: 1303) and made a gain of approximately HK\$5,170,000.

Provision of Corporate Secretarial and Consultancy Services Business

The Group has been conducting the provision of corporate secretarial and consultancy services business mainly through a wholly-owned subsidiary, namely Pacific Vision Advisory Services Limited ("Pacific Vision"). The Group has recruited a team of professionals in the areas of accounting, finance, legal and corporate secretary and has built up a client portfolio with a number of listed companies.

During the current year, a segment revenue of approximately HK\$5,211,000 and a segment loss of HK\$564,000 had been recorded (31 December 2011: HK\$411,000 and a segment profit of HK\$407,000 respectively).

於二零一二年六月二十六日，本公司與中國環保（其股份於聯交所主板上市）訂立認購協議，認購可換股票據（「可換股票據認購事項」）。可換股票據認購事項於二零一二年十月十二日完成。為增加本公司享有潛在資本收益之靈活彈性，本公司已於二零一二年十月十二日與一名期權持有人訂立認購期權契據，據此，本公司同意授出而期權持有人同意取得認購期權，溢價為4,800,000港元，據此，期權持有人可以相當於該等可換股票據本金額120%之價格，向本公司購買本金額最多60,000,000港元之可換股票據。

於二零一二年十月十一日，Perpetual Master與寶萬創富（作為發行人）及霍浩然先生（作為擔保人，「霍先生」）訂立認購協議，據此，Perpetual Master有條件同意認購而寶萬創富有條件同意發行及配發90股可贖回可換股優先股（「優先股」），認購價為90,000,000港元（「優先股認購事項」）。透過已於二零一二年十一月三十日完成之優先股認購事項，本集團將可按年息率10厘賺取股息，而股息每年計算複利，並得到額外借貸平台，進一步推動及發展其借貸及信貸業務。Perpetual Master有權於適當時候將優先股轉換為普通股。

於二零一二年十二月三十一日之後，本集團已出售於滙力資源（集團）有限公司（股份代號：1303）之所有投資，產生收益約5,170,000港元。

提供企業秘書及諮詢服務業務

本集團一直主要透過其全資附屬公司泓智諮詢服務有限公司（「泓智」）從事企業秘書及諮詢服務業務。本集團已招聘會計、金融、法律及公司秘書業界之專業人士隊伍，並已建立由多家上市公司組成之客戶組合。

於本年度，錄得約5,211,000港元之分類收益及564,000港元之分類虧損（二零一一年十二月三十一日：411,000港元及407,000港元之分類溢利）。

Forestry Business

On 12 April 2012, the Group completed the acquisition (the "Acquisition") of 30% of the entire issued share capital of Profit Grand Enterprises Limited ("Profit Grand"), which through its subsidiary has the harvesting rights within a forest sized approximately 65,800 hectares in the PNG. The total consideration for the Acquisition of HK\$310,000,000 was satisfied as to (i) HK\$33,000,000 by the issue of the convertible bonds in a principal amount of HK\$33,000,000 with conversion price of HK\$0.087; (ii) HK\$82,000,000 in cash; and (iii) HK\$195,000,000 by the issue of a 10% promissory note in aggregate principal sum of HK\$195,000,000. Details of the Acquisition have been disclosed in the circular of the Company dated 29 February 2012 (the "Acquisition Circular"). The Group has from time to time been following up with the relevant government authorities regarding the outstanding necessary licenses and approvals required for the commencement of the forestry logging and harvesting in the PNG. Nevertheless, the Company was recently informed by the PNG legal adviser that the outstanding necessary licenses and approvals are more likely to be obtained in year 2014. Up to the date of this report, the Group has been successfully granted the foreign enterprise certificate while other remaining necessary approvals and licenses, namely, the Environment Impact Statement and the Forestry Clearance Authority which were originally expected to be obtained in early 2013, are in application progress and are more likely to be completed and obtained in year 2014. Such unexpected delay, as advised by the PNG legal adviser, was due to the Commission of Enquiry into the Special Agricultural Business Lease system. The PNG legal adviser has confirmed that such enquiry is not a legal impediment as the Law of the PNG is clear that if the Forestry Clearance Authority application is in order, then the Forestry Authority must consider the application. As further advised by the PNG legal adviser, on the assumption that the applications for the Forestry Clearance Authority are in order and in the absence of any unforeseen circumstances, it is expected that there is no material legal impediment for the Group to obtain the Forestry Clearance Authority.

森林業務

於二零一二年四月十二日，本集團完成收購 Profit Grand Enterprises Limited (「Profit Grand」) 全部已發行股本 30% (「收購事項」)。該公司透過其附屬公司於巴布亞新畿內亞一個面積約 65,800 公頃之森林擁有砍伐權。收購事項之總代價為 310,000,000 港元，乃按以下方式償付：(i) 按兌換價 0.087 港元發行本金額為 33,000,000 港元之可換股債券，以支付 33,000,000 港元；(ii) 82,000,000 港元以現金支付；及 (iii) 發行本金總額為 195,000,000 港元之 10 厘承兌票據，以支付 195,000,000 港元。收購事項詳情已於本公司日期為二零一二年二月二十九日之通函 (「收購事項通函」) 披露。本集團已不時向有關政府機構跟進於巴布亞新畿內亞開展森林伐木及砍伐所需而尚未發出之牌照及批准。然而，巴布亞新畿內亞法律顧問最近通知本公司，尚未發出所需牌照及批准可能於二零一四年取得。直至本報告日期，本集團已成功獲授外資企業證書，而其餘所需批准及牌照 (分別為環境影響報告及森林清理授權，最初預期於二零一三年年初取得) 之申請仍在處理中，並可能於二零一四年完成及取得。誠如巴布亞新畿內亞法律顧問告知，有關意料之外之延遲乃由於特別農業業務租賃制調查委員會 (Commission of Enquiry into the Special Agricultural Business Lease) 介入所致。巴布亞新畿內亞法律顧問已確認有關調查並非法律障礙，原因為巴布亞新畿內亞法例明確指明，倘森林清理授權之申請符合規程，林業部門必須考慮申請。誠如巴布亞新畿內亞法律顧問進一步告知，假設森林清理授權之申請符合規程，且在未有任何不可預期情況下，預期本集團於取得森林清理授權方面並無重大法律障礙。

OUTLOOK

Money Lending and Provision of Credits Business

Since money lending and provision of credits business constitutes the current major business segment of the Group, the Group will further develop this business segment, diversify the customer portfolio and seek opportunity to cooperate with both Simsen International and Million Wealth, whose respective principal businesses involve, among other things, money lending which may bring a synergy effect.

To mitigate the inherent credit risk of this business segment and for the sake of efficiency, the Group may consider employing independent debt collecting specialists/agents or factorising/assigning receivables as and when appropriate.

Securities Investments Business

Under the recent volatile and fragile global stock markets, the Board is of the opinion that the Group shall prioritise in long-term or strategic investment rather than short-term trading investment. The Group also aims at being flexible every now and then in managing the investment portfolio and applying the investment strategy under the then market situation and amid the fluctuating financial market.

Provision of Corporate Secretarial and Consultancy Services Business

Although this industry is flourishing gradually, due to keen competition, the Group is struggling to identify sufficient new clients and will keep exploring business opportunities and a way out for this segment.

Forestry Business

With wood being one of the most essential materials in the world, the Board considers that the potential investment opportunity to be derived from the forestry industry is immense.

According to long-run historical data collected from the International Tropical Timber Organisation and price information available in the PNG, the prices for tropical hardwood logs in general have been escalating over the last decade. The price trends of major species of tropical wood were positive and stable in recent years. According to the statistics published by the PNG Forest Authority, the weighted average price has recently climbed up.

展望

借貸及信貸業務

由於借貸及信貸業務構成本集團現時之主要業務分類，本集團將進一步發展此業務分類，使客戶組合更趨多元化，並尋求與天行國際及寶萬創富合作之機會，該兩家公司分別主要從事(其中包括)借貸業務，故或可帶來協同效應。

為減低此業務分類之固有信貸風險及提高效率，本集團或考慮於適當時候聘用獨立收債專家／代理或將應收款項貼現／轉讓。

證券投資業務

由於近期全球股票市場動盪不安，董事會認為，本集團應優先進行長期或策略投資而非進行短線買賣投資。因應當時市場形勢及金融市場波動情況，本集團亦不時靈活管理投資組合及應用投資策略。

提供企業秘書及諮詢服務業務

儘管此行業發展日漸蓬勃，但由於競爭激烈，本集團現正努力物色足夠之新客戶，並將繼續物色商機，為本分類尋找出路。

森林業務

木材為全球最主要材料之一，故董事會認為林業具備巨大潛在投資機會。

根據國際熱帶木材組織一直以來所發表之數據及自巴布亞新畿內亞取得之價格資料，熱帶硬木材之價格於過去十年整體上漲。近年，主要熱帶木材樹種之價格呈穩定上揚走勢。據巴布亞新畿內亞森林管理局發表之統計數據顯示，近期加權平均價已見攀升。

The management of the Company has been actively communicating with the government bodies of the PNG and the vendors of the Acquisition, who are holding 70% of the issued share capital of Profit Grand. The Board is optimistic that once the required licenses and approvals are obtained, the Group will enjoy the returns from the price appreciation trend of wood which is anticipated to continue in the near term in light of the sustainable strong demand.

The Group will carry on to explore and analyse potential projects with promising prospects in the future and to hunt for opportunities and ways to strengthen the businesses and to enhance the financial performance of the Group.

FINANCIAL REVIEW

Liquidity and financial resources

As at 31 December 2012, the Group had recorded net current assets of approximately HK\$180,590,000 (31 December 2011: HK\$364,738,000); bank balances and cash of approximately HK\$44,477,000 (31 December 2011: HK\$78,781,000) and no unguaranteed and unsecured borrowings (31 December 2011: HK\$10,000,000). All borrowings as at 31 December 2011 were made in HK\$ and the Group did not enter into any financial instruments for hedging purpose.

Capital structure

On 19 March 2012, the shareholders of the Company (the "Shareholders") approved the relevant resolutions in relation to the proposed capital reorganisation at a special general meeting of the Company, pursuant to which with effect from 20 March 2012, the authorised share capital of the Company was increased to HK\$400,000,000 divided into 40,000,000,000 shares with par value of HK\$0.01 each, and the amount of issued share capital of the Company on 20 March 2012 was reduced to HK\$9,903,401.93 divided into 990,340,193 new shares with par value of HK\$0.01 each. Details of the capital reorganisation have been set out in the circular of the Company dated 23 February 2012.

On 12 April 2012, the Group issued a convertible note with a principal amount of HK\$33,000,000 upon the completion of the Acquisition as part of the consideration as mentioned above which was fully converted into 379,310,344 issued ordinary shares of the Company on 12 April 2012.

本公司管理層已積極與巴布亞新畿內亞政府機構及收購事項賣方(其持有Profit Grand已發行股本70%)溝通。董事會抱持樂觀態度，認為預期在持續強勁需求帶動下，木材價格上揚趨勢可望於短期內持續，一經取得所需牌照及批文，本集團即可享受其成果。

本集團日後將繼續發掘及分析前景向好的潛在項目，並透過物色各種機會及途徑鞏固業務，提升本集團財務表現。

財務回顧

流動資金及財務資源

於二零一二年十二月三十一日，本集團錄得流動資產淨值約180,590,000港元(二零一一年十二月三十一日：364,738,000港元)；銀行結餘及現金約44,477,000港元(二零一一年十二月三十一日：78,781,000港元)；以及無擔保及無抵押借貸零港元(二零一一年十二月三十一日：10,000,000港元)。於二零一一年十二月三十一日所有借貸均以港元作出，本集團並無訂立任何金融工具作對沖用途。

資本結構

於二零一二年三月十九日，本公司股東(「股東」)於本公司股東特別大會批准建議股本重組相關決議案，據此，自二零一二年三月二十日起，本公司之法定股本增至400,000,000港元，分為40,000,000,000股每股面值0.01港元之股份，而本公司於二零一二年三月二十日之已發行股本金額則減至9,903,401.93港元，分為990,340,193股每股面值0.01港元之新股份。股本重組詳情載於本公司日期為二零一二年二月二十三日之通函。

於二零一二年四月十二日，作為上述代價其中部分，本集團於收購事項完成時發行本金額為33,000,000港元之可換股票據，已於二零一二年四月十二日全數轉換為379,310,344股本公司已發行普通股。

On 10 August 2012, the Company proposed to revise and implement the share consolidation on the basis that every eight issued and unissued shares of HK\$0.01 each to be consolidated into one issued and unissued consolidated share of HK\$0.08 each (the "Share Consolidation").

Meanwhile, the Company had also proposed to raise not less than approximately HK\$191,750,000 and not more than approximately HK\$243,970,000, before expenses, by issuing not less than 342,412,634 rights shares and not more than 435,653,664 rights shares to the qualifying Shareholders by way of rights issue at the subscription price of HK\$0.56 per rights share on the basis of two rights shares for every one consolidated share held on the record date. On the basis of not less than 342,412,634 rights shares and not more than 435,653,664 rights shares to be issued under the rights issue, not less than 1,712,063,170 bonus shares and not more than 2,178,268,320 bonus shares will be issued (the "Rights Issue (with the Bonus Issue)"). Details of the Rights Issue (with the Bonus Issue) have been disclosed in the circular of the Company dated 14 August 2012.

On 10 September 2012, upon the completion of the Share Consolidation, the total number of issued ordinary shares of the Company was consolidated from 1,369,650,537 with the par value of HK\$0.01 each to 171,206,317 with the par value of HK\$0.08 each. As a result of the Share Consolidation, the number of exercisable shares of each of the Agent Option and the Longjiang Option (as defined in the Acquisition Circular) changed from 49,517,009 shares to 6,189,626 consolidated shares, and the maximum and the minimum subscription price of each of the Agent Option and the Longjiang Option changed from HK\$0.50 per share and HK\$0.25 per share to HK\$4.00 per consolidated share and HK\$2.00 per consolidated share respectively.

On 11 October 2012, the Rights Issue (with the Bonus Issue) became unconditional, 342,412,634 new rights shares and 1,712,063,170 new bonus shares were issued and allotted. The total number of issued ordinary shares with the par value of HK\$0.08 each of the Company became 2,225,682,121. The number of shares to be issued upon the exercise of each of the Agent Option and the Longjiang Option were 12,936,318 shares, and the maximum and the minimum subscription price of each of the shares under the Agent Option and the Longjiang Option were adjusted from HK\$4.00 per share and HK\$2.00 per share respectively to HK\$2.00 per share and HK\$2.00 per share respectively.

As at the date of this report, the Agent Option has expired.

於二零一二年八月十日，本公司建議修訂及實行股份合併，基準為每八股每股面值0.01港元之已發行及未發行股份合併為一股面值0.08港元之已發行及未發行合併股份（「股份合併」）。

同時，本公司亦建議透過按於記錄日期每持有一股合併股份獲發兩股供股股份之基準，以供股方式按認購價每股供股股份0.56港元，向合資格股東發行不少於342,412,634股及不多於435,653,664股供股股份，籌集不少於約191,750,000港元及不多於約243,970,000港元（扣除開支前）。按供股將發行不少於342,412,634股及不多於435,653,664股供股股份之基準，將發行不少於1,712,063,170股及不多於2,178,268,320股紅股（「供股連紅股發行」）。供股連紅股發行之詳情，於本公司日期為二零一二年八月十四日之通函披露。

於二零一二年九月十日，股份合併完成後，本公司已發行普通股總數由1,369,650,537股每股面值0.01港元之股份，合併為171,206,317股每股面值0.08港元之股份。由於股份合併，代理期權及龍江期權（定義見收購事項通函）行使時將予發行之股份數目由49,517,009股股份調整至6,189,626股合併股份，而代理期權及龍江期權項下每股股份最高及最低認購價，則分別由每股0.50港元及每股0.25港元調整至每股合併股份4.00港元及每股合併股份2.00港元。

於二零一二年十月十一日，供股連紅股發行成為無條件，342,412,634股新供股股份及1,712,063,170股新紅股已予以發行及配發。本公司每股面值0.08港元之已發行普通股總數為2,225,682,121股。代理期權及龍江期權行使時將予發行之股份數目為12,936,318股，而代理期權及龍江期權項下每股股份最高及最低認購價，則分別由每股4.00港元及每股2.00港元調整至每股2.00港元及每股2.00港元。

於本報告日期，代理期權已逾期。

Significant Investment, Acquisition and Disposal

On 12 April 2012, the Group completed the Acquisition (the "Completion"). Upon the Completion, by virtue of the terms of the shareholders' agreement entered into between the Group and the vendors, the Group has gained control over the board of directors of Profit Grand and its subsidiary and 51% of the total voting rights in the general meetings of Profit Grand and its subsidiary. In this regard, Profit Grand and its subsidiary shall be treated as indirect subsidiaries of the Company and their financial performance shall be consolidated into the financial accounts of the Company upon the Completion.

On 12 October 2012, the Company completed the CN Subscription. The Board considers that the CN Subscription enables the Group to participate in the development of China Environmental and provides the Group with an opportunity to share the returns generated from the business of China Environmental, which will allow the Company to tap into the recycling industry and to enjoy the potential upside of the share price performance of the shares of China Environmental through the possible conversion of part or whole of the Convertible Notes. The Board also considers the CN Subscription a good opportunity to further develop its finance business with an option for the Company to invest in a certain stake of China Environmental which is a listed company in Hong Kong. If the Convertible Notes are not converted, the Group shall receive satisfactory and stable interest income from the Convertible Notes.

On 30 November 2012, the Preference Shares Subscription was completed. The Board considers that, through the Preference Share Subscription, the Group will have an additional money lending platform to further promote and develop the money lending business and will also be able to broaden the existing customers base through the cooperation with Mr. Fok. In addition, the Preference Share Subscription will bring to the Group a cumulative dividend at rate of 10% per annum, compounded annually. In the event that Million Wealth does not have the required financial resources to make available loans to all potential customers, it could refer such potential customers to Joy Wealth.

Save for disclosed above, there was no significant investment, acquisition or disposal that should be notified to the Shareholders for the year ended 31 December 2012.

Segment Information

Details of segment information of the Group for the year ended 31 December 2012 are set out in Note 9 to the consolidated financial statements.

重大投資、收購及出售

於二零一二年四月十二日，本集團完成收購事項（「完成」）。基於本集團與賣方所訂立股東協議之條款，於完成時，本集團已取得 Profit Grand 及其附屬公司董事會之控制權以及可於 Profit Grand 及其附屬公司股東大會行使之總投票權 51%。因此，Profit Grand 及其附屬公司被視為本公司之間接附屬公司，而其財務業績將於完成後綜合計入本公司財務賬目。

本公司於二零一二年十月十二日完成可換股票據認購事項。董事會認為，可換股票據認購事項讓本集團可參與中國環保發展，並為本集團提供機會分享中國環保旗下業務所產生回報，同時帶領本公司進軍回收行業，而透過可能轉換部分或全部可換股票據亦可受惠於中國環保股份價格表現之潛在升勢。董事會亦認為，可換股票據認購事項為進一步發展旗下融資業務之良機，本公司可藉此選擇投資於香港上市公司中國環保之若干股權。倘可換股票據未有轉換，則本集團將自可換股票據收取滿意及穩定的利息收入。

於二零一二年十一月三十日，優先股認購事項已完成。董事會認為，本集團將透過優先股認購事項獲得額外借貸平台以進一步推廣及發展其借貸業務，而透過與霍先生合作，將能夠擴大現有客戶基礎。此外，優先股認購事項將為本集團帶來按複合年利率 10厘計算之累計股息。倘寶萬創富並無所需財務資源向全部潛在客戶提供貸款，其可將有關潛在客戶轉介寶欣。

除上文披露者外，於截至二零一二年十二月三十一日止年度內並無重大投資、收購或出售須知會股東。

分類資料

本集團截至二零一二年十二月三十一日止年度之分類資料詳情，載於綜合財務報表附註 9。

Employees

As at 31 December 2012, 14 staff members were being employed. In-house training programs were provided for the staff to enhance their skills and job knowledge. The management of the Company would continue to foster close co-operation among the staff.

The Group will review the employee remuneration from time to time and salary increment is normally approved annually or by special adjustment depending on length of services and performance when warranted. In addition to salaries, the Group provides employee benefits including medical and mandatory provident funds. Share options and bonuses are also available to employees of the Group at the discretion of the Directors and depending on the financial performance of the Group.

Details of Charges on Assets

As at 31 December 2012, the Group did not pledge any assets to banks or other financial institutions nor did the Group have any corporate guarantee given to any entity (31 December 2011: nil).

Future Plans for Material Investment or Capital Assets

As aforementioned, the CN Subscription was completed on 12 October 2012. The Company has from time to time monitored and reviewed the business and financial performance of China Environmental. The Group will consider to convert the Convertible Notes into shares as and when appropriate.

It is the Group's intention to exercise the option to further acquire the remaining 70% of the equity interest in Profit Grand (the "Option") at the option price of HK\$700,000,000 or 70% of the second valuation on the value of Profit Grand and its subsidiary, whichever is lower, (the "Option Price") after the relevant required licenses and approvals are granted. The Board expects to satisfy the Option Price as to not more than 20% in cash (which will be about HK\$140,000,000) and not less than 80% by procuring the Company to issue a promissory note, subject to negotiations between the Company and the vendors of the Acquisition in the future.

僱員

於二零一二年十二月三十一日，本集團聘有14名員工。本集團為員工提供在職培訓計劃，以增進彼等之技術及工作知識。本公司管理層將繼續維持員工緊密合作關係。

本集團將不時檢討僱員薪酬，且一般會每年批准增薪，或視乎年資及表現作出特別調整。除薪金外，本集團提供醫療及強制性公積金等僱員福利。董事可根據本集團之財務表現，酌情向本集團僱員授出購股權及花紅。

資產抵押詳情

於二零一二年十二月三十一日，本集團並無向銀行或其他財務機構抵押任何資產，亦無向任何實體提供任何公司擔保(二零一一年十二月三十一日：無)。

重大投資或資本資產之未來計劃

誠如上文所述，可換股票據認購事項已於二零一二年十月十二日完成。本公司不時監察及檢討中國環保之業務及財務表現。本集團考慮於適當時候將可換股票據轉換為股份。

本集團有意於授出有關所需牌照及批文後，行使其期權(「期權」)進一步收購Profit Grand 餘下70%股權，期權價為700,000,000港元或Profit Grand及其附屬公司價值第二項估值70%(以較低者為準)(「期權價」)。董事會預期將以現金支付其中不超過20%(將約為140,000,000港元)及以促使本公司發行承兌票據之方式支付期權價不少於80%，惟須待本公司與收購事項之賣方日後進行磋商後，方告作實。

In order to shorten the payback period of the investment and to generate income to the Group, the Company intends to incur early stage capital expenditure as soon as possible after exercising the Option. As illustrated in the Acquisition Circular, early stage expenditure on plant and machinery necessary for commencement of the logging business was estimated at approximately US\$7,000,000 (equivalent to approximately HK\$54,320,000), which shall be financed by the Company by means of internal resources and any shortfall thereof by appropriate debt/equity financing.

Save for the above-mentioned, as at the date of this report, the Company had not entered into any agreement, arrangement, understanding, intention or negotiation about acquiring of any new business.

It is the Group's corporate mission to continue to explore ways to improve its financial performance, to diversify its operations into new and more profitable businesses and to broaden the sources of revenue. Hence, the Company does not rule out the possibility that the Company may implement debt and/or equity fund raising plan(s) to satisfy the financing needs arising out of any business development of the Group as well as to improve its financial position in the event that suitable fund raising opportunities arise, as the Company has from time to time been approached by investors for potential investment projects.

Treasury Policy

The Group has adopted a treasury policy on 24 May 2011 in relation to the Group's investments in securities of other listed companies on the Stock Exchange. The objective of the policy is to enable the Group to control and govern the possible future securities investments (if any, which may or may not occur).

為縮短投資回本期及為本集團帶來收入，本公司擬於行使期權後於可行情況下盡早產生早期資本開支。誠如收購事項通函所述，展開伐木業務所需廠房及機器之早期開支估計約為7,000,000美元（約相當於54,320,000港元），將由本公司以內部資源撥付，任何差額將以適當債務／股本融資撥付。

除上文所述者外，於本報告日期，本公司概無就收購任何新業務訂立任何協議、安排、共識、意向或磋商。

本集團之企業使命為繼續尋求方法提升其財務表現，多元化發展業務至盈利能力更高的新業務，並擴闊收益來源。因此，本公司不排除在合適集資機會出現時，本公司亦會落實進行債務及／或股本集資計劃，以應付本集團任何業務發展所產生融資需要，並於投資者不時就潛在投資項目與本公司接洽時把握適當集資機會，藉此提升其財務狀況。

理財政策

本集團已於二零一一年五月二十四日採納有關本集團於其他聯交所上市公司進行證券投資之理財政策。此項政策旨在使本集團可控制及監管可能於未來進行之證券投資（如有，其可能會或可能不會發生）。

LETTER FROM THE BOARD

董事會函件

Working capital and gearing ratio

The gearing ratios of the Group as at 31 December 2012 and 2011 were as follow:

營運資金及資產負債比率

於二零一二年及二零一一年十二月三十一日，本集團之資產負債比率如下：

		As at 31 December	
		於十二月三十一日	
		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Amounts due to directors	應付董事款項	154	152
Note payable	應付票據	10,000	–
Borrowings	借貸	–	10,000
Less: Bank balances and cash	減：銀行結餘及現金	(44,477)	(78,781)
Net debt	債項淨額	(34,323)	(68,629)
Total equity	權益總額	690,087	410,111
Total capital	資本總額	655,764	341,482
Gearing ratio (net debt to total capital)	資產負債比率(債項淨額相對資本總額)	(5%)	(20%)

Foreign exchange exposure

The Group mainly earns revenue and incurs cost in HK\$ and is not subject to material foreign exchange risk. In addition, the Group had no related hedges as at 31 December 2012.

外匯風險

本集團主要以港元賺取收益及產生成本，故毋須承受重大外匯風險。此外，本集團於二零一二年十二月三十一日並無任何相關對沖。

Contingent liabilities

As at 31 December 2012, the Group had no material contingent liabilities.

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。

EXECUTIVE DIRECTORS

Mr. Ng Kwok Fai, chairman, aged 41, joined the Group since 24 November 2011. He is also the director of two subsidiaries of the Company. He has extensive experience in the financial markets of Hong Kong and the People's Republic of China ("PRC") and is mainly responsible for providing advice to a wide spectrum of clients, including private and institutional investors, Hong Kong listed companies and PRC enterprises, in a comprehensive approach. He has originated and handled numerous corporate transactions, including securities dealing, investment portfolio management and accounting and financial advisory, throughout the Asia-Pacific region. His insight and acumen in these areas, along with his substantial experience in international business development, has aptly assisted the management of his clients in the oversight of their companies' businesses. He also has in-depth knowledge in due diligence review and internal control advisory which provides him with the expertise in corporate governance. He is a member of the American Institute of Certified Public Accountants, a member of the Hong Kong Institute of Certified Public Accountants, a member of the Hong Kong Institute of Chartered Secretaries, and a member of the Institute of Chartered Secretaries and Administrators. He also acts as an independent non-executive director of China Information Technology Development Limited (Stock Code: 8178) which is a company listed on the Growth Enterprise Market of the Stock Exchange.

Mr. Huang Chuan Fu, deputy chairman, aged 39, joined the Group since 13 April 2010. He is also the director of twelve subsidiaries of the Company. He has more than 10 years of working experience. He was the vice president of Nanping Wang Jia Wood Bamboo & Wood Industry Co., Ltd from 2002 to 2005.

Mr. Liang Jian Hua, aged 43, joined the Group since 29 April 2010. He is also a director of a subsidiary of the Company. He has 21 years of working experience in trading and property investment. Currently, he is the vice president of Zhejiang Shunfeng Steel Co., Ltd. Mr. Liang is also a non-executive director of China Environmental.

Ms. Jia Hui, aged 45, joined the Group since 13 April 2010. She has more than 20 years of working experience in the area of merchandising and project management. Since 2003, she has been appointed as the business development manager of Beijing International Trade Corporation.

執行董事

吳國輝先生，主席，41歲，於二零一一年十一月二十四日加入本集團。彼亦兼任本公司旗下兩家附屬公司之董事。彼擁有豐富香港及中華人民共和國（「中國」）金融市場經驗，主要負責為私人及機構投資者、香港上市公司及中國企業等各類型客戶提供全面諮詢服務。彼曾發起及處理多項亞太區各地的企業交易，包括證券交易、投資組合管理和會計及財務諮詢。彼具備廣闊視野及才幹與豐富國際營商發展經驗，協助客戶管理層適當監督旗下公司營運。彼於盡職調查和內部監控諮詢以至企業管治方面亦具備深入專業知識。彼為美國會計師公會會員、香港會計師公會會員、香港特許秘書公會會員以及英國特許秘書及行政人員公會會員。彼另出任聯交所創業板上市公司中國信息科技發展有限公司（股份代號：8178）之獨立非執行董事。

黃傳福先生，副主席，39歲，於二零一零年四月十三日加入本集團。彼亦兼任本公司旗下十二家附屬公司之董事，累積逾10年工作經驗。彼於二零零二年至二零零五年期間出任南平旺佳木業竹木業有限公司之副總裁。

梁建華先生，43歲，於二零一零年四月二十九日加入本集團。彼亦兼任本公司旗下一家附屬公司之董事，於貿易及物業投資範疇累積21年工作經驗。彼現為浙江舜豐鋼鐵有限公司之副總裁。梁先生亦為中國環保之非執行董事。

賈輝女士，45歲，於二零一零年四月十三日加入本集團。彼於採購及項目管理方面累積逾20年工作經驗。自二零零三年起，彼獲北京國際貿易公司委任為業務發展經理。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層簡歷

Mr. Jiang Yi Ren, aged 46, joined the Group since 29 April 2010. He has more than 20 years of working experience in the area of manufacturing and property investment. Currently, he is the vice president of Wenling City Zhong Fa Precision Steel Parts Co., Ltd.

NON-EXECUTIVE DIRECTOR

Mr. Chan Kin Sang, aged 62, is currently the sole proprietor of Messrs. Peter K. S. Chan & Co., Solicitor and Notaries. He was appointed as an independent non-executive director of the Company on 22 April 2010 and was re-designated as a non-executive Director on 16 December 2011. He has been a practicing solicitor in Hong Kong since 1982. Mr. Chan graduated from the University of Hong Kong with a Bachelor of Law degree in 1979. He was admitted as a Notary Public in 1997 and as a China-appointed Attesting Officer in 2000. He is currently a Fellow of the Hong Kong Institute of Directors. Mr. Chan currently acts as an independent non-executive director of two listed companies in the Singapore, namely People's Food Holdings Limited and Luxking Group Holdings Limited. Mr. Chan also acts as independent non-executive director of two Hong Kong listed companies, namely China Precious Metal Resources Holdings Co., Limited (Stock Code: 1194) and China Taifeng Beddings Holdings Limited (previously known as International Taifeng Holdings Limited) (Stock Code: 873). Mr. Chan is also a non-executive director of Pan Hong Property Group Limited which is listed in Singapore, United Pacific Industries Limited (Stock Code: 176) and Combest Holdings Limited (Stock Code: 8190) which are listed in Hong Kong. Mr. Chan was an independent non-executive director of two Hong Kong listed companies, namely Ming Kei Holdings Limited (Stock Code: 8239) until 26 June 2012 and Rosan Resources Holdings Limited (previously known as Dynamic Energy Holdings Limited) (Stock Code: 578) until 28 April 2010. He was also an independent non-executive director of Sunray Holdings Limited, which is listed in Singapore, until 1 September 2010. Mr. Chan was a non-executive director of Mayer Holdings Limited (Stock Code: 1116), which is listed in Hong Kong, until 21 December 2011. He was also an alternate director of Zhongda International Holdings Limited (Stock Code: 909), which is listed in Hong Kong, until 21 March 2013.

蔣一任先生，46歲，於二零一零年四月二十九日加入本集團。彼於製造及物業投資範疇累積逾20年工作經驗。彼現為溫嶺市中發精密鋼件有限公司之副總裁。

非執行董事

陳健生先生，62歲，現為陳健生律師行之獨資經營者。彼於二零一零年四月二十二日獲委任為本公司獨立非執行董事，後於二零一一年十二月十六日調任非執行董事。彼自一九八二年起擔任香港執業律師。陳先生於一九七九年畢業於香港大學，取得法學士學位。陳先生於一九九七年獲認可為公證人，並於二零零零年獲認可為中國委任公證人員。彼目前為香港董事學會資深會員。陳先生現時出任兩家新加坡上市公司People's Food Holdings Limited及Luxking Group Holdings Limited之獨立非執行董事。陳先生亦出任兩家香港上市公司中國貴金屬資源控股有限公司(股份代號：1194)及中國泰豐床品控股有限公司(前稱國際泰豐控股有限公司)(股份代號：873)之獨立非執行董事。陳先生另為新加坡上市公司Pan Hong Property Group Limited之非執行董事，以及香港上市公司聯太工業有限公司(股份代號：176)及康佰控股有限公司(股份代號：8190)之非執行董事。陳先生曾為兩家香港上市公司出任獨立非執行董事，包括明基控股有限公司(股份代號：8239)至二零一二年六月二十六日為止及融信資源控股有限公司(前稱合動能源控股有限公司)(股份代號：578)至二零一零年四月二十八日為止。彼亦為新加坡上市公司Sunray Holdings Limited之獨立非執行董事，直至二零一零年九月一日為止。陳先生亦曾為香港上市公司美亞控股有限公司(股份代號：1116)出任非執行董事，直至二零一一年十二月二十一日為止。彼亦曾出任香港上市公司中大國際控股有限公司(股份代號：909)之替任董事，直至二零一三年三月二十一日為止。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Chun Hung, aged 40, graduated from Hong Kong Baptist University with an honors degree in accounting in 1995. He joined the Group since 22 April 2010. He is an associate of the Hong Kong Institute of Certified Public Accountants and has over 10 years' experience in accounting, auditing and consulting. Since November 2005, he has been the managing director of B&C Finance and Corporate Advisory Limited. Moreover, he was a financial controller of General Nice Group and its associate, Abterra Limited, which is a listed company in Singapore until April 2011. Mr. Wong was also a non-executive director of King Stone Energy Group Limited (Stock Code: 663), an independent non-executive director of two listed companies in Hong Kong, namely China Household Holdings Limited (formerly known as Bao Yuan Holdings Limited, Stock Code: 692) and Tech Pro Technology Development Limited (Stock Code: 3823), until 12 March 2013, 30 June 2011 and 7 January 2011, respectively.

Mr. Cheng Po Yuen, aged 37, holds a Bachelor of Business Administration degree, majoring in accounting. He joined the Group since 24 November 2010. He is a practicing accountant in Hong Kong and is a member of The Hong Kong Institute of Certified Public Accountants, The Institute of Chartered Accountants in England and Wales, The Institute of Chartered Secretaries and Administrators, The Hong Kong Institute of Chartered Secretaries and The Taxation Institute of Hong Kong. He has over 10 years of experience in auditing, accounting and finance.

Mr. Wong Sze Kai, aged 26, holds a Bachelor Degree of Business Administration (Finance Investment Concentration) from The University of Southern California, U.S.A. He was a director of Ellafanny Brands (Shenzhen) Limited, steering the business development and managing the business operation and brand building. Besides, Mr. Wong possesses corporate finance, accounting and corporate secretarial experiences in various listed companies in Hong Kong.

Save as disclosed herein, there is no other relationship between each of the Directors and the senior management as required to be disclosed under the Listing Rules.

獨立非執行董事

黃鎮雄先生，40歲，於一九九五年畢業於香港浸會大學，取得會計學榮譽學位。彼於二零一零年四月二十二日加入本集團。彼為香港會計師公會會員，於會計、審核及顧問方面積逾10年經驗。自二零零五年十一月以來，彼一直出任富寶財務策劃有限公司之董事總經理。此外，彼亦曾任 General Nice Group 及其聯營公司 Abterra Limited (新加坡上市公司) 之財務總監，直至二零一一年四月止。黃先生另出任金山能源集團有限公司 (股份代號：663) 之非執行董事，亦曾於兩家香港上市公司中國家居控股有限公司 (前稱寶源控股有限公司，股份代號：692) 及德普科技發展有限公司 (股份代號：3823) 出任獨立非執行董事，任期分別至二零一三年三月十二日、二零一一年六月三十日及二零一一年一月七日止。

鄭保元先生，37歲，持有工商管理學士學位，主修會計。彼於二零一零年十一月二十四日加入本集團。彼為香港執業會計師，並為香港會計師公會、英格蘭及威爾斯特許會計師公會、英國特許秘書及行政人員公會、香港特許秘書公會及香港稅務學會會員。彼於審核、會計及財務方面積逾10年經驗。

黃思佳先生，26歲，持有美國南加州大學工商管理學士學位 (金融投資學專修)。彼曾擔任艾梵尼服飾 (深圳) 有限公司之董事，負責督導業務發展及管理業務運作和品牌建設。此外，黃先生具備多間香港上市公司之企業融資、會計及公司秘書經驗。

除本節披露者外，各董事與高級管理層之間並無其他須根據上市規則予以披露之關係。

FINANCIAL SUMMARY

財務資料概要

INCOME STATEMENT

The following is a summary of the audited consolidated results of the Group for the respective years as hereunder stated.

損益表

以下為本集團於下列相關年度之經審核綜合業績概要。

		For the year ended 31 December 截至十二月三十一日止年度				
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (經重列)	2010 二零一零年 HK\$'000 千港元 (Restated) (經重列)	2009 二零零九年 HK\$'000 千港元 (Restated) (經重列)	2008 二零零八年 HK\$'000 千港元 (Restated) (經重列)
Revenue	收益	34,720	53,369	4,385	-	734,681
Profit (loss) attributable to the owners of the Company	本公司擁有人應佔溢利(虧損)	62,283	(134,081)	75,914	(75,996)	(282,776)
Dividends	股息	-	-	-	-	-

STATEMENT OF FINANCIAL POSITION

The following is a summary of the audited consolidated statement of financial position of the Group as at the respective dates as hereunder stated.

財務狀況報表

以下為本集團於下列相關日期之經審核綜合財務狀況報表概要。

		As at 31 December 於十二月三十一日				
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元 (Restated) (經重列)	2009 二零零九年 HK\$'000 千港元 (Restated) (經重列)	2008 二零零八年 HK\$'000 千港元 (Restated) (經重列)
Property, plant and equipment	物業、廠房及設備	2,575	173	35	408,560	503,146
Goodwill	商譽	306,019	-	-	-	-
Interests in an associate	於一家聯營公司之權益	-	-	-	5,468	7,603
Deferred tax assets	遞延稅項資產	-	-	-	37,692	37,257
Deposit for acquisition of logging concession	取得伐木特許權之按金	269	-	-	-	-
Investment deposits	收購一項投資之訂金	-	20,000	-	-	7,751
Convertible instruments designated as financial assets at fair value through profit or loss	可換股工具(指定為按公平值透過損益列賬之金融資產)	104,712	-	-	-	-
Loan and interest receivables	應收貸款及利息	127,646	273,221	145,752	-	-
Available-for-sale financial assets	可供出售金融資產	95,922	25,200	-	-	-
Other current assets	其他流動資產	68,315	102,989	82,281	80,774	152,175
Current liabilities	流動負債	(15,371)	(11,472)	(136,533)	(627,907)	(706,963)
Non-current borrowings	非即期借貸	-	-	-	(109)	(907)
Representing:	指:					
Share capital	股本	178,054	247,585	1,927	33,194	33,194
Reserves	儲備	511,849	162,526	85,221	(136,466)	(40,882)
Non-controlling interests	非控股權益	184	-	4,387	7,750	7,750
Shareholders' equity (deficit)	股東權益(虧絀)	690,087	410,111	91,535	(95,522)	62

The board of directors (the “Board”) (the “Director(s)”) is committed to uphold a high standard of corporate governance practices and business ethics in the belief that they are essential for maintaining and promoting investors’ confidence and maximising shareholders’ returns. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of shareholders and comply with increasingly stringent regulatory requirements (both locally and internationally), and to fulfill its commitment to excellence in corporate governance.

Pacific Plywood Holdings Limited (the “Company”) has complied with the code provisions (“Code Provisions”) of the former Code on Corporate Governance Practices (the “Former Code”) and of the new Corporate Governance Code (the “CG Code”) effective from 1 April 2012 as set out in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange. The principles as set out in the CG Code have been applied in the Company’s corporate governance structure.

DEVIATION FROM CODE ON CORPORATE GOVERNANCE PRACTICES

Except for CG Code A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to reelection. The non-executive Director and all independent non-executive Directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-Laws of the Company. The Board does not believe that arbitrary term limits on Directors’ service are appropriate given that Directors ought to be committed to representing the long-term interests of the shareholders of the Company.

THE BOARD

The Board is in charge with overseeing the business and affairs of the Company and its subsidiaries (the “Group”) that aims at enhancing the Company’s value for stakeholders. The Director, individually and collectively, must act in good faith in the best interests of the Company and its Shareholders. Roles of the Board include reviewing and guiding corporate strategies and policies, monitoring financial and operating performance and setting appropriate risk management policies.

The primary role of the Board is to oversee how the management serves the interests of the Shareholders and other stakeholders. To achieve this, the Board has adopted corporate governance principles aimed at ensuring that the Board is independent and fully informed on the key strategic issues facing the Company. As at the date of this report, the Board comprises of five executive Directors, one non-executive Director, and three independent non-executive Directors. In respect of CG Code D.1.4, subsequent to 31 March 2012, formal letters of appointment for Directors setting out the key terms and conditions of their appointment were subsequently executed by all Directors.

董事會(「董事會」)(「董事」)致力維持高水平之企業管治常規及商業道德標準之承諾，並堅信此對維持及提高投資者信心以及提升股東回報至為重要。董事會不時檢討其企業管治常規，以迎合股東不斷提升之期望及遵守愈趨嚴謹之本地及國際法規要求，以及實踐其對達致卓越企業管治之承諾。

太平洋實業控股有限公司(「本公司」)已遵守聯交所上市規則(「上市規則」)附錄14所載舊企業管治常規守則(「舊守則」)及於二零一二年四月一日生效的新企業管治常規守則(「企業管治守則」)之守則條文(「守則條文」)。企業管治守則所載原則已於本公司之企業管治結構應用。

偏離企業管治常規守則之情況

除管治守則第A.4.1條規定非執行董事須按特定任期委任，並須重選連任。本公司非執行董事及全體獨立非執行董事並非按特定任期委任，惟須根據本公司細則於股東週年大會輪值告退並應選連任。董事會認為，鑒於董事須致力為本公司股東爭取長遠利益，故指定董事之服務任期並不適合。

董事會

董事會負責監督本公司及其附屬公司(「本集團」)業務及事務，旨在提升本公司為相關權益人士帶來之價值。董事必須個別或共同以本公司及其股東之最佳利益為前提真誠地行事。董事會之職責包括審閱及指導企業策略及政策、監察財務及營運表現，以及制定適合之風險管理政策。

董事會主要負責監督管理層為股東及其他相關權益人士之利益而行之方式。為此，董事會已採納企業管治原則，旨在確保董事會獨立，並全面掌握本公司面對之主要策略事宜。於本報告日期，董事會由五名執行董事、一名非執行董事及三名獨立非執行董事組成。就管治守則第D.1.4條而言，於二零一二年三月三十一日之後，訂明有關委任之主要條款及條件之正式董事委任書，其後已獲全體董事簽署。

The Board members have no financial, business, family or other material relationships with each other. Such balanced board composition is formed to ensure strong independence exists across the Board and has met the requirement under the CG Code for the Board to have at least one-third in number of its members comprising independent non-executive directors. At least one of the independent non-executive Directors has appropriate professional qualifications or accounting or related financial management expertise under Rule 3.10(2) of the Listing Rules. The brief biographical details of the Directors are set out in pages 15 to 17 of this report, which demonstrates a diversity of skills, expertise, experience and qualifications. The Company has received from each independent non-executive Director annual confirmations of their independence pursuant to Rule 3.13 of the Listing Rules and the Company considers such Directors to be independent.

Rule 3.10(1) and Rule 3.21 of the Listing Rules require that the Board and the audit committee of the Company (the "Audit Committee") should include at least three independent non-executive Directors and members respectively.

The total number of independent non-executive Directors and members of the Audit Committee fell below the minimum requirement as set under the Listing Rules after the resignation of a former Director, Mr. Li Sui Yang, on 21 September 2012. Upon the appointment of Mr. Wong Sze Kai on 14 December 2012 as an independent non-executive Director and a member of Audit Committee, there are three independent non-executive Directors and three Audit Committee members respectively, and the Company has then fully complied with the Listing Rules in this regard.

Under the Bye-Laws of the Company, one-third of the Directors, or if their number is not three or a multiple of three, then the number nearest one-third, shall be subject to retirement by rotation. They are required to retire from office at each annual general meeting and their re-election is subject to a vote of the shareholders of the Company. Retiring Directors are eligible for re-election at the annual general meeting at which they retire. Further, any Director appointed to fill a casual vacancy shall hold office only until the next following annual general meeting of the Company but shall be eligible for re-election at the meeting. Separate resolutions are proposed for the election of each Director.

董事會成員之間概無財務、業務、家族或其他重大關係。董事會之架構平衡，確保董事會可充份獨立運作，並符合企業管治守則訂明董事會成員最少三分之一為獨立非執行董事之規定。最少有一名獨立非執行董事具備上市規則第3.10(2)條項下適當專業資格或會計或相關財務管理專業知識。董事簡歷載於本報告第15至17頁，彼等各有不同才能、專業知識、經驗及資歷。本公司已收到各獨立非執行董事根據上市規則第3.13條就彼等之獨立性呈交之年度確認函，本公司認為該等董事具備獨立身分。

上市規則第3.10(1)條及第3.21條規定，董事會及本公司審核委員會（「審核委員會」）須分別至少包括三名獨立非執行董事及成員。

繼前任董事李隨洋先生於二零一二年九月二十一日辭任後，獨立非執行董事及審核委員會成員之總人數降至低於上市規則規定之最低要求。於二零一二年十二月十四日委任黃思佳先生為獨立非執行董事及審核委員會成員後，本公司有三名獨立非執行董事及三名審核委員會成員，故此全面符合上市規則規定。

根據本公司公司細則，本公司三分之一之董事（或若董事人數並非三之倍數，則以最接近三分之一之數目為準）須輪值退任。彼等須於各股東週年大會退任，並獲本公司股東投票贊成重選後方可連任。退任董事均符合資格在其退任之股東週年大會上重選連任。此外，任何獲委任填補臨時空缺之董事任期僅直至本公司下屆股東週年大會為止，屆時將符合資格於大會重選連任。本公司將就推選每名董事提呈獨立決議案。

DIRECTORS' INSURANCE

The Company has arranged appropriate insurance cover in respect of the legal action against the Directors.

董事之保險

本公司已就董事可能面對之法律訴訟作出適當投保安排。

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board assumes responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. All Directors should take decisions objectively in the interests of the Company. The Board reserves for its decision on all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing, and coordinating the daily operation of the Company are delegated to the management.

董事會及管理層之職責、問責及貢獻

董事會負責領導及控制本公司，並透過指導及監督本公司事務，共同負責促進本公司邁向成功。全體董事應客觀作出符合本公司利益之決定。董事會負責決定一切主要事宜，當中涉及政策事宜、策略及預算、內部監控及風險管理、重大交易(特別是或會涉及利益衝突者)、財務資料、委任董事及本公司其他重大營運事宜。有關執行董事會決策、指導及協調本公司日常營運之職責轉授予管理層。

The number of Board meetings and general meetings held during the year ended 31 December 2012 and the Directors' respective attendance record are summarised as follows:

截至二零一二年十二月三十一日止年度內舉行之董事會會議及股東大會次數及各董事之出席記錄概述如下：

		Number of general meetings attended (8 in total) 出席股東大會次數 (合共8次)	Number of board meetings attended (34 board meetings in total) 出席董事會會議次數(合共34次董事會會議)
Executive Directors	執行董事		
Mr. NG Kwok Fai, <i>Chairman</i>	吳國輝先生，主席	1/8	24/34
Mr. HUANG Chuan Fu, <i>Deputy Chairman</i>	黃傳福先生，副主席	0/8	34/34
Mr. LIANG Jian Hua	梁建華先生	0/8	32/34
Ms. JIA Hui	賈輝女士	0/8	30/34
Mr. JIANG Yi Ren	蔣一任先生	0/8	31/34
Non-executive Director	非執行董事		
Mr. CHAN Kin Sang	陳健生先生	3/8	28/34
Independent Non-executive Directors	獨立非執行董事		
Mr. WONG Chun Hung	黃鎮雄先生	1/8	30/34
Mr. CHENG Po Yuen	鄭保元先生	3/8	29/34
Mr. WONG Sze Kai (appointed on 14 December 2012)	黃思佳先生 (於二零一二年十二月十四日獲委任)	0/0	1/1
Mr. LI Sui Yang (ceased to be member on 21 September 2012)	李隨洋先生 (於二零一二年九月二十一日離任)	0/6	21/24

Regular Board meetings are convened and held by the Company, and Directors are given adequate notice to attend such regular Board meetings or other Board meetings. Directors are also provided in a timely manner with appropriate information in such form and of such quality as will enable them to make an informed decision and to discharge their duties and responsibilities as Directors. Minutes of regular Board meetings, other Board meetings or other committees meetings are recorded in sufficient detail. Drafts of these minutes are circulated to all Directors for their comments before they are finalised for signatures and records.

DIRECTORS' TRAINING AND PROFESSIONAL DEVELOPMENT PROGRAMME

Each newly appointed director is provided with comprehensive induction to ensure that he has a proper understanding of the operations and businesses of the Group as well as his responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

During the year, all Directors were provided with regular updates on the Group's business and operation as well as the legislative and regulatory requirements in which the Group conducts its business. The Company had organised an internal workshop which covered topics of the CG Code and the disclosure of insider information for the Directors. All the Directors of the Company participated in the said workshop. In addition, all Directors have participated in continuous professional development to develop and refresh their knowledge and skills.

CODE OF CONDUCT ON THE DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the terms as contained in the Model Code for Securities Transactions by Directors of Listed Issuers (Appendix 10 of the Listing Rules) as the Company's code of conduct for securities transactions and dealings ("Model Code"). All existing Directors of the Company, upon specific enquiry, have confirmed that they have complied with the Model Code during the year ended 31 December 2012.

本公司定期召開及舉行董事會會議，董事獲提供適時通知，以出席該等定期董事會會議或其他董事會會議。董事亦會適時收到恰當形式及質量之資料，以便董事作出知情決定及履行彼等作為董事之職務及職責。定期董事會會議、其他董事會會議或其他委員會會議之會議記錄已詳盡記錄各有關事宜。該等會議記錄之初稿均交各董事傳閱，以便董事在會議記錄初稿落實以提呈簽署及存檔前就此發表意見。

董事培訓及專業發展計劃

本公司向每名獲委任新董事提供全面迎新資料，以確保其對本集團之營運及業務以及其職責與上市規則及相關監管規定項下責任有適當理解。

年內，已就本集團業務及營運與有關本集團經營業務的法律及監管規定向全體董事定期提供更新資料。本公司已為董事舉辦內部工作坊，涵蓋主題包括企業管治守則及內幕消息披露。本公司全體董事均已出席上述工作坊。此外，全體董事已參與持續專業發展，以增進及重溫彼等之知識及技術。

董事進行證券交易之操守守則

本公司已採納上市規則附錄10上市發行人董事進行證券交易的標準守則所載條款，作為本公司進行證券交易及買賣之操守守則（「標準守則」）。經向本公司全體現任董事作出具體查詢後，彼等均已確認，彼等於截至二零一二年十二月三十一日止年度一直遵守標準守則。

CHAIRMAN AND CHIEF EXECUTIVE

Code Provision A.2.1 stipulates that the role of Chairman and Chief Executive Officer should be separated and should not be performed by the same individual. Mr. Ng Kwok Fai serves as the Chairman of the Company but the Company does not have any offices with title of "Chief Executive Officer". The executive Directors undertake the day-to-day management of the Company's business, whereas the Chairman is responsible for management of the Board and strategic planning of the Group. Under the existing arrangement, the Board believes that the balance of power and authority is adequately ensured and such arrangement is for the benefits of the Group. However, the Board will also review regularly the board composition and appoint a Chief Executive Officer if a suitable person is identified.

NON-EXECUTIVE DIRECTORS

Code Provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. The non-executive Director and all independent non-executive Directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-Laws of the Company. The Board does not believe that arbitrary term limits on Directors' service are appropriate given that Directors ought to be committed to representing the long-term interests of the shareholders of the Company.

REMUNERATION OF DIRECTORS

The remuneration committee of the Company (the "Remuneration Committee") was duly constituted on 29 June 2005 and comprises of an executive Director, Mr. Huang Chuan Fu and two independent non-executive Directors, Mr. Wong Chun Hung (Chairman) and Mr. Cheng Po Yuen. Mr. Li Sui Yang resigned as an independent non-executive Director and ceased to be a member of this committee on 21 September 2012.

The role and function of the Remuneration Committee are:

- (a) to make recommendations to the Board on the Company's policy and structure for all remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;

主席及行政總裁

守則條文第A.2.1條規定，主席及行政總裁之角色應作出區分及不應由同一人兼任。吳國輝先生擔任本公司之主席，惟本公司目前並無任何職銜為「行政總裁」之職位。執行董事負責本公司業務之日常管理工作，而主席則負責董事會之管理工作及本集團之策略規劃。根據現有安排，董事會相信，已確保權力及職權得到充份平衡，且有關安排有利於本集團。然而，董事會亦將定期檢討董事會之組成，並於合適人選獲識別時委任行政總裁。

非執行董事

守則條文第A.4.1條規定，非執行董事應有指定任期，並須接受重選。本公司非執行董事及全體獨立非執行董事並無指定任期，惟須根據本公司之公司細則於股東週年大會輪值告退並重選連任。董事會認為，鑒於董事須致力為本公司股東爭取長遠利益，故指定董事之服務任期並不適合。

董事酬金

本公司薪酬委員會（「薪酬委員會」）於二零零五年六月二十九日正式成立，成員包括執行董事黃傳福先生以及兩名獨立非執行董事黃鎮雄先生（主席）及鄭保元先生。李隨洋先生於二零一二年九月二十一日辭任獨立非執行董事，並終止擔任該委員會成員。

薪酬委員會之角色及職能為：

- (a) 就本公司有關董事及高級管理層薪酬之政策及架構以及為制訂薪酬政策建立正式及具透明度之程序向董事會提供推薦建議；

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| (b) to have the delegated responsibility to determine the specific remuneration packages of all executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of non-executive directors. The Remuneration Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration; | (b) 獲指派負責釐定全體執行董事及高級管理層之特定薪酬組合，包括實物利益、退休金權利及補償款項（包括就離職或終止聘用或委任而應付之任何補償），並就非執行董事之酬金向董事會提供建議。薪酬委員會須考慮可比較公司所支付薪金、董事所付出時間及所承擔責任、本集團其他部門之僱用條件及按表現釐定酬金是否適當等因素； |
| (c) to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time; | (c) 經參考董事會不時議決之企業目標及宗旨後檢討及審批按表現釐定酬金； |
| (d) to review and approve the compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company; | (d) 檢討及審批就離職或終止聘用或委任而應付執行董事及高級管理層之補償，以確保有關補償乃按相關合約條款釐定，且對本公司而言亦屬公平及並非過分； |
| (e) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate; and | (e) 檢討及審批因不當行為而辭退或罷免董事之相關補償安排，以確保有關安排乃按相關合約條款釐定，且任何補償款項於其他方面均屬合理及恰當；及 |
| (f) to ensure that no Director or any of his associates is involved in deciding his own remuneration. | (f) 確保董事或其任何聯繫人士並無參與釐定本身之薪酬。 |

The number of Remuneration Committee meetings held during the year ended 31 December 2012 and the Remuneration Committee members' respective attendance records are summarised as follows:

截至二零一二年十二月三十一日止年度內舉行之薪酬委員會會議次數及各薪酬委員會成員之出席記錄概述如下：

		Number of meetings attended (2 remuneration committee meetings in total) 出席會議次數 (合共2次薪酬委員會會議)
Mr. WONG Chun Hung, <i>Chairman</i>	黃鎮雄先生，主席	2/2
Mr. CHENG Po Yuen	鄭保元先生	2/2
Mr. HUANG Chuan Fu	黃傳福先生	2/2
Mr. LI Sui Yang (ceased to be member on 21 September 2012)	李隨洋先生(於二零一二年九月二十一日離任)	1/1

The remuneration payable to Directors is determined by reference to their experiences and duties with the Company and the estimated time spent by them on the Company's matters. During the current year, 2 meetings were held to review the remuneration of Directors and make recommendation to the Board for the new Director and resigned Director. Details of the Directors' remuneration are set out in Note 14 to the financial statements.

應付董事之酬金乃經參考彼等之經驗及於本公司之職務以及彼等對本公司事務估計投放之時間後釐定。於本年度，曾舉行兩次會議，以審閱董事之酬金及就新董事及辭任董事向董事會提供推薦建議。有關董事酬金詳情載於財務報表附註14。

NOMINATION OF DIRECTORS

The nomination committee of the Company (the "Nomination Committee") was duly constituted on 13 February 2012 and comprises of three independent non-executive Directors, Mr. Wong Chun Hung (Chairman), Mr. Cheng Po Yuen and Mr. Wong Sze Kai (appointed on the 14 December 2012). Mr. Li Sui Yang resigned as an independent non-executive Director and ceased to be a member of this committee on 21 September 2012.

董事之提名

於二零一二年二月十三日，本公司提名委員會(「提名委員會」)正式成立，由三名獨立非執行董事黃鎮雄先生(主席)、鄭保元先生及黃思佳先生(於二零一二年十二月十四日獲委任)組成。李隨洋先生於二零一二年九月二十一日辭任獨立非執行董事並終止擔任該委員會成員。

The role and function of the Nomination Committee are:

提名委員會之角色及職能為：

- (a) to review the structure, size and composition (including the skills, knowledge, experience and length of service) of the Board at least annually; and make recommendations on any proposed changes to the Board to implement the Company's corporate strategy;
- (b) to consider the skills mix needed in respect of directors and make recommendations to the Board;

- (a) 至少每年檢討董事會的架構、人數及組成(包括技能、知識、經驗及服務年期)，並就任何為實施本公司企業策略而對董事會作出之變動提出建議；
- (b) 考慮董事須具備的技能組合，並向董事會提出建議；

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| <p>(c) to identify and nominate candidates to fill casual vacancies of Directors for the Board's approval. Academic and professional qualifications, business experience, expertise and knowledge as well as other requirements under the Listing Rules will be assessed to determine if the nomination is suitable;</p> | <p>(c) 物色及提名候選人填補董事空缺，以待董事會批准。於釐定有關提名是否適合時，會評核獲提名人士的學歷及專業資格、業務經驗、專業技能及知識以及上市規則項下之其他規定；</p> |
| <p>(d) to assess the independence of independent non-executive Directors and review the independent non-executive Directors' annual confirmations on their independence; and make disclosure of its review results in the Corporate Governance Report;</p> | <p>(d) 評核獨立非執行董事的獨立身分以及審閱獨立非執行董事的獨立身分年度確認書，並於企業管治報告內披露其審核結果；</p> |
| <p>(e) to regularly review the time required from a Director to perform his responsibilities;</p> | <p>(e) 定期檢討董事履行職責所需時間；</p> |
| <p>(f) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman of the Board and the chief executive;</p> | <p>(f) 就委任或重新委任董事以及董事繼任計劃(尤其是董事會主席及主要行政人員)等有關事宜向董事會提出推薦建議；</p> |
| <p>(g) to do any such things to enable the Nomination Committee to discharge its powers and functions conferred on it by the Board; and</p> | <p>(g) 進行任何使提名委員會能履行其獲董事會賦予之權力及功能之任何事情；及</p> |
| <p>(h) to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the Company's constitution or imposed by legislation.</p> | <p>(h) 遵守董事會不時發出或本公司章程載述或法例規定之規定、指引及規則。</p> |

In 2012, prior to the setting up of the Nomination Committee, the Board as a whole is responsible for the said duties of the Nomination Committee. Subsequent to the formation, the Nomination Committee had evaluated a nominee to fill up the vacancy of an independent non-executive Director, a member of the audit committee and a member of the Nomination Committee of the Company and made recommendation to the Board.

於二零一二年，設立提名委員會前，董事會整體負責提名委員會之上述職務。隨著提名委員會成立後，其已為一名提名人進行評估，以填補本公司獨立非執行董事、審核委員會成員及提名委員會成員之空缺，並向董事會作出建議。

The number of Nomination Committee meetings held during the year ended 31 December 2012 and the Nomination Committee members' respective attendance records are summarised as follows:

截至二零一二年十二月三十一日止年度內舉行之提名委員會會議次數及各提名委員會成員之出席記錄概述如下：

		Number of meetings attended (1 nomination committee meeting in total) 出席會議次數 (合共 1 次提名委員會會議)
Mr. CHENG Po Yuen, <i>Chairman</i>	鄭保元先生，主席	1/1
Mr. WONG Chun Hung	黃鎮雄先生	1/1
Mr. WONG Sze Kai (appointed on 14 December 2012)	黃思佳先生(於二零一二年十二月十四日獲委任)	0/0
Mr. LI Sui Yang (ceased to be member on 21 September 2012)	李隨洋先生(於二零一二年九月二十一日離任)	0/0

AUDITOR'S REMUNERATION

The Group engaged ZHONGLEI (HK) CPA Company Limited to perform audit for the year ended 31 December 2012 and other non-audit services for 3 major transactions under Chapter 14 of the Listing Rules and a rights issue during the year ended 31 December 2012 at a fee of approximately HK\$850,000 and of HK\$440,000 respectively.

核數師酬金

本集團委聘中磊(香港)會計師事務所有限公司進行截至二零一二年十二月三十一日止年度之審核，以及截至二零一二年十二月三十一日止年度就上市規則第十四章項下三項主要交易及供股所提供其他非審核服務，費用分別約為850,000港元及440,000港元。

AUDIT COMMITTEE

On 14 December 2012, Mr. Wong Sze Kai was appointed as a member of the Audit Committee, while Mr. Li Sui Yang had ceased to be a member of the Audit Committee on 21 September 2012 since his resignation as an independent non-executive director.

審核委員會

於二零一二年十二月十四日，黃思佳先生獲委任為本公司審核委員會成員，而李隨洋先生則於二零一二年九月二十一日因辭任非執行董事而終止擔任審核委員會成員。

CORPORATE GOVERNANCE REPORT

企業管治報告

The number of Audit Committee meetings held during the year ended 31 December 2012 and the committee members' respective attendance records are summarised as follows:

截至二零一二年十二月三十一日止年度內舉行之審核委員會會議次數及各委員會成員之出席記錄概述如下：

		Number of meetings attended (2 audit committee meetings in total) 出席審核委員會會議次數 (合共2次審核委員會會議)
Mr. WONG Chun Hung, <i>Chairman</i>	黃鎮雄先生，主席	1/2
Mr. CHENG Po Yuen	鄭保元先生	2/2
Mr. WONG Sze Kai (appointed on 14 December 2012)	黃思佳先生(於二零一二年 十二月十四日獲委任)	0/0
Mr. LI Sui Yang (ceased to be member on 21 September 2012)	李隨洋先生(自二零一二年 九月二十一日離任)	2/2

The Audit Committee has adopted a new terms of reference on 27 June 2012 which are in line with the CG Code issued by the Stock Exchange.

審核委員會已於二零一二年六月二十七日採納與聯交所頒佈之企業管治守則一致之新職權範圍。

The role and function of the Audit Committee:

審核委員會之角色及職能：

Relationship with the Company's auditors

與本公司核數師之關係

- (a) to be primarily responsible for making recommendation to the Board on the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of that auditor;
- (b) to review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standard. The Audit Committee should discuss with the external auditor before the audit commences, the nature and scope of the audit and reporting obligations, and ensure co-ordination where more than one audit firm is involved;

- (a) 主要負責就委任、續聘及罷免外聘核數師向董事會提供建議、審批外聘核數師之酬金及委聘條款，以及任何有關核數師辭任或罷免之問題；
- (b) 根據適用準則檢討及監控外聘核數師之獨立性及客觀性以及審核程序之成效。審核委員會須於審核開始前先行與外聘核數師討論審核及申報責任之性質及範圍，及在多於一家核數師行參與核數工作時進行協調；

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| <p>(c) to develop and implement policy on the engagement of an external auditor to supply non-audit services. For this purpose, external auditor shall include any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally. The Audit Committee should report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken; and</p> | <p>(c) 就委聘外聘核數師提供非核數服務制訂及執行有關政策。就此目的而言，外聘核數師包括受核數師行共同控制、擁有或管理之任何實體，或一名合理及知情第三方知悉其所有相關資料而於全國或國際層面上將其合理概括為該核數師行之一部分之任何實體。審核委員會須向董事會報告，識別其認為須採取行動或作出改善之任何事宜，並就此提出推薦建議；及</p> |
| <p>(d) to act as the key representative body for overseeing the Company's relations with the external auditor.</p> | <p>(d) 擔任監察本公司與外聘核數師之間關係的主要代表。</p> |

Review of financial information of the Company

審閱本公司之財務資料

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|---|---|
| <p>(e) to monitor integrity of financial statements of the Company and the Company's annual report and accounts, interim report and, if preparation for publication quarterly reports, and to review significant financial reporting judgements contained in them. In this regard, in reviewing the Company's annual report and accounts, interim report and if prepared for publication, quarterly reports before submission to the Board, the Audit Committee should focus particularly on:</p> | <p>(e) 監察本公司財務報表、本公司年報及賬目、中期報告及(如需編製以供刊發)季度報告之完整性，並審閱當中所載之重大財務申報判斷。就此而言，向董事會提呈本公司年報及賬目、中期報告及(如需編製以供刊發)季度報告前先進行審閱，審核委員會應尤其著眼於以下各項：</p> |
| <p>(i) any changes in accounting policies and practices;</p> | <p>(i) 會計政策及慣例之任何變動；</p> |
| <p>(ii) major judgemental areas;</p> | <p>(ii) 主要判斷範圍；</p> |
| <p>(iii) significant adjustments resulting from the audit;</p> | <p>(iii) 因審核而產生之重大調整；</p> |
| <p>(iv) the going concern assumption and any qualifications;</p> | <p>(iv) 持續經營假設及任何保留意見；</p> |
| <p>(v) compliance with accounting standards; and</p> | <p>(v) 是否遵守會計準則之規定；及</p> |
| <p>(vi) compliance with the Exchange Listing Rules and legal requirements in relation to financial reporting;</p> | <p>(vi) 是否遵守聯交所上市規則及涉及財務申報之法律規定；</p> |
| <p>(f) as regards to (e) above:</p> | <p>(f) 就上文(e)項而言：</p> |
| <p>(i) members of the Audit Committee must liaise with the Board, the Company's senior management and the person appointed as the Company's qualified accountant and the Audit Committee must meet, at least twice a year, with the Company's external auditors; and</p> | <p>(i) 審核委員會成員須與董事會、本公司高級管理層及獲委任為本公司合資格會計師之人士聯絡，而審核委員會每年最少與本公司外聘核數師會面兩次；及</p> |

- (ii) the Audit Committee should consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts and must give due consideration to any matters that have been raised by the issuer's qualified accountant, compliance officer or external auditors;

- (ii) 審核委員會應考慮任何於該等報告及賬目中反映或可能須於其中反映之重大或不尋常項目，並審慎考慮發行人之合資格會計師、合規主任或外聘核數師所提出之任何事宜；

Oversight of the Group's financial reporting system and internal control procedures

監察本集團之財務申報系統及內部監控程序

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| <p>(g) to review the Group's financial controls, internal control and risk management systems;</p> | <p>(g) 檢討本集團之財務監控、內部監控及風險管理系統；</p> |
| <p>(h) to discuss with the management the system of internal control and ensure that management has discharged its duty to have an effective internal control system;</p> | <p>(h) 與管理層討論內部監控系統，確保管理層切實履行其職責以維護內部監控系統之成效；</p> |
| <p>(i) to consider any findings of major investigations of internal control matters as delegated by the Board or on its own initiative and management's response;</p> | <p>(i) 應董事會要求或主動考慮有關內部監控事宜之主要調查結果及管理層之回應；</p> |
| <p>(j) where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Group, and to review and monitor the effectiveness of the internal audit function;</p> | <p>(j) 倘存在內部審核職能，須確保內部及外聘核數師通力合作，並確保內部審核職能獲分配足夠資源及於本集團有適當地位，以及檢討及監察內部審核職能之成效；</p> |
| <p>(k) to review the Group's financial and accounting policies and practices;</p> | <p>(k) 審閱本集團之財務及會計政策及慣例；</p> |
| <p>(l) to review the external auditor's management letter, any material queries raised by the auditor to management in respect of the accounting records, financial accounts or systems of control and management's response;</p> | <p>(l) 審閱外聘核數師之管理層函件、核數師就會計記錄、財務賬目或監控系統向管理層提出之任何重大疑問及管理層之回應；</p> |
| <p>(m) to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;</p> | <p>(m) 確保董事會適時回應外聘核數師於管理層函件中提出之問題；</p> |
| <p>(n) to report to the Board on the matters set out in this terms of reference;</p> | <p>(n) 向董事會報告本職權範圍所載事項；</p> |
| <p>(o) to review the Company's arrangements for its employees can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. The Audit Committee shall ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action; and</p> | <p>(o) 檢討公司設定的以下安排：公司僱員可在保密情況下就財務申報、內部監控或其他方面懷疑發生的不正當行為提出關注。審核委員會應確保有適當安排，讓公司對此等事宜作出公平獨立的調查及採取適當跟進行動；及</p> |

(p) to consider other topics, as defined by the Board.

(p) 考慮董事會所界定之其他議題。

Corporate Governance Functions

企業管治職能

(q) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;

(q) 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；

(r) to review and monitor the training and continuous professional development of Directors and senior management;

(r) 檢討及監察董事及高級管理人員的培訓及持續專業發展；

(s) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

(s) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；

(t) to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors; and

(t) 制定、檢討及監察適用於僱員及董事的操守準則及合規手冊；及

(u) to review the Company's compliance with the code and disclosure in the Corporate Governance Report.

(u) 檢討本公司遵守《企業管治報告》內的守則及披露規定。

During the year, the Audit Committee has reviewed the financial results and reports as well as the Company's internal control review report. The Audit Committee also met the external auditor and monitored the appointment of external auditor. Besides, the Audit Committee performed the corporate governance duties as delegated by the Board as discussed below.

年內，審核委員會已審閱財務業績及報告以及本公司內部監控審閱報告。審核委員會亦會見外聘核數師，並監察外聘核數師之委任。此外，審核委員會已履行下文詳述獲董事會轉授之企業管治職能。

There is no disagreement between the Board and the Audit Committee during the year.

董事會與審核委員會於年內並無意見分歧。

CORPORATE GOVERNANCE FUNCTIONS

The Audit Committee is responsible for performing the functions set out in the CG Code D.3.1. The Audit Committee reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Listing Rules, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

企業管治職能

審核委員會負責履行企業管治守則第D.3.1條所載職能。審核委員會已檢討本公司之企業管治政策及常規、董事及高級管理層之培訓及持續專業發展、本公司於遵守法律及監管規定方面之政策及常規、遵守上市規則之情況、本公司遵守企業管治守則之情況及於企業管治報告內之披露。

DIRECTORS' RESPONSIBILITY FOR THE GROUP'S FINANCIAL REPORTING

The Directors are responsible for the preparation of financial statements of the Group which are prepared in accordance with the relevant statutory requirements and applicable accounting standards in force, and are published in a timely manner. The Directors are responsible for selecting and applying on a consistent basis suitable accounting policies and ensuring timely adoption of Hong Kong Accounting Standards and Hong Kong Financial Reporting Standards.

The Board understands the importance of presenting a clear and comprehensive assessment of the Group's overall performance, financial positions as well as prospects in a timely manner; and the Board is pleased to report that, so far, the annual and interim results of the Group are announced within the three months and two months limit respectively after the end of the relevant periods.

INTERNAL CONTROLS

The Board acknowledges its responsibility in maintaining a sound and effective internal control system for the Group to safeguard the investments of the shareholders and assets of the Group at all times. The system of internal control aims to help achieving the Group's business objectives, safeguarding assets and maintaining proper accounting records for provision of reliable financial information. However, the design of the system is to provide reasonable, but not absolute, assurance against material misstatement in the financial statements or loss of assets and to manage, rather than eliminate, the risks of failure when business objectives are being sought. Management has conducted regular reviews during the year on the effectiveness of the internal control system covering all material controls in the financial, operational and compliance controls, various functions for risks management as well as physical and information systems security. The Audit Committee reviews internal control issues identified by external auditor, regulatory authorities and the management team, and evaluates the adequacy and effectiveness of the Group's risk management and internal control systems. The Audit Committee in turn reports any material issues to the Board.

COMMUNICATION WITH SHAREHOLDERS

The Board maintains an on-going dialogue with the Shareholders through annual general meetings or special general meetings and Shareholders are encouraged to participate.

董事對本集團財務報告之責任

董事須負責按照有關法定規定及適用和有效之會計準則編製本集團財務報表，並適時刊發。董事負責選擇及貫徹應用合適之會計政策，並確保適時採納香港會計準則及香港財務報告準則。

董事會深明按時呈報對本集團整體表現、財務狀況及前景作出清晰全面評估之重要性；而董事會欣然報告，迄今為止，本集團之全年及中期業績分別於有關期間結束後三個月及兩個月限期內作出公告。

內部監控

董事會知悉其有責任維持完善及有效之本集團內部監控制度，使股東之投資及本集團之資產在任何時間均得到保障。內部監控制度旨在協助本集團達致業務目標、保障資產及保存妥善會計記錄，以提供可靠財務資料。然而，制度旨在就財務報表不會存有重大錯誤陳述或資產損失提供合理但非絕對之保證，並於追求業務目標時控制而非撇除失敗風險。年內，管理層已就內部監控制度之有效性進行定期檢討，範圍涵蓋一切重大監控層面，包括財務、營運及遵例監控、風險管理各項職能以至實際及資訊系統保安。審核委員會審閱外聘核數師、監管機構及管理團隊提出之內部監控事項，並評估本集團風險管理及內部監控制度是否充足有效。審核委員會繼而向董事會匯報任何重大事項。

與股東之溝通

董事會透過股東週年大會或股東特別大會與股東保持緊密聯繫。本集團鼓勵股東參與股東大會。

SHAREHOLDERS' COMMUNICATION POLICY

On 30 March 2012, the Board adopted a Shareholders' Communication Policy to comply with the updated Listing Rules and to reflect mostly the current communication practices of the Company with its Shareholders. Such policy aims to (i) promote effective communication with Shareholders and other stakeholders; (ii) encourage Shareholders to engage actively with the Company; and (iii) enable Shareholders to exercise their rights as Shareholders effectively. However, the Board will review the Shareholders' Communication Policy on a regular basis to ensure its effectiveness and compliance with the prevailing regulatory and other requirements.

The Company established a range of communication channels to provide its Shareholders and stakeholders with balanced and understandable information about the Company. These include annual general meeting, annual report, interim report, various notices, announcements and circulars. The annual general meeting and other general meetings of the Company are primary forum for communication between the Company and its Shareholders. The Company shall provide Shareholders with relevant information on the resolution(s) proposed at a general meeting in a timely manner in accordance with the Listing Rules. The information provided shall be reasonably necessary to enable Shareholders to make an informed decision on the proposed resolution(s).

PROCEDURES FOR SHAREHOLDERS TO CONVENE A SPECIAL GENERAL MEETING

Pursuant to the Companies Act 1981 of Bermuda, a special general meeting shall be convened by the members of the Company holding at the date of the deposit of the requisition not less than one-twentieth (5%) of such of the paid-up capital of the company as at the date of the deposit carries the right of voting at general meetings of the Company. The requisitionists must submit their requisition in writing, in which it must state the objects of the meeting, and be duly signed by the requisitionists, mailed and deposited at Units 3301-03, 33/F., West Tower Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong (attention of company secretary).

股東通訊政策

於二零一二年三月三十日，董事會採納股東通訊政策，以遵守最新上市規則及主要反映本公司現行股東通訊慣例。有關政策旨在(i)促進股東與其他利益相關者之間有效溝通；(ii)鼓勵股東積極關注本公司；及(iii)讓股東有效行使彼等作為股東之權利。然而，董事會將定期檢討股東通訊政策，以確保其有效性及遵守現行法規及其他規定。

本公司設立多種通訊渠道，以向其股東及利益相關者提供中肯及容易理解之本公司資料。該等資料包括股東週年大會、年報、中期報告、各種通告、公告及通函。本公司之股東週年大會及其他股東大會為本公司與其股東溝通之首要平台。本公司應按照上市規則適時向股東提供於股東大會提呈之決議案之相關資料。所提供資料應為合理需要之資料，以便股東就所提呈決議案作出知情決定。

股東召開股東特別大會之程序

根據一九八一年百慕達公司法，倘本公司股東於提呈請求當日持有於提呈當日有權於本公司股東大會投票之本公司繳足股本不少於二十分之一(5%)，則可召開股東特別大會。要求人必須以書面形式提交請求，當中必須列明會議目的及經由要求人正式簽署，郵寄及送交香港上環干諾道中168-200號信德中心西座33樓3301-03室，收件人註明公司秘書。

If the Directors do not within 21 days from the date of the deposit of the requisition proceed duly to convene a meeting for a day not more than 28 days after the date on which the notice convening the meeting is given, the requisitionists, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of 3 months from the said date. Any reasonable expenses incurred by the requisitionists by reason of the failure of the Directors duly to convene a meeting shall be repaid to the requisitionists by the Company.

PROCEDURES FOR PUTTING FORWARD PROPOSALS AT GENERAL MEETINGS BY SHAREHOLDERS

Pursuant to the Companies Act 1981 of Bermuda, proposals at Shareholders' meetings can be put forward by the members of the Company holding at the date of the submission of the proposals not less than one-twentieth (5%) of such of the paid-up capital of the company as at the date of the submission carries the right of voting at general meetings of the company.

The submission of the proposals must be made within 3 business days after a notice of the Shareholders' meeting have been served to all registered shareholders by the Board. The proposals must be written and must state the objects of the proposals, and must be signed by the proposers, and mailed and deposited at Units 3301-03, 33/F., West Tower Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong (attention of company secretary); and may consist of several documents in like form, each signed by one or more proposers.

The proposals will be verified with the Company's share registrar and upon its confirmation that the proposals are proper and in order, the company secretary will ask the Board to update the resolutions by serving sufficient notice in accordance with the statutory requirements to all registered shareholders, provided that the proposers have deposited a sum of money reasonably sufficient to meet the Company's expenses involved in publishing supplementary circular and updating related resolutions. On the contrary, if the requisition has been verified as not in order, the proposer will be advised of this outcome and accordingly, no resolution will be updated as requested.

若董事在提呈請求當日後21天內，未能於作出召開會議通知當日後不多於28天之日正式召開會議，則要求人或任何其中代表超過半數總投票權之股東可自行召開會議，惟如此召開之任何會議須於上述日期起計三個月屆滿後舉行。因董事未能如期召開會議而導致要求人產生之任何合理費用，均須由本公司償還予要求人。

股東於股東大會遞交建議書之程序

根據一九八一年百慕達公司法，倘本公司股東於遞交建議書當日持有於遞交當日有權於本公司股東大會投票之本公司繳足股本不少於二十分之一(5%)，則可於股東大會遞交建議書。

建議書須於董事會向全體登記股東發出股東大會通知後三個營業日內遞交。建議書須為書面形式，並須列明建議書目的及經由提議人簽署，郵寄及送交香港上環干諾道中168-200號信德中心西座33樓3301-03室，收件人註明公司秘書，並可由一式多份，且每份由一名或多名提議人簽署之文件組成。

有關建議書將由本公司之股份過戶登記處核實，倘建議書獲確認屬妥善及適宜，公司秘書將要求董事會根據法定要求，給予全體登記股東足夠通知期，以更新決議案，惟提議人須繳存合理足夠款項，用以支付本公司因刊發補充通函及更新有關決議案而產生之開支。反之，若有關請求經核實為不符合程序，提議人將獲通知有關結果，而決議案將不會應要求更新。

PROCEDURES FOR SENDING ENQUIRIES TO THE BOARD

Shareholders may send written enquiries to the Company, for the attention of company secretary, by email: pphlhk@pphl.com.hk, fax: (852) 2114 0292, or mail to Units 3301-03, 33/F., West Tower Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong.

CONSTITUTIONAL DOCUMENTS

At the special general meeting held on 7 September 2012, amendments to the Bye-Laws of the Company were approved by the Shareholders, to permit capitalisation of reserves of the Company to pay up in full any unissued shares or securities of the Company to be issued to all or some of the Shareholders of the Company in the same proportion or in such other proportion as approved by the Shareholders. An updated version of the New Bye-Laws of the Company is available on the websites of the Company and the Stock Exchange.

向董事會提出查詢之程序

股東可透過以下方式將書面查詢發送至本公司，收件人註明公司秘書：發電郵至 pphlhk@pphl.com.hk，或傳真至 (852) 2114 0292，或郵寄至香港上環干諾道中 168-200 號信德中心西座 33 樓 3301-03 室。

憲法文件

於二零一二年九月七日舉行之股東特別大會，修訂本公司之公司細則已獲股東批准，容許本公司將儲備撥作資本，以按相同比例或股東批准之其他比例，繳足將發行予本公司全體或部分股東之本公司任何未發行股份或其他證券。本公司之新公司細則最新版本可於本公司及聯交所網站查閱。

REPORT OF THE DIRECTORS

董事會報告

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

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in Note 38 to the accompanying consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2012 are set out in the consolidated income statement on page 46.

The Directors do not recommend the payment of dividend.

RESERVES

Movements in the reserves of the Group during the year ended 31 December 2012 are set out in the consolidated statement of changes in equity in pages 50 to 51.

DONATIONS

There was \$10,000 donation made by the Group during the year ended 31 December 2012.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended 31 December 2012 are set out in Note 18 to the accompanying consolidated financial statements.

SHARE CAPITAL AND CONVERTIBLE NOTES

Details of the movements in share capital and convertible notes of the Company during the year ended 31 December 2012 are set out in Notes 35 and 34 respectively to the accompanying consolidated financial statements.

DISTRIBUTABLE RESERVES

Movements in the distributable reserves of the Group and the Company during the year ended 31 December 2012 are set out in Note 36(b) to the accompanying consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-Laws and the laws in Bermuda.

董事提呈其報告連同截至二零一二年十二月三十一日止年度之經審核財務報表。

主要業務

本公司主要業務為投資控股，其附屬公司業務，載於隨附綜合財務報表附註38。

業績及分配

本集團截至二零一二年十二月三十一日止年度之業績，載於第46頁之綜合損益表內。

董事不建議派發股息。

儲備

本集團截至二零一二年十二月三十一日止年度之儲備變動，載於第50至51頁之綜合權益變動表內。

捐款

截至二零一二年十二月三十一日止年度，本集團作出10,000港元之捐款。

物業、廠房及設備

本集團物業、廠房及設備截至二零一二年十二月三十一日止年度之變動詳情，載於隨附綜合財務報表附註18。

股本及可換股票據

本公司股本及可換股票據截至二零一二年十二月三十一日止年度之變動詳情，分別載於隨附綜合財務報表附註35及34。

可供分派儲備

本集團及本公司截至二零一二年十二月三十一日止年度之可供分派儲備變動，載於隨附綜合財務報表附註36(b)。

優先購買權

本公司之公司細則及百慕達法例並無有關優先購買權之條文。

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years ended 31 December 2012 is set out on page 18 of this annual report.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries has purchased or redeemed any of the Company's shares during the year. As at 31 December 2012, 2,225,682,121 ordinary shares with a par value of HK\$0.08 each were in issue. Details are set out in the "Capital structure" section in pages 9 to 10 of this annual report and Note 35 to the accompanying consolidated financial statements.

SHARE OPTIONS

During the current year, a share option was granted to China Longjiang Forest Industry (Group) General Corporation ("Longjiang Forest Industry") for its assistance and advice pursuant to the Strategic Cooperation Agreement entered on 2 December 2011 for the establishment of a strategic alliance with the Group in respect of the development and management of the forest sized approximately 65,800 hectares in the PNG (the "Forest") (the "Longjiang Option"). The Longjiang Option entitles Longjiang Forest Industry to subscribe for not more than 5% of the issued share capital of the Company as at the date of the Strategic Cooperation Agreement of 2 December 2011, equivalent to 495,170,096 shares. As a consequence of the capital reorganisation effective on 20 March 2012, the share consolidation effective on 10 September 2012 and the rights issue (with the bonus issue) effective on 11 October 2012, the number of shares to be issued upon the exercise of the Longjiang Option has been adjusted to 12,936,318 shares at the maximum and the minimum subscription price of HK\$2.00 per share and HK\$2.00 per share respectively.

Meanwhile, another share option was granted to Jia Run Investments Limited (the "Agent") for its assistance to procure the Company and Longjiang Forest Industry to enter into the Strategic Cooperation Agreement as abovementioned and advise the development and exploitation in the Forest (the "Agent Option"). The Agent Option entitles the Agent to subscribe for not more than 5% of the issued share capital of the Company as at 2 December 2011, equivalent to 495,170,096 shares. As a consequence of the capital reorganisation effective on 20 March 2012, the share consolidation effective on 10 September 2012 and the rights issue (with the bonus issue) effective on 11 October 2012, the number of shares to be issued upon the exercise of the Agent Option has been adjusted to 12,936,318 shares at the maximum and the minimum subscription price of HK\$2.00 per share and HK\$2.00 per share respectively.

五年財務概要

本集團截至二零一二年十二月三十一日止過去五個財政年度之業績和資產及負債概要載於本年報第18頁。

購回、出售或贖回證券

年內，本公司或其任何附屬公司概無購買或贖回任何本公司股份。於二零一二年十二月三十一日，2,225,682,121股每股面值0.08港元之普通股已發行。詳情載於本年報第9至10頁「資本結構」一節及隨附綜合財務報表附註35。

購股權

於本年度，已就中國龍江森林工業(集團)總公司(「龍江森林工業」)根據於二零一一年十二月二日訂立之策略合作協議提供協助及意見向其授出購股權(「龍江期權」)，協議涉及就發展及管理位於巴布亞新畿內亞面積約為65,800公頃之森林(「森林」)與本集團建立策略聯盟。龍江期權授權龍江森林工業認購不超過本公司於策略合作協議日期二零一一年十二月二日之已發行股本5%，相當於495,170,096股股份。隨著股本重組、股份合併及供股連紅股發行分別於二零一二年三月二十日、二零一二年九月十日及二零一二年十月十一日生效後，龍江期權行使時將予發行之股份數目調整至12,936,318股，而股份之最高及最低認購價分別為每股2.00港元及每股2.00港元。

同時，已就嘉潤投資有限公司(「代理」)協助促成本公司與龍江森林工業訂立上述策略合作協議及就發展與開採森林提供意見而向其授出另一份購股權(「代理期權」)。代理期權授權代理認購不超過本公司於二零一一年十二月二日之已發行股本5%，相當於495,170,096股股份。隨著股本重組、股份合併及供股連紅股發行分別於二零一二年三月二十日、二零一二年九月十日及二零一二年十月十一日生效後，代理期權行使時將予發行之股份數目調整至12,936,318股，而股份之最高及最低認購價分別為每股2.00港元及每股2.00港元。

REPORT OF THE DIRECTORS

董事會報告

During the year ended 31 December 2012, both the Longjiang Option and the Agent Option had not been exercised. As at the date of this report, the Agent Option had been expired while the Longjiang Option is still in effect.

During the annual general meeting held on 12 June 2012 (“AGM”), the Shareholders of the Company duly approved the relevant resolutions to terminate the existing share option scheme and to adopt a new share option scheme by authorising the Directors to allot and issue up to the 10 percent of the issued share capital of the Company at the date of the AGM, that is 136,965,053 shares of the Company (the “New Share Option Scheme”). The Directors or an authorised committee are authorised, at its/their absolute discretion, to grant options to subscribe for shares of the Company in accordance with the rules of the New Share Option Scheme and to allot, issue and deal with shares of the Company pursuant to the exercise of options granted under the New Share Option Scheme. The subscription price will be a price determined by the Board and at least the highest of: (a) the closing price of the shares as stated in the Stock Exchange’s daily quotations sheets on the date of grant of the option, which must be a business day; (b) the average closing price of the shares as stated in the Stock Exchange’s daily quotation sheets for the five business days immediately preceding the date of grant of the option; and (c) the nominal value of the shares. The total number of shares which may be issued upon exercise of options must not exceed 30% of the number of shares in issue from time to time. No options may be granted if such grant would result in the 30% limit being exceeded.

No share option has been granted or exercised during the year ended 31 December 2012 under the New Share Option Scheme.

截至二零一二年十二月三十一日止年度，龍江期權及代理期權均未獲行使。於本報告日期，代理期權已逾期，而龍江期權則仍然生效。

於二零一二年六月十二日舉行之股東週年大會（「股東週年大會」）上，本公司股東正式批准終止現有購股權計劃之相關決議案，並採納新購股權計劃，授權董事配發及發行本公司於股東週年大會日期之已發行股本最多10%，即136,965,053股本公司股份（「新購股權計劃」）。董事或獲授權委員會獲授權，可全權酌情根據新購股權計劃之規則授出購股權以認購本公司股份，並配發、發行及處理根據新購股權計劃所授出購股權獲行使所涉及之本公司股份。認購價將為董事會釐定之價格，並最少為下列三者中之最高者：(a) 於購股權授出日期（必須為營業日）股份於聯交所每日報價表所報收市價；(b) 於緊接購股權授出日期前五個營業日股份於聯交所每日報價表所報平均收市價；及(c) 股份面值。因行使購股權而可能發行之股份總數，不得超過不時之已發行股份數目30%。倘將導致超過該30%限額，則不得授出任何購股權。

截至二零一二年十二月三十一日止年度，概無根據新購股權計劃授出或行使任何購股權。

DIRECTORS

The Directors who held office during the year ended 31 December 2012 and up to the date of this report are:

EXECUTIVE DIRECTORS

Mr. NG Kwok Fai, *Chairman*
Mr. HUANG Chuan Fu, *Deputy Chairman*
Ms. JIA Hui
Mr. JIANG Yi Ren
Mr. LIANG Jian Hua

NON-EXECUTIVE DIRECTOR

Mr. CHAN Kin Sang

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. WONG Chun Hung
Mr. CHENG Po Yuen
Mr. WONG Sze Kai (appointed on 14 December 2012)
Mr. LI Sui Yang (resigned on 21 September 2012)

In accordance with Bye-law 99 of the Company's Bye-Laws and Corporate Governance Code Provision A.4 under Appendix 14 to the Listing Rules, Ms. Jia Hui, Mr. Huang Chuan Fu, and Mr. Wong Chun Hung will retire by rotation at the forthcoming annual general meeting and, being eligible, will offer themselves for re-election. In accordance with Bye-law 102(B), Mr. Wong Sze Kai will retire at the forthcoming annual general meeting and, being eligible, will offer themselves for re-election.

The Company has received from each independent non-executive Director an annual confirmation of his independence pursuant to Rule 3.13 of Chapter 3 of the Listing Rules and the Company considers such Directors to be independent.

DIRECTORS' SERVICE CONTRACTS

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

董事

截至二零一二年十二月三十一日止年度及直至本報告日期止之在任董事如下：

執行董事

吳國輝先生，*主席*
黃傳福先生，*副主席*
賈輝女士
蔣一任先生
梁建華先生

非執行董事

陳健生先生

獨立非執行董事

黃鎮雄先生
鄭保元先生
黃思佳先生(於二零一二年十二月十四日獲委任)
李隨洋先生(於二零一二年九月二十一日辭任)

根據本公司之公司細則第99條及上市規則附錄14企業管治守則條文第A.4條，賈輝女士、黃傳福先生及黃鎮雄先生將於應屆股東週年大會輪值退任，並符合資格且願意重選連任。根據公司細則第102(B)條，黃思佳先生將於應屆股東週年大會退任，符合資格且願意重選連任。

根據上市規則第3章第3.13條，各獨立非執行董事均已向本公司呈交年度確認書，確認其獨立性，而本公司亦視彼等為獨立董事。

董事服務合約

概無擬於應屆股東週年大會重選連任之董事與本公司訂有任何本公司不得在一年內終止而不作出補償(法定賠償除外)之服務合約。

DIRECTORS' INTERESTS IN CONTRACTS

On 6 July 2012, an underwriting agreement (supplemented by a supplemental underwriting agreement on 10 August 2012) in relation to a rights issue (with the bonus issue) as announced on 10 July 2012 was entered between the Company and Allied Summit Inc., a substantial shareholder (as defined in the Listing Rules) of the Company ("Allied Summit"). As at 6 July 2012 and 10 August 2012, being the date of entering into the underwriting agreement and the supplemental underwriting agreement respectively, Mr. Ng Kwok Fai ("Mr. Ng") was the sole director of Allied Summit and held 20% of the equity interest in Allied Summit. The underwriting commission payable to Allied Summit was approximately HK\$3,229,000 and the applicable percentage ratios (as defined in the Listing Rules) are less than 25% and the amount is less than HK\$10,000,000, it was therefore subject to reporting and announcement requirements but exempt from the independent Shareholders' approval requirement under Rule 14A.32 of the Listing Rules. Also, Allied Summit, Mr. Ng and their respective associates (as defined in the Listing Rules) abstained from voting in favour of the resolution(s) approving the relevant rights issue (with the bonus issue) at the special general meeting on 10 September 2012.

Saved as disclosed herein, there were no contracts of significance in relation to the Group's business to which the Company, any of its fellow subsidiaries or its parent company was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Brief biographical details of the Directors and Senior Management are set out on pages 15 to 17 of this annual report.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

To the best knowledge of the Directors, none of the Directors and their respective associates (as defined in the Listing Rules) are considered to have any interests in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group, other than those businesses where the Directors were appointed as directors to represent the interests of the Company and/or the Group.

董事之合約權益

於二零一二年七月六日，本公司與本公司主要股東(定義見上市規則)Allied Summit Inc. (「Allied Summit」)訂立包銷協議(於二零一二年八月十日以補充包銷協議補充)，內容有關於二零一二年七月十日所公佈之供股連紅股發行。於二零一二年七月六日及二零一二年八月十日(分別為包銷協議及補充包銷協議之訂立日期)，吳國輝先生(「吳先生」)為Allied Summit之唯一董事，並持有Allied Summit之20%股權。應付Allied Summit之包銷佣金約為3,229,000港元，而由於適用百分比率(定義見上市規則)低於25%及金額少於10,000,000港元，故須遵守申報及公告規定，惟根據上市規則第14A.32條獲豁免經獨立股東批准。此外，Allied Summit、吳先生及彼等各自之聯繫人士(定義見上市規則)已於二零一二年九月十日舉行之股東特別大會放棄投票贊成批准有關供股連紅股發行之決議案。

除本報告所披露外，於年底或年內任何時間，概無任何由本公司、其任何同系附屬公司或母公司所訂立，且董事在其中直接或間接擁有重大權益並對本集團業務有重大影響之合約。

董事及高級管理層之簡歷載於本報告第15至17頁。

董事於競爭業務之權益

就董事所深知，概無董事及彼等各自之聯繫人士(定義見上市規則)被視為對本集團業務直接或間接構成競爭或可能構成競爭之業務(董事獲委任以董事身分代表本公司及/或本集團權益之業務除外)中擁有任何權益。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2012, save as disclosed below, none of the Directors is a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 Part XV of the Securities and Futures Ordinance ("SFO") and none of the Directors, the chief executive of the Company nor their associates (as defined in the Listing Rules) had any other interests or short positions in the shares of the Company, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Director or the chief executive of the Company is taken or deemed to have under such provisions of the SFO); or (b) were required to be entered into the register maintained by the Company, pursuant to Section 352 of the SFO; or (c) were required to be notified to the Company or the Stock Exchange, pursuant to the Model Code for Securities Transaction by Directors of Listed Companies contained in the Listing Rules.

Long position in the Shares, Underlying Shares and Debentures of Associated Corporations

董事及行政總裁於本公司或任何相聯法團之股份、相關股份及債券之權益及／或淡倉

於二零一二年十二月三十一日，除下文所披露外，並無董事為根據證券及期貨條例（「證券及期貨條例」）第XV部第2及3分部之條文持有須向本公司披露之本公司股份及相關股份之權益或淡倉之公司之董事或僱員，且概無董事、本公司行政總裁或彼等之聯繫人士（定義見上市規則）於本公司股份、本公司或任何相聯法團（定義見證券及期貨條例第XV部）相關股份或債券中，擁有任何權益或淡倉而(a)須根據證券及期貨條例第XV部第7及8分部通知本公司及聯交所（包括彼等根據證券及期貨條例有關條文被認為或視作擁有之權益或淡倉）；或(b)須根據證券及期貨條例第352條記入本公司存置之登記冊內；或(c)須根據上市規則所載上市公司董事進行證券交易的標準守則通知本公司或聯交所。

擁有相關法團股份、相關股份及債券之好倉

Name of Director	Name of associated corporation	Capacity and nature of interest	Number of shares of associated corporation interested	Percentage of shares of associated corporation interested (%)
董事姓名	相關法團名稱	身分及權益性質	相關法團股份權益數目	相關法團股份權益(%)
Ng Kwok Fai 吳國輝	Allied Summit Inc.	Beneficial owner (Note 1) 實益擁有人(附註1)	20	20

(Note 1) Allied Summit Inc., an associated corporation of the Company which is interested in 67.71% of the issued shares of the Company, is owned as to 80% by Mr. Su Weibiao and as to the remaining 20% by Mr. Ng Kwok Fai.

(附註1) Allied Summit Inc. (本公司之相關法團)持有本公司已發行股份67.71%，其由蘇維標先生擁有80%權益，而吳國輝先生則擁有餘下20%權益。

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OF THE COMPANY

The register of substantial shareholders required to be kept under section 336 of Part XV of the SFO shows that as at 31 December 2012, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital.

主要股東於本公司股份及相關股份之權益及／或淡倉

於二零一二年十二月三十一日，根據證券及期貨條例第XV部第336條規定存置之主要股東登記冊所記錄，本公司獲知會以下主要股東擁有本公司已發行股本5%或以上之權益及淡倉。

REPORT OF THE DIRECTORS

董事會報告

Long position in ordinary shares of the Company:

於本公司普通股之好倉：

Name	Capacity and nature of interest	Number of shares interested	Percentage of the Company's issued share capital (%) 佔本公司已發行股本百分比(%)
姓名／名稱	身分及權益性質	股份權益數目	股本百分比(%)
Su Weibiao 蘇維標	Held by controlled corporation 由受控制公司持有	1,506,975,804	67.71
Allied Summit Inc. (Note 1) Allied Summit Inc. (附註1)	Beneficial owner 實益擁有人	1,506,975,804	67.71

Notes:

1. Allied Summit Inc. is owned as to 80% by Mr. Su Weibiao and as to the remaining 20% by Mr. Ng.

附註：

1. Allied Summit Inc. 由蘇維標先生擁有 80% 權益，而吳先生則擁有餘下 20% 權益。

MANAGEMENT CONTRACTS

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

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管理及行政之合約。

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2012, the aggregate amount of revenue attributable to the Group's five largest customers and the largest customer represented approximately 81% and 44% respectively of the Group's total revenue.

主要客戶及供應商

截至二零一二年十二月三十一日止年度，本集團五大客戶及最大客戶應佔總收益分別相當於本集團總收益約 81% 及 44%。

During the year ended 31 December 2012, the aggregate amount of supplies attributable to the Group represents the direct interest expense which is provided by one single lender.

截至二零一二年十二月三十一日止年度，本集團供應商應佔總供應指單一貸款人釐定之直接利息開支。

None of the Directors or any of their associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's largest customers.

董事或彼等任何聯繫人士或任何股東（據董事所深知擁有本公司已發行股本超過 5%）概無於本集團最大客戶中擁有任何實益權益。

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the section of "Share Options" disclosed above, at no time during the year ended 31 December 2012 was the Company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

購買股份或債券之安排

除上文「購股權」一節所披露外，於截至二零一二年十二月三十一日止年度任何時間，本公司或其任何附屬公司或同系附屬公司概無訂立任何安排，致使董事可藉收購本公司或任何其他法人團體之股份或債券而獲益。

CONNECTED TRANSACTIONS

The related party transactions as disclosed in Note 45 to the Financial Statements does not fall under the definition of “connected transaction” or “continuing connected transaction” in Chapter 14A of the Listing Rules. No disclosure requirement is needed accordingly.

Save as disclosed in “Directors’ interests in contracts” on page 40, there is no other connected transaction that shall be disclosed under the Chapter 14A of the Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors of the Company, the Board confirms that the Company has maintained a sufficient public float as required under the Listing Rules during the year ended 31 December 2012.

AUDITORS

The Company’s financial statements for the year ended 31 December 2011 were audited by SHINEWING (HK) CPA Limited. ZHONGLEI (HK) CPA Company Limited was appointed as the auditor of the Company in succession to SHINEWING (HK) CPA Limited, who resigned from the office with effect from 9 January 2013. The Company’s financial statements for the year ended 31 December 2012 were audited by ZHONGLEI (HK) CPA Company Limited.

ZHONGLEI (HK) CPA Company Limited shall retire and, being eligible, offer themselves for re-appointment in the forthcoming annual general meeting of the Company.

On behalf of the Board

Ng Kwok Fai

Chairman

Hong Kong, 27 March 2013

關連交易

財務報表附註45所披露關連人士交易不符合上市規則第14A章項下「關連交易」及「持續關連交易」之定義，故毋須作出披露。

除第40頁「董事之合約權益」所披露外，概無其他根據上市規則第14A章須予以披露之關連交易。

充足公眾持股量

根據本公司可獲得之公開資料及據本公司董事所知，董事會確認，本公司於截至二零一二年十二月三十一日止年度內一直維持上市規則所規定充足公眾持股量。

核數師

本公司截至二零一一年十二月三十一日止年度之財務報表乃由信永中和(香港)會計師事務所有限公司審核。中磊(香港)會計師事務所有限公司獲委任為本公司核數師，以接替信永中和(香港)會計師事務所有限公司(自二零一三年一月九日起辭任)之職務。本公司截至二零一二年十二月三十一日止年度之財務報表乃由中磊(香港)會計師事務所有限公司審核。

中磊(香港)會計師事務所有限公司即將退任，惟符合資格並願意於本公司應屆股東週年大會獲續聘。

代表董事會

主席

吳國輝

香港，二零一三年三月二十七日



中磊（香港）會計師事務所有限公司
ZHONGLEI (HK) CPA Company Limited

**TO THE MEMBERS OF
PACIFIC PLYWOOD HOLDINGS LIMITED**

太平洋實業控股有限公司

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Pacific Plywood Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 46 to 156, which comprise the consolidated statement of financial position as at 31 December 2012, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the 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 the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

致太平洋實業控股有限公司
全體股東

(於百慕達註冊成立之有限公司)

本核數師(以下稱為「我們」)已審核刊載於第46頁至第156頁太平洋實業控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，當中包括於二零一二年十二月三十一日之綜合財務狀況報表與截至該日止年度之綜合損益表、綜合全面收益報表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他說明資料。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製及真實公平地列報綜合財務報表，以及落實董事認為對編製綜合財務報表而言屬必要之內部監控，以使綜合財務報表不存在因欺詐或錯誤而導致之重大錯誤陳述。

核數師之責任

我們的責任是根據我們的審核對此等綜合財務報表發表意見，並按照百慕達公司法第90條僅向全體股東報告。除此之外，本報告別無其他目的。我們不會就本報告之內容向任何其他人士負上或承擔任何責任。我們已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定綜合財務報表是否不存有任何重大錯誤陳述。

AUDITOR'S RESPONSIBILITY (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's 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 affairs of the Group as at 31 December 2012 and of the Group's profit 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.

ZHONGLEI (HK) CPA Company Limited

Certified Public Accountants (Practising)

Chan Mei Mei

Practising Certificate Number: P05256

Suites 313–317, 3/F., Shui On Centre,
6–8 Harbour Road,
Wan Chai,
Hong Kong

27 March 2013

核數師之責任(續)

審核工作涉及執程序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選定程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與實體編製及真實公平地列報綜合財務報表相關之內部監控，以設計在此情況下適當之審核程序，但並非為對實體之內部監控成效發表意見。審核工作亦包括評價董事所採用之會計政策是否適當及所作出之會計估計是否合理，以及評價綜合財務報表之整體列報方式。

我們相信，我們所獲得之審核憑證充分及適當地為我們的審核意見提供基礎。

意見

我們認為，綜合財務報表已根據香港財務報告準則真實而公平地反映 貴集團於二零一二年十二月三十一日之事務狀況，以及 貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露規定妥為編製。

中磊(香港)會計師事務所有限公司

執業會計師

陳美美

執業證書編號：P05256

香港
灣仔
港灣道6–8號
瑞安中心3樓313–317室

二零一三年三月二十七日

CONSOLIDATED INCOME STATEMENT

綜合損益表

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (重列)
Turnover — gross proceeds	營業額 — 所得款項總額	8	48,640	53,369
Revenue	收益	9	34,720	53,369
Interest income	利息收入		29,981	52,958
Others	其他		4,739	411
Cost of sales	銷售成本		(3,003)	(2,652)
Interest expenses	利息開支	10	(200)	(2,652)
Other cost of sales	其他銷售成本		(2,803)	—
Gross profit	毛利		31,717	50,717
Other income and gains	其他收入及收益	11	7,505	8
Reversal of impairment loss (impairment loss) on loan and interest receivables, net	應收貸款及利息減值虧損撥回(減值虧損)淨額	24	65,423	(145,171)
Change in fair value of convertible instruments designated as financial assets at fair value through profit or loss	可換股工具(指定為按公平值透過損益列賬之金融資產)之公平值變動	22	9,712	—
Impairment loss on available-for-sale financial assets	可供出售金融資產之減值虧損	23	(19,278)	(54,990)
Change in fair value of derivative financial assets	衍生金融資產之公平值變動		(4,000)	24,371
Change in fair value of investment held for trading	持作交易投資之公平值變動		3,030	(1,231)
Change in fair value of convertible notes	可換股票據之公平值變動	34	—	(5,078)
Gain on disposal of a subsidiary	出售一家附屬公司之收益	42	—	11,199
Share-based payment expenses	以股份為基礎付款開支	40	(1,367)	—
Selling and distribution expenses	銷售及分銷開支		—	(3,692)
Administrative expenses	行政費用		(27,141)	(18,446)
Operating profit (loss)	經營溢利(虧損)		65,601	(142,313)
Finance costs	融資成本	10	(3,334)	—
Profit (loss) before tax	除稅前溢利(虧損)		62,267	(142,313)
Income tax credit (expense)	所得稅抵免(開支)	12	12	(2,646)
Profit (loss) for the year	年內溢利(虧損)	13	62,279	(144,959)
Profit (loss) for the year attributable to:	下列各項應佔年內溢利(虧損):			
Owners of the Company	本公司擁有人		62,283	(134,081)
Non-controlling interests	非控股權益		(4)	(10,878)
			62,279	(144,959)
				(Restated) (重列)
Earnings (loss) per share:	每股盈利(虧損):	17		
Basic and diluted	基本及攤薄		HK\$0.09 港元	(HK\$1.98 港元)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益報表

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

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Profit (loss) for the year	年內溢利(虧損)	62,279	(144,959)
Other comprehensive income (expense)	其他全面收益(開支)		
Available-for-sale financial assets:	可供出售金融資產：		
— Change in fair value	— 公平值變動	—	(54,990)
— Reclassification adjustment upon impairment	— 減值時進行重新分類調整	—	54,990
Other comprehensive income for the year	年內其他全面收益	—	—
Total comprehensive income (expense) for the year	年內全面收益(開支)總額	62,279	(144,959)
Total comprehensive income (expense) attributable to:	下列各項應佔全面收益(開支)總額：		
Owners of the Company	本公司擁有人	62,283	(134,081)
Non-controlling interests	非控股權益	(4)	(10,878)
		62,279	(144,959)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

At 31 December 2012

於二零一二年十二月三十一日

			2012	2011
		Notes	二零一二年	二零一一年
		附註	HK\$'000	HK\$'000
			千港元	千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	18	2,575	173
Goodwill	商譽	19	306,019	–
Investment deposits	投資訂金	20	–	20,000
Deposit for acquisition of logging concession	取得伐木特許權之按金	21	269	–
Convertible instruments designated as financial assets at fair value through profit or loss	可換股工具(指定為按公平值透過損益列賬之金融資產)	22	104,712	–
Available-for-sale financial assets	可供出售金融資產	23	95,922	25,200
			509,497	45,373
CURRENT ASSETS	流動資產			
Loan and interest receivables	應收貸款及利息	24	127,646	273,221
Trade and other receivables	應收賬款及其他應收款項	25	8,720	6,288
Investment held for trading	持作交易投資	26	15,050	13,920
Derivative financial asset	衍生金融資產	27	–	4,000
Tax recoverable	可收回稅項		68	–
Bank balances and cash	銀行結餘及現金	28	44,477	78,781
			195,961	376,210
CURRENT LIABILITIES	流動負債			
Other payables and accruals	其他應付款項及應計費用	29	1,883	1,253
Amounts due to directors	應付董事款項	30	154	152
Note payable	應付票據	31	10,000	–
Interest payable	應付利息	31	3,334	–
Borrowings	借貸	32	–	10,000
Convertible notes	可換股票據	34	–	–
Tax liabilities	稅項負債		–	67
			15,371	11,472
NET CURRENT ASSETS	流動資產淨值		180,590	364,738
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		690,087	410,111

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

At 31 December 2012
於二零一二年十二月三十一日

			2012	2011
		Notes	二零一二年	二零一一年
		附註	HK\$'000	HK\$'000
			千港元	千港元
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	35	178,054	247,585
Share premium	股份溢價		524,993	340,037
Share-based payment reserve	以股份為基礎付款儲備	40	1,367	–
Other reserves	其他儲備	36(a)	100,557	(160)
Accumulated losses	累計虧損		(115,068)	(177,351)
Equity attributable to owners of the Company	本公司擁有人應佔權益		689,903	410,111
Non-controlling interests	非控股權益		184	–
TOTAL EQUITY	權益總額		690,087	410,111

The consolidated financial statements on pages 46 to 156 were approved and authorised for issue by the board of directors on 27 March 2013 and are signed on its behalf by:

第46至156頁所載綜合財務報表已於二零一三年三月二十七日經董事會批准及授權刊發，並由下列人士代表董事會簽署：

Huang Chuan Fu

Director

董事

黃傳福

Liang Jian Hua

Director

董事

梁建華

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Share premium	Available-for-sale financial assets	Convertible notes	Share-based payment	Other reserves	Accumulated losses	Total	Non-controlling interests	Total
				revaluation reserve	reserves	reserve	reserves	losses		interests	
		股本	股份溢價	可供出售金融資產重估儲備	可換股票據儲備	以股份為基礎付款儲備	其他儲備	累計虧損	總計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
					(Note 34) (附註 34)		(Note 36(a)) (附註 36(a))				
At 1 January 2011	於二零一一年一月一日	1,927	128,651	-	-	-	(160)	(43,270)	87,148	4,387	91,535
Loss for the year	年內虧損	-	-	-	-	-	-	(134,081)	(134,081)	(10,878)	(144,959)
Other comprehensive income (expense) for the year	年內其他全面收益(開支)										
Available-for-sale financial assets:	可供出售金融資產:										
— Change in fair value	— 公平值變動	-	-	(54,990)	-	-	-	-	(54,990)	-	(54,990)
— Reclassification adjustment upon impairment	— 減值時進行重新分類調整	-	-	54,990	-	-	-	-	54,990	-	54,990
Total comprehensive expense for the year	年內全面開支總額	-	-	-	-	-	-	(134,081)	(134,081)	(10,878)	(144,959)
Issue of right shares (Note 35(b))	發行供股股份(附註35(b))	69,355	152,580	-	-	-	-	-	221,935	-	221,935
Right issues expenses	供股開支	-	(6,546)	-	-	-	-	-	(6,546)	-	(6,546)
Issue of shares (Note 35(d))	發行股份(附註35(d))	65,815	16,732	-	-	-	-	-	82,547	-	82,547
Placing expenses	配售費用	-	(937)	-	-	-	-	-	(937)	-	(937)
Issue of convertible notes (Note 34)	發行可換股票據(附註34)	-	-	-	91,853	-	-	-	91,853	-	91,853
Issue of shares upon conversion of convertible notes (Note 35(e))	兌換可換股票據時發行股份(附註35(e))	110,488	49,557	-	(91,853)	-	-	-	68,192	-	68,192
Disposal of a subsidiary (Note 42)	出售一家附屬公司(附註42)	-	-	-	-	-	-	-	-	6,491	6,491
		245,658	211,386	-	-	-	-	-	457,044	6,491	463,535
At 31 December 2011	於二零一一年十二月三十一日	247,585	340,037	-	-	-	(160)	(177,351)	410,111	-	410,111

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔									
		Available-for-sale financial assets							Non-controlling interests		Total
		Share capital	Share premium	revaluation reserve	Convertible notes reserve	Share-based payment reserve	Other reserves	Accumulated losses	Total	Non-controlling interests	Total
		股本	股份溢價	可供出售金融資產重估儲備	可換股票據儲備	以股份為基礎付款儲備	其他儲備	累計虧損	總計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
					(Note 34) (附註34)		(Note 36(a)) (附註36(a))				
At 1 January 2012	於二零一二年一月一日	247,585	340,037	-	-	-	(160)	(177,351)	410,111	-	410,111
Profit and total comprehensive income (expense) for the year	年內溢利及全面收益(開支)總額	-	-	-	-	-	-	62,283	62,283	(4)	62,279
Capital reduction (Note 35(g))	股本削減(附註35(g))	(237,682)	-	-	-	-	237,682	-	-	-	-
Acquisition of subsidiaries	收購附屬公司	-	-	-	29,748	-	-	-	29,748	188	29,936
Issue of shares upon conversion of convertible notes (Note 35(h))	兌換可換股票據時發行股份(附註35(h))	3,793	25,307	-	(29,748)	-	-	-	(648)	-	(648)
Issue of right shares (Note 35(j))	發行供股股份(附註35(j))	27,393	164,358	-	-	-	-	-	191,751	-	191,751
Right issues expenses	供股開支	-	(4,709)	-	-	-	-	-	(4,709)	-	(4,709)
Issue of bonus shares (Note 35(i))	發行紅股(附註35(i))	136,965	-	-	-	-	(136,965)	-	-	-	-
Issue of share option	發行購股權	-	-	-	-	1,367	-	-	1,367	-	1,367
		(69,531)	184,956	-	-	1,367	100,717	-	217,509	188	217,697
At 31 December 2012	於二零一二年十二月三十一日	178,054	524,993	-	-	1,367	100,557	(115,068)	689,903	184	690,087

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

	Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Profit (loss) before tax	除稅前溢利(虧損)	62,267	(142,313)
Adjustments for:	調整：		
Interest income	利息收入	(1,690)	(3)
Dividend income	股息收入	(764)	–
Finance costs	融資成本	3,534	50
Depreciation of property, plant and equipment	物業、廠房及設備折舊	913	40
Share-based payment expenses	以股份為基礎付款開支	1,367	–
Impairment loss on available-for-sale financial assets	可供出售金融資產之減值虧損	19,278	54,990
Change in fair value of convertible instruments designated as financial assets at fair value through profit or loss	可換股工具(指定為按公平值透過損益列賬之金融資產)之公平值變動	(9,712)	–
Impairment loss recognised in respect of loan and interest receivables	已確認應收貸款及利息減值虧損	18,294	145,171
Reversal of impairment loss on loan and interest receivables	應收貸款及利息減值虧損回撥	(83,717)	–
Change in fair value of investment held for trading	持作交易投資之公平值變動	(3,030)	1,231
Loss on disposal of investment held for trading	出售持作交易投資之虧損	472	–
Gain on disposal of a subsidiary	出售一家附屬公司之收益	–	(11,199)
Change in fair value of convertible notes	可換股票據之公平值變動	–	5,078
Change in fair value of derivative financial assets	衍生金融資產之公平值變動	4,000	(24,371)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	11,212	28,674
Decrease (increase) in loan and interest receivables	應收貸款及利息減少(增加)	210,998	(399,129)
Decrease in trade and other receivables	應收賬款及其他應收款項減少	19	3,679
Increase (decrease) in other payables and accruals	其他應付款項及應計費用增加(減少)	630	(2,365)
Cash generated from (used in) operations	經營業務產生(使用)之現金	222,859	(369,141)
Hong Kong Profits Tax paid	已付香港利得稅	(123)	(216)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	經營業務產生(使用)之現金淨額	222,736	(369,357)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
	Notes 附註		
INVESTING ACTIVITIES			
投資活動			
Purchase of convertible instruments designated as financial assets at fair value through profit or loss		(95,000)	-
Purchases of available-for-sale financial assets		(90,000)	(80,190)
Acquisition of subsidiaries	41	(62,000)	-
Purchase of investment held for trading		(12,020)	(15,151)
Purchase of property, plant and equipment		(3,315)	(178)
Proceed from disposal of investment held for trading		13,448	-
Bank interest received		3	3
Investment deposits paid		-	(20,000)
Disposal of a subsidiary	42	-	(4,906)
NET CASH USED IN INVESTING ACTIVITIES	投資活動使用之現金淨額	(248,884)	(120,422)
FINANCING ACTIVITIES			
融資活動			
Repayment of note payables		(185,000)	-
Repayment of bank borrowings		(10,000)	(3,764)
Payment for right issues expenses		(4,709)	(6,546)
Interest paid		(200)	(33)
Proceeds from issue of shares upon right issues		191,751	221,935
Advances from directors		2	152
Proceeds from issue of convertible notes		-	189,600
Proceeds from placing of ordinary shares		-	82,547
Loans from shareholders of a subsidiary		-	17,209
New borrowings raised		-	10,000
Payment for convertible notes issue expenses		-	(4,740)
Payment for share issue expense for placing of ordinary shares		-	(937)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	融資活動(使用)產生之現金淨額	(8,156)	505,423
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物之(減少)增加淨額	(34,304)	15,644
CASH AND CASH EQUIVALENTS AT 1 JANUARY	一月一日之現金及現金等價物	78,781	63,137
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	十二月三十一日之現金及現金等價物	44,477	78,781
represented by bank balances and cash	指銀行結餘及現金		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

1. GENERAL

Pacific Plywood Holdings Limited (the "Company") was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of its registered office is Canon's Court, 22 Victoria Street Hamilton, HM 12, Bermuda. The principal place of business of the Company is Units 3301-03, 33/F., West Tower Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong.

The principal activities of the Company and its subsidiaries (collectively referred to as the "Group") are money lending and provision of credit business, provision of corporate secretarial and consultancy services, securities investments and forestry business.

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

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

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

Amendments to HKFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to HKFRS 7	Financial Instruments: Disclosures — Transfers of Financial Assets
Amendments to HKAS 12	Deferred Tax: Recovery of Underlying Assets

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

1. 一般資料

太平洋實業控股有限公司(「本公司」)為於百慕達註冊成立之獲豁免有限責任公司，其股份於香港聯合交易所有限公司(「聯交所」)上市。其註冊辦事處地址為Canon's Court, 22 Victoria Street Hamilton, HM 12, Bermuda，而本公司主要營業地點地址則為香港上環干諾道中168-200號信德中心西座33樓3301-03室。

本公司及其附屬公司(統稱「本集團」)主要從事借貸及信貸業務，並提供企業秘書與諮詢服務、進行證券投資及森林業務。

綜合財務報表以港元(「港元」)呈列，亦即本公司功能貨幣。

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度，本集團已應用以下由香港會計師公會(「香港會計師公會」)頒佈之新訂及經修訂香港財務報告準則及香港會計準則(「香港會計準則」)。

香港財務報告準則第1號(修訂本)	嚴重惡性通脹及就首次採納者撤銷固定日期
香港財務報告準則第7號(修訂本)	金融工具：披露 — 轉讓金融資產
香港會計準則第12號(修訂本)	遞延稅項：收回相關資產

本年度應用香港財務報告準則及香港會計準則之修訂本對本集團本年度及過往年度之財務表現及狀況及/或該等綜合財務報表所載披露概無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

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

NEW AND REVISED HKFRSs ISSUED BUT NOT YET EFFECTIVE

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

Amendments to HKFRSs	Annual Improvements 2009-2011 Cycle ²
Amendments to HKFRS 1	Government Loans ²
Amendments to HKFRS 7	Disclosures — Offsetting Financial Assets and Financial Liabilities ²
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures ⁴
Amendments to HKFRS 10, HKFRS11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance ²
HKFRS 9	Financial Instruments ⁴
HKFRS 10	Consolidated Financial Statements ²
HKFRS 11	Joint Arrangements ²
HKFRS 12	Disclosure of Interests in Other Entities ²
HKFRS 13	Fair Value Measurement ²
Amendments to HKFRS 10, HKFRS12 and HKAS 27 (2011)	Investment Entities ³
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income ¹
HKAS 19 (Revised in 2011)	Employee Benefits ²
HKAS 27 (Revised in 2011)	Separate Financial Statements ²
HKAS 28 (Revised in 2011)	Investments in Associates and Joint Ventures ²
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities ³
HK(IFRIC*) - Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine ²

* IFRIC represents the International Financial Reporting Interpretations Committee

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

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

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

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈惟尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用以下已頒佈惟尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則(修訂本)	二零零九年及二零一一年週期年度改進 ²
香港財務報告準則第1號(修訂本)	政府貸款 ²
香港財務報告準則第7號(修訂本)	披露—抵銷金融資產及金融負債 ²
香港財務報告準則第9號及香港財務報告準則第7號(修訂本)	香港財務報告準則第9號之強制性生效日期及過渡披露 ⁴
香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號(修訂本)	綜合財務報表、聯合安排及於其他實體權益之披露：過渡指引 ²
香港財務報告準則第9號	金融工具 ⁴
香港財務報告準則第10號	綜合財務報表 ²
香港財務報告準則第11號	聯合安排 ²
香港財務報告準則第12號	於其他實體權益之披露 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10號、香港財務報告準則第12號及香港會計準則第27號(二零一一年)(修訂本)	投資實體 ³
香港會計準則第1號(修訂本)	其他全面收益項目呈報 ¹
香港會計準則第19號(二零一一年修訂)	僱員福利 ²
香港會計準則第27號(二零一一年修訂)	獨立財務報表 ²
香港會計準則第28號(二零一一年修訂)	於聯營公司及合營企業之投資 ²
香港會計準則第32號(修訂本)	抵銷金融資產及金融負債 ³
香港(國際財務報告詮釋委員會)—詮釋第20號	露天礦場生產階段之剝採成本 ²

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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

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

ANNUAL IMPROVEMENTS TO HKFRSs 2009–2011 CYCLE ISSUED IN JUNE 2012

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

The amendments to HKAS 16 clarify that spare parts, stand-by equipment and servicing equipment should be classified as property, plant and equipment when they meet the definition of property, plant and equipment in HKAS 16 and as inventory otherwise. The directors of the Company (the “Directors”) do not anticipate that the application of the amendments will have a material effect on the Group’s consolidated financial statements.

The amendments to HKAS 32 clarify that income tax on distributions to holders of an equity instrument and transaction costs of an equity transaction should be accounted for in accordance with HKAS 12 *Income Taxes*. The Directors anticipate that the amendments to HKAS 32 would not have a material effect on the Group’s consolidated financial statements.

AMENDMENTS TO HKAS 32 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES AND AMENDMENTS TO HKFRS 7 DISCLOSURES — OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of “currently has a legally enforceable right of set-off” and “simultaneous realisation and settlement”.

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於二零一二年六月頒佈之香港財務報告準則二零零九年至二零一一年週期年度改進

香港財務報告準則二零零九年至二零一一年週期年度改進包括對若干香港財務報告準則作出之多項修訂。該等修訂於二零一三年一月一日或之後開始之年度期間生效。香港財務報告準則之修訂包括香港會計準則第16號物業、廠房及設備(修訂本)及香港會計準則第32號金融工具：呈列(修訂本)。

香港會計準則第16號(修訂本)闡明當零件、備用設備及服務設備符合香港會計準則第16號所載物業、廠房及設備之定義時應被分類為物業、廠房及設備，否則應被分類為存貨。本公司董事(「董事」)預期應用該等修訂不會對本集團之綜合財務報表構成重大影響。

香港會計準則第32號(修訂本)闡明與向股權工具持有人分派及股權交易所涉及交易費用有關之所得稅，應按香港會計準則第12號所得稅入賬。董事預期香港會計準則第32號(修訂本)不會對本集團之綜合財務報表構成重大影響。

香港會計準則第32號抵銷金融資產及金融負債(修訂本)以及香港財務報告準則第7號披露 — 抵銷金融資產及金融負債(修訂本)

香港會計準則第32號(修訂本)闡明與抵銷金融資產及金融負債之規定有關之現有應用事宜，尤其為該等修訂澄清「現時擁有於法律上可強制執行之抵銷權」及「同時變現及結算」之涵義。

香港財務報告準則第7號(修訂本)規定實體須披露可強制執行統一淨額結算協議或類似安排下金融工具有關抵銷權及相關安排之資料，如抵押品過賬規定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

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

AMENDMENTS TO HKAS 32 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES AND AMENDMENTS TO HKFRS 7 DISCLOSURES — OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES (Continued)

The amendments to HKFRS 7 are effective for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The disclosures should also be provided retrospectively for all comparative periods. However, the amendments to HKAS 32 are not effective until annual periods beginning on or after 1 January 2014, with retrospective application required.

The Directors anticipate that the application of these amendments to HKAS 32 and HKFRS 7 may result in more disclosures being made with regard to offsetting financial assets and financial liabilities in the future.

HKFRS 9 FINANCIAL INSTRUMENTS

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

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港會計準則第32號抵銷金融資產及金融負債(修訂本)以及香港財務報告準則第7號披露 — 抵銷金融資產及金融負債(修訂本)(續)

香港財務報告準則第7號(修訂本)適用於二零一三年一月一日或之後開始之年度期間及該等年度期間內之中期期間，亦應就所有可比較期間作出追溯披露。然而，香港會計準則第32號(修訂本)將於二零一四年一月一日或之後開始之年度期間始行生效，且需要追溯應用。

董事預期應用香港會計準則第32號及香港財務報告準則第7號(修訂本)在未來可能導致就抵銷金融資產及金融負債進行更多披露。

香港財務報告準則第9號金融工具

於二零零九年頒佈之香港財務報告準則第9號就金融資產之分類及計量引入新規定。於二零一零年修訂之香港財務報告準則第9號包含金融負債之分類及計量以及終止確認方面之規定。

香港財務報告準則第9號之主要規定說明如下：

- 規定所有屬於香港會計準則第39號金融工具：確認及計量範疇之已確認金融資產，隨後將按攤銷成本或公平值計量。特別是，根據業務模式以收取合約現金流量為目的而持有及僅為支付本金額及未償還本金額之利息而產生合約現金流量之債務投資，於隨後之會計期間結束時一般按攤銷成本計量。所有其他債務投資及股本投資，乃於隨後之報告期末按公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回之選擇，於其他全面收益內呈列股本投資(並非持作交易)公平值之其後變動，一般只有股息收入方會於損益內確認。

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

HKFRS 9 FINANCIAL INSTRUMENTS (Continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities’ credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

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

The Directors anticipate that the adoption of HKFRS 9 in the future may have significant impact on amounts reported in respect of the Group’s financial assets and financial liabilities. Regarding the Group’s financial assets, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

NEW AND REVISED STANDARDS ON CONSOLIDATION, JOINT ARRANGEMENTS, ASSOCIATES AND DISCLOSURES

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

Key requirements of these five standards are described below.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號金融工具(續)

- 就計量指定按公平值透過損益列賬之金融負債而言，香港財務報告準則第9號規定源自金融負債之信貸風險變動之金融負債公平值變動數額，乃於其他全面收益呈報，除非於其他全面收益確認該負債之信貸風險變動之影響將產生或擴大損益之會計錯配則作別論。源自金融負債信貸風險變動之金融負債公平值變動，隨後不會於損益中重新分類。根據香港會計準則第39號，指定按公平值透過損益列賬之金融負債公平值變動之全部數額乃於損益中呈報。

香港財務報告準則第9號於二零一五年一月一日或之後開始之年度期間生效，並允許提前應用。

董事預期，日後採納香港財務報告準則第9號可能會對本集團就金融資產及金融負債所呈報金額造成重大影響。就本集團之金融資產而言，在完成詳細審閱前，就有關影響提供合理估計並不可行。

綜合賬目、聯合安排、聯營公司及披露之新訂及經修訂準則

有關綜合賬目、聯合安排、聯營公司及披露之五項準則組合於二零一一年六月頒佈，包括香港財務報告準則第10號、香港財務報告準則第11號、香港財務報告準則第12號、香港會計準則第27號(二零一一年修訂)及香港會計準則第28號(二零一一年修訂)。

該五項準則之主要規定說明如下。

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

NEW AND REVISED STANDARDS ON CONSOLIDATION, JOINT ARRANGEMENTS, ASSOCIATES AND DISCLOSURES (Continued)

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

HKFRS 11 replaces HKAS 31 *Interests in Joint Ventures*. HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. HK (SIC)-Int 13 *Jointly Controlled Entities — Non-monetary Contributions by Venturers* will be withdrawn upon the effective date of HKFRS 11. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate consolidation.

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

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

綜合賬目、聯合安排、聯營公司及披露之新訂及經修訂準則(續)

香港財務報告準則第10號取代香港會計準則第27號綜合及獨立財務報表內與綜合財務報表有關之部分。香港(常設詮釋委員會)一詮釋第12號綜合賬目 — 特殊目的實體將於香港財務報告準則第10號之生效日期撤銷。根據香港財務報告準則第10號，綜合賬目之唯一基礎為控制權。此外，香港財務報告準則第10號包含控制權之新定義，其中包括三個元素：(a)有權控制投資對象；(b)自參與投資對象營運所得浮動回報之承擔或權利；及(c)能夠運用其對投資對象之權力以影響投資者回報金額。香港財務報告準則第10號已就複雜情況之處理方法加入詳細指引。

香港財務報告準則第11號取代香港會計準則第31號於合營企業之權益。香港財務報告準則第11號訂明由兩方或以上擁有共同控制權之聯合安排應如何分類。香港(常設詮釋委員會)一詮釋第13號共同控制實體 — 合作夥伴之非貨幣性注資將於香港財務報告準則第11號之生效日期撤銷。根據香港財務報告準則第11號，聯合安排歸類為合營業務或合營企業，具體視乎各方於該等安排下之權利及責任而釐定。相反，根據香港會計準則第31號，聯合安排分為三個不同類別：共同控制實體、共同控制資產及共同控制業務。此外，根據香港財務報告準則第11號，合營企業須採用權益會計法入賬，但根據香港會計準則第31號，共同控制實體可採用權益會計法或比例綜合賬會計法入賬。

香港財務報告準則第12號為一項披露準則，適用於在附屬公司、聯合安排、聯營公司及／或未綜合入賬結構實體擁有權益之實體。整體而言，香港財務報告準則第12號所載披露規定較現行準則所規定者更為廣泛。

香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號(修訂本)於二零一二年七月頒佈，旨在闡明就首次應用此五項香港財務報告準則之若干過渡指引。

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

NEW AND REVISED STANDARDS ON CONSOLIDATION, JOINT ARRANGEMENTS, ASSOCIATES AND DISCLOSURES (Continued)

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

The Directors anticipate that the application of these five standards would not have a significant impact on amounts reported in the consolidated financial statements.

AMENDMENTS TO HKFRS 10, HKFRS 12 AND HKAS 27 INVESTMENT ENTITIES

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

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

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

綜合賬目、聯合安排、聯營公司及披露之新訂及經修訂準則(續)

此五項準則連同有關過渡指引之修訂於二零一三年一月一日或之後開始之年度期間生效，並獲准提前應用，前提是該等準則必須同時應用。

董事預期應用此五項準則對綜合財務報表所呈報之款額並無重大影響。

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號投資實體(修訂本)

香港財務報告準則第10號(修訂本)引入投資實體毋須將附屬公司納入綜合財務報表之例外情況，惟附屬公司向投資實體提供與其投資活動相關的服務除外。根據香港財務報告準則第10號(修訂本)，投資實體須按公平值透過損益計量其於附屬公司之權益。

實體需符合若干條件方具有投資實體的資格。尤其實體須：

- 就向一名或以上投資者提供專業投資管理服務而向彼等取得資金；
- 向其投資者承諾其業務目的純粹為賺取資本性增值、投資收益或兩者兼得而進行投資；及
- 以公平值為基礎計量及評估其絕大部分投資之表現。

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

AMENDMENTS TO HKFRS 10, HKFRS 12 AND HKAS 27 INVESTMENT ENTITIES (Continued)

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

The amendments to HKFRS 10, HKFRS 12 and HKAS 27 are effective for annual periods beginning on or after 1 January 2014, with early application permitted. The Directors anticipate that the application of the amendments will have no effect on the Group as the Company is not an investment entity.

HKFRS 13 FAIR VALUE MEASUREMENT

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

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted. The Directors anticipate that the application of the new standard may affect certain amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

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

就香港財務報告準則第12號及香港會計準則第27號作出相應修訂，旨在就投資實體引入新披露要求。

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(修訂本)將於二零一四年一月一日或之後開始之年度期間生效，並獲准提前應用。董事預期應用此等修訂對本集團並無影響，因本公司並非一家投資實體。

香港財務報告準則第13號公平值計量

香港財務報告準則第13號就公平值計量及有關公平值計量之披露確立單一指引來源。該準則為公平值定義，建立公平值計量的框架，並且規定公平值計量之披露要求。香港財務報告準則第13號的範圍廣泛，除在特定情況下，該準則同時適用於其他香港財務報告準則要求或允許公平值計量及就公平值計量的披露之金融工具項目及非金融工具項目。一般而言，香港財務報告準則第13號之披露要求較現行準則之披露要求更廣泛。例如現時根據香港財務報告準則第7號金融工具：披露，只有金融工具始須按三層公平值等級作出定量及定性披露，將透過香港財務報告準則第13號推展至適用該準則範圍內所有資產及負債。

香港財務報告準則第13號將於二零一三年一月一日或之後開始之年度期間生效，並獲准提前應用。董事預期應用此新準則可能影響綜合財務報表所呈列之若干款額，並導致在綜合財務報表中作出更廣泛披露。

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

AMENDMENTS TO HKAS 1 PRESENTATION OF ITEMS OF OTHER COMPREHENSIVE INCOME

The amendments to HKAS 1 *Presentation of Items of Other Comprehensive Income* introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a “statement of comprehensive income” is renamed as a “statement of profit or loss and other comprehensive income” and an “income statement” is renamed as “statement of profit or loss”. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require items of other comprehensive income to be grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis — the amendment do not change the option to present items of other comprehensive income either before tax or net of tax.

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港會計準則第1號其他全面收益項目呈報(修訂本)

香港會計準則第1號其他全面收益項目呈報(修訂本)為全面收益報表及收益表引入新的術語。根據香港會計準則第1號(修訂本),「全面收益報表」被重新命名為「損益及其他全面收益報表」,而「收益表」則被重新命名為「損益表」。香港會計準則第1號(修訂本)保留可於一個單一報表內或於兩個獨立而連續的報表呈列損益及其他全面收益之選擇權。然而,香港會計準則第1號(修訂本)要求將其他全面收益項目分為兩類:(a)其後將不會重新分類至損益之項目;及(b)於滿足特定條件後可重新分類至損益之項目。其他全面收益項目之所得稅須按相同基準分配—該修訂並沒有改變以稅前或稅後形式呈列其他全面收益項目之選擇權。

香港會計準則第1號(修訂本)於二零一二年七月一日或之後開始之年度期間生效。於未來會計期間應用該等修訂時,其他全面收益項目之呈報將作出相應修改。

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3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The principal accounting policies are set out below.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

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

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

Allocation of total comprehensive income to non-controlling interests

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

3. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例規定之適用披露事項。

綜合財務報表乃按歷史成本法編製，惟若干金融工具按公平值計量（於下文所載會計政策闡述）除外。歷史成本一般根據用作交換資產所付出代價之公平值計算。

主要會計政策如下。

綜合賬目基準

綜合財務報表包括本公司及本公司控制之實體（其附屬公司）之財務報表。當本公司有權監管該實體之財務及營運政策，並可從其業務中得益，則視為擁有控制權。

綜合損益表所包含年內收購或出售之附屬公司之收支，乃分別自收購生效日期起計算或計至出售生效日期止（如適用）。

如有需要，附屬公司之財務報表會作出調整，以使其會計政策與本集團其他成員公司採用者一致。

所有集團內公司間之交易、結餘及收支已於綜合賬目時悉數對銷。

附屬公司之非控股權益與本集團之權益分開呈列。

分配全面收益總額予非控股權益

附屬公司之全面收益及開支總額乃歸屬於本公司擁有人及非控股權益，即使因此而導致非控股權益出現虧絀結餘。

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For the year ended 31 December 2012
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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) BASIS OF CONSOLIDATION (Continued)

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. 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 owners of the Company.

When the Group loses control of a subsidiary, it (i) derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost, (ii) derecognises the carrying amount of any non-controlling interests in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them), and (iii) recognises the aggregate of the fair value of the consideration received and the fair value of any retained interest, with any resulting difference being recognised as a gain or loss in profit or loss attributable to the Group. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the related assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 *Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

3. 主要會計政策(續) 綜合賬目基準(續)

本集團於現有附屬公司之擁有權權益之變動

本集團於現有附屬公司擁有權權益之變動而並未導致本集團喪失其對附屬公司之控制權時會列作權益交易入賬。本集團之權益與非控股權益之賬面值均予以調整，以反映其於附屬公司相對權益之變動。非控股權益之調整額與已付或已收代價公平值之間之任何差額，均直接於權益確認，並歸屬於本公司擁有人。

倘本集團失去一家附屬公司之控制權，則其(i)於失去控制權當日按賬面值終止確認該附屬公司之資產(包括任何商譽)及負債，(ii)於失去控制權當日終止確認前附屬公司任何非控股權益之賬面值(包括其應佔其他全面收益之任何組成部分)，及(iii)確認所收取代價之公平值及任何保留權益之公平值之總額，所產生之差額於損益內確認為本集團應佔之收益或虧損。倘附屬公司之資產按重估金額或公平值計量，而相關累計損益已於其他全面收益確認並於權益累計，則早前於其他全面收益確認及於權益累計之金額將會以猶如本集團已直接出售相關資產之方式入賬(即按照適用香港財務報告準則重新分類至損益或直接轉撥至保留盈利)。於失去控制權當日仍保留於前附屬公司之任何投資公平值，則根據香港會計準則第39號金融工具：確認及計量，將被視為就其後入賬而言初步確認之公平值，或(如適用)於聯營公司或共同控制實體之投資之初步確認成本。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) BUSINESS COMBINATIONS

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquire and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

3. 主要會計政策(續)

業務合併

收購業務使用收購法列賬。於業務合併中轉讓之代價乃按公平值計量，而公平值乃按本集團所轉讓資產及向被收購公司前擁有人承擔之負債，與本集團為交換被收購公司控制權而發行股權於收購日期之公平值總和計算。收購相關成本一般在產生時於損益中確認。

於收購日期，所收購之可識別資產及已承擔負債乃按公平值確認，但以下各項除外：

- 遞延稅項資產或負債及僱員福利安排之相關負債或資產，乃分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 與被收購公司以股份為基礎之付款安排或本集團所訂立以股份為基礎之付款安排(以取代被收購公司以股份為基礎之付款安排)有關之負債或股本工具，於收購日期按香港財務報告準則第2號「以股份為基礎之付款」計量(見下文會計政策)；及
- 根據香港財務報告準則第5號「持有作出售之非流動資產及已終止業務」所分類為持有作出售之資產(或出售組別)乃根據該準則計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) BUSINESS COMBINATIONS (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

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

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

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

3. 主要會計政策(續) 業務合併(續)

商譽是以所轉讓之代價、被收購公司之任何非控股權益金額，及收購公司於以往持有之被收購公司股權之公平值(如有)之總和，與所收購之可識別資產與所承擔負債於收購日期之淨額的差額計量。倘經重新評估後，所收購之可識別資產與所承擔之負債於收購日期之淨額高於其轉讓之代價、被收購公司之任何非控股權益金額以及收購公司以往持有之被收購公司權益之公平值(如有)之總和，則差額即時於損益中確認為低價收購收益。

屬現時擁有之擁有權權益且於清盤時讓持有人有權按比例分佔實體淨資產之非控股權益，可初步按公平值或非控股權益分佔被收購公司可識別淨資產之已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他種類之非控股權益乃按其公平值或於適用時按另一項準則規定之基準計量。

收購一項業務所產生商譽乃按成本減累計減值虧損(如有)列賬，並於綜合財務狀況報表單獨呈列。

就減值檢測而言，商譽分配至預期受惠於合併所產生協同效益之本集團各現金產生單位(或現金產生單位組)。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) BUSINESS COMBINATIONS (Continued)

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

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

INVESTMENTS IN SUBSIDIARIES

In the Company's statement of financial position, the investments in subsidiaries are stated at cost less accumulated impairment loss. The results of the subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3. 主要會計政策(續) 業務合併(續)

獲分配商譽之現金產生單位會每年或及每當有跡象顯示該單位可能出現減值時更頻密檢測減值。就於某段呈報期內進行收購所產生之商譽而言，獲分配商譽之現金產生單位會於該呈報期結束前檢測減值。倘現金產生單位之可收回金額低於其賬面值，則減值虧損會先用作削減任何分配至該單位之商譽賬面值，其後則按該單位內各項資產賬面值之比例分配至該單位之其他資產。任何商譽減值虧損均直接於損益表確認。就商譽確認之減值虧損不會於往後期間撥回。

於出售有關現金產生單位時，在釐定出售所得損益時將加入商譽之應計金額。

於附屬公司之投資

在本公司之財務狀況報表中，於附屬公司之投資乃按成本減累計減值虧損列賬。本公司按已收及應收股息之基準將附屬公司之業績入賬。

收益確認

收益按已收或應收代價之公平值計量，即正常業務過程中已提供服務之應收款項。

來自金融資產之利息收入乃於經濟利益有可能流入本集團而有關收入金額能夠可靠計量時確認。利息收入乃按時間基準參考未償還本金及按適用之實際利率(其為初步確認時透過金融資產之估計可使用年期將估計未來現金收入確切貼現至該資產之賬面淨值之比率)累計。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) REVENUE RECOGNITION (Continued)

Consultancy income is recognised when services are provided.

Realised fair value gains or losses on securities trading are recognised on a trade date basis whilst unrealised fair value gains or losses are recognised on change in fair value at the end of the reporting period.

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

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 主要會計政策(續) 收益確認(續)

諮詢服務收入乃於提供服務時確認。

證券買賣之已變現公平值盈虧按交易日期基準確認，未變現公平值盈虧則於報告期間末時按公平值變動確認。

來自投資之股息收入於股東收取付款之權利獲確立時確認。

物業、廠房及設備

持作生產或供應貨品或提供服務之用或持作行政用途之物業、廠房及設備按成本減其後之累計折舊及累計減值虧損(如有)後於綜合財務狀況報表列賬。

於估計可使用年期內撇銷物業、廠房及設備項目之成本減去餘值後，以直線法確認折舊。估計可使用年期、餘值及折舊法均於各報告期末檢討，任何估計變動均按未來適用基準入賬。

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何日後經濟效益時終止確認。因出售或棄用物業、廠房及設備項目而產生之任何收益或虧損(按出售所得款項與該資產賬面值之差額計算)於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) LEASING

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

FOREIGN CURRENCIES

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in other comprehensive income and accumulated in equity and will be reclassified from equity to profit or loss on disposal of the foreign operation. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

3. 主要會計政策 (續) 租賃

當租賃條款將擁有權之絕大部分風險及回報轉移至承租人時，租賃即分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團作為承租人

經營租賃付款於租期內按直線法確認為開支，惟倘另有系統基準更能反映租賃資產消耗經濟利益之時間模式除外。經營租賃下之或然租金於產生期間確認為開支。

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易均按交易當日之適用匯率換算為功能貨幣(即該實體經營所在主要經濟地區之貨幣)記賬。於各報告期末，以外幣定值之貨幣項目均按當日之適用匯率重新換算。按公平值列賬之非貨幣項目若以外幣定值，於釐定公平值當日之適用匯率重新換算。非貨幣項目若以外幣之歷史成本計量則不會重新換算。

因結算及重新換算貨幣項目而產生之匯兌差額於其產生之期間在損益確認，惟構成本公司於海外業務投資淨額部分之貨幣項目的匯兌差額除外，在該情況下，該等匯兌差額於其他全面收益中確認，及在資本中累計並將於出售該海外業務時從資本重新分類至損益。因重新換算非貨幣項目而產生之匯兌差額按公平值列賬，並計入期內損益。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) FOREIGN CURRENCIES (Continued)

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using the exchange rates prevailing at the end of reporting period. Income and expenses items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during that period, in which case, the exchange rates prevailing at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of the translation reserve (attributed to non-controlling interest as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a jointly controlled entity that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and retranslated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in equity under the heading of translation reserve.

BORROWING COSTS

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

3. 主要會計政策(續) 外幣(續)

為呈列綜合財務報表，本集團海外業務之資產及負債乃按於報告期末之適用匯率換算為本集團之呈列貨幣(即港元)，而其收支項目則按年內平均匯率換算，除非該期間內匯率大幅波動，在該情況下，則採用交易日之匯率換算。所產生之匯兌差額(如有)均於其他全面收益確認，並於權益中在換算儲備下累計(如適當，則歸屬於非控股權益)。

於出售海外業務(即出售本集團於海外業務之全部權益、導致喪失對某一包含海外業務附屬公司控制權之出售、導致喪失對某一包含海外業務共同控制實體共同控制權之出售，或導致喪失對某一包含海外業務聯營公司重大影響力之出售)時，與該業務相關並歸屬於本公司擁有人之所有於權益中累計匯兌差額均重新分類至損益。

於二零零五年一月一日或之後收購海外業務產生之商譽及就所收購可識別資產作出之公平值調整視作該海外業務之資產及負債處理，並按於各報告期末之匯率重新換算。所產生之匯兌差額於換算儲備確認為權益。

借貸成本

所有借貸成本於產生期間於損益內確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) TAXATION

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

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

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3. 主要會計政策(續) 稅項

所得稅開支指現時應付稅項與遞延稅項之總和。

現時應付稅項乃按年內應課稅溢利計算。應課稅溢利與在綜合損益表上呈報之稅前溢利不同，因為應課稅溢利不包括其他年度之應課稅收入或可扣稅開支等項目，亦不包括毋須課稅或不可扣稅之項目。本集團之即期稅項負債按截至報告期末止已實施或實質上已實施之稅率計算。

遞延稅項乃按綜合財務報表之資產及負債賬面值與用於計算應課稅溢利之相應稅基之間之暫時差額確認。遞延稅項負債一般會就所有應課稅暫時差額確認。遞延稅項資產一般只會在很可能取得能利用該可扣稅暫時差額抵扣之應課稅溢利之範圍內確認。倘暫時差額由商譽或在某一既不影響應課稅溢利亦不影響會計溢利之非業務合併交易中之其他資產及負債之初步確認產生，則該等資產及負債不予確認。

遞延稅項負債會就於附屬公司之投資相關之應課稅暫時差額確認，除非本集團能夠控制暫時差額之撥回，且暫時差額在可見將來很可能不會撥回。此類投資及權益相關之可扣稅暫時差額產生之遞延稅項資產，於很可能取得足夠之應課稅溢利以利用暫時差額之利益抵扣，且暫時差額預期會在可見將來撥回時，方會確認。

遞延稅項資產之賬面值會在各報告期末進行檢討，倘不再很可能獲得足夠之應課稅溢利以收回全部或部分資產，則賬面值會相應減少。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) TAXATION (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

RETIREMENT BENEFIT COSTS

Payments to the defined contribution retirement benefit plans and Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

CASH AND CASH EQUIVALENTS

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits with a maturity of less than three months.

3. 主要會計政策(續) 稅項(續)

遞延稅項資產及負債按截至報告期末止已執行或實質上已執行之稅率(及稅法)為基礎,按預期清償負債或變現資產期間適用之稅率計量。

遞延稅項負債及資產之計量反映本集團在報告期末預期收回或清償其資產及負債賬面值之方式所導致之稅務後果。

即期及遞延稅項於損益內確認,惟倘遞延稅項涉及於其他全面收益或直接於權益確認之項目,在該情況下,即期及遞延稅項亦分別於其他全面收益或直接於權益確認。倘即期稅項或遞延稅項乃由於業務合併之初步會計處理而產生,則稅務影響會計入業務合併之會計處理內。

退休福利成本

向界定供款退休福利計劃及強制性公積金計劃支付之款項於僱員提供服務使彼等可享有供款時確認為開支。

現金及現金等價物

綜合財務狀況報表之銀行結餘及現金包括銀行及手頭現金。就綜合現金流量表而言,現金及現金等價物包括到期日少於三個月之現金及短期存款。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into one of the three categories, including financial assets at fair value through profit or loss ("FVTPL"), loans and receivables and available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

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

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as FVTPL, of which interest income is included in net gains or losses.

3. 主要會計政策(續)

金融工具

當集團實體成為工具合約條款之一方時，即於綜合財務狀況報表確認金融資產及金融負債。

金融資產及金融負債初步按公平值計量。直接歸屬於收購或發行金融資產及金融負債(按公平值透過損益列賬之金融資產或金融負債除外)之交易成本於初步確認時計入或扣自金融資產或金融負債(視何者適用而定)之公平值。直接歸屬於收購按公平值透過損益列賬之金融資產或金融負債之交易成本即時於損益中確認。

金融資產

本集團之金融資產分為三類，包括按公平值透過損益列賬(「按公平值透過損益列賬」)之金融資產、貸款及應收款項以及可供出售金融資產。分類取決於金融資產之性質及用途，並於初步確認時釐定。所有一般性購買或銷售金融資產按交易日基準確認及終止確認。一般性購買或銷售為按於市場規定或慣例確立之時間期限內交付資產之金融資產之購買或銷售。

實際利率法

實際利率法乃計算債務工具攤銷成本以及在相關期間內分配利息收入之方法。實際利率乃將債務工具在預計年期或更短期間(如適當)之估計未來現金收入(包括已付或已收構成實際利率組成部分之所有費用及利率差價、交易成本及其他溢價或折價)準確貼現至初步確認時賬面淨值之利率。

除分類為按公平值透過損益列賬之金融資產之利息收入計入盈虧淨額外，債務工具之利息收入按實際利率基準確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Financial assets at FVTPL

Financial assets at FVTPL has two subcategories, including financial assets held for trading and those designated as at FVTPL on initial recognition.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- it is a 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
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (assets or liability) to be designated as at FVTPL.

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in the change in fair values of investment held for trading and change in fair values of financial assets at FVTPL in the consolidated income statement. Fair value is determined in the manner described in Note 7 to the consolidated financial statements.

3. 主要會計政策(續) 金融工具(續)

金融資產(續)

按公平值透過損益列賬之金融資產

按公平值透過損益列賬之金融資產分為兩類，包括持作交易金融資產及於初步確認時指定為按公平值透過損益列賬之金融資產。

倘符合以下條件，金融資產可分類為持作交易：

- 該金融資產主要就短期內出售而收購；或
- 該金融資產為本集團一併管理之已識別金融工具之投資組合其中部分，且近期出現實際短期獲利模式；或
- 該金融資產為並無指定及可有效作為對沖工具之衍生工具。

倘符合以下條件，金融資產(持作交易金融資產除外)可於初步確認時指定為按公平值透過損益列賬：

- 該指定消除或大幅減少了可能出現之計量或確認方面之不一致性；或
- 該金融資產是一組金融資產或金融負債或兩者兼備之組合之一部分，而根據本集團制定之風險管理或投資策略，該項資產之管理及表現評估乃以公平值為基礎進行，而有關分組之資料乃按此基礎向內部提供；或
- 其構成包含一項或多項嵌入衍生工具之合約之一部分，而香港會計準則第39號允許將整個組合合約(資產或負債)指定為按公平值透過損益列賬。

按公平值透過損益列賬之金融資產乃按公平值計量，而重新計量產生之公平值變動於產生期間直接於損益中確認。於損益中確認之盈虧淨額不包括金融資產賺取之任何股息或利息，於綜合損益表入賬列作持作交易投資之公平值變動乃按公平值透過損益列賬之金融資產之公平值變動。公平值乃按綜合財務報表附註7所述方式釐定。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including loan and interest receivables, trade and other receivables, amount due from a substantial shareholder and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Derivative financial instruments

Derivatives are initially measured at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at FVTPL or loans and receivables. The Group designated listed and unlisted equity securities as available-for-sale financial assets on initial recognition of those items.

Equity and debt securities held by the Group that are classified as available-for-sale financial assets and are traded in an active market are measured of fair value at the end of each reporting period. Changes in the carrying amount of available-for-sale monetary financial assets relating to interest income calculated using the effective interest method and dividends on available-for-sale equity investments are recognised in profit or loss. Other changes in the carrying amount of available-for-sale financial assets are recognised in other comprehensive income and accumulated under the heading of available-for-sale financial assets revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the available-for-sale financial assets revaluation reserve is reclassified to profit or loss (see the accounting policy on impairment loss on financial assets below).

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

貸款及應收款項

貸款及應收款項為有固定或可確定付款額，但並無活躍市場報價之非衍生工具金融資產。於初步確認後，貸款及應收款項(包括應收貸款及利息、應收賬款及其他應收款項、應收一名主要股東款項及銀行結餘及現金)乃按採用實際利率法計算之攤銷成本減任何已識別減值虧損列賬(見下文有關金融資產減值虧損之會計政策)。

衍生金融工具

衍生工具初步按其於衍生工具合約簽訂當日之公平值確認，其後則按於各報告期末之公平值重新計量，所產生之損益立即於損益確認。

可供出售金融資產

可供出售金融資產為並無指定或分類為按公平值透過損益列賬之金融資產或貸款及應收款項之非衍生工具。本集團於初步確認該等項目時，將上市及非上市股本證券指定為可供出售金融資產。

獲分類為可供出售並於活躍市場買賣之本集團所持權益及債務證券乃按各報告期末之公平值計量。有關可供出售貨幣金融資產以實際利率法計算之利息收入及可供出售股權投資之股息收入所導致之可供出售貨幣金融資產賬面值變動於損益確認。可供出售金融資產其他賬面值變動於其他全面收益中確認，及在可供出售金融資產重估儲備中累計。若該投資被出售或被釐訂為已減值，過往於可供出售金融資產重估儲備累計之盈虧將重新分類至損益(見下文有關金融資產減值虧損之會計政策)。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Available-for-sale financial assets (Continued)

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

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

Impairment loss on financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

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

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

3. 主要會計政策(續) 金融工具(續)

金融資產(續)

可供出售金融資產(續)

當本集團收取股息之權利獲確立時，可供出售股本工具之股息於損益確認。

並無於活躍市場並無市場報價且無法可靠計量其公平值之可供出售股權投資，於各報告期末按成本減任何已識別減值虧損計量(見下文有關金融資產減值虧損之會計政策)。

金融資產減值虧損

除按公平值透過損益列賬之金融資產外，金融資產於各報告期末評估是否存在減值跡象。倘存在客觀證據表明金融資產初步確認後發生之一個或多個事件影響金融資產之估計未來現金流量，則金融資產被視為出現減值。

對於可供出售股本投資，當該項投資之公平值大幅或長期低於其成本時，即被視為出現客觀減值證據。

對於所有其他金融資產，減值之客觀證據可包括：

- 發行人或交易對手方出現重大財務困難；或
- 違反合約，如拖欠或欠繳利息或本金付款；或
- 借貸人很可能破產或進行財務重組；或
- 財務困難導致該金融資產之活躍市場消失。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Impairment loss on financial assets (Continued)

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

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

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of loan receivables and trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade or other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period in which the impairment takes place.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值虧損(續)

對於若干類別之金融資產(如應收貸款及利息、應收賬款及其他應收款項)，已單獨評估未發生減值之資產，其後在組合基礎上再進行減值評估。應收款項組合減值之客觀證據可包括：本集團以往之收款經驗、延遲付款次數增加，以及與拖欠應收款項相聯繫之全國或當地經濟條件之可觀察變化。

對於按成本列賬之金融資產，減值虧損金額按資產賬面值與按同類金融資產現時市場回報率貼現之估計未來現金流量現值之間之差額。有關減值虧損於往後期間將不予回撥。

除應收貸款以及應收賬款及其他應收款項通過使用備抵賬戶抵減其賬面值外，所有金融資產均以減值虧損直接沖減其賬面值。備抵賬戶賬面值之變動於損益確認。倘應收賬款或其他應收款項被視為不可收回，則應與備抵賬戶撇銷。其後收回先前撇銷之金額計入損益。

當可供出售金融資產被視為已減值時，過往於其他全面收益確認之累計盈虧將於減值產生期間重新分類至損益。

對於按攤銷成本計量之金融資產，倘於隨後期間減值虧損之金額減少，而該減少客觀上與確認減值虧損之後發生之事件相關，則先前確認之減值虧損通過損益撥回，惟於減值撥回當日之資產賬面值不得超過如未確認減值而應有之攤銷成本。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Impairment loss on financial assets (Continued)

Impairment losses on available-for-sale financial assets will not be reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised directly in other comprehensive income and accumulated in available-for-sale financial assets revaluation reserve.

Financial liabilities and equity instruments

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Effective interest method

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

Interest expense is recognised on an effective interest basis other than those financial liabilities classified as at FVTPL, of which the interest expense is included in net gain or losses.

3. 主要會計政策 (續) 金融工具 (續)

金融資產 (續)

金融資產減值虧損 (續)

可供出售金融資產之減值虧損不會經損益撥回。減值虧損後之公平值增幅於其他全面收益直接確認，並於可供出售金融資產重估儲備累計。

金融負債及股本工具

集團實體發行之債項及股本工具乃根據合約安排之內容以及金融負債及股本工具之定義分類為金融負債或股本。

股本工具

股本工具乃任何證明享有本集團在扣除所有負債後之資產之剩餘權益之合約。本集團所發行股本工具按已收所得款項減直接發行成本確認。

實際利率法

實際利率法乃計算金融負債攤銷成本以及在相關期間內分配利息開支之方法。實際利率乃於初步確認時將金融負債在預計年期或更短期間(如適當)之估計未來現金支出(包括構成實際利率不可或缺部分之一切已付或已收利率差價費用、交易成本及其他溢價及折讓)準確貼現至賬面淨值之利率。

除分類為按公平值透過損益列賬之金融負債之利息開支計入盈虧外，利息開支按實際利率基準確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) FINANCIAL INSTRUMENTS (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liabilities are either held for trading or those designated as at FVTPL on initial recognition.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing in the near future; or
- on initial recognition, it is a 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
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (assets or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss includes interest paid on the financial liabilities.

3. 主要會計政策(續) 金融工具(續)

金融負債及股本工具(續)

按公平值透過損益列賬之金融負債

當金融負債為持作交易或於初步確認時指定為按公平值透過損益列賬時，則分類為按公平值透過損益列賬。

倘符合以下條件，金融負債分類為持作交易：

- 產生金融負債之目的主要是為於不久將來購回；或
- 於初步確認時乃本集團集中管理之已識別金融工具組合之一部分，並且近期實際採用短期獲利方式對該組合進行管理；或
- 乃衍生工具(並非被指定為有效對沖工具)。

倘符合以下條件，金融負債(持作交易之金融負債除外)可於初步確認時指定為按公平值透過損益列賬：

- 該指定消除或大幅減少了可能出現之計量或確認方面之不一致性；或
- 該金融負債是一組金融資產或金融負債或兩者兼備之組合之一部分，而根據本集團制定之風險管理或投資策略，該項負債之管理及表現評估乃以公平值為基礎進行，而有關分組之資料乃按此基礎向內部提供；或
- 其構成包含一項或多項嵌入衍生工具之合約之一部分，而香港會計準則第39號允許將整個組合合約(資產或負債)指定為按公平值透過損益列賬。

按公平值透過損益列賬之金融負債乃按公平值計量，而重新計量產生之任何盈虧於產生期間直接於損益中確認。於損益中確認之盈虧淨額包括就金融負債支付之利息。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) FINANCIAL INSTRUMENTS (Continued)

Financial liabilities and equity instruments (Continued)

Other financial liabilities

Other financial liabilities including other payables, amounts due to directors, note payable, interest payable and borrowings are subsequently measured at amortised cost, using the effective interest method.

Convertible notes

Convertible notes issued by the Group (including related embedded derivatives) are designated as financial liabilities at fair value through profit or loss on initial recognition. At each reporting dates subsequent to initial recognition, the entire convertible note is measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise.

Certain other convertible notes issued by the Group that contain the liability component, conversion option components, and early redemption option which is not closely related to the host liability component are classified separately into respective items on initial recognition in accordance with the substance of the contractual arrangements and the definitions of a financial liability, an equity instrument and a derivative financial instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

On initial recognition, the liability component and the early redemption option component are measured at fair value. The difference between the gross proceeds of the issue of the convertible notes and the fair value assigned to the liability component and the early redemption option, representing the conversion option for the holder to convert the notes into equity, is included in equity (convertible notes reserve).

3. 主要會計政策(續) 金融工具(續)

金融負債及股本工具(續)

其他金融負債

其他金融負債(包括其他應付款項、應付董事款項、應付票據、應付利息及借貸)其後按實際利率法計算之攤銷成本計量。

可換股票據

本集團發行之可換股票據(包括相關嵌入衍生工具)於初步確認時指定為按公平值透過損益列賬之金融負債。於初步確認後各報告日期,所有可換股票據均須按公平值計量,公平值變動於產生期間於損益內確認。

本集團發行之若干其他可換股票據包括負債部分、兌換選擇權部分及提早贖回選擇權(與主負債部分並無密切關係),乃於初步確認時根據合約安排之內容以及金融負債、股本工具及衍生金融工具之定義獨立分類為上述各項。將以交換固定金額之現金或可兌換為本公司固定數目之股本工具之另一種金融資產結算之兌換選擇權歸類為股本工具。

於初步確認時,負債部分及提早贖回選擇權部分均以公平值計量。發行可換股票據所得款項總額與分別賦予負債部分及提早贖回選擇權部分(即持有人將票據兌換為權益之兌換選擇權)之公平值間之差額,乃於權益(可換股票據儲備)列賬。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) FINANCIAL INSTRUMENTS (Continued)

Financial liabilities and equity instruments (Continued)

Convertible notes (Continued)

In subsequent periods, the liability component of the convertible notes is carried at amortised cost using the effective interest method. The early redemption option is measured at fair value with changes in fair value recognised in profit or loss. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible notes reserve until the embedded option is exercised (in which case the balance stated in convertible notes reserve will be transferred to share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible notes reserve will be released to the retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability, equity and early redemption option components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible notes using the effective interest method. Transaction costs relating to the early redemption option are charged to profit or loss immediately.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

3. 主要會計政策(續)

金融工具(續)

金融負債及股本工具(續)

可換股票據(續)

於往後期間，可換股票據之負債部分乃採用實際利率法按攤銷成本列賬。提早贖回選擇權按公平值計量，而公平值變動則於損益確認。權益部分，即可將負債部分兌換為本公司普通股之期權，將保留於可換股票據儲備，直至嵌入選擇權獲行使為止，在此情況下，可換股票據儲備之結餘將轉移至股份溢價。倘期權於到期日尚未獲行使，則可換股票據儲備之結餘將撥至保留溢利。期權兌換或到期時將不會於損益中確認任何收益或虧損。

與發行可換股票據相關之交易成本乃按所得款項總額之劃分比例分配至負債、股本及提早贖回選擇權部分。與權益部分相關之交易成本乃直接計入股本內。與負債部分相關之交易成本乃計入負債部分之賬面值，並按可換股票據之年期採用實際利率法攤銷。與提早贖回選擇權相關之交易成本乃即時於損益扣除。

終止確認

僅當從資產獲得現金流量之合約權利已到期，或本集團轉移金融資產及其於金融資產擁有權之絕大部分風險及回報至另一實體時，本集團方會終止確認金融資產。倘本集團並未轉移亦未保留所有權之絕大部分風險及回報，並繼續控制已轉移資產，則本集團繼續確認該資產，惟以其持續參與及確認為相關負債為限。若本集團保留其已轉移金融資產擁有權之絕大部分風險及回報，則本集團持續確認該金融資產，亦將已收所得款項確認為一項有抵押之借貸。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) FINANCIAL INSTRUMENTS (Continued)

Financial liabilities and equity instruments (Continued)

Derecognition (Continued)

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

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

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

PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. Provision are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

3. 主要會計政策(續)

金融工具(續)

金融負債及股本工具(續)

終止確認(續)

於終止確認全部金融資產時，資產賬面值與已收及應收之代價及已於其他全面收益確認並於權益累計之累計盈虧之總和之差額乃於損益中確認。

除全面終止確認外，於終止確認金融資產時，本集團將金融資產之過往賬面值於其繼續確認部分與不再確認部分之間，按照該等部分於轉讓日期之相關公平值作出分配。不再確認部分獲分配之賬面值與該部分已收代價及其已於其他全面收益確認獲分配之任何累計收益或虧損之總和間之差額，乃於損益確認。已於其他全面收益確認之累計收益或虧損，乃於繼續確認部分與不再確認部分之間，按照該等部分之相關公平值於該兩者間作出分配。

當及僅當本集團之責任獲解除、終止或到期，本集團方會終止確認金融負債。終止確認之金融負債賬面值與已付及應付之代價之差額乃於損益中確認。

撥備

當本集團因過去的事件導致目前負上責任(法律或推定性質)，本集團有可能需要履行該責任，而且能可靠地估計該責任之金額時確認撥備。撥備按於報告期末履行現有責任所需代價之最佳估計計量，並經考慮該責任所涉及之風險及不確定性。當一項撥備以預計履行該責任所需的現金流計量時，其賬面值為該等現金流之現值(若金錢的時間值有重大的影響)。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) CONTINGENT LIABILITIES ACQUIRED IN A BUSINESS COMBINATION

Contingent liabilities acquired in a business combination are initially measured at fair value at the date of acquisition. At the end of the subsequent report periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less cumulative amortisation (if appropriate) recognised in accordance with HKAS 18 *Revenue*.

EQUITY SETTLED SHARE-BASED PAYMENT TRANSACTIONS

Share options granted to suppliers/consultants

Share options issued in exchange for goods or services are measured at the fair values of the goods or services received, unless the fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the shares options granted. The fair values of the goods or services received are recognised as expenses, with a corresponding increase in equity (share-based payment reserve), when the Group obtains the goods or when the counterparties render services, unless the goods or services qualify for recognition as assets.

When share options are exercised, the amount previously recognised in share-based payment reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payment reserve will continue to be held in share-based payment reserve.

3. 主要會計政策(續) 於業務合併中獲得之或然負債

於業務合併中獲得之或然負債初步按收購日期之公平值計量。於隨後之報告期末，該或然負債按根據香港會計準則第37號「撥備、或然負債及或然資產」確認之金額與根據香港會計準則第18號「收入」首次確認之金額減累計攤銷(如適用)兩者之較高者計量。

以權益結算以股份為基礎之付款交易

授予供應商／顧問之購股權

就換取貨物或服務所發行之購股權以所收貨物或服務之公平值計量，除非公平值無法可靠地計量，在該情況下所收貨物或服務參考所授予購股權之公平值計量。當本集團取得貨物或對方提供服務時，所收貨物或服務之公平值被確認為開支，而資本(以股份為基礎付款儲備)相應增加，除非該貨物或服務合資格被確認為資產。

當購股權獲行使時，以往於以股份為基礎付款儲備內確認之金額將被轉至股份溢價。當購股權於歸屬日期後被沒收，或於屆滿日期尚未獲行使，以往在以股份為基礎付款儲備內確認之金額將繼續保留在以股份為基礎付款儲備內。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) IMPAIRMENT LOSSES ON TANGIBLE ASSETS

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

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

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

3. 主要會計政策(續) 有形資產減值虧損

於報告期末，本集團均會審閱其有形資產之賬面值，以釐定該等資產有否出現任何減值虧損跡象。倘出現任何有關跡象，則估計資產之可收回金額，以釐定減值虧損程度(如有)。倘若不大可能估計個別資產之可收回金額，則本集團會估計資產所屬現金產生單位之可收回金額。如分配之合理及一致基準可識別，則公司資產亦被分配至個別現金產生單位，或於其他情況下分配至現金產生單位之最小組合，而該現金產生單位之合理及一致分配基準可識別。

可收回金額乃按公平值減銷售成本與使用價值兩者中之較高者。在評估使用價值時，估計未來現金流量會採用除稅前貼現率貼現為其淨現值，該除稅前貼現率應反映對貨幣時間價值之當前市場評估及該資產特有之風險(未針對該風險調整估計未來現金流量)。

倘資產(或現金產生單位)之可收回金額估計低於其賬面值，則將該資產(或現金產生單位)之賬面值減至其可收回金額。減值虧損即時於損益確認。

倘減值虧損在隨後期間撥回，則該資產(或現金產生單位)之賬面值增至修訂估計後之可收回金額，惟增加後之賬面值不得高於倘資產(或現金產生單位)以往年度未確認減值虧損而應有之賬面值。減值虧損撥回即時確認為收益。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued) RELATED PARTIES

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and 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 a parent of the Group; or
- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (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) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a); and
 - (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).

3. 主要會計政策(續) 關連人士

倘為下列人士，則該人士將被視為與本集團有關連：

- (a) 當該人士屬以下情況時，則該人士或該人士之近親家族成員
 - (i) 能夠控制本集團或於本集團有共同控制權；
 - (ii) 可以對本集團發揮重大影響力；或
 - (iii) 為本集團或本集團母公司主要管理人員之成員；或
- (b) 該人士為一家實體，並且屬於以下任何一種情況時：
 - (i) 該實體及本集團均為同一集團之成員；
 - (ii) 一家實體為另一家實體(或另一家實體為成員之集團旗下成員公司之聯營公司或合營公司)之聯營公司或合營公司；
 - (iii) 該實體及本集團均為同一第三方之合營公司；
 - (iv) 一家實體為第三方實體之合營公司，而另一家實體為該第三方實體之聯營公司；
 - (v) 該實體為就本集團僱員或屬於本集團關連人士之實體之僱員利益而設之退休福利計劃；
 - (vi) 該實體受(a)所識別之人士所控制及共同控制；及
 - (vii) 一名(a)(i)所識別之人士對該實體發揮重大影響力或為該實體(或該實體之一家母公司)主要管理人員之成員。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The following are the critical judgements, apart from those involving estimations (see below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Impairment of available-for-sale financial assets

The Group classifies the listed equity securities investments as available-for-sale financial assets and recognises movements of their fair values in equity. When the fair value declines, management makes judgement to determine if the decline in value is significant or prolonged and whether there is an impairment that should be recognised in the consolidated income statement. During the year ended 31 December 2012, an impairment loss of HK\$19,278,000 (2011: HK\$54,990,000) was recognised for available-for-sale financial assets. The carrying amounts of the listed equity securities investment classified as available-for-sale financial assets as at 31 December 2012 were HK\$5,922,000 (2011: HK\$25,200,000), the details of which were set out in Note 23 to the consolidated financial statements.

The Group classifies the unlisted investments in redeemable convertible preference shares as available-for-sale financial assets and recognises at cost less impairment. The management makes judgement to determine if such investment is impaired, by evaluating the financial health of and near-term business outlook for the investee including the operating and financing cash flow. During the year ended 31 December 2012, no impairment was considered necessary in relation to the unlisted investments.

4. 關鍵會計判斷及估計不確定性之主要來源

於應用附註3所述之本集團會計政策時，董事須對未能透過其他來源確定之資產及負債之賬面值作出判斷、估計及假設。所作出之估計及相關假設乃以過往經驗及其他被視為相關之因素為基準。實際結果可能與該等估計不同。

估計及相關假設乃持續檢討。倘對會計估計之修訂僅影響進行修訂之期間，則於該期間確認，或倘修訂影響目前及未來期間，則於目前及未來期間確認。

應用會計政策之關鍵判斷

以下為董事於應用本集團會計政策過程中曾作出，且對綜合財務報表中確認之金額構成最顯著影響之關鍵判斷，惟涉及估計（見下文）除外。

可供出售金融資產之減值

本集團將上市股本證券投資分類為可供出售金融資產並於權益中確認其公平值變動。公平值下跌時，管理層會就釐定有關價值下跌屬重大或持久及應否於綜合損益表確認減值作出判斷。截至二零一二年十二月三十一日止年度，已就可供出售金融資產確認減值虧損19,278,000港元（二零一一年：54,990,000港元）。分類為可供出售金融資產之上市股本證券投資於二零一二年十二月三十一日之賬面值為5,922,000港元（二零一一年：25,200,000港元），有關詳情載於綜合財務報表附註23。

本集團將可贖回可換股優先股之非上市投資分類為可供出售金融資產並按成本減減值確認。管理層會透過評估投資對象之財務穩健程度及近期業務前景（包括經營及融資現金流量），就有關投資有否減值作出判斷。於截至二零一二年十二月三十一日止年度毋須就非上市投資進行減值。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

KEY SOURCES OF ESTIMATION UNCERTAINTY

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2012, the carrying amount of goodwill is HK\$306,019,000 (net of accumulated impairment loss of nil). Details of the recoverable amount calculation are disclosed in Note 19 to the consolidated financial statements.

Impairment allowances on loan and interest receivables

The Group establishes, through charges against the consolidated income statement, impairment allowances in respect of estimated incurred loss in loan and interest receivables. The allowances consist of individual impairment allowances. The overall impairment allowances represent the aggregate amount by which the management considers necessary to write down its loan portfolio in order to state it in the consolidated statement of financial position at its estimated net recoverable value.

In determining individual impairment allowances, management considers objective evidence of impairment. When loan receivable is impaired, an individual impairment allowance is assessed by a discounted cash flow method, measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

In determining collective impairment allowances, management uses estimates based on historical experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio.

The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

During the year ended 31 December 2012, impairment loss in respect of loan and interest receivables of approximately HK\$18,294,000 (2011: HK\$145,171,000) had been recognised in the consolidated income statement.

4. 關鍵會計判斷及估計不確定性之主要來源(續)

估計不確定性之主要來源

以下為極有可能會導致資產及負債賬面值於下個財政年度內出現重大調整之未來相關主要假設及於報告期末之其他估計不確定性。

估計商譽減值

釐定商譽是否減值需要估計獲分配商譽之現金產生單位之使用價值。計算使用價值時本集團需要估計現金產生單位在未來預期之現金流及一個合適之貼現率以計算現值。倘若實際之未來現金流少於預期，可能出現重大之減值虧損。截至二零一二年十二月三十一日，商譽之賬面值為306,019,000港元(已扣除累計減值虧損零港元)。計算可收回款項之詳情於綜合財務報表附註19披露。

應收貸款及利息減值撥備

本集團就應收貸款及利息之估計虧損作出減值撥備，並於綜合損益表扣除。有關撥備包括個別減值撥備。整體減值撥備代表管理層認為貸款組合必須撇減之合計金額，藉此將有關金額按估計可收回淨值於綜合財務狀況報表內列賬。

於釐定個別減值撥備時，管理層會考慮減值之客觀證據。當應收貸款發生減值時，個別減值撥備將以貼現現金流量法評估，按資產賬面值與以原實際利率貼現估計未來現金流量之現值間之差額計量。

於釐定集體減值撥備時，管理層運用之估計乃按信貸風險特徵及客觀減值證據與組合中資產相近的資產之過往經驗作出評估。

用以估計未來現金流量之金額及時間之方法和假設，均作定期檢討，以減低虧損估計與實際虧損之任何差異。

截至二零一二年十二月三十一日止年度，應收貸款及利息減值虧損約18,294,000港元(二零一一年：145,171,000港元)已於綜合損益表確認。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Fair value of convertible instruments designated as financial assets at fair value through profit or loss and convertible notes

The fair value of convertible instruments designated as financial assets at fair value through profit or loss and convertible notes are determined using valuation techniques. The Group has used its judgement to select an appropriate valuation method and make assumption, on issuer's credit spread, discount rate, expected credit rating and future cash flow, that are mainly based on market conditions existing at the transaction date and each reporting date with reference to the valuation performed by Roma Appraisals Limited ("Roma Appraisals"), an independent firm of professional valuers. Changes in subjective input assumptions can materially affect the fair value estimate. Details of the assumptions used are disclosed in Notes 22 and 34. The Directors believe that the chosen valuation techniques and assumptions are appropriate in determining the fair value of financial instruments.

The carrying amount of convertible instruments designated as financial assets at fair value through profit or loss is approximately HK\$104,712,000 as at 31 December 2012 (2011: Nil). Change in fair value of the convertible instruments designated as financial assets at fair value through profit or loss of approximately HK\$9,712,000 (2011: Nil) is recognised in the consolidated income statement.

The carrying amount of convertible notes is nil as at 31 December 2012 (2011: Nil).

Income taxes

No deferred tax asset has been recognised on the tax losses of HK\$15,466,000 due to unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated is less than expected, a material reversal of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a reversal take place.

4. 關鍵會計判斷及估計不確定性之主要來源(續)

估計不確定性之主要來源(續)

可換股工具(指定為按公平值透過損益列賬之金融資產)及可換股票據之公平值

可換股工具(指定為按公平值透過損益列賬之金融資產)及可換股票據乃採用估值技術釐定。本集團已就發行人之信用價差、貼現率、預計信貸評級及未來現金流量作出判斷選擇適當估值方法，並主要依據交易日及各報告日期存在之市場狀況，參考獨立專業估值師行羅馬評估諮詢有限公司(「羅馬評估」)進行之估值作出假設。主觀輸入假設變動可對公平值估計構成重大影響。所用假設之詳情於附註22及34披露。董事相信所選估值技術及假設乃適合釐定金融工具之公平值。

可換股工具(指定為按公平值透過損益列賬之金融資產)於二零一二年十二月三十一日之賬面值約為104,712,000港元(二零一一年：無)。可換股工具(指定為按公平值透過損益列賬之金融資產)之公平值變動約9,712,000港元(二零一一年：無)已於綜合損益表確認。

可換股票據於二零一二年十二月三十一日之賬面值為零(二零一一年：無)。

所得稅

由於未能預計未來溢利趨勢，故並無就稅項虧損15,466,000港元確認遞延稅項資產。變現遞延稅項資產主要視乎是否有足夠未來溢利或將來可供利用之應課稅暫時差額。倘產生之未來實際溢利少於預期，則遞延稅項資產可能須作重大撥回，而該撥回會於撥回發生期間於損益確認。

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5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt, which includes amounts due to directors, note payable and borrowings, net of cash and cash equivalents and equity attributable to owners of the Company comprising issued share capital and reserves. Details of which are disclosed in respective notes.

The Directors review the capital structure on a regular basis. As part of this review, the Directors consider the cost of capital and the risks associate with each class of capital, and take appropriate actions to adjust the Group's capital structure.

The Group monitors capital using a gearing ratio, calculated as net debt divided by total capital. Net debt is calculated as amounts due to directors, note payable and borrowings, less cash and cash equivalents. Total capital is calculated as "total equity" as shown in the consolidated statement of financial position plus net debt. The Group aims to maintain the gearing ratio at a reasonable level. The gearing ratios at the end of the reporting periods were as follows:

5. 資本風險管理

本集團管理其資本，以確保本集團旗下實體將能夠持續經營，同時透過改善債項及權益結餘，讓股東獲得最大回報。本集團之整體策略與往年維持不變。

本集團之資本結構由債項(當中包括應付董事款項、應付票據及借貸，扣除現金及現金等價物)及本公司擁有人應佔權益(包括已發行股本及儲備)組成。詳情於相關附註披露。

董事定期檢討資本結構。作為此檢討工作一部分，董事考慮資本成本及與各類資本相關之風險，並採取適當行動以調整本集團之資本結構。

本集團採用資產負債比率(按債項淨額除以資本總額計算)監察資本。債項淨額乃按應付董事款項、應付票據及借貸減現金及現金等價物計算。資本總額乃按綜合財務狀況報表所示之「權益總額」加債項淨額計算。本集團力求將資產負債比率維持於合理水平。於報告期末之資產負債比率如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Amounts due to directors	應付董事款項	154	152
Note payable	應付票據	10,000	–
Borrowings (Note 32)	借貸(附註32)	–	10,000
Less: Bank balances and cash	減：銀行結餘及現金	(44,477)	(78,781)
Net debt	債項淨額	(34,323)	(68,629)
Total equity	權益總額	690,087	410,111
Total capital	資本總額	655,764	341,482
Gearing ratio (net debt to total capital)	資產負債比率 (債項淨額對資本總額)	(5%)	(20%)

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6. FINANCIAL INSTRUMENTS CATEGORIES OF FINANCIAL INSTRUMENTS

6. 金融工具 金融工具類別

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Financial assets	金融資產		
FVTPL:	按公平值透過損益列賬：		
Convertible instruments designated as financial assets at fair value through profit or loss	可換股工具(指定為按公平值透過損益列賬之金融資產)	104,712	–
Investment held for trading	持作交易投資	15,050	13,920
Derivative financial asset	衍生金融資產	–	4,000
Available-for-sale financial assets	可供出售金融資產	95,922	25,200
Amortised cost:	攤銷成本：		
Loan and interest receivables	應收貸款及利息	127,646	273,221
Trade and other receivables	應收賬款及其他應收款項	7,419	5,583
Bank balances and cash	銀行結餘及現金	44,477	78,781
		395,226	400,705
Financial liabilities	金融負債		
Amortised cost:	攤銷成本：		
Other payables and accruals	其他應付款項及應計費用	1,880	753
Amounts due to directors	應付董事款項	154	152
Note payable	應付票據	10,000	–
Interest payable	應付利息	3,334	–
Borrowings	借貸	–	10,000
		15,368	10,905

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include derivative financial asset, investment held for trading, convertible instruments designated as financial assets at fair value through profit or loss, loan and interest receivables, available-for-sale financial assets, trade and other receivables, bank balances and cash, other payables and accruals, amounts due to directors, note payable, interest payable and borrowings. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risks (foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures appropriate measures are implemented on a timely and effective manner.

MARKET RISK

Foreign currency risk

The Group mainly operates in Hong Kong, PNG and People's Republic of China ("PRC") with most of the transactions denominated and settled in HK\$, Kina ("PGK") and Renminbi ("RMB"). No foreign currency risk has been identified for the PNG subsidiary's financial assets denominated in PGK, which is the functional currency of the PNG subsidiary to which these transactions relate.

As at 31 December 2012, certain financial assets of the Group are denominated in RMB, which expose the Company to foreign currency risk. The carrying amounts of the Group's RMB denominated monetary assets at the end of the reporting period are as follows:

		Assets 資產	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
RMB	人民幣	421	394

7. 財務風險管理目標及政策

本集團之主要金融工具包括衍生金融資產、持作交易投資、可換股工具(指定為按公平價值透過損益列賬之金融資產)、應收貸款及利息、可供出售金融資產、應收賬款及其他應收款項、銀行結餘及現金、其他應付款項及應計費用、應付董事款項、應付票據、應付利息及借貸。金融工具之詳情於相關附註披露。與該等金融工具相關之風險包括市場風險(外幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。減低該等風險之政策載於下文。管理層管理及監察該等風險，確保及時有效地採取適當之措施。

市場風險

外幣風險

本集團主要在香港、巴布亞新畿內亞及中華人民共和國(「中國」)經營業務，而大多數交易以港元、基納及人民幣結算。巴布亞新畿內亞附屬公司以基納(為該巴布亞新畿內亞附屬公司之功能貨幣)計值之金融資產並無識別外幣風險。

截至二零一二年十二月三十一日，本集團之若干金融資產以人民幣為單位，因而令本公司承受外幣風險。截至報告期末本集團以人民幣為單位之貨幣資產之賬面值如下：

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

MARKET RISK (Continued)

Foreign currency risk (Continued)

Sensitivity analysis

The Group is mainly exposed to the RMB.

The following table details the Group's sensitivity to a 5% (2011: 5%) increase and decrease in HK\$ against the relevant foreign currency. A 5% (2011: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% (2011: 5%) change in foreign currency rates.

A positive number/negative number (i.e. in bracket) below indicate an increase/decrease in pre-tax profit when the HK\$ strengthen 5% (2011: 5%) against the relevant currency. For a 5% (2011: 5%) weakening of HK\$ against the relevant currency, there would be an equal and opposite impact on the profit.

7. 財務風險管理目標及政策(續)

市場風險(續)

外幣風險(續)

敏感度分析

本集團主要受人民幣之外幣風險影響。

下表顯示本集團對港元兌相關外幣增減5% (二零一一年：5%)之敏感度。5% (二零一一年：5%)為向主要管理人員內部呈報外幣風險時所採用之敏感度比率，也代表管理層對合理可能之外幣兌換率變化的評估。敏感度分析只包括以外幣為單位未結清之貨幣項目，及將其於報告期末之換算按外幣兌換率增減5% (二零一一年：5%)進行調整。

以下之正數/負數(即以括號標示)顯示當港元兌相關貨幣升值5% (二零一一年：5%)導致稅前溢利的增減。倘港元兌相關貨幣貶值5% (二零一一年：5%)，則會對溢利產生相等及相反的影響。

		RMB Impact 人民幣之影響	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Increase in pre-tax profit (loss)	稅前溢利(虧損)增加	21	20

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank balances with floating interest rates which expose the Group to cash flow interest rate risk. Loan and interest receivables, convertible instruments designated as financial assets at fair value through profit or loss, note payable and borrowings at fixed rate exposes the Group to fair value interest rate risk.

The interest rates of interest-bearing financial assets and borrowings of the Group are disclosed in Notes 22, 24, 31 and 32, respectively. The Group currently does not have an interest rate hedging policy. However, management monitors the Group's interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

利率風險

本集團面對之市場利率變動風險主要涉及本集團之浮息銀行結餘，令本集團面對現金流量利率風險。定息應收貸款及利息、可換股工具(指定為按公平值透過損益列賬之金融資產)、應付票據及借貸令本集團面對公平值利率風險。

本集團計息金融資產及借貸之利率分別於附註22、24、31及32披露。本集團目前並無利率對沖政策。然而，管理層監察本集團之利率風險，並將於有需要時考慮對沖重大利率風險。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

MARKET RISK (Continued)

Interest rate risk (Continued)

Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's net profit (loss) (through the impact on floating rate borrowings).

		Increase/ decrease in interest rate (basis point)	Increase/ decrease in profit (loss) for the year
		利率(基點) 上升/下降	年內溢利 (虧損) 增加/減少 HK\$'000 千港元
2012	二零一二年	100	444
2011	二零一一年	100	(791)

OTHER PRICE RISK

The Group is exposed to equity price risk through its investments in listed equity securities and convertible instruments designated as financial assets at fair value through profit or loss. The management manages this exposure by maintaining a portfolio of investments with different risks.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risks at the reporting date. If the prices of the respective equity instruments had been 5% (2011: 5%) higher/lower, post-tax profit for the year ended 31 December 2012 would increase/decrease by HK\$1,049,000 (2011: increase/decrease by HK\$1,956,000) as a result of the changes in fair value of held-for-trading investments and available-for-sale investments.

7. 財務風險管理目標及政策(續)

市場風險(續)

利率風險(續)

敏感度分析

下表顯示在所有其他變數維持不變下，本集團純利(虧損)對利率合理可能變動之敏感度(透過對浮息借貸之影響)。

其他價格風險

本集團透過其上市股本證券投資及可換股工具(指定為按公平值透過損益列賬之金融資產)承受股本價格風險。管理層透過維持具不同風險之投資組合管理此項風險。

敏感度分析

以下敏感度分析乃於報告日期根據股本價格風險而釐定。倘各有關股本工具之價格上升/下降5%(二零一一年: 5%)，截至二零一二年十二月三十一日止年度持作交易投資及可供出售投資之公平值變動將導致稅後溢利增加/減少1,049,000港元(二零一一年: 增加/減少1,956,000港元)。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

CREDIT RISK

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations at 31 December 2012 and 31 December 2011 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position. The Group's credit risk is primarily attributable to the loan and interest receivables and trade and other receivables. In order to minimise the credit risk, the Group has established policies and systems for monitoring and control of credit risk. The management has delegated different divisions responsible for determination of credit limits, credit approvals and other monitoring processes to ensure that follow up action is taken to recover overdue debts. In addition, management reviews the recoverable amount of loan and interest receivables, and trade and other receivables individually or collectively at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, management considers that the Group's credit risk is significantly reduced.

Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. As at 31 December 2012, the Group's concentration of credit risk by geographical location is Hong Kong, which accounted for 100% (2011: 100%) of the total loan and interest receivables and trade and other receivables.

During the year, an impairment loss in respect of loan and interest receivables amounting to HK\$18,294,000 has been recognised (2011: HK\$145,171,000). However, the Directors consider the credit risk is under control since the management exercise due care and check the financial background of these debtors on a regular basis.

In respect of the loan and interest receivables arising from the Group's money lending business, 29% (2011: 65%) of the total gross loan and interest receivables as at 31 December 2012 was due from the Group's largest customer and 83% (2011: 90%) of the total loan receivables as at 31 December 2012 was due from the Group's five largest customers for the Group's money lending business.

The credit risks for bank balances are considered minimal as such amounts are placed with banks with good credit ratings.

7. 財務風險管理目標及政策(續)

信貸風險

於二零一二年十二月三十一日及二零一一年十二月三十一日，本集團因應其交易對手方未能履行其責任而就各類已確認金融資產面對之最高信貸風險為綜合財務狀況報表所列該等資產之賬面值。本集團之信貸風險主要歸屬於應收貸款及利息以及應收賬款及其他應收款項。為降低信貸風險，本集團已制定政策及制度以監控信貸風險。管理層已向不同部門轉授權力，負責釐定信貸限額、信貸審批及其他監察過程，以確保採取跟進行動收回逾期債項。此外，管理層於各報告日期個別或整體檢討應收貸款及利息以及應收賬款及其他應收款項之可收回金額，以確保就不可收回金額作出足夠減值虧損。就此而言，管理層認為本集團之信貸風險已大幅減少。

信貸風險集中情況按客戶／交易對手以地區及行業管理。於二零一二年十二月三十一日，本集團按地區劃分之信貸風險集中於香港，佔應收貸款及利息以及應收賬款及其他應收款項總額之100%（二零一一年：100%）。

年內，本公司已就應收貸款及利息確認減值虧損18,294,000港元（二零一一年：145,171,000港元）。然而，董事認為，由於管理層定期謹慎審查該等債務人之財務背景，故信貸風險仍在控制範圍內。

就本集團借貸業務所產生之應收貸款及利息而言，於二零一二年十二月三十一日之應收貸款及利息毛額中合共29%（二零一一年：65%）為本集團最大客戶之應收款項，而於二零一二年十二月三十一日之應收貸款總額中83%（二零一一年：90%）則為本集團借貸業務五大客戶之應收款項。

由於銀行結餘存放於信貸評級良好之銀行，故有關之信貸風險不大。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

LIQUIDITY RISK

The Group aims at maintaining a balance between continuity of funding and flexibility through maintaining sufficient cash and cash equivalents. Details of the Group's amounts due to directors, note payable, interest payable and borrowings are disclosed in respective notes. The Directors have reviewed the Group's working capital and capital expenditure requirements and determined that the Group has no significant liquidity risk.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities in accordance with the earliest date on which the Group would be required to pay.

Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights within one year after the reporting date. The maturity analysis for other non-derivative financial liabilities is prepared based on the scheduled repayment dates.

7. 財務風險管理目標及政策(續)

流動資金風險

本集團致力透過維持足夠之現金及現金等價物以維持其資金持續性與靈活性之平衡。本集團之應付董事款項、應付票據、應付利息及借貸之詳情於相關附註披露。董事已檢討本集團之營運資金及資本開支需要，並確定本集團並無重大流動資金風險。

下表詳述本集團根據協定還款期之非衍生工具金融負債所尚餘的期限。該表乃按本集團將須還款之最早日期以金融負債之未貼現現金流量得出。

具體而言，包含按要求償還條款之銀行貸款計入最早時段，不論銀行於報告日期後一年內選擇行使其權利之可能性高低。其他非衍生工具金融負債之到期期限分析乃根據預定還款日期編製。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

LIQUIDITY RISK (Continued)

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

7. 財務風險管理目標及政策(續)

流動資金風險(續)

該表包括利息及本金現金流量。倘利息流量為浮息，則未貼現金額乃自於報告期末之利率曲線得出。

		Weighted average interest rate 加權平均利率	On demand or within one year 按要求或一年內 HK\$'000 千港元	More than one year but less than two years 一年以上但兩年以下 HK\$'000 千港元	Total undiscounted cash flows 未貼現金流量總額 HK\$'000 千港元	Carrying amounts 賬面值 HK\$'000 千港元
At 31 December 2012	於二零一二年十二月三十一日					
Other payables and accruals	其他應付款項及應計費用		1,880	–	1,880	1,880
Amounts due to directors	應付董事款項		154	–	154	154
Note payable	應付票據	10%	10,529	–	10,529	10,000
Interest payable	應付利息		3,334	–	3,334	3,334
			<u>15,897</u>	<u>–</u>	<u>15,897</u>	<u>15,368</u>
At 31 December 2011	於二零一一年十二月三十一日					
Other payables and accruals	其他應付款項及應計費用		753	–	753	753
Amounts due to directors	應付董事款項		152	–	152	152
Borrowings (Note)	借貸(附註)	10%	10,333	–	10,333	10,000
			<u>11,238</u>	<u>–</u>	<u>11,238</u>	<u>10,905</u>

Note: Borrowings with a repayment on demand clause are included in the "on demand or within one year" time band in the above maturity analysis. There was no discounted principal amount of these borrowings as at 31 December 2011.

附註：包含按要求償還條款之借貸在上述到期期限分析中計入「按要求或一年內」時段內。於二零一一年十二月三十一日，該等借貸並無未貼現金額。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

FAIR VALUE

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market bid prices and ask prices respectively;
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis; and
- the fair value of derivative instruments is calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

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

7. 財務風險管理目標及政策(續)

公平值

金融資產及金融負債之公平值乃按以下方式釐定：

- 具標準條款及條件並於活躍流動市場交易之金融資產及金融負債之公平值分別參照市場買入價及賣出價釐定；
- 其他金融資產及金融負債(不包括衍生工具)之公平值根據基於現金流貼現分析之一般公認定價模型釐定；及
- 衍生工具之公平值運用報價計算。倘並無有關價格，則貼現現金流量分析乃採用工具期限之適用收益曲線(就非期權衍生工具而言)及期權定價模式(就期權衍生工具而言)進行。

董事認為於綜合財務報表中按攤銷成本記賬之金融資產及金融負債賬面值與其公平值相若。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

FAIR VALUE (Continued)

Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

7. 財務風險管理目標及政策(續)

公平值(續)

於財務狀況報表確認之公平值計量

下表提供於初步確認後按公平值計量之金融工具分析，乃按公平值可觀察之程度分為第一級至第三級。

- 第一級為相同資產或負債之活躍市場報價(未經調整)所得之公平值計量。
- 第二級為除計入第一級之報價外，就資產或負債直接(即價格)或間接(即自價格所得)觀察所得之輸入數據所得之公平值計量。
- 第三級為計入並非根據可觀察市場數據(無法觀察輸入數據)之資產或負債輸入數據之估值方法所得之公平值計量。

	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
2012				
Available-for-sale financial assets	5,922	—	—	5,922
Investment held for trading	15,050	—	—	15,050
Convertible instruments designated as financial assets at fair value through profit or loss	—	104,712	—	104,712
	20,972	104,712	—	125,684
二零一二年				
可供出售金融資產	5,922	—	—	5,922
持作交易投資	15,050	—	—	15,050
可換股工具(指定為按公平值透過損益列賬之金融資產)	—	104,712	—	104,712
	20,972	104,712	—	125,684

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

FAIR VALUE (Continued)

Fair value measurements recognised in the statement of financial position (Continued)

7. 財務風險管理目標及政策(續)

公平值(續)

於財務狀況報表確認之公平值計量(續)

		Level 1	Level 2	Level 3	Total
		第一級	第二級	第三級	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
2011	二零一一年				
Available-for-sale financial assets	可供出售金融資產	25,200	–	–	25,200
Investment held for trading	持作交易投資	13,920	–	–	13,920
Derivative financial asset	衍生金融資產	4,000	–	–	4,000
		<u>43,120</u>	<u>–</u>	<u>–</u>	<u>43,120</u>

There were no transfers between Levels 1 and 2 in the current and prior years.

於本年度及過往年度，第一級與第二級之間均無轉撥。

Reconciliation of Level 3 fair value measurements of financial assets

金融資產第三級公平值計量之對賬

		Derivative financial asset
		衍生金融資產
		HK\$'000
		千港元
At 1 January 2011	於二零一一年一月一日	8,410
Charged to profit or loss	自損益扣除	(4,444)
Exercise of put option	行使認沽期權	(3,966)
At 31 December 2011 and 31 December 2012	於二零一一年十二月三十一日及 二零一二年十二月三十一日	<u>–</u>

Of the total gains for the year ended 31 December 2011 included in profit or loss, loss of approximately HK\$4,444,000 relates to derivative financial asset held at the year ended 31 December 2011. Fair value changes on derivative financial asset are included in "Change in fair value of derivative financial assets" on the face of consolidated income statement.

截至二零一一年十二月三十一日止年度計入損益之收益總額中，虧損約4,444,000港元涉及於截至二零一一年十二月三十一日止年度持有之衍生金融資產。衍生金融資產之公平值變動計入綜合損益表中「衍生金融資產之公平值變動」內。

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8. TURNOVER

Turnover represents the gross proceeds received and receivable from the business of money lending and provision of credits, provision of corporate secretarial and consultancy services and securities trading during the year. There was no turnover generated from forestry business during the year ended 31 December 2012. The following is an analysis of the Group's turnover:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Interest income from loan receivables	應收貸款之利息收入	29,981	52,958
Consultancy income	諮詢服務收入	5,211	411
Gross proceeds from disposal of investment held for trading	出售持作交易投資所得款項總額	13,448	—
		48,640	53,369

9. SEGMENT INFORMATION SEGMENT REVENUE AND RESULTS

Information reported to the board of directors (the "Board"), being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered or services provided. No operating segment identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group. Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

1. Money lending — business of money lending and provision of credits
2. Consultancy services — provision of corporate secretarial and consultancy services
3. Securities investments — trading of securities and investment in long-term securities
4. Forestry business — forest logging and harvesting

Forestry business is a new reportable and operating segment of the Group for the year ended 31 December 2012.

8. 營業額

營業額指年內來自借貸、信貸、提供企業秘書與諮詢服務以及證券買賣業務之已收及應收所得款項總額。截至二零一二年十二月三十一日止年度，森林業務並無產生營業額。以下為本集團之營業額分析：

9. 分類資料 分類收益及業績

向董事會（「董事會」，即主要營運決策者）呈報作資源分配及評估分類表現之資料側重付運貨物或提供服務之類別。在達致本集團可呈報分類時，並無將主要營運決策者識別之經營分類彙合。根據香港財務報告準則第8號，本集團之具體可呈報及經營分類如下：

1. 借貸 — 借貸及信貸業務
2. 諮詢服務 — 提供企業秘書及諮詢服務
3. 證券投資 — 證券買賣及長線證券投資
4. 森林業務 — 採伐林木

截至二零一二年十二月三十一日止年度，森林業務為本集團之新可呈報及經營分類。

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9. SEGMENT INFORMATION (Continued)

SEGMENT REVENUE AND RESULTS (Continued)

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

9. 分類資料(續)

分類收益及業績(續)

本集團之收益及業績按可呈報及經營分類分析如下：

		Money lending 借貸 HK\$'000 千港元	Consultancy services 諮詢服務 HK\$'000 千港元	Securities investments 證券投資 HK\$'000 千港元	Forestry business 森林業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 December 2012	截至二零一二年 十二月三十一日止年度					
Turnover — gross proceeds	營業額 — 所得款項總額	29,981	5,211	13,448	—	48,640
Segment revenue	分類收益					
From external customers:	來自外界客戶：	29,981	5,211	(472)	—	34,720
Segment result	分類業績	91,938	(564)	236	(2,354)	89,256
Unallocated corporate expenses	未分配公司開支					(19,909)
Unallocated corporate income	未分配公司收入					254
Change in fair value of a derivative financial asset	一項衍生金融資產之 公平值變動					(4,000)
Finance costs	融資成本					(3,334)
Profit before tax	除稅前溢利					62,267

		Money lending 借貸 HK\$'000 千港元	Consultancy services 諮詢服務 HK\$'000 千港元	Securities investments 證券投資 HK\$'000 千港元	Forestry business 森林業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 December 2011	截至二零一一年 十二月三十一日止年度					
Turnover — gross proceeds	營業額 — 所得款項總額	52,958	411	—	—	53,369
Segment revenue	分類收益					
From external customers:	來自外界客戶：	52,958	411	—	—	53,369
Segment result	分類業績	(112,489)	407	(56,221)	—	(168,303)
Unallocated corporate expenses	未分配公司開支					(4,510)
Unallocated corporate income	未分配公司收入					8
Change in fair value of convertible notes	可換股票據之公平值變動					(5,078)
Change in fair value of derivative financial assets	衍生金融資產之公平值變動					24,371
Gain on disposal of a subsidiary	出售一家附屬公司之收益					11,199
Loss before tax	除稅前虧損					(142,313)

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9. SEGMENT INFORMATION (Continued) SEGMENT REVENUE AND RESULTS (Continued)

The accounting policies of the operating segment are the same as the Group's accounting policies described in Note 3. Segment result represents the profit earned (loss from) attributable to each segment without allocation of central administration costs, directors' emoluments, bank interest income, change in fair value of convertible notes, change in fair value of derivative financial assets, gain on disposal of a subsidiary and finance costs. This is the measure reported to the Board for the purposes of the resources allocation and performance assessment.

SEGMENT ASSETS AND LIABILITIES

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

9. 分類資料(續) 分類收益及業績(續)

經營分類之會計政策與附註3所述本集團會計政策相同。分類業績指各分類應佔之所賺取溢利(所產生虧損)(並未分配中央行政成本、董事酬金、銀行利息收入、可換股票據之公平值變動、衍生金融資產之公平值變動、出售一家附屬公司之收益及融資成本)。此乃就資源分配及評估表現而向董事會匯報之方式。

分類資產及負債

本集團按可呈報及經營分類劃分之資產及負債分析如下：

		Money lending 借貸 HK\$'000 千港元	Consultancy services 諮詢服務 HK\$'000 千港元	Securities investments 證券投資 HK\$'000 千港元	Forestry business 森林業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2012	於二零一二年十二月三十一日					
ASSETS	資產					
Segment assets	分類資產	145,117	2,073	222,711	306,288	676,189
Unallocated corporate assets	未分配公司資產					29,269
Total assets	資產總值					705,458
LIABILITIES	負債					
Segment liabilities	分類負債	27	10	-	976	1,013
Unallocated corporate liabilities	未分配公司負債					14,358
Total liabilities	負債總額					15,371

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9. SEGMENT INFORMATION (Continued) SEGMENT ASSETS AND LIABILITIES (Continued)

9. 分類資料(續) 分類資產及負債(續)

		Money lending 借貸 HK\$'000 千港元	Consultancy services 諮詢服務 HK\$'000 千港元	Securities investments 證券投資 HK\$'000 千港元	Forestry business 森林業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2011	於二零一一年十二月三十一日					
ASSETS	資產					
Segment assets	分類資產	330,165	311	39,120	–	369,596
Unallocated corporate assets	未分配公司資產					51,987
Total assets	資產總值					421,583
LIABILITIES	負債					
Segment liabilities	分類負債	9,573	500	–	–	10,073
Unallocated corporate liabilities	未分配公司負債					1,399
Total liabilities	負債總額					11,472

For the purposes of monitoring segment performances and allocating resources between segments:

就監察分類表現及分配分類資源而言：

- all assets are allocated to operating segments other than property, plant and equipment, investment deposits, derivative financial assets, certain other receivables and certain bank balances and cash. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and
 - all liabilities are allocated to operating segments other than amounts due to directors, certain other payables, note payable, interest payable and tax liabilities.
- 所有資產均分配至經營分類，惟物業、廠房及設備、投資訂金、衍生金融資產、若干其他應收款項以及若干銀行結餘及現金除外。由可呈報分類共用之資產按個別可呈報分類所賺取收益分配；及
 - 所有負債均分配至經營分類，惟應付董事款項、若干其他應付款項、應付票據、應付利息及稅項負債除外。

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9. SEGMENT INFORMATION (Continued)

OTHER SEGMENT INFORMATION

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9. 分類資料(續)

其他分類資料

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		Money lending 借貸 HK\$'000 千港元	Consultancy services 諮詢服務 HK\$'000 千港元	Securities investments 證券投資 HK\$'000 千港元	Forestry business 森林業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Amounts included in the measure of segment profit or loss or segment assets:	列入計量分類溢利或虧損或分類資產之金額：						
Additions to available-for-sale financial assets	增加可供出售金融資產	-	-	90,000	-	-	90,000
Additions to convertible instruments designated as financial assets at fair value through profit or loss	添置可換股工具(指定為按公平值透過損益列賬之金融資產)	-	-	95,000	-	-	95,000
Change in fair value of convertible instruments designated as financial assets at fair value through profit or loss	可換股工具(指定為按公平值透過損益列賬之金融資產)之公平值變動	-	-	(9,712)	-	-	(9,712)
Impairment loss on available-for-sale financial assets	可供出售金融資產之減值虧損	-	-	19,278	-	-	19,278
Change in fair value of investment held for trading	持作交易投資之公平值變動	-	-	(3,030)	-	-	(3,030)
Reversal of impairment loss on loan and interest receivables	應收貸款及利息減值虧損撥回	(83,717)	-	-	-	-	(83,717)
Impairment loss recognised in respect of loan and interest receivables	已確認應收貸款及利息減值虧損	18,294	-	-	-	-	18,294
Share-based payment expenses	以股份為基礎付款開支	-	-	-	1,367	-	1,367
Loan interest income	貸款利息收入	(29,981)	-	-	-	-	(29,981)
Interest expense	利息開支	200	-	-	-	-	200
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:	定期向主要營運決策者提供但並無列入計量分類溢利或虧損或分類資產之金額：						
Interest expenses	利息開支	-	-	-	-	3,334	3,334
Depreciation on property, plant and equipment	物業、廠房及設備折舊	-	-	-	-	913	913
Additions to property, plant and equipment	添置物業、廠房及設備	-	-	-	-	3,315	3,315
Change in fair value of a derivative financial asset	衍生金融資產之公平值變動	-	-	-	-	4,000	4,000
Net foreign exchange gain	匯兌收益淨額	-	-	-	-	(14)	(14)
Bank interest income	銀行利息收入	-	-	-	-	(3)	(3)
Income tax credit	所得稅抵免	-	-	-	-	(12)	(12)

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9. SEGMENT INFORMATION (Continued) OTHER SEGMENT INFORMATION (Continued)

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9. 分類資料(續) 其他分類資料(續)

截至二零一一年十二月三十一日止年度

		Money lending	Consultancy services	Securities investments	Forestry business	Unallocated	Total
		借貸	諮詢服務	證券投資	森林業務	未分配	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Amounts included in the measure of segment profit or loss or segment assets:	列入計量分類溢利或虧損或分類資產之金額：						
Additions to available-for-sale financial assets	增加可供出售金融資產	-	-	80,190	-	-	80,190
Impairment loss on available-for-sale financial assets	可供出售金融資產之減值虧損	-	-	54,990	-	-	54,990
Change in fair value of investment held for trading	持作交易投資之公平值變動	-	-	1,231	-	-	1,231
Impairment loss recognised in respect of loan and interest receivables	已確認應收貸款及利息減值虧損	145,171	-	-	-	-	145,171
Loan interest income	貸款利息收入	(52,958)	-	-	-	-	(52,958)
Interest expense	利息開支	2,652	-	-	-	-	2,652
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:	定期向主要營運決策者提供但並無列入計量分類溢利或虧損或分類資產之金額：						
Depreciation on property, plant and equipment	物業、廠房及設備折舊	-	-	-	-	40	40
Additions to property, plant and equipment	添置物業、廠房及設備	-	-	-	-	178	178
Additions to investment deposits	增加投資訂金	-	-	-	-	20,000	20,000
Change in fair value of convertible notes	可換股票據之公平值變動	-	-	-	-	5,078	5,078
Change in fair value of derivative financial assets	衍生金融資產之公平值變動	-	-	-	-	(24,371)	(24,371)
Gain on disposal of a subsidiary	出售一家附屬公司之收益	-	-	-	-	(11,199)	(11,199)
Net foreign exchange gain	匯兌收益淨額	-	-	-	-	(4)	(4)
Bank interest income	銀行利息收入	-	-	-	-	(3)	(3)
Income tax expense	所得稅開支	-	-	-	-	2,646	2,646

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9. SEGMENT INFORMATION (Continued) GEOGRAPHICAL INFORMATION

The Group's operations are located in Hong Kong and PNG.

The geographical location of the Group's revenue from external customers based on the location of the operations. Information about the Group's non-current assets, excluded those financial instruments, is based on the location of the assets.

9. 分類資料(續) 地區資料

本集團於香港及巴布亞新畿內亞經營業務。

本集團外界客戶收益之地理位置乃按營運所在地釐定。本集團非流動資產資料(不包括該等金融工具)乃以資產之地理位置為依據。

		Revenue from external customers 源自外界客戶之收益		Non-current assets 非流動資產	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Hong Kong	香港	34,720	53,369	2,575	20,173
PNG	巴布亞新畿內亞	—	—	306,288	—
		34,720	53,369	308,863	20,173

INFORMATION ABOUT MAJOR CUSTOMERS

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group is as follows:

有關主要客戶資料

於相應年度佔本集團總收益超過10%之客戶收益如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Customer A (revenue from money lending)	客戶甲(借貸收益)	15,386	10,787
Customer B (revenue from money lending)	客戶乙(借貸收益)	5,851	N/A 不適用 ¹

¹ The corresponding revenue did not contribute over 10% of the total revenue of the Group in the respective year.

¹ 相應收益於各年度並無為本集團貢獻逾10%總收益。

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10. FINANCE COSTS

10. 融資成本

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (重列)
Interests on:	以下各項之利息：		
— note payable	— 應付票據	3,334	—
Interests on (included in cost of sales):	以下各項之利息(計入銷售成本)：		
— other borrowings wholly repayable within one year	— 須於一年內全數償還 之其他借貸	200	2,602
— convertible notes	— 可換股票據	—	50
		200	2,652
		3,534	2,652

11. OTHER INCOME AND GAINS

11. 其他收入及收益

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Bank interest income	銀行利息收入	3	3
Consideration from granting of call option (Note 22)	來自授出認購期權之代價 (附註22)	4,800	—
Interest income from convertible instruments	來自可換股工具之利息收入	1,687	—
Dividend income	股息收入	764	—
Others	其他	251	5
		7,505	8

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12. INCOME TAX (CREDIT) EXPENSE

12. 所得稅(抵免)開支

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Hong Kong Profits Tax	香港利得稅		
— Current year	— 本年度	—	2,646
— Overprovision in prior year	— 往年超額撥備	(12)	—
		(12)	2,646

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

香港利得稅乃就兩個年度之估計應課稅溢利按 16.5% 計算。

The tax (credit) expense for the year can be reconciled to the profit (loss) before tax per the consolidated income statement as follows:

年內稅項(抵免)開支可與綜合損益表所載之除稅前溢利(虧損)對賬如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Profit (loss) before tax	除稅前溢利(虧損)	62,267	(142,313)
Tax at the domestic income tax rate of 16.5% (2011: 16.5%)	按本地所得稅稅率 16.5% (二零一一年：16.5%) 計算之稅項	10,274	(23,482)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	5,670	18,007
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(15,862)	(6,002)
Tax effect of deductible temporary differences not recognised	未確認可扣稅暫時差額之稅務影響	48	12,903
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	172	1,220
Utilisation of tax losses previously not recognised	動用過往未確認稅項虧損	(303)	—
Tax effect of different tax rate of subsidiaries operating in other jurisdiction	於其他司法權區經營之附屬公司不同稅率之稅務影響	1	—
Overprovision in prior year	往年超額撥備	(12)	—
Income tax (credit) expense	所得稅(抵免)開支	(12)	2,646

Details of deferred tax were set out in Note 33.

遞延稅項詳情載於附註 33。

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13. PROFIT (LOSS) FOR THE YEAR

13. 年內溢利(虧損)

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Profit (loss) for the year has been arrived at after charging (crediting):	年內溢利(虧損)乃經扣除(計入)以下各項後達致：		
Auditor's remuneration	核數師酬金	850	600
Directors' emoluments (Note 14)	董事酬金(附註14)	2,798	473
Staff costs (excluding directors' emoluments)	員工成本(不包括董事酬金)		
— Salaries, wages and other benefits	— 薪金、工資及其他福利	5,929	3,337
— Retirement benefit scheme contribution	— 退休福利計劃供款	325	92
Total staff costs	員工成本總額	6,254	3,429
Depreciation of property, plant and equipment	物業、廠房及設備折舊	913	40
Net foreign exchange gain	匯兌收益淨額	(14)	(4)
Minimum lease payment under operating lease in respect of land and buildings	土地及樓宇經營租賃項下之最低租賃款項	1,718	467

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14. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS

The emoluments paid or payable to each of the ten (2011: eleven) Directors and the chief executives were as follows:

For the year ended 31 December 2012

14. 董事及行政總裁酬金

已付或應付予各十名(二零一一年: 十一名)董事及行政總裁之酬金如下:

截至二零一二年十二月三十一日止年度

		Salaries, wages and other benefits	Retirement benefit scheme contribution	Total
	Fees	benefits		
	袍金	薪金、工資及其他福利	退休福利計劃供款	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
<i>Executive directors:</i>	<i>執行董事:</i>			
Ms. Jia Hui	賈輝女士	-	-	-
Mr. Huang Chuan Fu	黃傳福先生	-	-	-
Mr. Jiang Yi Ren	蔣一任先生	-	-	-
Mr. Liang Jian Hua	梁建華先生	-	-	-
Mr. Ng Kwok Fai	吳國輝先生	1,440	-	1,440
<i>Non-executive director:</i>	<i>非執行董事:</i>			
Mr. Chan Kin Sang	陳健生先生	600	425	1,025
<i>Independent non-executive directors:</i>	<i>獨立非執行董事:</i>			
Mr. Li Sui Yang ¹	李隨洋先生 ¹	87	-	87
Mr. Wong Chun Hung	黃鎮雄先生	120	-	120
Mr. Cheng Po Yuen	鄭保元先生	120	-	120
Mr. Wong Sze Kai ²	黃思佳先生 ²	6	-	6
		2,373	425	2,798

¹ Resigned on 21 September 2012
² Appointed on 14 December 2012

¹ 於二零一二年九月二十一日辭任
² 於二零一二年十二月十四日獲委任

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14. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS (Continued)

For the year ended 31 December 2011

14. 董事及行政總裁酬金 (續)

截至二零一一年十二月三十一日止年度

		Salaries, wages and other benefits	Retirement benefit scheme contribution	Total
	Fees	薪金、工資及其他福利	退休福利計劃供款	總計
	袍金	及其他福利	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
<i>Executive directors:</i>	<i>執行董事：</i>			
Dr. Budiono Widodo ¹	黃進益博士 ¹	—	—	—
Mr. Sardjono Widodo ¹	黃種嘉先生 ¹	—	—	—
Ms. Jia Hui	賈輝女士	—	—	—
Mr. Huang Chuan Fu	黃傳福先生	—	—	—
Mr. Jiang Yi Ren	蔣一任先生	—	—	—
Mr. Liang Jian Hua	梁建華先生	—	—	—
Mr. Ng Kwok Fai ²	吳國輝先生 ²	148	—	148
<i>Non-executive director:</i>	<i>非執行董事：</i>			
Mr. Chan Kin Sang ⁴	陳健生先生 ⁴	25	—	25
<i>Independent non-executive directors:</i>	<i>獨立非執行董事：</i>			
Mr. Li Sui Yang ³	李隨洋先生 ³	4	—	4
Mr. Wong Chun Hung	黃鎮雄先生	100	—	100
Mr. Cheng Po Yuen	鄭保元先生	100	—	100
Mr. Chan Kin Sang ⁴	陳健生先生 ⁴	96	—	96
		<u>473</u>	<u>—</u>	<u>473</u>

¹ Resigned on 17 January 2011

² Appointed on 24 November 2011

³ Appointed on 16 December 2011

⁴ Re-designated as non-executive director from independent non-executive director on 16 December 2011

¹ 於二零一一年一月十七日辭任

² 於二零一一年十一月二十四日獲委任

³ 於二零一一年十二月十六日獲委任

⁴ 於二零一一年十二月十六日從獨立非執行董事調任為非執行董事

Apart from the Directors, the Group has not classified any other person as a chief executive during the years ended 31 December 2012 and 2011. No Directors waived any emoluments in both years.

除董事外，本集團於截至二零一二年及二零一一年十二月三十一日止年度並無將任何其他人士分類為行政總裁。於兩個年度均無豁免任何董事酬金。

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15. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, two (2011: two) were Directors whose emoluments are included in the disclosures in Note 14. The emoluments of the remaining three (2011: three) highest paid individuals were as follows:

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, allowance, other benefits and bonus	薪金、津貼、其他福利及花紅	1,768	935
Retirement benefit schemes contribution	退休福利計劃供款	41	30
		1,809	965

Their emoluments fell within the nil to HK\$1,000,000 band.

During the two years ended 31 December 2012 and 2011, no emoluments were paid by the Group to the five highest paid individuals and Directors as an inducement to join or upon joining the Group or as compensation for loss of office.

16. DIVIDEND

No dividend was paid or proposed during the year ended 31 December 2012, nor has any dividend been proposed since the end of the reporting period (2011: Nil).

17. EARNINGS (LOSS) PER SHARE

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

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Earnings (loss) for the purpose of basic and diluted earnings (loss) per share	用作計算每股基本及攤薄盈利(虧損)之盈利(虧損)	62,283	(134,081)

15. 僱員酬金

本集團五名最高薪人士中，兩名(二零一一年：兩名)為董事，其酬金載於附註14之披露事項中。餘下三名(二零一一年：三名)最高薪人士之酬金如下：

彼等之酬金介乎零至1,000,000港元之間。

於截至二零一二年及二零一一年十二月三十一日止兩個年度內，本集團概無向五名最高薪人士及董事支付酬金，作為加入本集團或於加入本集團後之獎勵或作為離職補償。

16. 股息

於截至二零一二年十二月三十一日止年度內並無派發或建議派發股息，自報告期末以來亦無建議派發任何股息(二零一一年：無)。

17. 每股盈利(虧損)

本公司擁有人應佔每股基本及攤薄盈利(虧損)乃根據下列數據計算：

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17. EARNINGS (LOSS) PER SHARE (Continued)

17. 每股盈利(虧損)(續)

		2012 二零一二年 '000 千股	2011 二零一一年 '000 千股 (Restated) (重列)
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share	用作計算每股基本盈利(虧損)之普通股加權平均數	693,057	67,623
Effect of dilutive potential ordinary shares: Share options (Note)	潛在攤薄普通股之影響: 購股權(附註)	-	N/A 不適用
Weighted average number of ordinary shares for the purpose of diluted earnings (loss) per share	用作計算每股攤薄盈利(虧損)之普通股加權平均數	693,057	67,623

Note: The computation of diluted earnings per share in 2012 does not assume the exercise of the Company's share options because the exercise price of those share options was higher than the average market price for shares for the year ended 31 December 2012.

附註: 於二零一二年計算每股攤薄盈利時, 並無假設本公司購股權已獲行使, 因該等購股權之行使價高於截至二零一二年十二月三十一日止年度之股份平均市價。

The weighted average number of ordinary shares for the purpose of basic and diluted earnings (loss) per share has been adjusted for the share consolidation on 20 March 2012 and 10 September 2012 and the effect of right issues (with bonus issues) on 11 October 2012. Details of the share consolidation and right issues (with the bonus issue) are set out in Note 35.

用作計算每股基本及攤薄盈利(虧損)之普通股加權平均數已就二零一二年三月二十日及二零一二年九月十日之股份合併以及二零一二年十月十一日之供股連紅股發行作出調整。股份合併及供股連紅股發行詳情載於附註35。

The denominator for the purpose of calculating basic and diluted loss per share in 2011 has been restated to effect of the share consolidation and right issues (with bonus issues) during the year ended 31 December 2012.

計算二零一一年每股基本及攤薄虧損所用分母已重列, 以計入截至二零一二年十二月三十一日止年度股份合併及供股連紅股發行之影響。

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18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

		Leasehold improvement 批租物業裝修 HK\$'000 千港元	Furniture, fittings and equipment 傢俬、裝置 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
COST	成本				
At 1 January 2011	於二零一一年一月一日	-	431	-	431
Additions	添置	-	178	-	178
At 31 December 2011 and 1 January 2012	於二零一一年十二月三十一日及 二零一二年一月一日	-	609	-	609
Additions	添置	2,500	37	778	3,315
At 31 December 2012	於二零一二年十二月三十一日	2,500	646	778	3,924
ACCUMULATED DEPRECIATION	累計折舊				
At 1 January 2011	於二零一一年一月一日	-	(396)	-	(396)
Provided for the year	年內撥備	-	(40)	-	(40)
At 31 December 2011 and 1 January 2012	於二零一一年十二月三十一日及 二零一二年一月一日	-	(436)	-	(436)
Provided for the year	年內撥備	(787)	(48)	(78)	(913)
At 31 December 2012	於二零一二年十二月三十一日	(787)	(484)	(78)	(1,349)
CARRYING VALUES	賬面值				
At 31 December 2012	於二零一二年十二月三十一日	1,713	162	700	2,575
At 31 December 2011	於二零一一年十二月三十一日	-	173	-	173

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

物業、廠房及設備之折舊採用直線法計算，按估計可使用年期將成本分攤至其剩餘價值如下：

Leasehold improvement	Over the shorter of expected useful life and period of the lease	批租物業裝修	預期可使用年期與租賃年期之較短者
Furniture, fittings and equipment	20%	傢俬、裝置及設備	20%
Motor vehicles	20%	汽車	20%

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19. GOODWILL

19. 商譽

		HK\$'000 千港元
COST	成本	
At 1 January 2011, 31 December 2011 and 1 January 2012	於二零一一年一月一日、二零一一年 十二月三十一日及二零一二年一月一日	–
Arising on acquisition of subsidiaries (Note 41)	收購附屬公司時產生(附註41)	306,019
At 31 December 2012	於二零一二年十二月三十一日	306,019
ACCUMULATED IMPAIRMENT	累計減值	
At 1 January 2011, 31 December 2011 and 31 December 2012	於二零一一年一月一日、 二零一一年十二月三十一日及 二零一二年十二月三十一日	–
CARRYING VALUE	賬面值	
At 31 December 2012	於二零一二年十二月三十一日	306,019
At 31 December 2011	於二零一一年十二月三十一日	–

For the year ended 31 December 2012, addition of goodwill amounted to approximately HK\$306,019,000 was arisen from the acquisition of 30% equity interest of Profit Grand Enterprises Limited ("Profit Grand") and its subsidiary (the "Acquisition"), including I-Sky Natural Resources (PNG) Limited ("I-Sky Natural") (collectively referred to as the "Profit Grand Group") (Note 41). Profit Grand Group has been granted the right to operate sawmills, harvest trees and sell logs, in the forest located in PNG with ground area of approximately 65,800 hectares (the "Project Area").

Goodwill was allocated to the Group's cash-generating unit identified according to the operating segment. The goodwill as at 31 December 2012 was attributable to the cash-generating unit that comprises the forestry business segment.

The recoverable amount of the forestry business segment cash-generating unit was based on value in use and was determined with reference to the valuation report issued by Roma Appraisals.

截至二零一二年十二月三十一日止年度，因收購Profit Grand Enterprises Limited(「Profit Grand」)及其附屬公司(包括I-Sky Natural Resources (PNG) Limited(「I-Sky Natural」)，統稱「Profit Grand集團」)之30%股權(「收購事項」)而致商譽增加約306,019,000港元(附註41)。Profit Grand集團獲授予權利可在巴布亞新畿內亞境內面積約65,800公頃(「項目範圍」)之森林經營鋸木廠、伐木及銷售原木。

商譽分配至根據經營分類識別之本集團現金產生單位。於二零一二年十二月三十一日之商譽乃源自組成森林業務分類之現金產生單位。

森林業務分類之現金產生單位之可收回金額乃按使用價值計算，並經參考羅馬評估發出之估值報告後釐定。

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19. GOODWILL (Continued)

Value in use was determined by discounting the future cash flows generated from the continuing use of the cash-generating unit. The calculation of the value in use was based on the following key assumptions:

- Cash flows were projected based on financial budget approved by management. Management has planned the harvesting and selling activities and reforestation for the first 30-year cycle of the Project Area based on the sublease agreement with the landowners.
- Revenue was projected based on management's expectations for market development and the harvesting plan.
- Timber product average domestic price growth at 5.3% per annum and average export price growth at 2.1% per annum.
- A pre-tax discount rate of 15.54% based on the data and factors relevant to the economy in PNG, the forest industry, and the timber products in PNG.
- All relevant legal approvals and business certificates or licenses to operate the business in the localities in which the Group operates or intends to operate would be officially obtained and renewed upon expiry.

The recoverable amount of the forestry business segment was determined to be higher than its carrying amount. Therefore, the Directors considered no impairment on goodwill is required for the year ended 31 December 2012.

19. 商譽(續)

使用價值乃按貼現來自持續使用現金產生單位之未來現金流量釐定。使用價值乃按以下主要假設計算：

- 現金流量乃按管理層批准之財務預算預測。管理層根據與業主訂立之分租協議，計劃進行項目範圍首三十年週期之砍伐及銷售活動以及重新植林。
- 收益乃按管理層對市場發展及砍伐計劃之預期作出預測。
- 木材產品之平均國內市場價格按年增長5.3%，而平均出口價格則按年增長2.1%。
- 除稅前貼現率15.54%乃根據與巴布亞新畿內亞經濟、林業以及巴布亞新畿內亞森林木材產品相關之數據及因素計算。
- 正式獲取所有相關法定批准及營業執照或本集團於業務所在地區經營或擬經營業務之許可證，並於屆滿後續期。

森林業務分類之可收回金額乃釐定為將高於其賬面值。因此，董事認為於截至二零一二年十二月三十一日止年度毋須進行商譽減值。

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20. INVESTMENT DEPOSITS

On 28 July 2011, the Company entered into a memorandum of understanding (the "MOU") with Able Famous Limited and Peak Sino Limited (collectively referred to as the "Vendors") who are independent third parties to the Group, in relation to the potential Acquisition. Pursuant to the MOU, the Group paid a refundable deposit of HK\$10,000,000 to the Vendors for this potential Acquisition.

On 2 December 2011, Century Praise Limited ("Century Praise"), a wholly-owned subsidiary of the Company, entered into a conditional agreement with the Vendors in relation to this potential Acquisition. Century Praise had further paid a refundable deposit of HK\$10,000,000 to the Vendors for this potential Acquisition.

The Acquisition has been completed on 12 April 2012 and the investment deposits had been used to settle part of the purchase consideration. Details of the Acquisition has been stated in Note 41.

21. DEPOSIT FOR ACQUISITION OF LOGGING CONCESSION

On 30 May 2011, I-Sky Natural has entered into a project agreement with Vabari Development Corporation Limited (the "Landowners") for a forest development project in which forest logs will be harvested for the purposes of sale and export and other related activities incidental to and arising out of the project in the Project Area. Pursuant to the project agreement, I-Sky Natural could enjoy the logging concession from the Landowners for a term of 99 years. I-Sky Natural shall pay the Landowners required premiums, royalties and levies and pay to the Landowners 3% share of its annual net profit before tax, from all agricultural projects I-Sky Natural undertakes within the Project Area. The balance represented a deposit of approximately HK\$269,000 (equivalent to PGK75,000) for acquisition of logging concession had been paid by the I-Sky Natural to the Landowners during the year ended 31 December 2011.

20. 投資訂金

於二零一一年七月二十八日，本公司就潛在收購事項與兩名本集團獨立第三方與Albe Famous Limited及Peak Sino Limited（統稱「賣方」）訂立諒解備忘錄（「諒解備忘錄」）。根據諒解備忘錄，本集團就潛在收購事項向賣方支付一筆可退還訂金10,000,000港元。

於二零一一年十二月二日，本公司之全資附屬公司Century Praise Limited（「Century Praise」）與賣方就潛在收購事項訂立有條件協議。Century Praise已就潛在收購事項向賣方進一步支付一筆可退還訂金10,000,000港元。

收購事項已於二零一二年四月十二日完成，而投資訂金已用作支付部分收購代價。有關收購事項之詳情於附註41呈列。

21. 取得伐木特許權之按金

於二零一一年五月三十日，I-Sky Natural與Vabari Development Corporation Limited（「業主」）就一項於項目範圍開發森林以採伐森林之林木供銷售及出口和與項目相關業務為目的之開發森林項目簽訂項目協議。根據該項目協議，I-Sky Natural可享用業主授出之伐木特許權，為期九十九年。I-Sky Natural將向業主支付所需溢價、特許權使用費及徵費，以及向業主支付I-Sky Natural每年從項目範圍內進行的所有農業項目所得除稅前純利3%。結餘指I-Sky Natural於截至二零一一年十二月三十一日止年度就獲得伐木特許權向業主支付之訂金約269,000港元（相當於75,000基納）。

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22. CONVERTIBLE INSTRUMENTS DESIGNATED AS FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

22. 可換股工具(指定為按公平值透過損益列賬之金融資產)

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Financial assets designated at FVTPL	指定為按公平值透過損益列賬之金融資產		
— Convertible bonds mature over one year	— 到期日超過一年之可換股債券	104,712	—

On 26 June 2012 and 4 September 2012, the Company entered into a subscription agreement and supplemental subscription agreement, with China Environmental Energy Investment Limited ("China Environmental"), a company's shares are listed on the Stock Exchange, in subscribing convertible bonds, with total principal amount of HK\$95,000,000 and interest of 8% per annum, issued by China Environmental at the subscription price of HK\$95,000,000 (the "Convertible Bonds"). The subscription was completed and the Convertible Bonds were issued to the Company on 12 October 2012. The Convertible Bonds can be converted into new ordinary shares of China Environmental, limited to 29.9% of the issued share capital of China Environmental, at any time within a period of eighteen months following the date of issue at a conversion price of HK\$0.592 per share. The Company has not converted any Convertible Bonds into new ordinary share of the China Environmental during the year ended 31 December 2012.

As at 31 December 2012, the fair value of the Convertible Bonds have been estimated by Roma Appraisal using valuation techniques based on quoted market prices of the underlying listed securities.

The Directors are of the opinion that the fair value of the Convertible Bonds was HK\$104,712,000 and a fair value gain of approximately HK\$9,712,000 was recognised in profit or loss for the year ended 31 December 2012.

於二零一二年六月二十六日及二零一二年九月四日，本公司與中國環保能源投資有限公司(「中國環保」，其股份於聯交所上市)訂立認購協議及補充認購協議，以認購中國環保按認購價95,000,000港元所發行本金總額為95,000,000港元且附帶年息8厘之可換股債券(「可換股債券」)。於二零一二年十月十二日，認購事項已完成，且可換股債券已發行予本公司。可換股債券可於發行日期後十八個月內任何時間按兌換價每股0.592港元兌換為中國環保新普通股，限額為中國環保已發行股本之29.9%。本公司於截至二零一二年十二月三十一日止年度並未將任何可換股債券兌換為中國環保新普通股。

於二零一二年十二月三十一日，可換股債券之公平值乃由羅馬評估按相關上市證券所報市價以估值方法進行估計。

董事認為，截至二零一二年十二月三十一日止年度，可換股債券之公平值為104,712,000港元，而為數約9,712,000港元之公平值收益已於損益確認。

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22. CONVERTIBLE INSTRUMENTS DESIGNATED AS FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

On 12 October 2012, the Group has entered into a call option deed with an independent third party (the "Call Option Holder") in granting a call option (the "Call Option") for the Call Option Holder to purchase up to HK\$60,000,000 principal amount of the Convertible Bonds at the exercise price of 120% of the principal amount of the Convertible Bonds. The consideration of the Call Option was HK\$4,800,000, which was recognised as other income in profit or loss (Note 11). The maturity date of the Call Option was three date prior to the maturity date of the Convertible Bonds.

As at 12 October 2012 and 31 December 2012, the fair values of the Call Option has been estimated by Roma Appraisal using Black-Scholes option pricing model. However, as the fair values were minimal, the Directors considered that no such financial instrument should be recognised.

22. 可換股工具(指定為按公平值透過損益列賬之金融資產)(續)

於二零一二年十月十二日，本集團與一名獨立第三方(「認購期權持有人」)就授出認購期權(「認購期權」)訂立認購期權契據，以便認購期權持有人按行使價(即可換股債券本金額之120%)購買本金額最多為60,000,000港元之可換股債券。認購期權之代價為4,800,000港元，已於損益確認為其他收入(附註11)。認購期權之到期日為可換股債券之到期日前三日。

於二零一二年十月十二日及二零一二年十二月三十一日，認購期權之公平值乃由羅馬評估使用柏力克-舒爾斯期權定價模式估計。然而，由於公平值並不重大，故董事認為毋須確認有關金融工具。

23. AVAILABLE-FOR-SALE FINANCIAL ASSETS

23. 可供出售金融資產

		2012 二零一二年	2011 二零一一年
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Listed investments:	上市投資：		
— Equity securities listed in Hong Kong	— 於香港上市之股本證券	(a) 5,922	25,200
Unlisted investments	非上市投資		
— Redeemable convertible preference shares	— 可贖回可換股優先股	(b) 90,000	—
		95,922	25,200

Notes:

- (a) On 27 May 2011 and 2 June 2011, the Group acquired equity interests in a company listed on the Stock Exchange at an aggregate consideration of HK\$80,190,000.

During the years ended 31 December 2012 and 31 December 2011, there had been a significant decline in the market value of the shares of the investment. The Directors consider that such a decline indicates that the listed equity investment has been impaired and an impairment loss of approximately HK\$19,278,000 (2011: HK\$54,990,000) had been recognised and charged directly to profit or loss.

附註：

- (a) 於二零一一年五月二十七日及二零一一年六月二日，本集團收購一家聯交所上市公司之股權，總代價為80,190,000港元。

於截至二零一二年十二月三十一日及二零一一年十二月三十一日止年度，股份投資之市值顯著下跌。董事認為，有關跌幅表示上市股本投資出現減值，故確認減值虧損約19,278,000港元(二零一一年：54,990,000港元)並直接自損益扣除。

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23. AVAILABLE-FOR-SALE FINANCIAL ASSETS

(Continued)

Notes: (Continued)

- (b) On 11 October 2012, Perpetual Master Limited (“Perpetual Master”), a wholly owned subsidiary of the Company, has entered into the subscription agreement (the “Subscription Agreement”) with Million Wealth Capital Investment Limited (“Million Wealth”), which is engaged in money lending business, in subscribing 90 redeemable convertible preference shares of HK\$1,000,000 each from Million Wealth. The subscription was completed on 30 November 2012. Perpetual Master and the sole ordinary shareholder of Million Wealth, which is an independent third party of the Group, entered into a shareholder agreement on 30 November 2012 (the “Shareholders’ Agreement”).

Pursuant to the Subscription Agreement, the terms of redeemable convertible preference shares are as follows:

- (i) Perpetual Master is entitled to cumulative dividends of 10% per annum, compounded annually.
- (ii) Perpetual Master has a conversion right to convert the redeemable convertible preference shares into ordinary shares at any time at the option of Perpetual Master.
- (iii) Perpetual Master should not have any rights to vote at general meetings of Million Wealth.
- (iv) Subject to the consent of all shareholders of Million Wealth, the redeemable convertible preference shares could be sold or transferred without restriction upon issuance.
- (v) The redeemable convertible preference shares could be redeemed by Million Wealth subject to the consent of Perpetual Master or in events of default of Perpetual Master.

Pursuant to the Shareholders’ Agreement, major terms are as follows:

- (i) Perpetual Master should nominate one out of two persons in jointly operating the bank accounts of Million Wealth.
- (ii) Perpetual Master should be entitled to nominate one, who is also the chairman, out of three directors of the board of directors of Million Wealth (the “Board of Million Wealth”).
- (iii) Perpetual Master should be entitled to nominate one, who is also the chairman with veto rights, out of three members of the credit committee of Million Wealth (the “Credit Committee”), which shall be responsible for, including but not limited to, performing credit assessments, maintaining loan portfolio and reducing risk associated with any bad debts and/or default.

23. 可供出售金融資產 (續)

附註：(續)

- (b) 於二零一二年十月十一日，本公司全資附屬公司 Perpetual Master Limited (「Perpetual Master」) 與從事借貸業務之寶萬創富有限公司 (「寶萬創富」) 訂立認購協議 (「認購協議」)，以向寶萬創富認購 90 股每股面值 1,000,000 港元之可贖回可換股優先股。認購事項於二零一二年十一月三十日完成，Perpetual Master 與寶萬創富之唯一普通股股東 (為本集團之獨立第三方) 於二零一二年十一月三十日訂立股東協議 (「股東協議」)。

根據認購協議，可贖回可換股優先股之條款如下：

- (i) Perpetual Master 有權收取按複合年利率 10 厘計算之累計股息。
- (ii) Perpetual Master 可選擇於任何時間按兌換權將可贖回可換股優先股兌換為普通股。
- (iii) Perpetual Master 無權於寶萬創富之股東大會表決。
- (iv) 經寶萬創富全體股東同意後，可贖回可換股優先股方可出售或轉讓而在發行上不受任何限制。
- (v) 於 Perpetual Master 同意或 Perpetual Master 觸發違約事件之情況下，可贖回可換股優先股可由寶萬創富贖回。

根據股東協議，主要條款如下：

- (i) 寶萬創富之銀行賬戶由兩名人士共同管理，其中一名應由 Perpetual Master 提名。
- (ii) 寶萬創富董事會 (「寶萬創富董事會」) 由三名董事組成，Perpetual Master 有權提名其中一人 (亦為主席)。
- (iii) 寶萬創富信貸委員會 (「信貸委員會」) 由三名成員組成，Perpetual Master 有權提名其中一人 (亦為可行使否決權之主席)，其負責 (包括但不限於) 進行信貸評估，維持貸款組合，並減少任何壞賬及/或違約相關之風險。

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23. AVAILABLE-FOR-SALE FINANCIAL ASSETS

(Continued)

Notes: (Continued)

(b) (Continued)

As at 31 December 2012, Perpetual Master:

- (i) has not yet nominated any person in the operation of the bank accounts of Million Wealth;
- (ii) has not yet nominated any directors on the Board of Million Wealth; and
- (iii) has nominated Mr. Huang Chuan Fu ("Mr. Huang"), the executive director of the Company, as chairman in the Credit Committee. Mr. Huang is only responsible for the loan assessment which is then submitted to the Board of Million Wealth for approval.

The Directors consider that the Group has neither control nor significant influence over Million Wealth as they have not actively participated in the operation and policy-making process of Million Wealth. Therefore, the investment in the redeemable convertible preference shares is treated as available-for-sales financial asset as a long term investment. The Directors consider that there is no recoverability problem and no impairment is considered necessary.

23. 可供出售金融資產 (續)

附註：(續)

(b) (續)

於二零一二年十二月三十一日，Perpetual Master:

- (i) 尚未提名任何人士管理寶萬創富之銀行賬戶；
- (ii) 尚未提名任何董事出任寶萬創富董事會；及
- (iii) 已提名本公司執行董事黃傳福先生(「黃先生」)出任信貸委員會之主席。黃先生僅負責貸款評估(其後須提呈寶萬創富董事會批准)。

董事認為，由於本集團未有積極參與寶萬創富之經營及政策制定過程，故其對寶萬創富並無控制權或重大影響力。因此，可贖回可換股優先股之投資被視為作長線投資之可供出售金融資產。董事認為，不存在能否收回之問題，亦毋須進行減值。

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24. LOAN AND INTEREST RECEIVABLES

24. 應收貸款及利息

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Fixed-rate loan and interest receivables	定息應收貸款及利息	127,646	273,221

The term of loans entered with customers ranges within one year. And after monitoring assessment and further creditworthiness analysis on the debtors, certain loans have been further extended for not more than one year. All loan and interest receivables are denominated in HK\$. The loan receivables carry fixed interest ranging from 8% to 48% (2011: 8% to 48%) per annum. Included in the carrying amounts of loan and interest receivables as at 31 December 2012 is accumulated impairment loss of HK\$44,060,000 (2011: HK\$109,483,000). An aging analysis of the loan and interest receivables net of accumulated impairment loss at the end of the reporting period, based on the loan agreement commencement date and the date of interest incurred respectively, is as follows:

與客戶訂立之貸款年期介乎一年內。為債務人進行監察評估及進一步信用分析後，若干貸款獲進一步延長至不多於一年。所有應收貸款及利息均以港元列值。應收貸款之固定年利率介乎8%至48%（二零一一年：8%至48%）。於二零一二年十二月三十一日之應收貸款及利息賬面值已計入累計減值虧損44,060,000港元（二零一一年：109,483,000港元）。根據貸款協議開始日期及利息產生日期分別計算，於報告期末扣除累計減值虧損之應收貸款及利息賬齡分析如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元 (Restated) (重列)
0–30 days	0–30日	744	6,908
31–90 days	31–90日	123,606	65,754
91–180 days	91–180日	126	12,853
181–365 days	181–365日	212	187,706
Over 365 days	365日以上	2,958	–
		127,646	273,221

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24. LOAN AND INTEREST RECEIVABLES (Continued)

Set out below is an analysis of loan and interest receivables that are past due but not impaired:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
1–30 days	1–30 日	226	16,978
31–90 days	31–90 日	3,304	417
91–180 days	91–180 日	109	611
181–365 days	181–365 日	215	101
Over 365 days	365 日以上	40	–
		3,894	18,107

Note: As at 31 December 2012 and 2011, the amounts which are past due but not impaired are not subject to any collateral. As subsequent settlement is noted, the Directors considered that no impairment is necessary for these overdue debtors.

The movements in accumulated impairment of loan and interest receivables are as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At 1 January	於一月一日	109,483	–
Reversal of impairment loss on loan and interest receivables	應收貸款及利息減值虧損撥回	(83,717)	–
Impairment loss recognised on loan and interest receivables	已確認應收貸款及利息減值虧損	18,294	145,171
Disposal of a subsidiary	出售一家附屬公司	–	(35,688)
At 31 December	於十二月三十一日	44,060	109,483

Included in the above impairment loss recognised at 31 December 2012 was individually impaired loan and interest receivables with a carrying amount of HK\$44,064,000 (2011: HK\$315,536,000) before impairment which have been in financial difficulties.

24. 應收貸款及利息(續)

已逾期但無減值之應收貸款及利息分析如下：

附註：於二零一二年及二零一一年十二月三十一日，已逾期但無減值之款項不受任何抵押限制。鑒於注意到其後已作結算，董事認為，毋須就該等逾期應收債項作出減值。

應收貸款及利息之累計減值變動如下：

上述於二零一二年十二月三十一日已確認之減值虧損包括陷入財政困難之個別已減值應收貸款及利息，其於減值前之賬面值為44,064,000港元(二零一一年：315,536,000港元)。

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24. LOAN AND INTEREST RECEIVABLES (Continued)

As at 31 December 2012, loan and interest receivables amounting to approximately HK\$49,779,000 (2011: HK\$222,411,000) were subject to collateral for listed shares amounting to approximately HK\$36,960,000 (2011: listed shares amounting to HK\$188,385,000).

As at 31 December 2012, loan and interest receivables amounting to approximately HK\$44,374,000 (2011: Nil) were subsequently subject to collaterals of promissory note issued by a listed company in Hong Kong and frozen cash of that debtor amounting to approximately HK\$25,000,000 and HK\$44,606,000 respectively (2011: Nil).

24. 應收貸款及利息(續)

於二零一二年十二月三十一日，約49,779,000港元(二零一一年：222,411,000港元)之應收貸款及利息以約36,960,000港元之上市股份(二零一一年：188,385,000港元之上市股份)作抵押品。

於二零一二年十二月三十一日，約44,374,000港元(二零一一年：無)之應收貸款及利息隨後以分別約25,000,000港元及44,606,000港元之一家香港上市公司所發行承兌票據及該債務人之凍結現金(二零一一年：無)作抵押品。

25. TRADE AND OTHER RECEIVABLES

25. 應收賬款及其他應收款項

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Trade receivables	應收賬款	173	311
Prepayments	預付款項	1,301	705
Other receivables (Note)	其他應收款項(附註)	7,246	5,272
		8,547	5,977
Total trade and other receivables	應收賬款及其他應收款項總額	8,720	6,288

Note: As at 31 December 2012, included in other receivables are interest receivables of approximately HK\$1,687,000 from the Convertible Bonds issued by China Environmental and other receivables of approximately HK\$4,000,000 from the Call Option Holder regarding the consideration of the Call Option of the Convertible Bonds. The Directors consider that no impairment is recognised as they are not yet overdue as at 31 December 2012.

As at 31 December 2011, included in other receivables are other receivables of approximately HK\$4,000,000 regarding the consideration from Favor Way Investments Limited ("Favor Way") in relation to the disposal of equity interest in Delta Wealth Finance Limited ("Delta Wealth"). The Directors consider that no impairment was recognised as they were not yet overdue as at 31 December 2011.

附註：於二零一二年十二月三十一日，其他應收款項包括來自中國環保所發行可換股債券之應收利息約1,687,000港元及就可換股債券之認購期權代價而涉及一名認購期權持有人之其他應收款項約4,000,000港元。董事認為，由於有關款項於二零一二年十二月三十一日尚未逾期，故並無確認減值。

於二零一一年十二月三十一日，其他應收款項包括就出售濱海融富信貸有限公司(「濱海融富」)股本權益而涉及Favor Way Investments Limited(「Favor Way」)所付代價之其他應收款項約4,000,000港元。董事認為，由於有關款項於二零一一年十二月三十一日尚未逾期，故並無確認減值。

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25. TRADE AND OTHER RECEIVABLES (Continued)

For the year ended 31 December 2012, the Group allowed a credit period in the range from 30 to 90 days (2011: 30 to 90 days) to its debtors. An aging analysis of the trade receivables net of accumulated impairment loss at the end of the reporting period, based on the invoice date, 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
Within 90 days	90日內	173	311

The aging analysis of the trade receivables that are 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	未逾期及未減值	173	311

There was no trade receivable balance as at 31 December 2012 and 2011 which was past due for which the Group has not provided for impairment loss at the end of both reporting periods.

In determining the recoverability of a trade or other receivable, the Group considers any change in credit quality of the trade and other receivables from the date credit was initially granted up to the reporting date. In view of the good settlement history from those debtors of the Group, the Directors considered that there is no impairment loss recognised for the year. The Group does not hold any collateral over these balances.

25. 應收賬款及其他應收款項(續)

截至二零一二年十二月三十一日止年度，本集團向其債務人提供介乎30至90日(二零一一年：30至90日)之信貸期。根據發票日期計算，於報告期末扣除累計減值虧損之應收賬款賬齡分析如下：

並無個別或整體被視為減值之應收賬款賬齡分析如下：

於二零一二年及二零一一年十二月三十一日，概無已逾期惟本集團在兩個報告期末仍未計提減值虧損撥備之應收賬款結餘。

釐定應收賬款或其他應收款項之可收回性時，本集團考慮自首次獲授信貸當日起至報告日期止應收賬款及其他應收款項信貸質素是否有任何變動。鑒於本集團之債務人付款記錄良好，董事認為年內並無確認減值虧損。本集團並無就該等結餘持有任何抵押品。

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26. INVESTMENT HELD FOR TRADING

26. 持作交易投資

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Listed securities	上市證券		
Equity securities listed in Hong Kong	於香港上市之股本證券	15,050	13,920

The fair values of the above listed securities are determined based on the quoted market bid prices available at the Stock Exchange.

上述上市證券之公平值乃按聯交所所報市場買入價釐定。

27. DERIVATIVE FINANCIAL ASSET

The movement of the derivative financial assets for the years was set out below:

27. 衍生金融資產

衍生金融資產之年內變動如下：

		Put option 認沽期權 HK\$'000 千港元 (Note (a)) (附註(a))	Listed bonus warrant on equity security listed in Hong Kong 香港上市 股本證券之 上市紅利 認股權證 HK\$'000 千港元 (Note (b)) (附註(b))	Total 總計 HK\$'000 千港元
At 1 January 2011	於二零一一年一月一日	8,410	–	8,410
Charged to profit or loss	自損益扣除	(4,444)	4,000	(444)
Exercise of put option (Note 42)	行使認沽期權(附註42)	(3,966)	–	(3,966)
At 31 December 2011 and 1 January 2012	於二零一一年十二月三十一日 及二零一二年一月一日	–	4,000	4,000
Charged to profit or loss	自損益扣除	–	(4,000)	(4,000)
At 31 December 2012	於二零一二年十二月三十一日	–	–	–

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27. DERIVATIVE FINANCIAL ASSET (Continued)

Notes:

- (a) On 24 September 2010, the Group entered into a sale and purchase agreement to acquire Delta Wealth, pursuant to which the Group possessed the right to exercise the put option at any time during the exercisable period in respect of acquiring back all of the 510,000 shares of Delta Wealth by the vendor. This represented 51% of the entire issued share capital of Delta Wealth by the vendor as at completion date.

On 13 October 2011, the Group entered into a sale and purchase agreement to dispose Delta Wealth, pursuant to which the Group exercised the put option to require Favor Way, the non-controlling shareholder of Delta Wealth, to acquire back all of the 510,000 shares of Delta Wealth.

- (b) On 18 August 2011, the Group was granted 400,000,000 listed warrants issued by a company listed on the Stock Exchange at nil consideration. The fair value at 31 December 2011 was determined based on the closing market price as at that date. Each warrant confers the right to subscribe for one ordinary share of the issuer at a subscription price of HK\$0.03. The warrants were expired and lapsed on 21 August 2012.

28. BANK BALANCES AND CASH

Bank balances carry interest at prevailing market rates ranging from 0.01% to 0.5% (2011: 0.01% to 0.5%) per annum for the year ended 31 December 2012.

The bank balances are deposited with creditworthy banks with no recent history of default.

The Group's bank balances and cash that are denominated in currencies other than the functional currency of the relevant group entities are as follows:

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
RMB 人民幣	421	394

27. 衍生金融資產 (續)

附註：

- (a) 於二零一零年九月二十四日，本集團就收購濱海融富訂立買賣協議，據此，本集團有權於行使期內任何時間行使認沽期權，要求賣方悉數購回510,000股濱海融富股份，相當於賣方於完成日期所持濱海融富全部已發行股本之51%。

於二零一一年十月十三日，本集團就出售濱海融富訂立買賣協議，據此，本集團行使認沽期權要求濱海融富之非控股股東Favor Way悉數購回510,000股濱海融富股份。

- (b) 於二零一一年八月十八日，本集團以無償形式獲一家聯交所上市公司授予400,000,000份上市認股權證。於二零一一年十二月三十一日之公平值乃按當日之收市價釐定。每份認股權證均附帶權利可按認購價0.03港元認購一股發行人普通股。認股權證已於二零一二年八月二十一日到期及失效。

28. 銀行結餘及現金

截至二零一二年十二月三十一日止年度，銀行結餘按介乎0.01厘至0.5厘(二零一一年：0.01厘至0.5厘)之現行市場年利率計息。

銀行結餘乃存放於近期並無拖欠記錄之可靠銀行。

本集團以有關集團實體功能貨幣以外貨幣計值之銀行結餘及現金如下：

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29. OTHER PAYABLES AND ACCRUALS

29. 其他應付款項及應計費用

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Other payables	其他應付款項	6	74
Accrued expenses	計提開支	1,874	679
Receipt in advance	預收款項	3	500
		1,883	1,253

30. AMOUNTS DUE TO DIRECTORS

The amounts due to directors are unsecured, interest free and repayable on demand.

30. 應付董事款項

應付董事款項為無抵押、不計息及須按要求償還。

31. NOTE PAYABLE AND INTEREST PAYABLE

On 12 April 2012, the Group completed the Acquisition. Part of the consideration is satisfied by issuing 10% promissory notes in the principal sum of HK\$195,000,000 (the "Promissory Notes") (Note 41). The maturity date of the Promissory Notes is 15 months from the date of issuance. During the year ended 31 December 2012, the Group has early redeemed HK\$185,000,000 of the Promissory Notes.

31. 應付票據及應付利息

於二零一二年四月十二日，本集團完成收購事項。部分代價以發行本金額為195,000,000港元之承兌票據(「承兌票據」)10%之方式償付(附註41)。承兌票據之到期日為自發行日期起計15個月。截至二零一二年十二月三十一日止年度，本集團已提早贖回承兌票據其中185,000,000港元。

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32. BORROWINGS

32. 借貸

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Current	即期		
Other borrowings — unsecured	其他借貸 — 無抵押	—	10,000
Carrying amounts repayable:	須予償還之賬面值：		
On demand or within one year	按要求或一年內	—	10,000
Less: Amounts due within one year shown under current liabilities	減：列於流動負債項下之一年內到期款項	—	(10,000)
		—	—

Other borrowings represented borrowings from an independent third party.

其他借貸指來自獨立第三方之借貸。

	Maturity date 到期日	Effective interest rate 實際利率	Carrying amounts 賬面值	
			2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Fixed rate unsecured other borrowings denominated in HK\$:				
其他定息無抵押港元借貸：				
HK\$ loan of HK\$10,000,000 港元貸款 10,000,000 港元	3 May 2012 二零一二年 五月三日	10%	—	10,000

33. DEFERRED TAXATION

No deferred tax asset attributable to the deductible temporary differences and tax losses of the Group have been recognised for both years due to unpredictability of future profit streams. At the end of the reporting period, the Group had unexpired estimated tax losses available for off-setting future taxable profits and deductible temporary differences of approximately HK\$15,466,000 (2011: HK\$16,258,000) and HK\$78,487,000 (2011: HK\$78,197,000) respectively.

33. 遞延稅項

由於無法預計未來溢利，故兩個年度均無就本集團之可扣稅暫時差額及稅項虧損確認遞延稅項資產。於報告期末，本集團有尚未到期之估計稅項虧損可用於抵銷金額分別約為 15,466,000 港元（二零一一年：16,258,000 港元）及 78,487,000 港元（二零一一年：78,197,000 港元）之未來應課稅溢利及可扣稅暫時差額。

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34. CONVERTIBLE NOTES CONVERTIBLE NOTE A

On 19 October 2010, the Company entered into a sale and purchase agreement with Favor Way, for the acquisition of Delta Wealth. Pursuant to the said sale and purchase agreement, the Company issued to Favor Way convertible notes (the "Convertible Note A") at a nominal value of HK\$48,000,000.

On 13 October 2011, the Company entered into a sale and purchase agreement with Favor Way for the disposal of Delta Wealth. Pursuant to the said sale and purchase agreement, Favor Way has conditionally agreed to acquire Delta Wealth at the consideration of HK\$52,000,000, which included HK\$4,000,000 cash consideration and the cancellation of the Convertible Note A with principal amount of HK\$48,000,000 which was issued to Favor Way on 19 October 2010. The transaction was completed on 22 December 2011 and the Convertible Note A was cancelled on the same day.

The principal terms of the Convertible Note A were as follows:

The Convertible Note A were denominated in HK\$. The Convertible Note A entitled the holders to convert them into ordinary shares of the Company at any time between the date of issue of the Convertible Note A and its maturity date on 31 December 2011 at initial conversion price of HK\$0.16 per share. If the Convertible Note A had not been converted, it would be redeemed on 31 December 2011 at nominal value. The Convertible Note A did not carry interest on the principal amount.

The Convertible Note A, which has been designated at FVTPL, was fairly valued by the Directors with reference to a valuation report issued by AVISTA Valuation Advisory Limited, an independent qualified valuer not connected to the Group. The change in fair value of the Convertible Note A of approximately HK\$5,078,000 had been recognised in the consolidated income statement for the year ended 31 December 2011.

34. 可換股票據 可換股票據A

於二零一零年十月十九日，本公司與 Favor Way 訂立買賣協議收購濱海融富。根據上述買賣協議，本公司向 Favor Way 發行面值 48,000,000 港元之可換股票據（「可換股票據 A」）。

於二零一一年十月十三日，本公司與 Favor Way 訂立買賣協議出售濱海融富。根據上述買賣協議，Favor Way 有條件同意收購濱海融富，代價為 52,000,000 港元，其中 4,000,000 港元為現金代價，餘下 48,000,000 港元則透過註銷本公司於二零一零年十月十九日發行予 Favor Way 之可換股票據 A 本金額支付。是項交易已於二零一一年十二月二十二日完成，而可換股票據 A 亦已於同日註銷。

可換股票據 A 之主要條款如下：

可換股票據 A 以港元列值。可換股票據 A 賦予持有人權利於可換股票據 A 發行日期至到期日二零一一年十二月三十一日期間任何時間按初步兌換價每股 0.16 港元，將其兌換為本公司普通股。倘可換股票據 A 未獲兌換，則將於二零一一年十二月三十一日按票面值贖回。可換股票據 A 並無就本金額計息。

指定為按公平值透過損益列賬之可換股票據 A 乃由董事參考與本集團概無關連之獨立合資格估值師艾華迪評估諮詢有限公司所發出估值報告公平估值。可換股票據 A 之公平值變動約 5,078,000 港元，已於截至二零一一年十二月三十一日止年度之綜合損益表確認。

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34. CONVERTIBLE NOTES (Continued)

CONVERTIBLE NOTE A (Continued)

The assumptions adopted for the valuation of the Convertible Note A were as follows:

- (1) The estimation of risk free rate has made reference to the yield of Exchange Fund Bill with same duration as the Convertible Note A;
- (2) The estimation of volatility for the underlying share price has considered the historical price movements of those companies engaged in relatively to similar industry; and
- (3) The discount rate was arrived at based on the Company's credit rating and select comparable corporate bonds with similar maturity and credit risk to derive the range of comparable yield to maturity as of date of valuation and the median range has been adopted.

The fair value of the Convertible Note A was calculated using the binomial model. Major parameter adopted in the calculation of the fair value are summarised below into the model was as follow:

		22.12.2011 二零一一年 十二月二十二日	31.12.2010 二零一零年 十二月三十一日
Stock price	股價	HK\$0.024 港元	HK\$0.06 港元
Exercise price	行使價	HK\$0.274 港元	HK\$0.16 港元
Risk free-rate	無風險利率	0.07%	0.34%
Discount rate	折讓率	11.45%	12.00%
Expected life	預期年期	10 days 日	1 year 年

The movement of the Convertible Note A for the year was set out below:

		HK\$'000 千港元
Carrying amount at 1 January 2011	於二零一一年一月一日之賬面值	42,922
Fair value change in profit or loss	溢利或虧損之公平值變動	5,078
Disposal of a subsidiary (Note 42)	出售一家附屬公司(附註42)	(48,000)
Carrying amount at 31 December 2011	於二零一一年十二月三十一日之賬面值	-

None of the Convertible Note A had been converted into ordinary shares of the Company during the year ended 31 December 2011.

34. 可換股票據(續)

可換股票據A(續)

對可換股票據A進行估值所採納之假設如下：

- (1) 無風險利率乃參考年期與可換股票據A相同之外匯基金票據收益率估計；
- (2) 相關股價波幅之估計已考慮從事類似行業之公司之過往價格變動；及
- (3) 貼現率乃根據本公司之信貸評級及具有類似到期期限及信貸風險之指定可資比較公司債券而訂定，以得出截至估值日之可資比較到期收益範圍，計算時採納中位範圍。

可換股票據A之公平值乃採用二項模式計算。計算公平值所採納之主要模式參數概列如下：

可換股票據A之年內變動如下：

截至二零一一年十二月三十一日止年度，概無任何可換股票據A獲兌換為本公司普通股。

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34. CONVERTIBLE NOTES (Continued) CONVERTIBLE NOTES B AND C

On 16 May 2011, the Company issued 6% convertible notes (the "Convertible Note B") to several independent third parties in the aggregate principal amount of HK\$100,000,000. The initial conversion price was HK\$0.58. On 18 May 2011, the conversion price was adjusted to HK\$0.082 as a result of the rights issue as set out in Note 35(e). The Convertible Note B in the principal amount of HK\$100,000,000 were fully converted into 1,219,512,192 ordinary shares of the Company at HK\$0.025 on 18 May 2011.

The effective interest rate of the liability component was 9.69%.

The principal terms of Convertible Note B were as follows:

The maturity date of Convertible Note B was 18 months from the date of issue. The conversion rights attaching to Convertible Note B could be exercised at any time up to the fifth day before the maturity of Convertible Note B. Convertible Note B included an early redemption option of which the Company could redeem whole or part of the outstanding Convertible Note B at an amount equal to 100% of the principal amount at any time and from time to time at the option of the Company prior to the maturity date.

On 29 November 2011, the Company issued 2% convertible notes (the "Convertible Note C") to several independent third parties in the aggregate principal amount of HK\$89,600,000. The initial conversion price was HK\$0.028. The Convertible Note C in the principal amount of HK\$89,600,000 were fully converted into 3,200,000,000 ordinary shares of the Company at HK\$0.025 on 29 November 2011.

The effective interest rate of the liability component was 22.68%.

The principal terms of the Convertible Note C were as follows:

The maturity date of Convertible Note C was 18 months from the date of issue. The conversion rights attaching to Convertible Note C could be exercised at any time up to the fifth day before the maturity of Convertible Note C. Convertible Note C included an early redemption option of which the Company can redeem whole or part of the outstanding Convertible Note C at an amount equal to 100% of the principal amount at any time and from time to time at the option of the Company prior to the maturity date of Convertible Note C.

34. 可換股票據(續) 可換股票據B及C

於二零一一年五月十六日，本公司向多名獨立第三方發行息率6%本金總額為100,000,000港元之可換股票據(「可換股票據B」)。初步兌換價為0.58港元。於二零一一年五月十八日，兌換價因附註35(e)所載供股而調整為0.082港元。本金額為100,000,000港元之可換股票據B於二零一一年五月十八日按0.025港元悉數兌換為1,219,512,192股本公司普通股。

負債部分之實際利率為9.69%。

可換股票據B之主要條款如下：

可換股票據B之到期日為發行日期起計18個月。可換股票據B附帶之換股權可於可換股票據B到期日之前第五日隨時予以行使。可換股票據B包含一項提早贖回選擇權，本公司可選擇於到期日前，隨時及不時按相等於本金額100%之金額，贖回全部或部分未兌換之可換股票據B。

於二零一一年十一月二十九日，本公司向多名獨立第三方發行息率2%本金總額為89,600,000港元之可換股票據(「可換股票據C」)。初步兌換價為0.028港元。本金額為89,600,000港元之可換股票據C於二零一一年十一月二十九日按0.025港元悉數兌換為3,200,000,000股本公司普通股。

負債部分之實際利率為22.68%。

可換股票據C之主要條款如下：

可換股票據C之到期日為發行日期起計18個月。可換股票據C附帶之換股權可於可換股票據C到期日之前第五日隨時予以行使。可換股票據C包含一項提早贖回選擇權，本公司可選擇於可換股票據C之到期日前，隨時及不時按相等於本金額100%之金額，贖回全部或部分未兌換之可換股票據C。

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34. CONVERTIBLE NOTES (Continued)

CONVERTIBLE NOTES B AND C (Continued)

Both the Convertible Note B and Convertible Note C contained three components: liability component, equity component and derivative component.

The Company's early redemption option embedded in both the Convertible Note B and Convertible Note C was accounted for as "Derivative financial assets" and was measured at fair value with changes in fair value recognised in profit or loss.

The derivative financial assets of Convertible Note B and Convertible Note C were fairly valued by the Directors with reference to a valuation report issued by BMI Appraisal Limited, an independent qualified valuer not connected to the Group.

The fair value of the derivative financial assets of Convertible Note B and Convertible Note C were calculated using the binomial model. Major parameter adopted in the calculation of the fair value are summarised below into the model was as follow:

34. 可換股票據(續)

可換股票據B及C(續)

可換股票據B及可換股票據C均由三個部分組成：負債部分、權益部分及衍生工具部分。

可換股票據B及可換股票據C所包含之本公司提早贖回選擇權乃以「衍生金融資產」形式入賬，並按公平值計量，而公平值變動則於損益確認。

可換股票據B及可換股票據C之衍生金融資產經董事參考與本集團概無關連之獨立合資格估值師中和邦盟評估有限公司發出之估值報告公平估值。

可換股票據B及可換股票據C之衍生金融資產公平值乃採用二項模式計算。計算公平值採納之主要模式參數概列如下：

	Convertible Note B 可換股票據B		Convertible Note C 可換股票據C	
	16 May 2011 二零一一年 五月十六日	18 May 2011 二零一一年 五月十八日	29 November 2011 二零一一年 十一月二十九日	
Stock price	股價	HK\$0.320 港元	HK\$0.122 港元	HK\$0.034 港元
Exercise price	行使價	HK\$0.580 港元	HK\$0.082 港元	HK\$0.028 港元
Risk-free rate	無風險利率	0.34%	0.35%	0.21%
Expected volatility	預期波幅	197.07%	203.46%	219.90%
Expected dividend yield	預期股息收益	0%	0%	0%
Expected life	預期年期	18 months 個月	18 months 個月	18 months 個月

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34. CONVERTIBLE NOTES (Continued)

CONVERTIBLE NOTES B AND C (Continued)

The assumptions adopted for the valuation of the Convertible Note B and Convertible Note C were as follows:

- (1) The estimation of risk free rate has made reference to the yield of Hong Kong Exchange Fund Note with same duration as the Convertible Notes B and C;
- (2) The expected volatility of the underlying security of the redemption option was determined based on the historical volatility of the share prices of the Company; and
- (3) The expected dividend yield of the underlying security of the redemption option was determined based on the historical dividend payment record of the Company.

The movements of the liability, equity and derivatives components of Convertible Note B and Convertible Note C for the year ended 31 December 2011 are set out below:

Convertible Note B

		Liability	Derivative financial asset	Equity	Total
		負債	衍生 金融資產	權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		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	-	-	-	-
Issued during the year	年內發行	96,632	(34,127)	37,495	100,000
Transaction costs	交易成本	(1,801)	-	(699)	(2,500)
Change in fair value	公平值變動	-	(24,815)	-	(24,815)
Conversion to shares during the year	年內兌換為股份	(94,848)	58,942	(36,796)	(72,702)
Imputed interest expense	推算利息開支	50	-	-	50
Interest paid	已付利息	(33)	-	-	(33)
At 31 December 2011	於二零一一年 十二月三十一日	-	-	-	-

34. 可換股票據 (續)

可換股票據B及C (續)

對可換股票據B及可換股票據C進行估值所採納之假設如下：

- (1) 無風險利率乃參考年期與可換股票據B及C相同之香港外匯基金票據收益率估計；
- (2) 贖回權項下證券之預期波幅乃按本公司股價之歷史波幅釐定；及
- (3) 贖回權項下證券之預期股息收益乃按本公司過往股息派付記錄釐定。

截至二零一一年十二月三十一日止年度，可換股票據B及可換股票據C之負債、權益及衍生工具部分變動如下：

可換股票據B

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34. CONVERTIBLE NOTES (Continued)

CONVERTIBLE NOTES B AND C (Continued)

Convertible Note C

34. 可換股票據 (續)

可換股票據B及C (續)

可換股票據C

		Liability	Derivative financial asset	Equity	Total
		負債	衍生 金融資產	權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		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	-	-	-	-
Issued during the year	年內發行	68,242	(34,709)	56,067	89,600
Transaction costs	交易成本	(1,230)	-	(1,010)	(2,240)
Conversion to shares during the year	年內兌換為股份	(67,012)	34,709	(55,057)	(87,360)
At 31 December 2011	於二零一一年十二月三十一日	-	-	-	-

CONVERTIBLE NOTE D

On 12 April 2012, the Group completed the Acquisition. Pursuant to the sale and purchase agreement entered into with the Vendors, the total consideration for the Acquisition of HK\$310,000,000 was satisfied as to (i) HK\$33,000,000 by the issue of the convertible bonds, which carried no interest, in the principal amount of HK\$33,000,000 with conversion price of HK\$0.087 (the "Convertible Note D"); (ii) HK\$82,000,000 in cash; and (iii) HK\$195,000,000 by the issue of the Promissory Notes. The Convertible Note D in the principal amount of HK\$33,000,000 was fully converted into 379,310,344 ordinary shares of the Company at HK\$0.01 on 12 April 2012.

The principal terms of the Convertible Note D were as follows:

The maturity date of Convertible Note D was the date immediately following one year after the first issue of the Convertible Note D (the "Note Maturity Date"). The holders of the Convertible Note D had the rights to convert the Convertible Note D, in whole or in part into the conversion shares, at any time from the day immediately following the issue of the Convertible Note D, up to the day immediately prior to the Note Maturity Date.

可換股票據D

於二零一二年四月十二日，本集團完成收購事項。根據與賣方所訂立買賣協議，收購事項之總代價310,000,000港元乃以下列方式償付：(i)本集團按兌換價0.087港元發行本金額為33,000,000港元之可換股票據（「可換股票據D」），以償付33,000,000港元且不附帶利息；(ii)以現金償付82,000,000港元；及(iii)發行承兌票據，以償付195,000,000港元。本金額為33,000,000港元之可換股票據D於二零一二年四月十二日按0.01港元悉數兌換為379,310,344股本公司普通股。

可換股票據D之主要條款如下：

可換股票據D之到期日為首次發行可換股票據D後一年翌日（「票據到期日」）。可換股票據D持有人有權由發行可換股票據D翌日起至緊接票據到期前一日止期間隨時將可換股票據D全部或部分兌換為兌換股份。

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34. CONVERTIBLE NOTES (Continued) CONVERTIBLE NOTE D (Continued)

The Company was entitled at its sole discretion to redeem any of the Convertible Note D remaining outstanding at par at any time from the date of issue on 12 April 2012 and up to and including the date falling seven days immediately before the Note Maturity Date.

Any of the Convertible Note D remaining outstanding at the Note Maturity Date must be mandatorily converted into conversion shares.

The Convertible Note D contained two components: equity component and derivative component.

The Company's early redemption option embedded in the Convertible Note D was accounted for as a "derivative financial asset" and was measured at fair value with changes in fair value recognised in profit or loss.

The derivative financial asset of Convertible Note D was fairly valued by the Directors with reference to a valuation report issued by Roma Appraisals.

The fair value of the derivative financial asset of Convertible Note D was calculated using the binomial model. Major parameter adopted in the calculation of the fair value are summarised below:

34. 可換股票據(續) 可換股票據D(續)

本集團可全權酌情於發行日期二零一二年四月十二日至緊接票據到期日前第七日(包括當日)止期間隨時按面值贖回餘下仍未兌換之任何可換股票據D。

於票據到期日仍未兌換之任何餘下可換股票據D必須強制兌換為兌換股份。

可換股票據D由兩個部分組成：權益部分及衍生工具部分。

可換股票據D所包含之本公司提早贖回選擇權乃以「衍生金融資產」形式入賬，並按公平值計量，而公平值變動則於損益確認。

可換股票據D之衍生金融資產經董事參考羅馬評估發出之估值報告公平估值。

可換股票據D之衍生金融資產公平值乃採用二項模式計算。計算公平值採納之主要參數概列如下：

		Convertible Note D 可換股票據D 12 April 2012 二零一二年 四月十二日
Stock price	股價	HK\$33,000,000 港元
Exercise price	行使價	HK\$33,000,000 港元
Risk-free rate	無風險利率	0.16%
Expected volatility	預期波幅	4.768%
Expected life	預期年期	0.984 year 年

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34. CONVERTIBLE NOTES (Continued)

CONVERTIBLE NOTE D (Continued)

The assumptions adopted for the valuation of the Convertible Note D are as follows:

- (1) The estimation of risk-free rate has made reference to the yield of Hong Kong Exchange Fund Note with same duration as the Convertible Note D;
- (2) The expected volatility for the underlying security of the redemption option was determined based on the historical volatility of the share prices of the Company; and
- (3) The expected dividend yield of the underlying security of the redemption option was determined based on the historical dividend payment record of the Company.

The movements of the equity and derivatives components of Convertible Note D for the year are set out below:

34. 可換股票據(續)

可換股票據D(續)

對可換股票據D進行估值所採納之假設如下：

- (1) 無風險利率乃參考年期與可換股票據D相同之香港外匯基金票據收益率估計；
- (2) 贖回選擇權項下相關證券之預期波幅乃按本公司股價之歷史波幅釐定；及
- (3) 贖回選擇權項下相關證券之預期股息收益乃按本公司過往股息派付記錄釐定。

以下所載為可換股票據D所屬權益及衍生工具部分於年內之變動：

		Derivative financial asset 衍生金融資產 HK\$'000 千港元	Equity 權益 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2012	於二零一二年一月一日	-	-	-
Issued during the year	年內發行	(648)	29,748	29,100
Conversion to shares during the year	年內兌換為股份	648	(29,748)	(29,100)
At 31 December 2012	於二零一二年十二月三十一日	-	-	-

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35. SHARE CAPITAL

35. 股本

		Par value 面值 HK\$ 港元	Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Authorised:	法定：			
At 1 January 2011	於二零一一年一月一日			
Ordinary shares of HK\$0.001 each	每股面值0.001港元之普通股	0.001	200,000,000	200,000
Share consolidation (Note a)	股份合併(附註a)	N/A 不適用	(192,000,000)	–
Capital reorganisation (Note c)	股本重組(附註c)	0.025	8,000,000	200,000
At 31 December 2011	於二零一一年十二月三十一日			
Ordinary shares of HK\$0.025 each	每股面值0.025港元之普通股	0.025	16,000,000	400,000
Share consolidation (Note f)	股份合併(附註f)	N/A 不適用	(14,400,000)	–
Capital reduction (Note g)	股本削減(附註g)	0.01	–	(384,000)
Capital reorganisation (Note g)	股本重組(附註g)	0.01	38,400,000	384,000
Share consolidation (Note i)	股份合併(附註i)	N/A 不適用	(35,000,000)	–
At 31 December 2012	於二零一二年十二月三十一日			
Ordinary shares of HK\$0.08 each	每股面值0.08港元之普通股	0.08	5,000,000	400,000
Issued and fully paid:	已發行及繳足：			
At 1 January 2011	於二零一一年一月一日			
Share consolidation (Note a)	股份合併(附註a)	N/A 不適用	(1,849,747)	–
Issue of right shares (Note b)	發行供股股份(附註b)	0.025	2,774,183	69,355
Issue of shares (Note d)	發行股份(附註d)	0.025	2,632,634	65,815
Issue of shares upon conversion of convertible notes (Note e)	兌換可換股票據時發行股份 (附註e)	0.025	4,419,512	110,488
At 31 December 2011	於二零一一年十二月三十一日			
Share consolidation (Note f)	股份合併(附註f)	N/A 不適用	(8,913,061)	–
Capital reduction (Note g)	股本削減(附註g)	0.01	–	(237,682)
Issue of shares upon conversion of convertible notes (Note h)	兌換可換股票據時發行股份 (附註h)	0.01	379,310	3,793
Share consolidation (Note i)	股份合併(附註i)	N/A 不適用	(1,198,444)	–
Issue of right shares (Note j)	發行供股股份(附註j)	0.08	342,413	27,393
Issue of bonus shares (Note j)	發行紅股(附註j)	0.08	1,712,063	136,965
At 31 December 2012	於二零一二年十二月三十一日			
		0.08	2,225,682	178,054

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35. SHARE CAPITAL (Continued)

Notes:

- a. As disclosed in the circular of the Company dated 20 December 2010, a share consolidation on the basis that every 25 issued and unissued shares of HK\$0.001 each in the share capital of the Company had been consolidated into one consolidated share of HK\$0.025 each with effective from 10 January 2011. Prior to the date of such share consolidation, there were 1,926,819,448 issued shares, after such share consolidation, the number of issued shares had changed to 77,072,777.
- b. On 13 April 2011, the shareholders of the Company ("Shareholders") approved by way of poll of the rights issue on the basis of thirty rights shares for every one share held on the record date of 26 April 2011 at a subscription price of HK\$0.08 per rights share. The rights issue became unconditional on 18 May 2011. 2,774,183,310 rights shares with the par value of HK\$0.025 each were allotted and issued on 18 May 2011 and net proceeds of approximately HK\$215,389,000 were raised. Details of the rights issue were set out in the circular of the Company dated 28 March 2011.
- c. Pursuant to an ordinary resolution passed at the Company's special general meeting held on 24 November 2011, the Company's authorised share capital was increased to HK\$400,000,000 divided into 16,000,000,000 ordinary shares of HK\$0.025 each by the creation of 8,000,000,000 ordinary shares of HK\$0.025 each.
- d. On 21 January 2011, the Company entered into a placing agreement with a placing agent to place 15,400,000 new ordinary shares with the par value of HK\$0.025 each at a price of HK\$0.73 per placing share. Furthermore, the Company entered into a supplemental agreement with the placing agent on 24 January 2011, pursuant to which the placing price had been revised to HK\$0.74 per placing share. Net proceeds of approximately HK\$11,030,000 were raised and used as general corporate and working capital of the Group and/or for the future development of the Group. Such placing of shares was completed on 31 January 2011.

On 18 October 2011, the Company entered into the share placing agreement with a share placing agent relating to the placing of 817,233,655 new shares. The share placing agreement was fulfilled and the share placing was completed on 3 November 2011. The shares with the par value of HK\$0.025 had been placed at a price of HK\$0.032 to six independent places.

35. 股本(續)

附註：

- a. 誠如本公司日期為二零一零年十二月二十日之通函所披露，按本公司股本中每25股每股面值0.001港元之已發行及未發行股份合併為一股面值0.025港元之合併股份之基準進行股份合併，自二零一一年一月十日起生效。於股份合併日期前之已發行股份數目為1,926,819,448股，而於股份合併後則為77,072,777股。
- b. 於二零一一年四月十三日，本公司股東（「股東」）以按股數投票表決方式批准以認購價每股供股股份0.08港元按於記錄日期二零一一年四月二十六日每持有一股股份獲發三十股供股股份之基準進行供股。供股於二零一一年五月十八日成為無條件。2,774,183,310股每股面值0.025港元之供股股份已於二零一一年五月十八日配發及發行，籌得所得款項淨額約215,389,000港元。供股詳情載於本公司日期為二零一一年三月二十八日之通函。
- c. 根據於二零一一年十一月二十四日舉行之本公司股東特別大會所通過普通決議案，透過增設8,000,000,000股每股面值0.025港元之普通股，將本公司之法定股本增至400,000,000港元，分為16,000,000,000股每股面值0.025港元之普通股。
- d. 於二零一一年一月二十一日，本公司與配售代理訂立配售協議，按每股配售股份0.73港元之價格配售15,400,000股每股面值0.025港元之新普通股。此外，本公司與配售代理於二零一一年一月二十四日訂立補充協議，據此，配售價已修訂為每股配售股份0.74港元。配售籌得所得款項淨額約11,030,000港元，撥作本集團之一般企業及營運資金及／或作本集團未來發展之用。上述股份配售已於二零一一年一月三十一日完成。

於二零一一年十月十八日，本公司與股份配售代理就配售817,233,655股新股份訂立股份配售協議。股份配售協議已達成，而股份配售亦已於二零一一年十一月三日完成。本公司已按0.032港元之價格向六名獨立承配人配售面值為0.025港元之股份。

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35. SHARE CAPITAL (Continued)

Notes: (Continued)

d. (Continued)

On 18 October 2011, the Company entered into the share subscription agreement with a subscriber pursuant to which the subscriber has conditionally agreed to subscribe for, and the Company had conditionally agreed to allot and issue, 1,800,000,000 subscription shares with the par value of HK\$0.025 at the share subscription price of HK\$0.025 per subscription share. The conditions precedent under the share subscription agreement were fulfilled and the share subscription was completed on 24 November 2011 with the gross proceeds of HK\$45,000,000.

Date of share issued 發行股份日期	Issue price 發行價	Number of shares issued 發行股份數目
31 January 2011 二零一一年一月三十一日	HK\$0.74 0.74 港元	15,400,000
3 November 2011 二零一一年十一月三日	HK\$0.032 0.032 港元	817,233,655
24 November 2011 二零一一年十一月二十四日	HK\$0.025 0.025 港元	1,800,000,000
		2,632,633,655

e. On 13 April 2011, the Shareholders approved at a special general meeting of the Company by way of poll to place convertible notes with an aggregate principal amount of HK\$100,000,000. On 16 May 2011, the placing of these placing convertible notes was completed. On 18 May 2011, such convertible notes were converted in full into 1,219,512,192 shares with the par value of HK\$0.025 each and the conversion price was adjusted to HK\$0.082 as a result of the rights issue of the Company completed in May 2011.

On 18 October 2011, the Company entered into the convertible notes placing agreement with a placing agent with an aggregate principal amount of HK\$89,600,000. The conditions mentioned in the convertible notes placing agreement were fulfilled and that the convertible notes placing was completed on 29 November 2011. The convertible notes have been placed to six independent placees. The convertible notes were converted by the convertible notes holders at the conversion price of HK\$0.028 (convertible into 3,200,000,000 shares with par value of HK\$0.025) on the same day.

f. As disclosed in the circular of the Company dated 23 February 2012, a share consolidation on the basis that every 10 issued and unissued shares with the par value of HK\$0.025 each in the share capital of the Company had been consolidated into 1 consolidated share with the par value of HK\$0.25 each with effective from 20 March 2012. Prior to the date of share consolidation, there were 9,903,401,934 issued shares, after the share consolidation, the number of issued shares changed to 990,340,193.

35. 股本(續)

附註：(續)

d. (續)

於二零一一年十月十八日，本公司與認購方訂立股份認購協議，據此，認購方有條件同意認購而本公司有條件同意配發及發行1,800,000,000股每股面值0.025港元之認購股份，股份認購價為每股認購股份0.025港元。股份認購協議項下各先決條件已達成，而股份認購亦已於二零一一年十一月二十四日完成，所得款項總額為45,000,000港元。

e. 於二零一一年四月十三日，股東於本公司之股東特別大會以按股數投票表決方式批准配售本金總額為100,000,000港元之可換股票據。於二零一一年五月十六日，配售該等配售可換股票據已完成。於二零一一年五月十八日，該等可換股票據已獲悉數兌換為1,219,512,192股每股面值0.025港元之股份，兌換價則由於本公司於二零一一年五月完成供股而調整為0.082港元。

於二零一一年十月十八日，本公司與配售代理就本金總額為89,600,000港元之可換股票據訂立配售協議。可換股票據配售協議所述條件已達成，而可換股票據配售亦已於二零一一年十一月二十九日完成。可換股票據已配售予六名獨立承配人。同日，可換股票據獲可換股票據持有人按兌換價0.028港元(可兌換為3,200,000,000股每股面值0.025港元之股份)兌換。

f. 誠如本公司日期為二零一二年二月二十三日之通函所披露，按本公司股本中每10股每股面值0.025港元之已發行及未發行股份合併為1股面值0.25港元之合併股份之基準進行股份合併，自二零一二年三月二十日起生效。於股份合併日期前之已發行股份數目為9,903,401,934股，而於股份合併後則為990,340,193股。

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35. SHARE CAPITAL (Continued)

Notes: (Continued)

- g. Pursuant to an ordinary resolution passed at the Company's special general meeting held on 19 March 2012, the Company's issued share capital was reduced by cancelling the issued and unissued share capital to the extent of HK\$0.24 each such that the par value of the issued and unissued share capital was reduced from HK\$0.25 to HK\$0.01 each, as a result, approximately HK\$237,682,000 was credited to the contributed surplus of the Company.

Pursuant to an ordinary resolution passed at the Company's special general meeting held on 19 March 2012, the Company's authorised share capital was increased from HK\$16,000,000 divided into 1,600,000,000 ordinary shares of HK\$0.01 each to HK\$400,000,000 divided into 40,000,000,000 new shares by creation of 38,400,000,000 new shares.

- h. As disclosed in the announcement of the Company dated 12 April 2012, the completion of the Acquisition took place on 12 April 2012. As part of the consideration of HK\$310,000,000, the Convertible Note D in the principal amount of HK\$33,000,000 was issued by the Company. The conversion price was HK\$0.087 per conversion share. On 12 April 2012, the Convertible Note D was converted in full into 379,310,344 ordinary shares with the par value of HK\$0.01 each.
- i. As disclosed in the circular of the Company dated 14 August 2012, a share consolidation on the basis that every 8 issued and unissued shares with par value of HK\$0.01 each in the share capital of the Company had been consolidated into 1 consolidated share with par value of HK\$0.08 each with effective from 10 September 2012. Prior to the date of share consolidation, there were 1,369,650,537 issued shares, after the share consolidation, the number of issued shares changed to 171,206,317.
- j. On 7 September 2012, the Shareholders approved by way of poll the rights issue on the basis of 2 rights shares for every one share held on the record date of 19 September 2012 at a subscription price of HK\$0.56 per rights share with bonus issue on the basis of 5 bonus shares for every 1 rights share taken up under the right issue. The rights issue with the bonus issue became unconditional on 11 October 2012. 342,412,634 rights shares and 1,712,063,170 bonus shares with the par value of HK\$0.08 each were allotted and issued on 11 October 2012 and net proceeds of approximately HK\$187,042,000 were raised. Details of the rights issue and the bonus issue were set out in the circular of the Company dated 14 August 2012.

All the shares which were issued during the years rank pari passu with the then existing shares in all respects.

35. 股本(續)

附註：(續)

- g. 根據於二零一二年三月十九日舉行之本公司股東特別大會所通過普通決議案，透過註銷已發行及未發行股本每股0.24港元削減本公司已發行股本，致令已發行及未發行股本之面值由每股0.25港元削減至每股0.01港元，導致本公司實繳盈餘進賬約237,682,000港元。

根據於二零一二年三月十九日舉行之本公司股東特別大會所通過普通決議案，透過增設38,400,000,000股新股份，將本公司之法定股本由16,000,000,000港元，分為1,600,000,000股每股面值0.01港元之普通股，增至400,000,000,000港元，分為40,000,000,000股新股份。

- h. 誠如本公司日期為二零一二年四月十二日之公告所披露，收購事項已於二零一二年四月十二日完成。作為代價310,000,000港元之部分，本公司已發行本金額為33,000,000港元之可換股票據D，兌換價為每股兌換股份0.087港元。於二零一二年四月十二日，可換股票據D已悉數兌換為379,310,344股每股面值0.01港元之普通股。
- i. 誠如本公司日期為二零一二年八月十四日之通函所披露，按本公司股本中每8股每股面值0.01港元之已發行及未發行股份合併為1股面值0.08港元之合併股份之基準進行股份合併，自二零一二年九月十日起生效。於股份合併日期前之已發行股份數目為1,369,650,537股，而於股份合併後則為171,206,317股。
- j. 於二零一二年九月七日，股東以按股數投票表決方式批准按每股供股股份0.56港元之認購價進行供股(基準為於記錄日期(二零一二年九月十九日)每持有一股股份獲發兩股供股股份)連紅利發行(基準為根據供股每承購一股供股股份獲發五股紅股)。供股連紅利發行於二零一二年十月十一日成為無條件。342,412,634股每股面值0.08港元之供股股份及1,712,063,170股紅股已於二零一二年十月十一日配發及發行，籌得所得款項淨額約187,042,000港元。供股及紅利發行詳情載於本公司日期為二零一二年八月十四日之通函。

年內發行之所有股份均在各方面與當時之現有股份享有同等權益。

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36. OTHER RESERVES (a) THE GROUP

36. 其他儲備 (a) 本集團

		Contributed surplus 實繳盈餘 HK\$'000 千港元	Translation reserve 換算儲備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2011, 31 December 2011 and 1 January 2012	於二零一一年一月一日、 二零一一年十二月 三十一日及二零一二年 一月一日	–	(160)	(160)
Capital reduction (Note 35(g))	股本削減(附註 35(g))	237,682	–	237,682
Issue of bonus shares (Note 35(j))	發行紅股(附註 35(j))	(136,965)	–	(136,965)
At 31 December 2012	於二零一二年 十二月三十一日	100,717	(160)	100,557

(b) THE COMPANY

(b) 本公司

		Contributed surplus 實繳盈餘 HK\$'000 千港元
At 1 January 2011, 31 December 2011 and 1 January 2012	於二零一一年一月一日、二零一一年 十二月三十一日及二零一二年一月一日	–
Capital reduction (Note 35(g))	股本削減(附註 35(g))	237,682
Issue of bonus shares (Note 35(j))	發行紅股(附註 35(j))	(136,965)
At 31 December 2012	於二零一二年十二月三十一日	100,717

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截至二零一二年十二月三十一日止年度

37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 37. 本公司之財務狀況報表

Statement of financial position information of the Company at the end of reporting period is as follows:

本公司於報告期末之財務狀況報表資料如下：

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		1,875	173
Investment deposit	投資訂金		–	10,000
Investments in subsidiaries	於附屬公司之投資	38	–	–
Convertible instruments designated as financial assets at fair value through profit or loss	可換股工具(指定為按公平值透過損益列賬之金融資產)		104,712	–
			106,587	10,173
Current assets	流動資產			
Other receivables	其他應收款項		6,873	1,194
Investment held for trading	持作交易投資		15,050	–
Amounts due from subsidiaries (Note)	應收附屬公司款項(附註)		441,089	352,643
Bank balances and cash	銀行結餘及現金		16,704	21,170
			479,716	375,007
Current liabilities	流動負債			
Other payables and accruals	其他應付款項及應計費用		850	748
Amounts due to directors (Note)	應付董事款項(附註)		154	152
Note payable	應付票據		10,000	–
Interest payable	應付利息		3,334	–
Borrowings	借貸		–	10,000
Convertible notes	可換股票據		–	–
			14,338	10,900
Net current assets	流動資產淨值		465,378	364,107
Total assets less current liabilities	資產總值減流動負債		571,965	374,280
Capital and reserves	資本及儲備			
Share capital	股本		178,054	247,585
Share premium	股份溢價		524,993	340,037
Share-based payment reserve	以股份為基礎付款儲備		1,367	–
Other reserves	其他儲備		100,717	–
Accumulated losses	累計虧損		(233,166)	(213,342)
			571,965	374,280

Note: The amounts are unsecured, interest free and repayable on demand.

附註：該等款項為無抵押、不計息及須按要求償還。

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38. INVESTMENTS IN SUBSIDIARIES

38. 於附屬公司之投資

		The Company 本公司	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Unlisted investments, at cost	非上市投資，按成本	–	–
Less: Provision for impairment	減：減值撥備	–	–
		–	–

Details of all the subsidiaries held by the Company as at 31 December 2012 and 2011 are as follows:

本公司於二零一二年及二零一一年十二月三十一日持有之所有附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Class of shares held 所持股份類別	Place of incorporation/ establishment 註冊成立/成立地點	Place of operations 經營地點	Particulars of issued share capital/paid up registered capital 已發行股本/ 繳足註冊資本詳情	Attributable equity interest of the Group 本集團應佔股權 2012 二零一二年	2011 二零一一年	Principal activities 主要業務
Direct subsidiaries: 直接附屬公司：							
Best Harvest Asia Limited 富勝亞洲有限公司	Ordinary shares 普通股	British Virgin Islands ("BVI") 英屬處女群島 (「英屬處女群島」)	HK 香港	US\$1 1美元	100% 100%	100% 100%	Securities trading 證券買賣
Smart Source Corporation Limited 俊源有限公司	Ordinary shares 普通股	Hong Kong ("HK") 香港(「香港」)	HK 香港	HK\$1 1港元	100% 100%	100% 100%	Investment holding 投資控股
Joy Wealth Finance Limited 寶欣財務有限公司	Ordinary shares 普通股	HK 香港	HK 香港	HK\$1 1港元	100% 100%	100% 100%	Money lending 借貸
Treasure Brand Limited	Ordinary shares 普通股	BVI 英屬處女群島	HK 香港	US\$1 1美元	100% 100%	100% 100%	Investment holding 投資控股
Century Praise Limited	Ordinary shares 普通股	BVI 英屬處女群島	HK 香港	US\$1 1美元	100% 100%	100% 100%	Investment holding 投資控股
Alpha Riches Limited	Ordinary shares 普通股	BVI 英屬處女群島	HK 香港	US\$1 1美元	100% 100%	100% 100%	Inactive 暫無業務
Perpetual Master ¹	Ordinary shares 普通股	BVI 英屬處女群島	HK 香港	US\$1 1美元	100% 100%	– –	Investment holding 投資控股
Create World Enterprises Development Limited ²	Ordinary shares 普通股	HK 香港	HK 香港	HK\$1 1港元	100% 100%	– –	Inactive 暫無業務

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38. INVESTMENTS IN SUBSIDIARIES (Continued)

38. 於附屬公司之投資 (續)

Name of subsidiary	Class of shares held	Place of incorporation/ establishment	Place of operations	Particulars of issued share capital/paid up registered capital 已發行股本/ 繳足註冊資本詳情	Attributable equity interest of the Group	Principal activities
附屬公司名稱	所持股份類別	註冊成立/成立地點	經營地點		本集團應佔股權	主要業務
					2012 二零一二年	2011 二零一一年

Indirect subsidiaries:

間接附屬公司：

連雲港訊利信息諮詢服務有限公司 ³	Ordinary shares 普通股	PRC 中國	PRC 中國	HK\$780,000 780,000港元	100% 100%	100% 100%	Inactive 暫無業務
Pacific Vision Advisory Services Limited	Ordinary shares	HK	HK	HK\$1	100%	-	Provision for corporate secretarial and consultancy services
泓智諮詢服務有限公司	普通股	香港	香港	1港元	100%	-	提供企業秘書及諮詢服務
Blooming Faith Development Limited ²	Ordinary shares 普通股	HK 香港	HK 香港	HK\$1 1港元	100% 100%	- -	Inactive 暫無業務
Profit Grand ⁴	Ordinary shares 普通股	BVI 英屬處女群島	BVI 英屬處女群島	USD170 170美元	30% 30%	- -	Investment holding 投資控股
I-Sky Natural ⁴	Ordinary shares 普通股	PNG 巴布亞 新畿內亞	PNG 巴布亞 新畿內亞	PKG100 100基納	30% 30%	- -	Forestry business 森林業務

¹ Newly incorporated during the year ended 31 December 2012.

¹ 於截至二零一二年十二月三十一日止年度始行註冊成立。

² Blooming Faith Development Limited ("Blooming Faith") and Create World Enterprises Development Limited ("Create World") were incorporated on 2 August 2012 and 3 August 2012 respectively, in which the Group acquired 100% of their issued share capital both at a consideration of HK\$1 on 20 July 2012. Blooming Faith and Create World were inactive at the date of acquisition and hence the Directors considered that the considerations paid were approximately to their fair value at the acquisition date.

² Blooming Faith Development Limited (「Blooming Faith」)及 Create World Enterprises Development Limited (「Create World」)分別於二零一二年八月二日及二零一二年八月三日註冊成立，而本集團於二零一二年七月二十日均以1港元代價收購彼等之已發行股本100%。由於Blooming Faith及Create World於收購日期當日暫無業務，故董事認為，已付代價與彼等於收購日期之公平值相若。

³ The Company is registered in the form of wholly foreign owned enterprise.

³ 該公司以外商獨資企業形式註冊。

⁴ On 12 April 2012, the Group completed the Acquisition. Profit Grand is regarded as a subsidiary of the Group as the Group has control over Profit Grand by the control over the majority composition of the board of directors of Profit Grand and 51% of the total voting rights in the general meetings of Profit Grand.

⁴ 於二零一二年四月十二日，本集團完成收購事項。Profit Grand被視為本集團之附屬公司，此乃由於本集團透過控制Profit Grand董事會之大部分成員及持有Profit Grand股東大會總投票權之51%而控制Profit Grand。

None of the subsidiaries had any debt securities at the end of the year or at any time during the year.

於年結日或年內任何時間，各附屬公司概無任何債務證券。

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39. COMMITMENTS OPERATING LEASES

The Group as a lessee

The Group leases certain of its office properties under operating lease arrangements. At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due 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	1,641	2,108
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	1,163	2,804
		2,804	4,912

Leases are negotiated and rentals are fixed for terms of 2.8 years (2011: 2 to 2.8 years).

39. 承擔 經營租賃

本集團作為承租人

本集團根據經營租賃安排租賃若干辦公室物業。於報告期末，本集團根據不可撤銷經營租賃而須支付之日後最低租賃款項總額以到期日分為：

租約經磋商後釐定為為期2.8年(二零一一年：2至2.8年)，期內租金固定不變。

CAPITAL COMMITMENTS

資本承擔

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Capital expenditure in respect of the acquisition of a subsidiary contracted but not provided for	就收購一家附屬公司而已訂約但未撥備之資本開支	-	290,000

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40. SHARE OPTION SCHEME

The Company's existing share option scheme was adopted pursuant to a resolution passed on 21 June 2002.

During the annual general meeting held on 12 June 2012 (the "AGM"), the Shareholders duly approved the relevant resolutions to terminate the then existing share option scheme which had expired on 21 June 2012 and to adopt a new share option scheme ("New Share Option Scheme") by authorising the Directors to allot and issue up to the 10 percent of the issued share capital of the Company as at the date of the AGM, that was 136,965,053 shares of the Company, under the New Share Option Scheme. The Directors or an authorised committee were authorised, at their/its absolute discretion, to grant options to any person, subject to the selection criteria, being an employee, officer, agent, consultant or representative of the Group, including any executive or non-executive directors, in order to provide incentives to the grantee to contribute to the Group and to enable the Group to recruit high-calibre employees and attract resources that were valuable to the Group. Under the New Share Option Scheme, the Company may grant options to any participant, in the absolute discretion of the Board, who has made valuable contribution to the business of the Group. The subscription price will be a price determined by the Board and at least the highest of (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheets on the date of grant of the option, which must be a business day; (b) the average closing price of the shares as stated in Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (c) the nominal value of the shares.

Upon the completion of the Acquisition on 12 April 2012, an option had been conditionally granted by the Company to each of 中國龍江森林工業(集團)總公司 (China Longjiang Forest Industry (Group) General Corporation*) ("Longjiang Forest Industry") and Jia Run Investments Limited ("Jia Run") to subscribe for not more than 49,517,009 shares of the Company after the proposed share consolidation as mentioned in Note 35(f) to the consolidated financial statements became effective (equivalent to 6,189,626 shares of the Company after the proposed share consolidation as mentioned in Note 35(i) to the consolidated financial statements becoming effective) (the "Longjiang Option" and the "Agent Option" respectively). After the rights issue as mentioned in Note 35(j) to the consolidated financial statements became effective, the number of shares could be subscribed became 12,936,318. The Longjiang Option and Agent Option were granted to Longjiang Forest Industry and Jia Run respectively for the establishment of a strategic alliance between the Company and Longjiang Forest Industry with respect to the development and management of the forest acquired under the Acquisition with the assistance of Jia Run as an agent. No share options had been exercised during the year ended 31 December 2012 under the Longjiang Option and Agent Option.

* For identification purpose only

40. 購股權計劃

本公司現時之購股權計劃乃根據於二零零二年六月二十一日通過之決議案採納。

於二零一二年六月十二日舉行之股東週年大會(「股東週年大會」)上，股東正式批准終止已於二零一二年六月二十一日屆滿之當時現有購股權計劃之相關決議案，並採納新購股權計劃(「新購股權計劃」)，授權董事根據新購股權計劃配發及發行本公司於股東週年大會日期之已發行股本最多10%，即136,965,053股本公司股份。董事或獲授權委員會獲授權，可全權酌情根據甄選標準向任何人士授出購股權，該等人士可為本集團僱員、高級職員、代理人、顧問或代表(包括任何執行或非執行董事)，旨在獎勵承授人對本集團作出貢獻，並有助本集團聘請能幹的僱員及吸納對本集團具價值的資源。根據新購股權計劃，本公司可向董事會全權酌情認為對本集團業務作出寶貴貢獻之任何參與人士授出購股權。認購價將由董事會釐定及不得低於下列最高金額：(a) 授出購股權之日(必須為營業日)在聯交所每日報價表所報股份收市價；(b) 緊接授出購股權之前五個營業日在聯交所每日報價表所報股份平均收市價；及(c) 股份面值。

收購事項於二零一二年四月十二日完成後，本公司分別向中國龍江森林工業(集團)總公司(「龍江森林工業」)及嘉潤投資有限公司(「嘉潤」)有條件授出期權，以分別認購不超過綜合財務報表附註35(f)所述建議股份合併生效後之49,517,009股本公司股份(相當於綜合財務報表附註35(i)所述建議股份合併生效後之6,189,626股本公司股份)(分別為「龍江期權」及「代理期權」)。於綜合財務報表附註35(j)所述供股生效後，可供認購股份之數目為12,936,318股。龍江期權及代理期權乃分別授予龍江森林工業及嘉潤，以在嘉潤作為代理之協助下由本公司與龍江森林工業就發展及管理收購事項所收購之森林建立策略聯盟。截至二零一二年十二月三十一日止年度，概無根據龍江期權及代理期權行使任何購股權。

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40. SHARE OPTION SCHEME (Continued)

The movements of the share options of the Company during the year are as follows:

40. 購股權計劃(續)

以下為本公司購股權於本年度之變動：

Option type	Outstanding on 1 January 2012 於二零一二年一月一日	Granted during 2012 於二零一二年授出	Adjustment due to share consolidation* 因股份合併而作出調整*	Adjustment due to right issue* 因供股而作出調整*	Lapsed during 2012 於二零一二年失效	Outstanding on 31 December 2012 於二零一二年十二月三十一日	
期權類別	尚未行使	授出	而作出調整*	作出調整*	失效	尚未行使	
Other eligible persons 其他合資格人士							
— Longjiang Forest Industry — 龍江森林工業	Longjiang Option 龍江期權	-	49,517,009	(43,327,383)	6,746,692	-	12,936,318
— Jia Run — 嘉潤	Agent Option 代理期權	-	49,517,009	(43,327,383)	6,746,692	(12,936,318)	-
		-	99,034,018	(86,654,766)	13,493,384	(12,936,318)	12,936,318
Weighted average exercise price 加權平均行使價		-	HK\$0.375 0.375港元	HK\$3 3港元	HK\$2 2港元	HK\$2 2港元	HK\$2 2港元

Details of specific categories of options are as follows:

特定類別期權之詳情如下：

	Date of grant 授出日期	Vesting date 歸屬日期	Exercise period 行使期	Exercise Price 行使價
Longjiang Option 龍江期權	12 April 2012 二零一二年四月十二日	Upon the grant of Forestry Authority Clearance 於授出森林管理局許可時	For 1 year but no later than 31 December 2015 一年，但不遲於二零一五年十二月三十一日	HK\$2* 2港元*
Agent Option 代理期權	12 April 2012 二零一二年四月十二日	12 April 2012 二零一二年四月十二日	Up to 31 December 2012 直至二零一二年十二月三十一日止	HK\$2* 2港元*

* Following the share consolidation and rights issues on 10 September 2012 and 20 September 2012 respectively, the exercise prices of share options were adjusted from maximum of HK\$0.5 and minimum of HK\$0.25 to maximum of HK\$2 and minimum of HK\$2. The number of share option was also adjusted as a result of the share consolidation and rights issue.

* 繼股份合併及供股分別於二零一二年九月十日及二零一二年九月二十日完成後，購股權之行使價由最高0.5港元及最低0.25港元調整至最高2港元及最低2港元。購股權數目亦因股份合併及供股而作出調整。

Share-based payment expenses of HK\$1,367,000 (2011: Nil) has been included in the consolidated income statement for the year ended 31 December 2012. It gave rise to a share-based payment reserve. No liabilities were recognised due to these equity-settled share-based payment transactions.

以股份為基礎付款開支1,367,000港元(二零一一年：無)已列入截至二零一二年十二月三十一日止年度之綜合收益表，因而產生一項以股份為基礎付款儲備。並無因該等股權結算以股份為基礎付款交易確認任何負債。

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40. SHARE OPTION SCHEME (Continued)

The fair values of Longjiang Option and Agent Option determined at the date of grant using the Monte Carlo simulation method were approximately HK\$1,339,000 and HK\$28,000 respectively.

As the fair value of the services received could not be estimated reliably by the Company, the fair value of service received from Longjiang Forest Industry and Jia Run was measured indirectly by reference to the fair value of the option granted.

The following assumptions were used to calculate the fair values of share options:

		Longjiang Option 龍江期權	Agent Option 代理期權
Grant date	授出日期	12 April 2012 二零一二年 四月十二日	12 April 2012 二零一二年 四月十二日
Share price	股份價格	HK\$0.083 港元	HK\$0.083 港元
Exercise price (before share consolidation and right issues)	行使價(股份合併及供股前)	HK\$0.25 to HK\$0.5 0.25 港元至 0.5 港元	HK\$0.25 to HK\$0.5 0.25 港元至 0.5 港元
Expected option period	預期購股權年期	1.723 years 年	0.641 years 年
Expected volatility	預期波幅	205.924%	82.203%
Risk-free interest rate	無風險利率	0.207%	0.145%

The Monte Carlo simulation method has been used in computing the fair value of the share options based on the Directors' best estimate. Changes in variables and assumptions may result in changes in fair value of the Longjiang Option and Agent Option.

40. 購股權計劃(續)

以蒙特卡羅模擬法釐定龍江期權及代理期權於授出日期之公平值分別約為1,339,000港元及28,000港元。

由於所收取服務之公平值無法由本公司可靠地估計，故來自龍江森林工業及嘉潤所收取服務之公平值經參考所授出期權之公平值後間接計量。

計算購股權公平值所用假設如下：

購股權公平值乃使用蒙特卡羅模擬法以董事之最佳估計計算得出。可變基數及假設之變動可能導致龍江期權及代理期權之公平值有所變動。

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41. ACQUISITION OF SUBSIDIARIES

As mentioned in Note 20 to the consolidated financial statements, Century Praise has entered into a conditional agreement with the Vendors on 2 December 2011 (the "Profit Grand S&P Agreement") for the Acquisition at a consideration of HK\$310,000,000. The consideration of the Acquisition was satisfied by (i) cash of HK\$82,000,000, (ii) Promissory Notes with aggregate principal amount of HK\$195,000,000 and (iii) convertible notes with aggregate principal amount of HK\$33,000,000. The Acquisition was completed on 12 April 2012.

According to the Profit Grand S&P Agreement, the Group would have the control over the majority composition of the board of directors of Profit Grand and 51% of the total voting rights in the general meetings of Profit Grand. Accordingly, the Directors considered that Profit Grand Group became one of its indirect subsidiaries of the Group and the financial performance of the Profit Grand Group would be consolidated into the consolidated financial statements of the Group after completion of the Acquisition.

CONSIDERATION TRANSFERRED

Cash	現金	82,000
Promissory Notes	承兌票據	195,000
Convertible Note D at fair value (Note 34)	可換股票據D — 按公平值(附註34)	29,100
Adjusted consideration	經調整代價	306,100

The Directors considered that the carrying value of the Promissory Notes at issuance date approximate to its fair value due to short-term maturity.

41. 收購附屬公司

誠如綜合財務報表附註20所述，Century Praise已於二零一一年十二月二日就收購事項與賣方訂立一項有條件協議(「Profit Grand買賣協議」)，代價為310,000,000港元。收購事項之代價乃以下列方式償付：(i) 以現金償付82,000,000港元；(ii) 本金總額為195,000,000港元之承兌票據；及(iii) 本金總額為33,000,000港元之可換股票據。收購事項已於二零一二年四月十二日完成。

根據Profit Grand買賣協議，本集團將可控制Profit Grand之董事會組成及於Profit Grand股東大會上行使其總投票權之51%。因此，董事認為，Profit Grand集團已成為本集團旗下間接附屬公司之一，而Profit Grand集團之財務業績於收購事項完成後將納入本集團之綜合財務報表綜合計算。

轉讓代價

	HK\$'000 千港元
Cash	82,000
Promissory Notes	195,000
Convertible Note D at fair value (Note 34)	29,100
Adjusted consideration	306,100

董事認為，由於承兌票據於短期內到期，故其於發行日期之賬面值與其公平值相若。

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41. ACQUISITION OF SUBSIDIARIES (Continued) NET ASSETS RECOGNISED AT THE DATE OF ACQUISITION

41. 收購附屬公司(續) 於收購日期確認之資產淨值

		Carrying value 賬面值 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元
Non-current assets	非流動資產		
Deposit for application of logging concession	申請伐木特許權之按金	269	269

NON-CONTROLLING INTEREST

The non-controlling interest (70%) in Profit Grand Group recognised at the date of Acquisition was measured by reference to the proportionate share of recognised amounts of net assets of the Profit Grand Group.

非控股權益

於收購事項日期確認之 Profit Grand 集團非控股權益(70%)乃經參考於 Profit Grand 集團之資產淨值已確認金額中所佔比例計量。

GOODWILL ARISING ON THE ACQUISITION

收購事項產生之商譽

		HK\$'000 千港元
Consideration transferred	已轉讓之代價	306,100
Add: non-controlling interests	加：非控股權益	188
Less: recognised amount if identifiable net assets acquired	減：已收購可識別淨資產之已確認金額	(269)
Goodwill arising on the Acquisition (Note 19)	收購事項產生之商譽(附註19)	306,019

Goodwill recognised in a business combination is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. The future economic benefits may result from synergy between the identifiable assets acquired or from assets that, individually, do not qualify for recognition in the financial statements. As at the date of this report, certain consents, licenses and approvals are still under negotiation and have not been obtained, the inherent logging concession is not identifiable and distinguishable from the goodwill of the Profit Grand Group. Accordingly, the fair value attributable to the Profit Grand Group is allocated as goodwill instead of an intangible asset.

於業務合併確認之商譽指因業務合併所收購之其他資產而帶來之未來經濟收益的一項資產，其無法獲個別識別或獨立確認。未來經濟收益可能導致所收購可識別資產之間產生協同作用或導致資產無法個別於財務報表確認。截至本報告日期，若干同意、許可及批准尚未授出及仍處於磋商階段，故原有伐木特許權不可從 Profit Grand 集團商譽中識別及區分。因此，Profit Grand 集團應佔公平值獲分配為商譽而非無形資產。

None of the goodwill arising on the Acquisition is expected to be deductible for tax purposes.

預期因是項收購事項而產生之商譽不可扣減稅項。

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41. ACQUISITION OF SUBSIDIARIES (Continued) NET CASH OUTFLOW ARISING ON THE ACQUISITION

41. 收購附屬公司(續) 收購事項產生之現金流出淨額

		HK\$'000 千港元
Consideration paid in cash	以現金支付之代價	82,000
Less: deposit paid as at 31 December 2011	減：於二零一一年十二月三十一日 之已付按金	(20,000)
Net cash outflow	現金流出淨額	62,000

IMPACT OF THE ACQUISITION ON THE RESULTS OF THE GROUP

Included in the profit for the year is loss of approximately HK\$5,000 attributable to the Profit Grand Group. No revenue for the year is attributable to the Profit Grand Group.

Had the Acquisition been effected at the beginning of the year, the total amount of revenue of the Group for the year ended 31 December 2012 would have been approximately HK\$34,720,000, and the amount of the profit for the year would have been approximately HK\$62,341,000. The proforma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the Acquisition been completed at the beginning of the year, nor is it intended to be a projection of future results.

收購事項對本集團業績之影響

Profit Grand 集團應佔虧損約5,000港元已計入本年度之溢利。於本年度內並無來自 Profit Grand 集團之收益。

倘收購事項於年初生效，本集團截至二零一二年十二月三十一日止年度之收益總額將約為34,720,000港元，而本年度之溢利則約為62,341,000港元。此備考資料僅供說明用途，並不表示倘本集團在收購事項於年初完成時實際產生之收益及經營業績，亦無意作為未來業績之預測。

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42. DISPOSAL OF A SUBSIDIARY

On 13 October 2011, the Group entered into a sale and purchase agreement with Favor Way (the "S&P Agreement") for disposal of 51% equity interest in Delta Wealth. Pursuant to the S&P Agreement, Favor Way has conditionally agreed to acquire 51% equity interest in Delta Wealth at the consideration of HK\$52,000,000, which included HK\$4,000,000 cash consideration and the cancellation of convertible notes with principal amount of HK\$48,000,000 which was issued to Favor Way on 19 October 2010. The transaction was completed on 22 December 2011.

42. 出售一家附屬公司

於二零一一年十月十三日，本集團就出售濱海融富51%股本權益與Favor Way訂立買賣協議（「買賣協議」）。根據買賣協議，Favor Way有條件同意收購濱海融富51%股本權益，代價為52,000,000港元，其中包括現金代價4,000,000港元及註銷本金額為48,000,000港元之可換股票據（該等票據乃於二零一零年十月十九日發行予Favor Way）。交易於二零一一年十二月二十二日完成。

		22 December 2011 二零一一年 十二月二十二日 HK\$'000 千港元
Net assets disposed of:	所出售淨資產：	
Loan receivables	應收貸款	126,489
Bank balances and cash	銀行結餘及現金	8,906
Other receivables	其他應收款項	767
Other borrowings	其他借貸	(32,000)
Trade and other payables	應付賬款及其他應付款項	(2,364)
Loans from shareholders of a subsidiary	一家附屬公司股東之貸款	(109,491)
Amount due to a related company	應付一家關連公司款項	(3,017)
Tax liabilities	稅項負債	(3,182)
		(13,892)
Non-controlling interests	非控股權益	6,491
Shareholder's loan	股東貸款	44,236
		36,835
Gain on disposal	出售收益	11,199
Total consideration	總代價	48,034
Satisfied by:	支付方式：	
Cancellation of Convertible Note A upon disposal of Delta Wealth (Note 34)	出售濱海融富時註銷可換股票據A(附註34)	48,000
Cash	現金	4,000
Exercise of put option (Note 27)	行使認沽期權(附註27)	(3,966)
		48,034
Net cash outflow arising on disposal:	出售產生之現金流出淨額：	
Cash consideration	現金代價	4,000
Bank balances and cash	銀行結餘及現金	(8,906)
		(4,906)

The gain on disposal was included in loss for the year in the consolidated income statement for the year ended 31 December 2011.

截至二零一一年十二月三十一日止年度之出售收益於綜合損益表計入年內虧損。

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43. MAJOR NON-CASH TRANSACTIONS

- (a) During the year ended 31 December 2012, the Group has issued Convertible Note D and Promissory Notes with an aggregate principal amount of HK\$33,000,000 and HK\$195,000,000 respectively as part of the consideration of the Acquisition (Note 41).
- (b) On 12 April 2012, Convertible Note D with an aggregate principal amount of HK\$33,000,000 were converted in full into 379,310,344 ordinary shares with par value of HK\$0.01 each (Note 35(h)).
- (c) During the year ended 31 December 2011, the Group disposed of the 51% equity interest in Delta Wealth at the consideration of HK\$52,000,000, which included the cancellation of Convertible Note A with principal amount of HK\$48,000,000 (Note 42).
- (d) On 18 May 2011 and 29 November 2011, convertible notes with an aggregate principal amount of HK\$100,000,000 and HK\$89,600,000 were converted in full into 1,219,512,912 and 3,200,000,000 shares respectively with par value of HK\$0.025 each (Note 35(e)).

44. RETIREMENT BENEFITS SCHEME CONTRIBUTION

The Group has joined the Mandatory Provident Fund Scheme ("MPF Scheme") for all of its employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Schemes Ordinance in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rate specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the scheme.

The retirement benefits scheme contributions arising from the MPF Scheme charged to the consolidated income statement represent contributions payable to the scheme by the Group at rates specified in the rules of the scheme. For the year ended 31 December 2012, contributions of the Group under the MPF Scheme and the funds amounted to approximately HK\$325,000 (2011: HK\$92,000).

43. 主要非現金交易

- (a) 截至二零一二年十二月三十一日止年度，本集團曾發行本金總額分別為33,000,000港元及195,000,000港元之可換股票據D及承兌票據，作為收購事項之部分代價(附註41)。
- (b) 於二零一二年四月十二日，本金總額為33,000,000港元之可換股票據D悉數兌換為379,310,344股每股面值0.01港元之普通股(附註35(h))。
- (c) 截至二零一一年十二月三十一日止年度，本集團以代價52,000,000港元出售濱海融富51%股權，包括註銷本金額為48,000,000港元之可換股票據A(附註42)。
- (d) 於二零一一年五月十八日及二零一一年十一月二十九日，本金總額分別為100,000,000港元及89,600,000港元之可換股票據已悉數兌換為1,219,512,912股及3,200,000,000股每股面值0.025港元之股份(附註35(e))。

44. 退休福利計劃供款

本集團已為其全體香港僱員參加強制性公積金計劃(「強積金計劃」)。強積金計劃於香港根據強制性公積金計劃條例向強制性公積金計劃管理局註冊。強積金計劃之資產與本集團之資產分開持有，基金由一獨立受託人監管。根據強積金計劃之規則，僱主及其僱員須各自按規則指定之比率向計劃作出供款。本集團對強積金計劃之唯一責任為根據計劃作出所需供款。

自綜合損益表扣除之強積金計劃所產生退休福利計劃供款指本集團應按計劃規則指定之比率向計劃作出之供款。截至二零一二年十二月三十一日止年度，本集團根據強積金計劃及公積金作出之供款約達325,000港元(二零一一年：92,000港元)。

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45. RELATED PARTY TRANSACTIONS

- (a) Included in other receivables was amount due from a substantial shareholder, which is disclosed pursuant to Section 161B of the Hong Kong Companies Ordinances as follows:

Name 名稱	Maximum amount outstanding during the year	
	2012 二零一二年 HK\$'000 千港元	年內未償還最高金額 HK\$'000 千港元
Allied Summit Inc.	274	274

The amount due is unsecured, interest free and repayable on demand.

During the year ended 31 December 2012, the Group paid an underwriting commission of approximately HK\$3,229,000 to Allied Summit Inc. (2011: Nil).

(b) COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of Directors and other members of key management during the year was as follows:

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Short-term benefits	2,798	473

The remuneration of Directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trend.

46. EVENTS AFTER THE REPORTING PERIOD

- (a) Subsequent to 31 December 2012, the Group has disposed of 594,000, 5,000,000 and 1,406,000 shares of Huili Resources (Group) Limited, the share of which are listed on the Stock Exchange (Stock code: 1303), which represents the whole amount of investment in held for trading as stated on the consolidated statement of financial position as at 31 December 2012, with the sales proceeds of HK\$1,461,240, HK\$12,250,000 and HK\$3,458,760 on 22 January 2013, 1 February 2013 and 5 February 2013 respectively.

45. 關連人士交易

- (a) 應收一名主要股東款項已計入其他應收款項，其根據香港公司條例第161B條披露如下：

Name 名稱	Maximum amount outstanding during the year	
	2012 二零一二年 HK\$'000 千港元	年內未償還最高金額 HK\$'000 千港元
Allied Summit Inc.	274	274

應收款項為無抵押、不計利息及須應要求清償。

截至二零一二年十二月三十一日止年度，本集團向Allied Summit Inc.支付包銷佣金3,229,000港元(二零一一年：無)。

(b) 主要管理人員酬金

年內，董事及其他主要管理人員之酬金如下：

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Short-term benefits	2,798	473

董事及主要行政人員之酬金乃由薪酬委員會經參考個人表現及市場走勢後釐定。

46. 報告期後事項

- (a) 於二零一二年十二月三十一日之後，本集團先後於二零一三年一月二十二日、二零一三年二月一日及二零一三年二月五日出售滙力資源(集團)有限公司(其股份於聯交所上市，股份代號：1303)之股份594,000股、5,000,000股及1,406,000股，相當於二零一二年十二月三十一日綜合財務狀況報表所示持作交易投資總額，出售所得款項分別為1,461,240港元、12,250,000港元及3,458,760港元。

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46. EVENTS AFTER THE REPORTING PERIOD

(Continued)

(b) On 5 February 2013, the Group entered into a loan agreement with an independent third party for providing a loan facility of up to HK\$60,000,000 at interest rate of 3% per month and arrangement fee of 2% of the loan facility for a term of six months from the date of initial drawdown. The Group shall have absolute discretion as to whether to make available any sum for drawdown which is subject to inter alia, the provision of securities or collaterals with principal value of not less than the sum of drawing.

As at report date, approximately of HK\$14,574,000 has been utilised from such facility line by that customer with a collateral of promissory note issued by a company listed on the Stock Exchange with principal amount of HK\$34,000,000.

47. COMPARATIVE FIGURES

In order to conform to the current year presentation, certain items in the consolidated income statement for the year ended 31 December 2011 have been reclassified. Reclassification adjustments is made to reclassify interest expenses amounting to approximately HK\$2,652,000 to cost of sales and such reclassification has no impact on the Group's loss for the year ended 31 December 2011.

Details of the restatement are provided as follows:

Items on consolidated income statement for the year ended 31 December 2011	Amount originally stated	Reclassification	Amount as restated
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
Income expense	2,652	(2,652)	-
Cost of sales	-	2,652	2,652

46. 報告期後事項(續)

(b) 於二零一三年二月五日，本集團與一名獨立第三方訂立一項貸款協議，以提供金額最高達60,000,000港元之貸款額度，月息3厘，以貸款額度之2%作為安排費用，由首次提款當日起計為期六個月。本集團可全權酌情決定是否安排金額以供提取，並須(其中包括)提供抵押或抵押品，而價值不得少於所提取金額。

於報告日期，該客戶已動用該融資額度約14,574,000港元，並提供一家聯交所上市公司所發行本金額為34,000,000港元之承兌票據作為抵押品。

47. 比較數字

為符合本年度之呈列方式，截至二零一一年十二月三十一日止年度之綜合損益表之若干項目獲重新分類。重新分類乃為將利息開支約2,652,000港元重新分類至銷售成本，而有關重新分類對本集團截至二零一一年十二月三十一日止年度之虧損並無影響。

重列詳情如下：



Pacific Plywood Holdings Limited
太平洋實業控股有限公司