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LEGAL ADVISORS

King & Wood Mallesons

法律顧問

金杜律師事務所

REGISTERED OFFICE

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69 Dr. Roy's Drive
P.O. Box 1043
Grand Cayman KY1-1102
Cayman Islands

註冊辦事處

Caledonian House
69 Dr. Roy's Drive
P.O. Box 1043
Grand Cayman KY1-1102
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

2nd Floor, Harbour View 1
No.12 Science Park East Avenue
Phase 2 Hong Kong Science Park
Shatin
Hong Kong

總辦事處及主要營業地點

香港
沙田
香港科學園第二期
科技大道東十二號
海濱大樓一座二樓

PRINCIPAL SHARE REGISTRAR

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

股份登記處總處

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

BRANCH SHARE REGISTRAR IN HONG KONG

Tricor Secretaries Limited
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28 Queen's Road East
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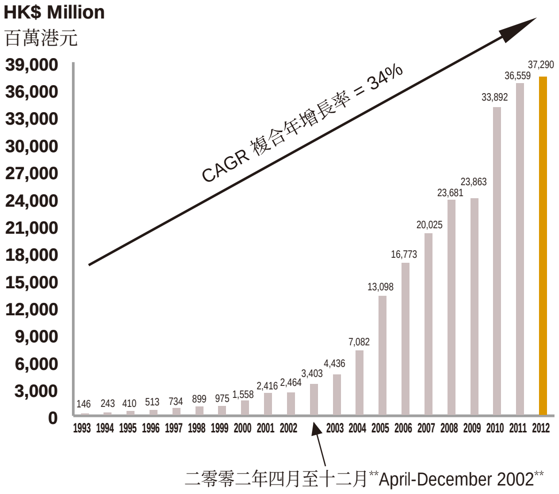
股份登記處香港分處

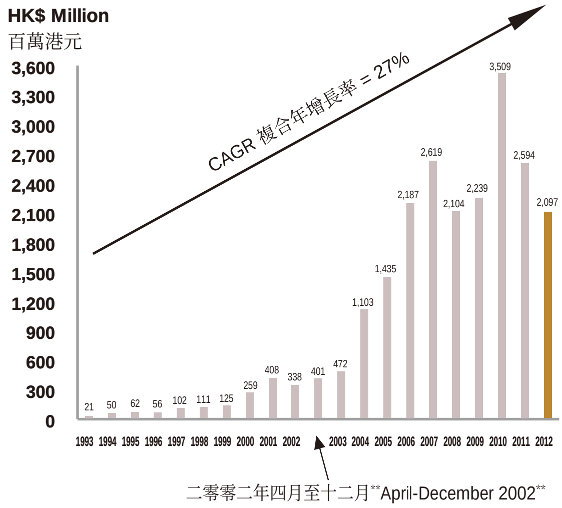
卓佳秘書商務有限公司
香港灣仔
皇后大道東二十八號
金鐘匯中心二十六樓

FINANCIAL HIGHLIGHTS
財務摘要

Revenue
營業額



Net profit attributable to owners of the Company
本公司持有人應佔純利



Note: Changed financial year end to December from March 2002 onwards

** Annualized

2000 Excluding the gain from the spin off of copper foil business of HK$178.4 million

2006 Excluding the gain from the spin off of laminate business of HK$4.8 billion and discount on acquisition of HK$49.7 million

2007 Excluding the gain on fair value change of conversion and redemption option derivative of HK$182.4 million; loss on disposal and deemed disposal of interest in an associate of HK$23.7 million and discount on acquisition of HK$1.0 million

2008 Excluding:
- (1) loss on disposal of convertible bond and interest in an associate of HK$189.7 million
- (2) impairment loss on available-for-sale investments of HK$253.2 million
- (3) discount on acquisition of HK$45.1 million

2009 Excluding:
- (1) net loss on disposal of subsidiaries of HK$82.6 million
- (2) gain on disposal of partial interests in subsidiaries of HK$340.0 million
- (3) impairment loss on available-for-sale investments of HK$111.8 million (net of the portion shared by minority shareholders)
- (4) discount on acquisition of HK$11.4 million (net of the portion shared by minority shareholders)

2010 Excluding the gain on disposal of available-for-sale investments of HK$111.8 million (net of the portion shared by minority shareholders)

附註： 自二零零二年三月起，財政年度年結日改為十二月

** 按年度基準計算

二零零零年 不包括分拆銅箔業務所得之178,400,000港元之收益

二零零六年 不包括分拆覆銅面板業務所得之4,800,000,000港元之收益及收購折讓49,700,000港元

二零零七年 不包括可換股及贖回選擇權衍生工具之公平值變動收益182,400,000港元，出售及視作出售一間聯營公司權益之虧損23,700,000港元及收購折讓1,000,000港元

二零零八年 不包括：
- (1) 出售可換股債券及一間聯營公司權益之虧損一億八千九百七十萬港元
- (2) 可供出售投資之減值虧損二億五千三百二十萬港元
- (3) 收購折讓四千五百一十萬港元

二零零九年 不包括：
- (1) 出售附屬公司之虧損淨額八千二百六十萬港元
- (2) 出售附屬公司部份權益之收益三億四千萬港元
- (3) 可供出售投資之減值虧損一億一千一百八十萬港元(扣除少數股東所佔份額)
- (4) 收購折讓一千一百四十萬港元(扣除少數股東所佔份額)

二零一零年 不包括出售可供出售投資之收益一億一千一百八十萬港元(扣除少數股東所佔份額)

CHAIRMAN'S STATEMENT
主席報告

業務回顧(續)

憑藉雄厚的財政實力及優秀管理團隊帶領下，集團建立多元化業務組合的策略，核心業務錄得理想的盈利貢獻。二零一二年之營業額錄得

PERFORMANCE (continued)

Despite lower chemical products prices during the year, our new phenol/

業務表現(續)

雖然回顧期內化工產品價格較去年有所回落，然而江蘇省揚州新建年產能達三十萬噸的苯酚／丙酮廠於下半年為集團帶來可觀的盈利，廣東省惠州苯酚／丙酮廠亦帶來理想盈利貢獻，而河北省邢台的焦炭／甲醇廠和湖南省衡陽燒碱廠亦提供穩定回報。化工部門營業額(包括分部間之銷售)上升3%至一百七十五億五千七百八十萬港元，未扣除利息、稅項、折舊及攤銷之盈利下跌28%至十五億一千九百七十萬港元。年內甲醇售價下降，集團應佔聯營公司的盈利(大部分來自與中海石油化學股份有限公司合營之天然氣製甲醇項目)較去年下跌17%至二億一千五百五十萬港元。

流動資金及財務狀況(續)

集團之淨負債比率(扣除現金及現金等值後之附息借貸與資本總額比率)

CHAIRMAN'S STATEMENT 主席報告

EXECUTIVE DIRECTORS (continued)

Mr. MOK Cham Hung, Chadwick, aged 48, is the son-in-law of Mr. Chan Wing Kwan. He joined the Group in 2000. Prior to this he worked in the financial services industry for over 11 years. Mr. Mok is a fellow member of both the Institute of Chartered Accountants in England & Wales and Hong Kong Institute of Certified Public Accountants. He holds an MA in Electrical and Information Engineering from the University of Cambridge and an MBA with distinction from Imperial College, the University of London. He is also the vice-chairman and executive director of EEIC and responsible for the strategic planning of EEIC.

Mr. HO Yin Sang, aged 58, is the brother-in-law of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie. He joined the Group in 1989 and is responsible for the Group's chemical business operations in Hebei and Shanxi province. He is also a non-executive director of KBCF.

Ms. CHEUNG Wai Lin, Stephanie, aged 42, is the sister of Mr. Cheung Kwok Wing and the cousin of Mr. Cheung Kwong Kwan. She joined the Group in 2002 and is responsible for the business operations of Techwise PCB group. Prior to joining the Group, she worked as an administration assistant manager in a listed company for about 5 years.

Mr. CHEN Maosheng, aged 49, was appointed as an executive director of the Company on 11 January 2011. He joined the Group in 1996 and is currently the chief financial controller of the Group in the People's Republic of China ("PRC"). He is responsible for the management of the finance and tax matters of the Group in the PRC. Prior to joining the Group, he worked with the finance and economics department of the government of the PRC for 12 years. Mr. Chen graduated from Jiangxi Finance and Economics University (formerly known as Jiangxi Finance and Economics Institution) in 1990. He is an accountant certified by the finance department of the government of the PRC.

NON-EXECUTIVE DIRECTOR

Mr. CHAN Wing Kwan, aged 67, is a co-founder of the Group, and a non-executive director of EEIC. Mr. Chan was the managing director of the Group and responsible for the overall implementation of the strategic plans and goals of the Group. On 11 January 2011, he was re-designated as a non-executive Director and appointed as chief consultant of the Company. Mr. Chan had been the managing director of KBCF up to 11 January 2011. Mr. Chan is the father-in-law of Mr. Mok Cham Hung, Chadwick. Mr. Chan acquired a degree of Doctor of Business Science from Pacific Western University L.A.. Prior to the establishment of the Group, Mr. Chan had over 22 years' experience in the sales and distribution of electronic components, industrial chemicals and PCBs.

執行董事(續)

莫湛雄先生，48歲，為陳永錕先生之女婿。莫先生於二零零零年加盟本集團。於加盟本集團前，莫先生於金融服務業工作逾11年。莫先生均為英格蘭及威爾斯特許會計師公會及香港會計師公會之資深會員。彼持有劍橋大學頒授之電子及資訊工程碩士學位，並以優異成績獲倫敦大學帝國學院頒授之工商管理碩士學位。彼亦為EEIC之副主席及執行董事，負責EEIC之策略規劃工作。

何燕生先生，58歲，為張國榮先生之妹夫及張偉連女士之姐夫，自一九八九年起加盟於本集團，現時負責本集團於河北省及山西省之化工業務營運。彼亦為KBCF之非執行董事。

張偉連女士，42歲，為張國榮先生之胞妹及張廣軍先生之堂妹，於二零零二年加盟本集團，現時負責科惠印刷線路板集團之業務營運。於加盟本集團前，彼於一家上市公司任職助理行政經理約五年。

陳茂盛先生，49歲，於二零一一年一月十一日獲本公司委任為執行董事。彼於一九九六年加入本集團，現任本集團在中華人民共和國(「中國」)之首席財務總監。彼負責管理本集團在中國之財務及稅務事宜。加盟本集團前，彼於中國政府轄下之財經管理部門工作12年。陳先生於一九九零年畢業於江西財經大學(前稱江西財經學院)。彼獲中國政府財政部授予會計師之資格。

非執行董事

陳永錕先生，67歲，本集團創辦人之一及EEIC之非執行董事。陳先生曾出任本集團之董事總經理並負責本集團策略規劃及目標之整體執行工作。於二零一一年一月十一日，陳永錕先生調任為非執行董事及獲委任為本公司首席顧問。陳先生曾出任KBCF之董事總經理至二零一一年一月十一日。陳先生為莫湛雄先生之外父。陳先生持有洛杉磯Pacific Western University 商業科學系博士學位。創立本集團之前，陳先生對銷售及分銷電子零件、工業化工產品及印刷線路板有超過22年經驗。

INDEPENDENT NON-EXECUTIVE DIRECTORS (continued)

Mr. TSE Kam Hung, aged 62, has over 30 years of experience in the field of electronic industry. He was appointed as an independent non-executive director of the Company in 2004.

獨立非執行董事(續)

謝錦洪先生，62歲，於電子業有30年以上經驗。彼於二零零四年獲本公司委任為獨立非執行董事。

SENIOR MANAGEMENT

Mr. LO Ka Leong, aged 39, the Company Secretary, joined the Group in May 1999. Prior to that, he was an accountant at an international accounting firm. Mr. Lo is a fellow member of Hong Kong Institute of Certified Public Accountants. He holds a Bachelor's Degree in Professional Accountancy from The Chinese University of Hong Kong. He is in charge of the company secretarial work of the Group. He is a non-executive director of Kingboard Laminates Holdings Limited ("KLHL"), a 73.10% owned subsidiary listed on the main board of the Stock Exchange.

高級管理人員

羅家亮先生，39歲，公司秘書，於一九九九年五月加盟本集團。於加盟本集團前，羅先生於一所國際會計師行任職會計師。彼為香港會計師公會資深會員，並持有香港中文大學專業會計學學士學位。彼現負責處理本集團之公司秘書工作。羅先生同時為建滔積層板控股有限公司(「建滔積層板」，本公司擁有73.10%權益的附屬公司，其股份於聯交所主板上市)之非執行董事。

公司可分派之儲備

於二零一二年十二月三十一日，本公司可向股東分派之儲備包括保留溢利719,853,000港元。

除本公司之保留溢利外，本公司之股份溢價及特別盈餘賬目亦可向股東分派，惟於緊隨建議進行上述分派當日後，本公司必須仍有能力償還在日常業務中到期支付之欠款。

於二零一二年十二月三十一日，本公司之保留溢利及股份溢價之總額約為5,200,000,000港元。

董事及董事之服務合約

年內及直至本報告日期止董事如下：

執行董事：

DIRECTORS' INTERESTS IN SHARES (continued)

董事之股份權益(續)

Long position (continued)

長倉(續)

(d) Share options of KLHL ("KLHL Share Options")

(d) 建滔積層板優先購股權(「建滔積層板優先購股權」)

Name of Director 董事姓名	Capacity 權益性質	Interest in underlying shares pursuant to KLHL Share Options 建滔積層板優先購股權項下相關股份權益
Mr. Ho Yin Sang (Note 1) 何燕生先生(附註1)	Beneficial owner 實益擁有人	9,000,000
Mr. Mok Cham Hung, Chadwick (Note 2) 莫湛雄先生(附註2)	Beneficial owner 實益擁有人	10,000,000

Notes:

(1) The 9,000,000 KLHL Share Options were held by the spouse of Mr. Ho Yin Sang.

(2) The 10,000,000 KLHL Share Options were held by the spouse of Mr. Mok Cham Hung, Chadwick.

附註：

(1) 何燕生先生配偶持有該9,000,000份建滔積層板優先購股權。

(2) 莫湛雄先生配偶持有該10,000,000份建滔積層板優先購股權。

(e) Non-voting deferred shares of HK$1 each in the share capital of Kingboard Laminates Limited, a non-wholly owned subsidiary of the Company

(e) 本公司非全資擁有附屬公司建滔積層板有限公司股本中每股面值**1**港元之無投票權遞延股份

Name of Director 董事姓名	Capacity 權益性質	Number of non-voting deferred shares held (Note) 所持無投票權遞延股份數目(附註)
Mr. Cheung Kwok Wing 張國榮先生	Beneficial owner 實益擁有人	1,904,400
Mr. Chan Wing Kwan 陳永錕先生	Beneficial owner 實益擁有人	1,481,200
Mr. Cheung Kwong Kwan 張廣軍先生	Beneficial owner 實益擁有人	846,400
Mr. Ho Yin Sang 何燕生先生	Beneficial owner 實益擁有人	529,000
Mr. Chang Wing Yiu 鄭永耀先生	Beneficial owner 實益擁有人	423,200

Note: None of the non-voting deferred shares of Kingboard Laminates Limited are held by the Group. Such deferred shares carry no rights to receive notice of or to attend or vote at any general meeting of Kingboard Laminates Limited and have practically no rights to dividends or to participate in any distribution on winding up.

附註： 本集團概無持有建滔積層板有限公司之無投票權遞延股份。該等遞延股份並無附帶可收取建滔積層板有限公司任何股東大會通告或出席股東大會及於會上投票之權利，亦沒有收取股息或於清盤時獲得任何分派之實際權利。

SHARE OPTIONS

Particulars of the share option scheme scheme scheme (including ir
consolidated financial statements.

優先購股權

本公司、EEIC及建滔積層板之優先購股權計劃詳情(包括其行使期及歸屬期)載於綜合財務報表附註37。

下表披露該計劃項下優先購股權於年內之變動：

SUBSTANTIAL SHAREHOLDERS (continued) 主要股東(續)

Name of shareholder 股東名稱	Nature of interest 權益性質	Number of issued Shares held 所持已發行股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本之概約百分比
Hallgain Management Limited ("Hallgain") (Note 1) (附註1)	Beneficial owner 實益擁有人	291,432,929 (L)	34.10 (L)
The Capital Group Companies, Inc. (Note 2) (附註2)	Investment manager 投資經理	55,814,832 (L)	6.53 (L)
FMR LLC	Investment manager 投資經理	50,682,000 (L)	5.93 (L)
Cheah Cheng Hye 謝清海	Beneficial owner 實益擁有人	120,000 (L)	0.01 (L)
	Interest of spouse 配偶權益	29,000 (L)	0.003 (L)
	Founder of a discretionary trust 酌情權信託的創辦人	50,537,901 (L)	5.91 (L)
To Hau Yin 杜巧賢	Beneficial owner 實益擁有人	29,000 (L)	0.003 (L)
	Interest of spouse 配偶權益	50,657,901 (L)	5.93 (L)
Value Partners Limited (Note 3) 惠理有限公司(附註3)	Investment manager 投資經理	50,537,901 (L)	5.91 (L)
J.P. Morgan Chase & Co. (Note 4) (附註4)	Investment manager 投資經理	51,136,113 (L) 198,000 (S) 48,589,445 (P)	5.98 (L) 0.02 (S) 5.69 (P)

(L) The letter "L" denotes a long position.

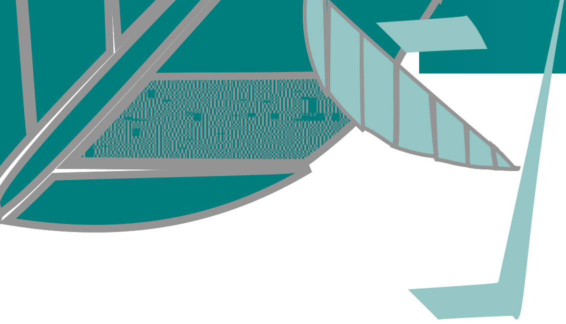
(S) The letter "S" denotes a short position.

(P) The letter "P" denotes interests in a lending pool.

(L) 「L」代表長倉。

(S) 「S」代表短倉。

(P) 「P」代表可供借出的股份。



企業管治

香港聯合交易所有限公司對上市規則附錄

CONNECTED TRANSACTIONS (continued)

(c) KLHL Purchase Framework Agreement

關連交易(續)

(c) 建滔積層板購買框架協議

於二零一一年四月一日，建滔積層板與Hallgain訂立購買框架協議(「建滔積層板購買框架協議」)，據此，建滔積層板集團同意於二零一一年四月一日至二零一三年十二月三十一日向Hallgain集團購買鑽咀及機器等生產覆銅面板的材料。根據建滔積層板購買框架協議，將購買之數量並非固定，而是由訂約方不時釐定及同意。建滔積層板購買框架協議項下之實際數量、規格及價格(參考現行市價)將視乎建滔積層板集團向Hallgain集團作出之個別訂單而定。

由於Hallgain為本公司之主要股東，根據上市規則為本公司之關連人士，而建滔積層板則為本公司之附屬公司，故根據上市規則第14A章，建滔積層板購買框架協議項下之交易構成本公司之持續關連交易。

建滔積層板購買框架協議項下之交易截至二零一二年十二月三十一日止年度之年度上限及實際交易額載於下表。建滔積層板購買框架協議之詳情已於本公司日期為二零一一年四月二十六日之通函中披露。

(d) Shirai供應協議

於二零零九年十二月二十二日，科惠線路有限公司(「科惠」)與Shirai Electronics Industrial Co., Limited(「Shirai」)訂立供應協議(「Shirai供應協議」)，據此，科惠及其附屬公司(「科惠集團」)同意於二零一零年一月一日至二零一二年十二月三十一日向Shirai及其附屬公司(「Shirai集團」)供應印刷線路板。根據Shirai供應協議，將供應之印刷線路板數量並非固定，而是由訂約方不時釐定及同意。

由於科惠為本公司擁有90%權益之附屬公司，而Shirai為持有科惠白井電路有限公司(科惠擁有70%權益之附屬公司)全部已發行股本30%之公司，因而為本公司附屬公司之主要股東及根據上市規則為本公司之關連人士，故根據上市規則第14A章，Shirai供應協議項下之交易構成本公司之持續關連交易。

CONNECTED TRANSACTIONS (continued) 關連交易(續)

		Amounts 金額 HK$'000 千港元	Annual caps 年度上限 HK$'000 千港元
Purchase of copper balls and drill bits from the Hallgain Group by the Group under the Purchase Framework Agreement	本集團根據購買框架協議向Hallgain集團購買銅球及鑽咀	620,337	647,000
Sales of coppers and laminates to the Hallgain Group by the KLHL Group under the KLHL Supply Framework Agreement	建滔積層板集團根據建滔積層板供應框架協議向Hallgain集團出售銅及覆銅面板	980,479	1,502,000
Purchase of drill bits and machineries from the Hallgain Group by the KLHL Group under the KLHL Purchase Framework Agreement	建滔積層板集團根據建滔積層板購買框架協議向Hallgain集團購買鑽咀及機器	160,931	280,000
Sales of printed circuits boards to the Shirai Group by the Techwise Group under the Shirai Supply Agreement	科惠集團根據Shirai供應協議向Shirai集團出售印刷線路板	70,466	453,024
Purchase of laminates from the Shirai Group by the Techwise Group under the Shirai Purchase Agreement	科惠集團根據Shirai購買協議向Shirai集團購買覆銅面板	–	121,968
Drilling services provided by the Shirai Group to the Techwise Group under the Shirai Purchase Agreement	Shirai集團根據Shirai購買協議向科惠集團提供鑽孔服務	–	4,356

The amounts of the above transactions did not exceed the corresponding annual caps for the financial year ended 31 December 2012 as announced by the Group.

上述交易的金額並不超過本集團所公佈截至二零一二年十二月三十一日止財政年度之相關年度上限。

In addition to the Code, which is mandatory in nature, the Board also observes certain recommended best practices ("Recommended Best Practices") contained in Appendix 14 to the Listing Rules and has adopted certain Recommended Best Practices which are suitable to the Company's current situation. The Board will continuously enhance the corporate governance standard of the Company by reference to the Recommended Best Practices whenever suitable and appropriate.

除屬強制性質之守則外，董事會亦參考上市規則附錄14所載之若干建議最佳常規（「建議最佳常規」），並採納適合本公司現行情況之若干建議最佳常規。董事會將於合適及適當情況下參考建議最佳常規，持續提升本公司之企業管治水平。

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code"). Following a specific enquiry, each Director has confirmed that he or she has complied with the required standard set out in the Model Code and the code of conduct regarding Directors' securities transactions adopted by the Company.

就董事進行證券交易方面，本公司已採納條款不寬鬆於上市規則附錄10所載之上市發行人董事進行證券交易之標準守則（「標準守則」）之操守守則。經作出特定查詢後，各董事確認，彼等一直遵守標準守則所載規定標準及本公司所採納有關董事進行證券交易之操守守則。

A. DIRECTORS

The Board

The Board is responsible for the leadership and control of the Group and is entrusted with the responsibility to supervise the management of the business and the affairs of the Group. The Group has adopted internal guidelines in setting forth matters that require the Board's approval. Apart from its statutory responsibilities, the Board approves the Group's strategic plan, annual budget, key operational initiatives, major investments and funding decisions. It also reviews the Group's financial performance, identifies principal risks of the Group's business and ensures implementation of appropriate systems to manage these risks. Daily business operations and administrative functions of the Group are delegated to the management.

The Board meets regularly and as warranted by particular circumstances. Notices and agendas are prepared by the Company Secretary as delegated by the Chairman of the Board and distributed to the Board members within reasonable time before the meetings. Relevant meeting papers are also sent to Directors well before the meetings, informing them of the background and giving explanation on matters to be brought before the Board. All Directors are given the opportunity to include matters in the agendas for Board meetings. To ensure the Directors make decisions objectively and in the interests of the Company, the Company's articles of association provide that any Director shall abstain from voting on any resolutions in which he or his associates is/are materially interested nor be counted in the quorum of the meeting. Draft and final versions of the minutes of Board meetings are sent to all Directors for their comment and records respectively within a reasonable time after the Board meetings and are kept by the Company Secretary.

A. 董事

董事會

董事會負責領導及管理本集團，同時亦

A. DIRECTORS (continued)

Division and responsibilities

During the year under review, the Board was headed by the Chairman whose role differs from that of the Managing Director of the Company. The roles of the Chairman and Managing Director were segregated and are not exercised by the same individual.

The duties of the Chairman include (but not limited to) the following:

- scheduled meetings that enable the Board to perform its duties and responsibilities and to ensure all key and appropriate issues are discussed by the Board in a timely manner without interfering the Company's operations;

- prepared meeting agenda after consultation with the Managing Director;

- exercised control over quality, quantity and timeliness of the flow of information between Management and the Board and to ensure decisions are made on a fully informed basis by the directors; and

- assisted in ensuring compliance with the Listing Rules and the Company's guidelines on corporate governance.

The Managing Director was mainly responsible for the overall strategic planning and day-to-day management of the Group.

On 11 January 2011, the Board announced that Mr. Chan Wing Kwan was re-designated as a non-executive Director and appointed as the chief consultant of the Company and ceased to be the Managing Director and an executive Director with effect from 11 January 2011. As at the date of this report, no replacement of the position of Managing Director has been appointed since Mr. Chan's resignation. If a candidate with suitable knowledge, skills and experience is identified, the Company will make appointment to fill the position of Managing Director as appropriate.

A. 董事(續)

分工及職責

於回顧年度，董事會由主席領導，其職務有別於本公司董事總經理。主席及董事總經理各有獨立職務，且非由同一名人士擔任。

A. DIRECTORS (continued)

Board composition (continued)

On 11 January 2011, the Board announced that Mr. Chan Wing Kwan was re-designated as a non-executive Director and appointed as the chief consultant of the Company and ceased to be the Managing Director and an executive Director with effect from 11 January 2011. Mr. Chan Wing Kwan has no fixed term of service with the Company as a non-executive Director and is subject to the relevant provisions of retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association of the Company. His appointment without a specific term is a deviation from paragraph A.4.1 of the Code. As at the date of this report, no replacement of the position of Managing Director has been appointed since Mr. Chan's resignation. His resignation as a Managing Director is a deviation from paragraph A.2.1 of the Code. Under paragraph A.2.1 of the Code, the roles of chairman and chief executive officer should not be performed by the same individual.

The Board will keep reviewing the structure of the Board from time to time. If a candidate with suitable knowledge, skills and experience is identified, the Company will make appointment to fill the position of Managing Director as appropriate.

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence as required under Rule 3.13 of the Listing Rules.

The Board comprises Directors who collectively provide core competencies, sales and marketing experience and technical knowledge in laminates, printed circuit boards, property developments and chemical products, administration and management experience in the PRC factories, financial and accounting skills, as well as in-house advices to comply with international laws and regulations. The Board size of twelve directors with a balance of skills and experience is appropriate for effective decision making, taking into account the nature and scope of the operations of the Company.

A. 董事(續)

董事會成員(續)

二零一一年一月十一日，董事會宣佈，陳永錕先生已調任為非執行董事及獲委任為本公司首席顧問，並已終止出任董事總經理及執行董事，自二零一一年一月十一日起生效。陳永錕先生出任非執行董事並無與本公司訂立固定任期，惟須根據本公司組織章程細則，遵守於本公司股東週年大會告退及重選連任之相關條文。彼之委任並無特定任期偏離守則條文第A.4.1條。於本報告日期，自陳先生辭任以來，本公司並未覓得董事總經理之替任人選。彼辭任董事總經理偏離守則條文第A.2.1條。根據守則條文第A.2.1條，一名人士不應兼任主席及行政總裁。

董事會將不時檢討董事會架構。倘物色到具備適合知識、技能及經驗之人選，本公司將委任其填補董事總經理一職(如適用)。

本公司已按上市規則第3.13條的規定，取得各獨立非執行董事之年度獨立性確認書。

董事會由多名董事組成，共同提供有關覆銅面板、印刷線路板、房地產發展及化工產品之核心競爭力、銷售及市場推廣經驗及技術知識、中國工廠之行政及管理經驗、財務及會計技巧以及有關遵守國際法律及規例之內部意見。董事會有十二名成員，擁有不同資歷及經驗，考慮到本公司之業務性質及規模，董事會成員人數對其決策效率而言實屬合適。

A. DIRECTORS (continued)

Responsibilities of Directors (continued)

Every newly appointed Director shall receive a comprehensive, formal and tailored induction on the first occasion of his appointment. All Directors shall be updated and briefed on continuing professional development as is necessary to ensure that they have a proper understanding of the operations and the business of the Company and that they are fully aware of their responsibilities under the applicable laws and regulations. The Board has a procedure for Directors, either individually or as a group, in the furtherance of their duties, to take independent professional advice, if necessary, at the Company's expenses to enable and facilitate the Directors to make well considered decisions. Appropriate insurance coverage for Directors' and officers' liability has been arranged against possibility of legal action to be taken against the Directors and the management.

According to A.6.5 of the Code, Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant.

A briefing session was organised for the Directors for the year under review to update the Directors on the new amendments to the Code and associated Listing Rules.

During the period from 1 April 2012 to 31 December 2012, the Directors also participated in the following trainings:

A. 董事(續)

董事責任(續)

每名新委任董事於首次獲委任時均會獲得一份全面兼特為其而設的正式就任須知。全體董事於有需要時將參與持續專業發展計劃，以確保彼等清楚了解本公司之營運及業務，且充分明瞭彼等於適用法律及規定下之責任。董事會設立既定程序，董事於履行職務時，在有需要的情況下可個別或共同徵詢獨立專業顧問意見，以作出充份考慮的決定，有關費用由本公司承擔。本公司已就董事及管理人員可能面對之法律行動而為董事及管理人員安排適當責任保險。

根據守則A.6.5，董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。

本公司於回顧年度為董事安排簡介，以向董事提供有關守則及相關上市規則新修訂本之最新資料。

於二零一二年四月一日至二零一二年十二月三十一日止期間，董事亦參與以下培訓：

Name of Directors	董事姓名	Attending or participating in the briefing session/seminars/ programmes relevant to the business/directors' duties 出席或參與有關業務／董事職務的簡介會／座談會／計劃
Executive Directors	執行董事	
Cheung Kwok Wing *(Chairman)*	張國榮*(主席)*	✔
Cheung Kwong Kwan	張廣軍	✔
Chang Wing Yiu	鄭永耀	✔
Ho Yin Sang	何燕生	✔
Cheung Wai Lin, Stephanie	張偉連	✔
Mok Cham Hung, Chadwick	莫湛雄	✔
Chen Maosheng	陳茂盛	✔
Non-executive Director:	非執行董事	
Chan Wing Kwan	陳永錕	✔
Independent non-executive Directors:	獨立非執行董事	
Cheng Wai Chee, Christopher	鄭維志	✔
Henry Tan	陳亨利	✔
Lai Chung Wing, Robert	黎忠榮	✔
Tse Kam Hung	謝錦洪	✔

The Directors confirmed that they have complied with A.6.5 of the Code effective on 1 April 2012 on Directors' training.

董事確認，彼等遵守於二零一二年四月一日生效有關董事培訓之守則第A.6.5條。

B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT (continued)

The level and make-up of remuneration and disclosure (continued)

- recommend targets for any performance-linked pay schemes operated by the Company, taking into account remuneration and employment conditions within the industry and in comparable companies; and

- recommend to the Board the remuneration of independent non-executive Directors (including non-executive Directors, if any), taking into account factors such as effort, time spent and responsibilities.

When recommending the remuneration package for each individual Director, the Remuneration Committee will consider his qualification and experience, specific duties and responsibilities assigned to him by the Board and the prevailing market packages available for similar position. The emoluments of the Directors on a named basis for the year under review is set out on pages 136 to 139 in Note 14 to the financial statements. Review and comparison in terms of Directors' emoluments package and net profits of the Group are made from time to time with comparable listed industrial companies with similar capitalisation to the Group. Considering all such factors, the Remuneration Committee would make recommendation on the remuneration package for each Director after consultation with the Chairman.

During the year under review, the Remuneration Committee had convened two meetings during which, among other things, the remuneration packages for all Directors and senior management were considered.

B. 董事及高級管理人員薪酬(續)

薪酬及披露的水平及組成(續)

- 按照業內及同類型公司之薪酬水平及就業狀況，為本公司任何與表現掛鈎的獎勵計劃建議目標；及

- 參考獨立非執行董事(包括非執行董事(如有))所付出之精力、時間及職責，就彼等之薪酬向董事會提出建議。

薪酬委員會為個別董事建議薪酬待遇時，將考慮彼之資格及經驗、董事會指派予彼之特定職責以及市場現行給予同類職位之待遇。於回顧年度內，每名董事之酬金按姓名詳列於第136至139頁財務報表附註14。本公司不時就董事薪酬待遇及集團純利狀況，與本集團市值相若之上市工業公司進行檢討及比較。考慮上述因素後，薪酬委員會經諮詢主席意見後將就每名董事之薪酬待遇提出建議。

於回顧年度內，薪酬委員會召開兩次會議，並已考慮(其中包括)所有董事及高級管理人員之薪酬待遇。

C. ACCOUNTABILITY AND AUDIT (continued)

Internal controls (continued)

The Board has conducted a review on the effectiveness of the above internal control system of the Group including financial, operational and compliance controls and risk management and will conduct such review at least once a year, so as to ensure the shareholders' investment and the Group's assets are properly safeguarded. The Board is satisfied that, based on the information supplied, coupled with its own observations and with the assistance of the Audit Committee, the present internal controls and risk management processes are satisfactory for the nature and size of the Group's operations and business.

In addition to the internal control system, the Board has established an internal audit team that reports directly to the Audit Committee. The internal audit team will independently audit various functions, operations and systems existed in the Company according to their weight of significance to the Company as well as the priority list recommended by the Audit Committee. The internal audit team will prepare an internal audit report highlighting the deficiencies and weaknesses in existing audit functions, operations and systems for discussion by the Audit Committee and the Board, and based on these findings the Board will instruct senior management to take appropriate corrective and improvement actions.

C. 問責及核數(續)

內部監控(續)

董事會已檢討上述本集團內部監控制度之效能，包括財務、營運及規章監控及風險管理功能，並將每年至少進行一次該等檢討，以確保妥善保障股東的投資及本集團資產。董事會根據所獲資料，連同其本身觀察，在審核委員會協助下，信納就本集團營運及業務之性質及規模而言，現行內部監控及風險管理程序達滿意水平。

除內部監控制度外，董事會已設立內部核數隊伍，直接向審核委員會匯報。內部核數隊伍將會按照本公司現存各項職能、運作及系統之重要性，以及審核委員會建議之優先次序，獨立審核該等職能、運作及系統。內部核數隊伍將會編製內部核數報告，指出現時審核職能、運作及系統之漏洞及缺點，以供審核委員會及董事會討論，而董事會將根據該等核數結果指示高級管理層採取適當糾正及改善措施。

C. ACCOUNTABILITY AND AUDIT (continued)

Audit Committee (continued)

The duties of the Audit Committee include reviewing the scope and results of the audit and its cost effectiveness, and the independence and objectivity of the Company's auditor, Deloitte Touche Tohmatsu. The Audit Committee will review the independence of the Company's auditor, the resources and adequacy of the internal audit function, at least once a year. Where the auditor also supplies non-audit services to the Company, the Committee will keep the nature and extent of such services under review, seeking to balance between the maintenance of objectivity and value for money. During the year under review, the fees paid/payable to the Company's auditor in respect of audit and non-audit services provided by the Company's auditor to the Group were as follows:

D. DELEGATION BY THE BOARD

Management function

The Company's articles of association set out matters which are specifically reserved to the Board for its decision. Executive Directors normally meet on an informal basis every two weeks and participate in senior management meetings on a regular basis to keep abreast of the latest operations and performance of the Group and to monitor and ensure the management carry out the directions and strategies set by the Board correctly and appropriately. Clear instructions are given to the management as to the matters which should bring to the attention and be determined by the Board on behalf of the Company.

Board committees

The Board has set up three Board committees, namely Audit Committee, Nomination Committee and Remuneration Committee, each chaired by a different independent non-executive Director, to assist the Board in discharging functions specific to each committee. Each Board committee has its own written terms of reference setting out the principles, procedures and arrangements which are substantially the same as those for the Board.

The Nomination Committee comprises three members who are independent non-executive directors, namely Mr. Henry Tan (Chairman), Mr. Lai Chung Wing, Robert, and Mr. Tse Kam Hung. According to the written terms of reference of the Nomination Committee, the major responsibilities of the Nomination Committee include:

- regularly review the structure, size and composition of the Board and make recommendations to the Board with regard to any adjustments that are deemed necessary;
- review whether or not an independent non-executive Director is independent for the purpose of the Listing Rules on annual basis;

D. 董事會權力的轉授

管理功能

本公司之組織章程細則載列指明須由董事會決定之事項。執行董事一般每兩星期舉行非正式會議，並定期參與高級管理層之會議，以便掌握本集團最近期之營運及表現，且監察及確保管理層正確及恰當地執行董事會制訂之指示及策略。管理層已獲清晰指示，得知須提呈董事會垂注並由董事會代表本公司作出決定之事宜。

董事委員會

董事會已設立三個董事委員會，分別為審核委員會、提名委員會及薪酬委員會，分別由不同獨立非執行董事出任主席，以協助董事會履行委派各委員會之特定職能。各董事委員會均書面訂明其特定的職權範圍，所載列之原則、程序及安排均與董事會之原則、程序及安排大致相同。

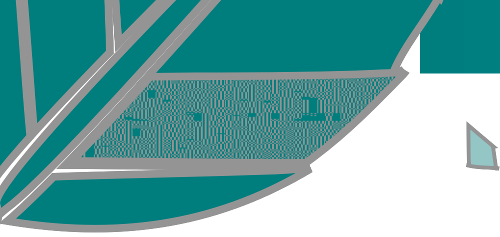
提名委員會由三名獨立非執行董事：陳亨利先生（主席）、黎忠榮先生及謝錦洪先生組成。根據提名委員會書面訂明的職權範圍，提名委員會之主要職責包括：

- 定期檢討董事會之架構、人數及組成，並就任何認為需作出的調整向董事會提供推薦建議；
- 就上市規則而言，每年檢討獨立

E. COMMUNICATION WITH SHAREHOLDERS (continued)

The Company's annual general meeting ("AGM") and extraordinary general meeting ("EGM") provide good opportunities for shareholders to air their views and ask directors and management questions regarding the Company. All shareholders of the Company receive

審核涉及執行程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該實體編製及真實而公平地列報綜合財務報表相關的內部控制，以設計在該等情況下適當的審核程序，但並非為對實體的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
綜合全面收益表

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

		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
Profit for the year	本年度溢利			3,206,576
Other comprehensive income:	其他全面收益：			
Cash flow hedge:	現金流對沖：			
Gain on cash flow hedges	現金流對沖之收益			50,571
Deferred tax recognised in relation to change in cash flow hedges	就現金流對沖變動而確認之遞延稅項	34		(3,310)
Investment revaluation reserve:	投資重估儲備：			
Fair value changes of available-for-sale investments	可供出售投資之公平值變動			(805,446)
Reclassification adjustment relating to disposal of available-for-sale investments	就出售可供出售投資而作出之重新分類調整			30,161
Reclassification adjustment relating to impairment loss on available-for-sale investments	就可供出售投資之減值虧損而作出之重新分類調整			83,878
Property revaluation reserve:	物業重估儲備：			
Fair value changes on properties transferred to investment properties	物業轉撥至投資物業時之公平值變動			691
Translation reserve:	匯兌儲備：			
Exchange differences arising on translation of foreign operations and to presentation currency	因折算外地經營至呈報貨幣而產生之匯兌差額			1,087,554
Exchange reserve released upon disposal of a subsidiary	出售附屬公司撥回匯兌儲備			–
Share of change in reserve of associates	應佔聯營公司儲備變動	22		28,296
Other comprehensive income for the year (net of tax)	本年度其他全面收益（除稅後）			472,395
Total comprehensive income for the year	本年度全面收益總額			3,678,971
Total comprehensive income attributable to:	全面收益總額應佔份額：			
Owners of the Company	本公司持有人			2,935,144
Non-controlling interests	非控股股東權益			743,827
				3,678,971

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

At 31 December 2012 於二零一二年十二月三十一日

		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 liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	34		167,194
Bank borrowings	銀行借貸	33		11,450,813
				11,618,007
				33,994,386
Capital and reserves	股本及儲備			
Share capital	股本	35		85,467
Share premium and reserves	股份溢價及儲備			27,959,913
Equity attributable to owners of the Company	本公司持有人應佔權益			28,045,380
Non-controlling interests	非控股股東權益	38		5,949,006
Total equity	資本總額			33,994,386

The consolidated financial statements on pages 56 to 211 were approved and authorised for issue by the Board of Directors on 8 March 2013 and are signed on its behalf by:

第56

Cheung Kwok Wing
張國榮
DIRECTOR
董事

Chang Wing Yiu
鄭永耀
DIRECTOR
董事

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 本公司持有人應佔權益															
Share capital 股本 HK$'000 千港元	Share premium 股份溢價 HK$'000 千港元	Capital redemption reserve 資本贖回儲備 HK$'000 千港元	Warrant reserve 認股權證儲備 HK$'000 千港元	Share options reserve 優先購股權儲備 HK$'000 千港元	Goodwill reserve 商譽儲備 HK$'000 千港元	Special surplus account 特別盈餘賬目 HK$'000 千港元 (Note a) (附註a)	Statutory reserve 法定儲備 HK$'000 千港元 (Note b) (附註b)	Hedging reserve 對沖儲備 HK$'000 千港元	Property revaluation reserve 物業重估儲備 HK$'000 千港元 (Note c) (附註c)	Investment revaluation reserve 投資重估儲備 HK$'000 千港元	Translation reserve 匯兌儲備 HK$'000 千港元	Retained profits 保留溢利 HK$'000 千港元	Total 合計 HK$'000 千港元	Non-controlling interests 非控股股東權益 HK$'000 千港元	Total equity 資本總額 HK$'000 千港元

CONSOLIDATED STATEMENT OF CASH FLOWS
綜合現金流量表

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

		2012 二零一二年 HK$'000 千港元	2011 二零一一年 HK$'000 千港元
OPERATING ACTIVITIES	經營業務		
Profit before taxation	除稅前溢利		3,719,637
Adjustments for:	調整：		
Share of results of associates	應佔聯營公司業績		(254,823)
Share of results of jointly controlled entities	應佔共同控制實體業績		1,075
Depreciation of properties, plant and equipment	物業、廠房及設備折舊		2,134,650
Impairment loss recognised in respect of trade and other receivables	就貿易及其他應收賬款確認之減值虧損		56,315
Impairment loss recognised in respect of inventories	就存貨確認之減值虧損		25,942
Dividends from available-for-sale investments	可供出售投資之股息		(121,113)
Interest expenses and other finance charges	利息支出及其他融資費用		361,881
(Gain) loss on disposal of available-for-sale investments	出售可供出售投資之(收益)虧損		30,161
Gain on disposal of held-to-maturity investments	出售持有至到期投資之收益		–
Gain on fair value changes of investment properties	投資物業公平值變動之收益		(412,361)
Gain on deemed disposal of an associate	視作出售一間聯營公司之收益		–
Release of prepaid lease payments	預付租賃款項撥回		24,146
Interest income	利息收入		(131,070)
Impairment loss on available-for-sale investments	可供出售投資之減值虧損		83,878
Loss on disposal and write off of properties, plant and equipment	出售及撇銷物業、廠房及設備之虧損		14,370
Share-based payments	以股份形式付款		236,099
Gain on disposal of a subsidiary	出售一間附屬公司之收益		(34,592)
Gain on disposal of prepaid lease payments	出售預付租賃款項之收益		–
Impairment loss recognised in respect of properties, plant and equipment	就物業、廠房及設備確認之減值虧損		136,738
Operating cash flows before movements in working capital	未計營運資金變動前之經營現金流量		5,870,933
Increase in properties held for development	待發展物業增加		(4,019,171)
(Increase) decrease in inventories	存貨(增加)減少		404,737
Increase in trade and other receivables and prepayments	貿易及其他應收賬款及預付款項增加		(376,921)
Increase in bills receivables	應收票據增加		(92,121)
(Decrease) increase in trade and other payables	貿易及其他應付賬款(減少)增加		611,471
Decrease in bills payables	應付票據減少		(219,076)
(Decrease) increase in deposits from pre-sale of residential units	預售物業所收之訂金(減少)增加		309,461
Net decrease in derivative financial instruments	衍生金融工具之減少淨額		(33,493)
Cash generated from operations	經營業務所得現金		2,455,820
Hong Kong Profits Tax paid	已繳香港利得稅		(5,295)
PRC Land Appreciation Tax ("LAT") paid	已繳中國土地增值稅(「土地增值稅」)		–
Other income taxes paid	其他已繳所得稅		(456,295)
NET CASH FROM OPERATING ACTIVITIES	經營業務所得現金淨額		1,994,230

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

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

		2012 二零一二年 HK$'000 千港元	2011 二零一一年 HK$'000 千港元
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目減少淨額		(796,846)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	年初之現金及現金等值項目		5,022,022
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動影響		79,021
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	年末之現金及現金等值項目		4,304,197
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘分析		
Bank balances and cash	銀行結餘及現金		4,437,442
Less: Pledged bank deposits	減：已質押銀行存款		(133,245)
Balances of cash and cash equivalents	現金及現金等值項目結餘		4,304,197

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

Amendments to HKAS 12 Deferred tax: Recovery of underlying assets (continued)

The Group measures its investment properties using the fair value model. As a result of the application of the amendments to HKAS 12, the directors of the Company ("Directors") reviewed the Group's investment property portfolios and concluded that the investment properties located in Hong Kong and United Kingdom of carrying amount of approximately HK$1,342,320,000 and HK$1,261,980,000 at 31 December 2012 respectively (2011: located in Hong Kong and United Kingdom of approximately HK$25,780,000 and HK$575,640,000 respectively) and determined that the "Sale" presumption is not rebutted the purpose of measuring deferred tax liabilities in respect of such properties.

In addition, the Group has rebutted the "Sale" presumption relating to the Group's investment properties located in the PRC of carrying amount of approximately HK$3,139,363,000 at 31 December 2012 (2011: HK$2,904,190,000) as such properties are held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time.

The application of the amendments to HKAS 12 has resulted in the Group not recognising any deferred taxes on changes in fair value of the investment properties in Hong Kong and United Kingdom as the Group is not subject to any income taxes on disposal of these investment properties assuming that the Group is considered as a non-resident in United Kingdom. For investment properties located in the PRC, there is no impact on the deferred tax liabilities provided for the fair value changes of these properties. Previously, the Group recognised deferred taxes on changes in fair value of investment properties on the basis that the entire carrying amounts of the properties were recovered through use.

The amendments to HKAS 12 have been applied retrospectively. However, in view of the insignificant decrease in deferred tax liabilities in respect of the investment properties located in Hong Kong and United Kingdom as at 31 December 2011 and during the year ended 31 December 2011 and 2012, no restated financial statements and financial effects of the Group's financial performance and position are presented for current and prior years.

2. 應用新增及經修訂之香港財務申報準則(「香港財務申報準則」)(續)

香港會計準則第12號之修訂　遞延稅項：收回相關資產(續)

本集團以公平值模式計量投資物業。由於應用香港會計準則第12號之修訂，本公司董事(「董事」)審閱本集團投資物業組合，其結論指於二零一二年十二月三十一日，位於香港及英國的投資物業賬面值分別約為1,342,320,000港元及1,261,980,000港元(二零一一年：位於香港及英國分別約25,780,000港元及575,640,000港元)，就計量該等物業的遞延稅項負債的目的而言，決定不駁回「出售」假定。

此外，本集團駁回於二零一二年十二月三十一日賬面值約為3,139,363,000港元(二零一一年：2,904,190,000港元)位於中國的投資物業的「出售」假定，原因為本集團按業務模式持有該等物業，其目的是隨時間耗用投資物業所包含的絕大部分經濟利益。

本集團應用香港會計準則第12號之修訂，使其不確認香港及英國投資物業公平值變動所產生的任何遞延稅項，原因是假設本集團被視為非英國居民，故本集團出售投資物業時毋須繳納任何所得稅。就位於中國的投資物業而言，為該等物業公平值變動撥備的遞延稅項負債並無影響。以往，本集團在該等物業全部賬面值可從使用中收回的基礎上，確認投資物業公平值變動所產生的遞延稅項。

香港會計準則第12號之修訂已獲追溯應用。然而，鑒於位於香港及英國的投資物業之遞延稅項負債於二零一一年十二月三十一日及在截至二零一一年及二零一二年十二月三十一日止年度之減少不多，本年度及以前年度的財務報表及對集團的財務表現及狀況之財務影響並沒有重列。

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

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

* IFRIC represents the International Financial Reporting Interpretation

EeffectivefForannual periods beginntin on Forafntes 1Januaryr 203.

EeffectivefForannual periods beginntin on Forafntes 1Januaryr 204.

EeffectivefForannual periods beginntin on Forafntes 1Januaryr 205.

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

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.

- 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.

2. 應用新增及經修訂之香港財務申報準則(「香港財務申報準則」)(續)

香港財務申報準則第9號　金融工具

於二零零九年頒佈的香港財務申報準則第9號引入有關財務資產分類及計量的新規定。於二零一零年修訂的香港財務申報準則第9號涵蓋了對金融負債的分類及計量以及對終止確認的規定。

香港財務申報準則第9號的主要規定概述如下：

- 香港會計準則第39號範疇內的所有已確認金融資產於其後按攤銷成本或公平值計量。具體而言，以旨在收取約定現金流的業務模式持有的債務投資，及具有純粹為支付尚未償還本金額的本金及利息的約定現金流的債務投資，一般按於其後的會計期間結束時的攤銷成本計量。所有其他債務投資及股本投資則於其後的報告期間結束時按公平值計量。此外，根據香港財務申報準則第9號，實體可作出不可撤回的選擇，於其他全面收益中呈列股本投資（並非持作交易）公平值的其後變動，惟僅股息收入通常於損益賬確認。

- 香港財務申報準則第9號規定，就指定為按公平值計入損益的財務負債而言，因財務負債信貸風險有變而導致其公平值變動的金額乃於其他全面收益內呈列，除非於其他全面收益確認該負債信貸風險變動的影響會產生或增加損益的會計錯配則作別論。因財務負債信貸風險有變而導致其公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為按公平值計入損益的財務負債的全部公平值變動金額均於損益中呈列。

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 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.

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 may have a significant impact on amounts reported in the consolidated financial statements. The application of HKFRS 10 may

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

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.

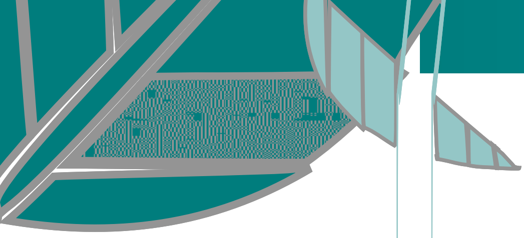
Amendments to HKAS 1 Presentation of items of other comprehensive income

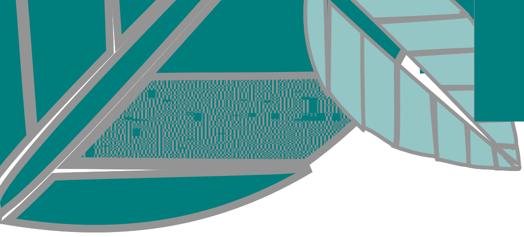
The amendments to HKAS 1 "Presentation of items of other comprehensive income" introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a 'statement of comprehensive income' is renamed as a 'statement of profit or loss and other comprehensive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

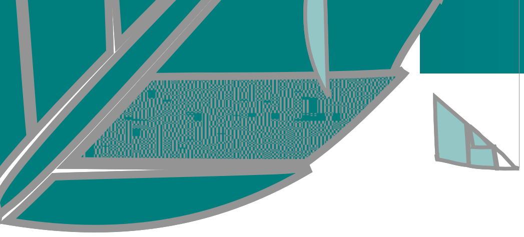
2. 應用新增及經修訂之香港財務申報準則(「香港財務申報準則」)(續)

香港財務申報準則第13號　公平值計量

香港財務申報準則第13號設立有關公平值計量及公平值計量之披露的單一指引。該準則界定公平值、設立計量公平值的框架，以及有關公平值計量的披露規定。香港財務申報準則第13號的範圍廣泛，其應用於其他香港財務申報準則規定或允許公平值計量及有關公平值計量披露的金融工具項目及非金融工具項目，惟特定情況除外。整體而言，香港財務申報準則第13號所載的披露規定較現行準則所規定者更為全面。例如，現時僅規限香港財務申報準則第7號「金融







3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Properties, plant and equipment

Properties, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purposes (other than properties, plant and equipment under construction as described below) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of properties, plant and equipment (other than properties, plant and equipment under construction) less their residual value 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.

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

If an item of properties, plant and equipment becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Impairment losses on tangible and intangible assets (other than goodwill (see the accounting policies in respect of goodwill))

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered 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 poss t02d7o98 T 6tstimatestimatedsthecoverabletheartsh-genrabiting2382(tho2382
f

tRecoverable

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Foreign currencies (continued)

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for exchange differences arising

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Taxation

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Held-to-maturity investments (continued)

If during the current financial year or during the two preceding financial years, more than an insignificant amount of held-to-maturity investments have been sold or reclassified before maturity (more than insignificant in relation to the total amount of held-to-maturity investments) other than sales or reclassifications under specified limited circumstances described in HKAS 39 "Financial Instruments: Recognition and measurement", the held-to-maturity investments are tainted and no financial assets can be classified as held-to-maturity investments.

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, loans and receivables or held-to-maturity investments.

Equity and debt securities held by the Group that are classified as available-for-sale and are traded in an active market are measured at 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 investment revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

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 and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of each reporting period (see the accounting policy in respect of impairment loss on financial assets below).

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

持有至到期投資(續)

倘於現時財政年度或財政年度前兩年內，實體於持有至到期投資到期前出售或重新分類數額不低(數額不低乃相對持有至到期投資總額而言)之持有至到期投資，惟例外的是在香港會計準則第39號「金融工具：確認及計量」所述指定的有限情況下出售或重新分類，持有至到期投資被沾污及任何財務資產不能被分類為持有至到期投資。

可供出售財務資產

可供出售財務資產為非衍生工具，其須指定或非分類為按公平值計入損益之財務資產、貸款及應收賬款或持至到期投資。

本集團持有之權益及債務證券，如分類為可供出售，並於活躍市場交易，於報告期間結束當日按公平值計量。與利息收入有關之可供出售貨幣性財務資產之賬面值變動按實際利率法計算，而可供出售權益投資之股息於損益確認。可供出售財務資產賬面值之其他變動於其他全面收入確認，並於投資重估儲備項下累計。當投資出售或減值時，先前於投資重估儲備累計之累計收益或虧損重新分類至損益(請參閱下文有關財務資產減值虧損之會計政策)。

在活躍市場上並無報價而其公平值未能可靠計量之可供出售股本投資，而與無報價權益投資掛鈎，並必須以無報價權益投資結算之衍生工具按成本減任何於報告期間結束當日已識別減值虧損計算(請參閱下文有關財務資產減值虧損之會計政策)。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of the 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 and principal payments; or it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

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

For financial assets carried at amortised cost, the amount of impairment loss is recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

財務資產減值

財務資產於報告期間結束當日獲評估是否存有減值跡象。倘出現客觀證據，即因財務資產初步確認後產生之一項或多項事件，財務資產估計未來現金流量受到影響，則財務資產被視為減值。

就可供出售的股本投資而言，該項投資的公平值大幅或長期跌至低於其成本值被視為減值的客觀證據。

就所有其他財務資產而言，減值的客觀證據可能包括發行人或交易對手出現重大財政困難；違約，如不能履行或拖欠利息及本金款項，或借貸人有可能面臨破產或財務重組；或因財政困難，導致該財務資產於活躍市場消失。

就若干類別的財務資產(如貿易應收賬款)而言，經評估不會單獨作出減值的資產會於彙集一併評估減值。應收賬款組合出現減值的客觀證據包括本集團過往收款經驗、組合內逾期超過平均信貸期之還款數目上升、國家或地區經濟狀況出現明顯變動導致應收賬款未能償還。

就按攤銷成本計值的財務資產而言，減值虧損金額會以資產的賬面值與估計未來現金流量的現值(以財務資產的原始實際利率折現)間的差額計算。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3. 主要會計政策(續)

Financial instruments (continued)

金融工具(續)

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 entered into 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 Company are recog5vsed at the proceeds received, net of direct issue costs.

Warrants

Warrants issued by the Company to acquire a fixed number of the Company's own equity instruments for a fixed amount of any currency are equity instruments if the Company offers the warrants pro rata to all of its existing owners of the same class of its own-derivative equity instruments. Warrants are recorded in warrant reserve at fair value on initial recog5vtion. When the warrants are exercvsed, the portion of subscription money with the nominal value of the ordinary shares is recog5vsed to the share capital account while any excess of the subscription money over the nominal value of ordinary shares is taken into the share premium account. Upon exercvse of warrants, the relevant portion of warrant reserve is reallocated to share premium account. When the warrants are still not exercvsed at the expiry date, the amount previously recog5vsed in warrant reserve is transferred to retained profits.

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 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 financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recog5vtion.

Interest expense is recog5vsed on an effective interest basis.

Other financial liabilities

Other financial liabilities including trade and other payables, bills payables and bank borrowings are subsequently measured at amortised cost, using the effective interest method.

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Derecognition

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

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

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

Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to directors and employees of the Group

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in share options reserve.

At end of the reporting period, the Group revises its estimates of the

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Depreciation and impairment of properties, plant and equipment (Note 18) (continued)

In addition, for the licenced properties, plant and equipment, the recoverable amounts have been determined based on discounted cash flow method. The Directors consider that the recoverable amount exceeded the carrying amount of the licenced properties, plant and equipment and therefore, no impairment was recognised at 31 December 2012 and 2011. As at 31 December 2012, the carrying amounts of licenced properties, plant and equipment are approximately HK$799,580,000 (2011: HK$944,218,000).

Recoverability of the licenced inventory (Note 20)

As described in note 20, the Licensee is required to return the licenced inventory used, consumed or disposed during the licence period to the Group at the end of the licence period, on August 31, 2013, either by way of cash or identical inventory with the same value as the licenced inventory used, consumed or disposed. The recoverable amount of the licenced inventory used, consumed or disposed during the licence period is secured by cash and bills receivables of a related party of the Licencee (the "Securities").

In determining the recoverable value of the Securities, the Group takes into consideration the aging status, collection history, validity and existence of the Securities at each month end and estimates the recoverable value of the Securities. In this regard, the management of the Company is satisfied that the risk is minimal and the recoverable value of the Securities is not less than the licenced inventory used, consumed or disposed at each month end.

Estimated impairment of trade receivables (Note 30)

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2012, the carrying amounts of trade receivables are approximately HK$5,214,158,000 (2011: HK$5,203,420,000), net of allowance for doubtful debts of HK$572,319,000 (2011: HK$559,306,000).

4. 重大會計判斷及估計不明朗因素之主要來源(續)

估計不明朗因素之主要來源(續)

物業、廠房及設備之折舊及減值(附註**18**)(續)

此外，授權使用物業、廠房及設備之可收回金額根據折現現金流法釐定。董事認為，授權使用物業、廠房及設備之可收回金額超逾賬面值，故於二零一二年及二零一一年十二月三十一日並無確認減值。於二零一二年十二月三十一日，授權使用物業、廠房及設備的賬面值約為799,580,000港元(二零一一年：944,218,000港元)。

授權使用存貨之可收回性(附註**20**)

如附註20所述，於二零一三年八月三十一日授權使用期結束時，獲授權人須以現金或與已使用、耗用或出售的授權使用存貨價值相同的相同存貨向本集團退還於授權使用期間已使用、耗用或出售的授權使用存貨。授權使用期間已使用、耗用或出售的授權使用存貨的可收回金額以獲授權人一名關連人士的現金及應收票據作抵押(「抵押品」)。

在釐定抵押品的可收回價值時，本集團會於每個月末考慮抵押品的賬齡狀況、收回紀錄、有效性及其是否存在，並估計抵押品的可收回價值。就此而言，本公司管理層相信該風險極小，以及抵押品於每個月末的可收回價值並不少於已使用、耗用或出售的授權使用存貨。

貿易應收賬款之估計減值(附註**30**)

倘有客觀證據顯示出現減值虧損，本集團考慮估計未來現金流量。減值虧損金額為資產賬面值與按財務資產原實際利率(即初始確認時的實際利率)折現的估計未來現金流量現值(不包括未產生的未來信貸虧損)。如實際未來現金流量較預期少，或會出現重大減值虧損。於二零一二年十二月三十一日，貿易應收賬款的賬面值約為5,214,158,000港元(二零一一年：5,203,420,000港元)(扣除呆壞賬準備572,319,000港元(二零一一年：559,306,000港元))。

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risk (continued)

Currency risk (continued)

Sensitivity analysis (continued)

		2012 二零一二年 HK$'000 千港元	2011 二零一一年 HK$'000 千港元
US$	美元		(151,640)
HK$	港元		752,141
Euro	歐元		(5,524)
JPY	日圓		1,984

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risk (continued)

Interest rate risk (continued)

Sensitivity analysis

6. 金融工具(續)

6b. 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(續)

倘香港銀行同業拆息／中國人民銀行利率升50個點子(二零一一年：50個點子)，而所有其他因素不變，本集團：

- 由於本集團承受附息銀行結餘及浮息借貸之利率風險，截至二零一二年十二月三十一日止年度之除稅後溢利分別增加16,766,000港元及減少72,862,000港元(二零一一年：增加16,640,000港元及減少62,836,000港元)；及

- 截至二零一二年十二月三十一日止年度借方投資重估儲備將增加13,564,000港元(二零一一年：零)，理由是附帶固定息券的可供出售上市債券證券公平值變動。

- 由於本集團承受附帶固定息券的可供出售上市債券證券公平值變動之利率風險，截至二零一二年十二月三十一日止年度之除稅後溢利減少3,729,000港元(二零一一年：零)；及

- 於二零一一年十二月三十一日借方對沖儲備將減少約3,773,000港元(二零一二年：零)，主要理由是利率掉期合約公平值變動。

6. 金融工具(續)

6b. 財務風險管理目標及政策(續)

市場風險(續)

股本價格風險

本集團因投資於上市股本證券而承擔股本價格風險。管理層藉持有不同風險之投資組合管理此類風險。本集團委任一支特別團隊監控價格風險，有需要時將考慮對沖風險。

敏感度分析

下文的敏感度分析，乃根據報告期間結束當日所承擔的股本價格風險而釐定。

倘於報告期間結束當日各已減值之可供出售股本上市證券之價格增加10%(二零一一年：增加10%)：

- 截至二零一二年十二月三十一日止年度之除稅後溢利將增加約25,352,000港元(二零一一年：12,374,000港元)，原因為該等可供出售投資公平值變動。

- 截至二零一二年十二月三十一日止年度借方投資重估儲備將減少約111,218,000港元(二零一一年：零)，理由是褸薌該躒蜰雫宸褸

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risk (continued)

Equity price risk (continued)

Sensitivity analysis (continued)

If the prices of the respective available-for-sale equity listed securities, which have not been impaired at the end of the

6. 金融工具(續)

6b. 財務風險管理目標及政策(續)

市場風險(續)

股本價格風險(續)

敏感度分析(續)

倘於報告期間結束當日各並無減值之可供出售股本上市證券之價格減少10%(二零一一年：減少10%)：

- 截至二零一二年十二月三十一日止年度之除稅後溢利將減少約190,795,000港元(二零一一年：87,212,000港元)，原因為該等可供出售投資公平值變動；及

- 截至二零一二年十二月三十一日止年度借方投資重估儲備將減少約96,104,000港元(二零一一年：增加286,578,000港元)，原因為該等可供出售投資公平值變動。

於二零一二年十二月三十一日，本集團的可供出售投資有集中股本價格風險，在可供出售投資總額中，70.1%(二零一一年：76.6%)集中在兩款(二零一一年：兩款)在香港上市的股本證券。本集團的可供出售投資承受股本價格風險，原因是股本的市場價格波動。

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Credit risk (continued)

At 31 December 2012, the Group is exposed to concentration of credit risk on its available-for-sale debt investments as 20.7% (2011: 6.3%) of the total available-for sale investments is concentrated in one (2011: one) listed bond securities issued by one (2011: one) listed issuer in Hong Kong. The Group's available-for-sale debt investments are exposed to credit risk due to the default of repayment by the bond issuers. However, the Directors considered that the credit risk on these investments is limited as the listed bonds are secured by certain assets of the issuers and issued by issuer which is listed in Hong Kong.

As at 31 December 2011, the Group had concentration of credit risk on its held-to-maturity investments as 65% (2012: nil) of the total held-to-maturity investments was concentrated in a listed bond securities issued by a listed issuer in Hong Kong. The Group's held-to-maturity listed bond securities were exposed to credit risk due to the default of repayment by the bond issuers. However, the Directors considered that the credit risk on these investments was limited as the listed bonds were secured by certain assets of the issuers and issued by issuers in Hong Kong with strong financial background and assigned with high credit ratings by international credit rating agencies. These held-to-maturity investments were disposed during the year ended 31 December 2012.

6. 金融工具(續)

6b. 財務風險管理目標及政策(續)

信貸風險(續)

於二零一二年十二月三十一日，本集團的可供出售債務投資有集中信貸風險，在可供出售投資總額中，20.7%(二零一一年：6.3%)集中在一間(二零一一年：一間)在香港上市的發行人的一款(二零一一年：一款)上市債券證券。本集團的可供出售債務投資承受信貸風險，原因是債券發行人可能拖欠還款。然而，董事認為，該等投資的信貸風險有限，原因在於上市債券發行人以若干資產作抵押，而且，發行人於香港上市。

於二零一一年十二月三十一日，本集團的持有至到期投資有集中信貸風險，在持有至到期投資總額中，65%(二零一二年：無)集中在一間在香港上市的發行人的一款上市債券證券。本集團的持有至到期上市債券證券承受信貸風險，原因是債券發行人可能拖欠還款。然而，董事認為，該等投資的信貸風險有限，原因在於上市債券發行人以若干資產作抵押，而且，發行人在香港擁有雄厚財力，獲國際信貸評級機構給予高度信貸評級。截至二零一二年十二月三十一日止年度，持有至到期投資已經出售。

6. FINANCIAL INSTRUMENTS (continued)

6c. Fair value (continued)

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

Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial

6. 金融工具(續)

6c. 公平值(續)

董事認為，以攤銷成本記錄之財務資產及財務負債之賬面值與其公平值相若。

於綜合財務狀況表確認之公平值計量

下表提供在按公平值作初步確認後計量之金融工具之分析，據觀察所得之公平值分類為第一類至第三類。

- 第一類，可識別資產或負債在活躍市場報價(未經調整)所得公平值計量。
- 第二類，除第一類計及的報價外，就資產或負債直接(即價格)或間接(即自價格所得)觀察所得的計算項目所得之公平值計量。
- 第三類，利用估值技術，包括輸入根據不可於市場上觀察的數據(不可觀察之項目)釐定的資產或負債，得出公平值計量。

6. FINANCIAL INSTRUMENTS (continued)

6. 金融工具(續)

6c. Fair value (continued)

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

Reconciliation of Level 3 fair value measurement of financial assets

6c. 公平值(續)

於綜合財務狀況表確認之公平值計量(續)

第三類財務資產之公平值計量之對賬

		Listed bond securities 上市債券證券 HK$'000 千港元
At 1 January 2011	於二零一一年一月一日	403,191
Reclassification to held-to-maturity investment	重新分類至持有至到期投資	(79,064)
Gain recognised in other comprehensive income	於其他全面收益確認之收益	2,108
Disposal	出售	(54,600)
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	271,635
Addition	添置	1,417,867
Gain recognised in other comprehensive income	於其他全面收益確認之收益	54,790
Disposal	出售	(1,088,040)
At 31 December 2012	於二零一二年十二月三十一日	656,252

Included in other comprehensive income is a gain of HK$54,790,000 (2011: gain of HK$2,108,000) relating to listed bond securities held at the end of the reporting period and is reported as changes of investment revaluation reserve for the year ended 31 December 2012.

其他全面收益計及於報告期結束當日所持與上市債券證券有關之收益54,790,000港元(二零一一年：收益2,108,000港元)，呈報為截至二零一二年十二月三十一日止年度之投資重估儲備變動。

8. SEGMENT INFORMATION

HKFRS 8 “Operating Segments” requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (“CODM”) in order to allocate resources to segments and to assess their performance. Specifically, the Group’s operating and reportable segments under HKFRS 8 were organised into five main operating divisions – (i) manufacture and sale of laminates, (ii) manufacture and sale of PCBs, (iii) manufacture and sale of chemicals, (iv) Properties and (v) others (including service income, manufacture and sale of LCDs and magnetic products). No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Under HKFRS 8, segment information is based on internal management reporting information that is regularly reviewed by the executive directors, being the CODM of the Group. The measurement policies the Group used for segment reporting under HKFRS 8 are the same as those used in its HKFRS financial statements. The CODM assess segment profit or loss using a measure of operating profit whereby certain items are not included in arriving at the segment results of the operating segments (share of results of associates and jointly controlled entities, impairment loss on available-for-sale investments, gain/loss on disposal of available-for-sale investments/held-to-maturity investments, gain on disposal of a subsidiary, gain on deemed disposal of an associate, income tax expenses, finance costs, share-based payments and unallocated corporate income and expenses).

8. 分部資料

香港財務申報準則第8號「經營分部」要求以集團之主要營運決策者(「主要營運決策者」)在對分部作資源分配及評估其表現上所定期審閱的有關集團不同部門之內部報告作為確定經營分部之基準。具體而言，在香港財務申報準則第8號下，本集團之經營及申報分部分為五個主要經營分部－(i)製造及銷售覆銅面板、(ii)製造及銷售印刷線路板、(iii)製造及銷售化工產品、(iv)物業及(v)其他(包括服務收入、製造及銷售液晶體顯示屏及磁電產品)。在達致本集團申報分部時，並無綜合主要營運決策者所識別的經營分部。

根據香港財務申報準則第8號，分部資料乃根據內部管理呈報資料。該等資料由本集團之執行董事(主要營運決策者)定期審閱。本集團用以根據香港財務申報準則第8號作分部呈報之計量政策，與其用於香港財務申報準則財務報表一致。主要營運決策者以經營溢利之計量來評估分部之溢利或虧損。當中若干項目並未有包括在達致經營分部之分部業績內(應佔聯營公司及共同控制實體業績、可供出售投資之減值虧損、出售可供出售投資／持有至到期投資之收益或虧損、出售一間附屬公司之收益、視作出售一間聯營公司的收益、所得稅開支、融資成本、以股份形式付款、未分配之公司收入及公司支出)。

8. SEGMENT INFORMATION (continued)

(a) Segment revenues and results (continued)

	Laminates 覆銅面板 HK$'000 千港元	PCBs 印刷線路板 HK$'000 千港元	Chemicals 化工產品 HK$'000 千港元	Properties 物業 HK$'000 千港元	Others 其他 HK$'000 千港元	Eliminations 對銷 HK$'000 千港元	Consolidated 綜合 HK$'000 千港元

8. SEGMENT INFORMATION (continued) 8. 分部資料(續)

(b) Segment assets and liabilities (continued) (b) 分部資產及負債(續)

		Laminates 覆銅面板 HK$'000 千港元	PCBs 印刷線路板 HK$'000 千港元	Chemicals 化工產品 HK$'000 千港元	Properties 物業 HK$'000 千港元	Others 其他 HK$'000 千港元	Consolidated 綜合 HK$'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	分部資產	16,514,270	11,537,740	10,691,916	12,799,604	508,943	52,052,473
Available-for-sale investments	可供出售投資						4,285,141
Held-to-maturity investments	持有至到期投資						972,883
Interests in associates	於聯營公司之權益						746,359
Unallocated corporate assets	未分配之公司資產						
– Bank balances and cash	–銀行結餘及現金						1,381,531
– Deferred tax assets	– 遞延稅項資產						14,342
– Taxation recoverable	–可收回稅項						42,580
– Others	–其他						963,918
Consolidated total assets	綜合資產總值						60,459,227
Liabilities	負債						
Segment liabilities	分部負債	(1,826,450)	(2,232,459)	(1,496,122)	(1,750,374)	(22,560)	(7,327,965)
Unallocated corporate liabilities	未分配之公司負債						
– Bank borrowings	–銀行借貸						(18,174,570)
– Taxation payable	–應繳稅項						(660,536)
– Deferred tax liabilities	–遞延稅項負債						(167,194)
– Others	–其他						(134,576)
Consolidated total liabilities	綜合負債總額						(26,464,841)

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

- all assets are allocated to operating segments other than deferred tax assets, taxation recoverable, bank balances and cash and others assets used jointly by operating segments; and

- all liabilities are allocated to operating segments other than bank borrowings, deferred tax liabilities, taxation payable and others liabilities for which operating segments are jointly liable.

就監察分部表現及分配分部資源而言：

- 除遞延稅項資產、可收回稅項、銀行結餘及現金及經營分部共同使用的其他資產外，所有資產分配至經營分部；及

- 除銀行借貸、遞延稅項負債、應繳稅項及經營分部共同承擔的其他負債外，所有負債分配至經營分部。

9. OTHER INCOME, GAINS AND LOSSES

	2012 **二零一二年** **HK$'000** **千港元**	2011 二零一一年 HK$'000 千港元
Other income, gains and losses include:		

12. INCOME TAX EXPENSE

		2012 **二零一二年** **HK$'000** **千港元**	2011 二零一一年 HK$'000 千港元
The amount comprises:	稅項包括：		
Hong Kong Profits Tax	香港利得稅		
Charge for the year	本年度之稅項支出		6,078
Underprovision in previous years	過往年度撥備不足		322
			6,400
PRC Enterprise Income Tax	中國企業所得稅		
Charge for the year	本年度之稅項支出		390,366
PRC LAT	中國土地增值稅		
Charge for the year	本年度之稅項支出		–
Taxation arising in other jurisdictions	其他司法權區之稅項		
Charge for the year	本年度之稅項支出		2,839
Withholding tax on distributed profits of PRC entities	中國實體公司已分派利潤之預扣稅		9,224
Deferred taxation (Note 34)	遞延稅項(附註34)		
Charge for the year	本年度支出		104,232
			513,061

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

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12. INCOME TAX EXPENSE (continued)

Notes: (continued)

(b) Pursuant to relevant laws and regulations in the PRC, certain subsidiaries of the Company in the PRC are exempted from PRC Enterprise Income Tax for two years starting from their first profit-making year in which profits exceed any carried forward tax losses followed by a 50% reduction in the income tax rate in the following three years ("Tax Holiday"). The Tax Holiday enjoyed by these subsidiaries expired in 2012.

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(b)

14. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

(continued)

(a) Directors' emoluments (continued)

The emoluments paid or payable to each of the twelve (2011:

14. DIRECTORS', CHIEF EXECUTIVE'S C

14. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

(continued)

(b) Chief Executive's emoluments

Mr. Cheung Kwok Wing is also the Chief Executive of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive.

Neither the Chief Executive nor any of the Directors had waived any emoluments during the years ended 31 December 2011 and 2012.

(c) Employees' emoluments

For the year ended 31 December 2012, four (2011: five) of the five highest paid employees are directors or the Chief Executive.

The emoluments of the remaining one (2011: nil) individual 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
Salaries and other benefits	薪金及其他福利		–
Contributions to retirement benefits scheme	退休福利計劃供款		–
Performance related incentive payment	工作表現獎勵計劃		–
Share-based payments	以股份形式付款		–
Total emoluments	酬金總額		–

During both years, no emoluments were paid to or receivable by the Directors or the Group's five highest paid individuals, including Directors, as an inducement to join or upon joining the Group or as compensation for loss of office.

14. 董事、行政總裁及僱員酬金(續)

(b) 行政總裁酬金

張國榮先生亦為本公司行政總裁，其酬金於上文披露，當中計及其身為行政總裁所提供之服務。

行政總裁或任何董事概無於截至二零一一年及二零一二年十二月三十一日止年度放棄任何酬金。

(c) 僱員酬金

截至二零一二年十二月三十一日止年度，四名(二零一一年：五名)最高薪人士全部均為董事或行政總裁。

餘下最高薪人士一名僱員(二零一一年：不適用)載列如下：

於兩個年度內，董事或本集團五名最高薪人士(包括董事)概無已收或應收任何酬金，作為吸引彼等加盟或加盟時支付之獎勵或作為離職之補償。

16. EARNINGS PER SHARE

The calculations of the basic and diluted earnings per share attributable to the owners of the Company are based on the following data:

		2012 二零一二年 HK$'000 千港元	2011 二零一一年 HK$'000 千港元
Earnings for the purpose of calculating basic earnings per share	計算每股基本盈利之盈利		2,594,142
Less: Adjustment to the share of profit of EEIC and its subsidiaries based on dilution of their earnings per share	減：攤薄每股應佔EEIC及其附屬公司盈利之盈利調整		(103)

17. INVESTMENT PROPERTIES (continued)

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

One of the Group's investment properties of HK$1,314,800,000 (2011: nil) has been pledged to secure banking facilities granted to the Group.

The carrying value of investment properties shown above comprises:

17. 投資物業(續)

本集團為賺取租金或資本增值並根據經營租約持有之所有物業權益，均利用公平值模式計量，並分類及列作投資物業。

本集團質押其中一項價值1,314,800,000港元之投資物業(二零一一年：無)，以獲授銀行融資。

以上所示投資物業賬面值包括：

		2012 二零一二年 **HK$'000** 千港元	2011 二零一一年 HK$'000 千港元
Property interests situated in Hong Kong under:	按下列租約於香港持有之物業權益：		
Medium-term lease	中期租約		25,780
Property interests situated outside Hong Kong under:	按下列租約於香港以外持有之物業權益：		
Medium-term lease	中期租約		2,870,269
Long lease	長期租約		609,561
			3,479,830
			3,505,610

Freehold lands	Buildings	Leasehold improvements	Plant and machinery	Licenced assets	Furniture, fixtures and equipment

18. 物業、廠房及設備(續)

附註：(續)

(iii) 授權使用誠賓？拽以九訕項

18. PROPERTIES, PLANT AND EQUIPMENT (continued)

The Group conducted a review of the recoverable amount of its licenced properties, plant and equipment determined based on their value in use calculated using six-years (2011: seven-years) cash flow projections. The key assumptions for the value in use calculations are that the Group believes that (1) the interested party transactions mandate would not passed by the shareholders of KBCF shortly and (2) the licenced properties, plant and equipment can be licenced to other party after the licence agreement is expired for the further periods over the remaining useful lives of the licenced properties, plant and equipment at a licence income based on incremental growth rate of 6% (2011: 6%) per year. The discount rate used in measuring value in use was 7% (2011: 5%). Based on the review, no impairment loss is recognised.

Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of licenced properties, plant and equipment to exceed their aggregate recoverable amount.

18. 物業、廠房及設備(續)

本集團根據六年(二零一一年：七年)現金流量預測計算的使用價值，審閱授權使用物業、廠房及設備的可收回金額。使用價值計算的主要假設為本集團相信(1)有利益關係方交易授權短期內不會獲KBCF股東通過及(2)在授權使用協議屆滿後，授權使用物業、廠房及設備可於餘下可使用年期內授權其他方使用，授權使用收入按每年遞增6%(二零一一年：6%)釐定。計量使用價值時所用的折現率為7%(二零一一年：5%)。根據審閱結果，並無確認減值虧損。

管理層相信，任何該等假設的合理潛在變動不會導致授權使用物業、廠房及設備的賬面總值超逾總可收回金額。

19. PREPAID LEASE PAYMENTS

All of the Group's prepaid lease payments are prepaid for medium term leasehold land outside Hong Kong.

19. 預付租賃款項

本集團全部預付租賃款項均為香港境外中期租約土地之預付款項。

		2012 二零一二年 **HK$'000** 千港元	2011 二零一一年 HK$'000 千港元
Analysed for reporting purposes as:	就報告分析如下：		
Current assets	流動資產		26,034
Non-current assets	非流動資產		947,807
			973,841

21. GOODWILL 21. 商譽

		HK$'000 千港元
CARRYING VALUE At 1 January 2011, 31 December 2011 and 31 December 2012	賬面值 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	2,288,149

Particulars regarding impairment testing on goodwill arising from acquisition of subsidiaries are disclosed as follows:

For the purposes of impairment testing, goodwill has been allocated to groups of cash generating units ("CGU") of laminates, PCBs and chemicals business segments. At 31 December 2012 and 2011, the carrying amounts of goodwill allocated to the CGUs of laminates, PCBs and chemicals business segments were approximately HK$390,781,000, HK$1,717,519,000 and HK$179,849,000, respectively.

The recoverable amounts of the laminates', PCBs' and chemicals' CGUs have been determined based on a value in use calculation. Goodwill is expected to generate cash flow for 50 years of remaining useful life. To calculate this, cash flow projections are based on five year periods financial budgets approved by senior management.

The key assumptions for the value-in-use calculations for the CGUs of laminates, PCBs and chemicals business segments are as follows:

		Laminates 覆銅面板		**PCBs** 印刷線路板		**Chemicals** 化工產品	
		2012 二零一二年	2011 二零一一年	**2012** 二零一二年	2011 二零一一年	**2012** 二零一二年	2011 二零一一年
Discount rate	折現率		13%		12%		15%
Growth rate (for year 1 to 5)	增長率(1至5年)		5%		4%		4%

The key assumptions are determined based on the unit's past performance and management's expectations for the market development and does not exceed the average long-term growth rate for the relevant industries. The cash flow beyond the five year period are extrapolated using zero growth rate.

Since the recoverable amount of the cash generating unit is higher than its carrying amount, the Directors consider that the carrying amount of goodwill at the end of the reporting period is not impaired.

22. INTERESTS IN ASSOCIATES (continued)

On 21 June 2011, the Group subscribed the shares in Linkfit for a total cash consideration of HK$30,000,000. As a result, the Group's interest in Linkfit was increased from 11.34% to 21.57% and Linkfit became an associate of the Group. Accordingly, the Group's investment in Linkfit had been reclassified from available-for-sale investments to investment in an associate.

Subsequent to the subscription of Linkfit's shares in 2011, the Group further acquired equity interest in Linkfit for a total cash consideration of HK$20,988,000. As a result, the Group's interest in the associate was increased from 21.57% to 29.67%.

On 13 April 2012, the Group acquired the equity interest in Linkfit for a total cash consideration of HK$214,906,000, at which time control was passed to the Group. As a result, the Group's interest in Linkfit was increased from 29.67% to 84.94% and Linkfit became a subsidiary of the Group (Note 39).

22. 於聯營公司之權益(續)

於二零一一年六月二十一日，本集團以總現金代價30,000,000港元認購聯發股份。因此，本集團於聯發的權益由11.34%增加至21.57%，而聯發成為本集團聯營公司。因此，本集團於聯發的投資由可供出售投資重新分類為於一間聯營公司之投資。

在二零一一年認購聯發股份後，本集團以總現金代價20,988,000港元進一步收購聯發股權。因此，本集團於聯發的權益由21.57%增加至29.67%。

於二零一二年四月十三日，本集團以總現金代價214,906,000港元收購聯發股權，當時控制權轉給本集團。因此，本集團於聯發的權益由29.67%增至84.94%，聯發成為本集團附屬公司(附註39)。

23. HELD-TO-MATURITY INVESTMENTS 23. 持有至到期投資

		2012 二零一二年 HK$'000 千港元	2011 二零一一年 HK$'000 千港元
Listed bond securities issued by corporations and listed in the Singapore Exchange Securities Trading Limited ("SGX")	公司發行並於新加坡證券交易所有限公司(「新交所」)上市的上市債券證券		972,883

Included in the listed bond securities as at 31 December 2011 is HK$634,247,000 (2012: nil) from a bond security issued by a listed company in Hong Kong.

於二零一一年十二月三十一日，上市債券證券金額包括一間香港上市公司發行之債券證券634,247,000港元(二零一二年：無)。

As at 31 December 2011, included in the above held-to-maturity investments were fixed coupon bonds which carry coupon rate ranging from 7.0% to 11.13% and the effective interest rate ranging from 8.89% to 20.98%. The investments would be matured from 29 April 2014 to 3 August 2018. None of these assets has been past due or impaired at 31 December 2011. All held-to-maturity investments were issued by corporations that are listed in Hong Kong.

於二零一一年十二月三十一日，上述持有至到期投資包括附帶票息介乎7.0厘至11.13厘的固定息票債券，實際利率介乎8.89厘至20.98厘不等。該等投資到期日介乎二零一四年四月二十九日至二零一八年八月三日。於二零一一年十二月三十一日，該等資產概無逾期或減值。所有持有至到期投資均由香港上市公司發行。

24. AVAILABLE-FOR-SALE INVESTMENTS 24. 可供出售投資

Available-for-sale investments comprise:

可供出售投資包括：

		2012 **二零一二年** **HK$'000** **千港元**	2011 二零一一年 HK$'000 千港元
Listed equity investments, at fair value (Note a):	上市股本投資，按公平值（附註a）：		
– equity securities listed in Hong Kong	一於香港上市之股本證券		3,841,588
– equity securities listed in United States	一於美國上市之股本證券		3,461
– equity securities listed in Singapore	一於新加坡上市之股本證券		16,590
			3,861,639
Listed bond securities at fair value (Note b):	上市債券證券，按公平值（附註b）：		
– listed on the Stock Exchange and issued by a listed issuer in Hong Kong with a fixed coupon interest at 13.875% per annum and maturity date on 23 November 2017	一香港上市發行人發行並於聯交所上市，具有年息13.875厘之固定票息，並於二零一七年十一月二十三日到期		–
– listed on the SGX and issued by listed issuers in Hong Kong with a fixed coupon interest at 6% per annum until 27 October 2015 and at 4.885% per annum over 5 years United States Treasury bonds rate from 28 October 2015 to 27 October 2020 and at 5.638% over 3 months London Interbank Offered Rate thereafter on perpetual basis	一香港上市發行人發行並於新交所上市，於二零一五年十月二十七日前具有年息6厘之固定票息，而於二零一五年十月二十八日至二零二零年十月二十七日止具有年息五年期美國國庫債券加4.885厘之固定票息，其後年息按3個月倫敦銀行同業拆息加5.638厘之永久性債券		271,635
			271,635
Unlisted equity investments, at cost:	非上市股本投資，按成本：		
– private equity investment in the PRC (Note c)	一在中國之私募股本投資（附註c）		525
– private equity investment in Hong Kong (Note d)	一在香港之私募股本投資（附註d）		151,342

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25. INTERESTS IN JOINTLY CONTROLLED ENTITIES 25. 於共同控制實體之權益

		2012 二零一二年 HK$'000 千港元	2011 二零一一年 HK$'000 千港元
Cost of unlisted investment in jointly controlled entities	共同控制實體之非上市投資成本		15,953
Share of post-acquisition losses	應佔收購後虧損		(34,175)
			(18,222)
Amounts due from jointly controlled entities (Note)	應收共同控制實體款項（附註）		18,222
			–

Note: The amounts due from jointly controlled entities are unsecured, interest-free, with no fixed repayment terms and are not repayable in the foreseeable future.

附註： 應收共同控制實體款項為無抵押、免息，且無固定還款期，毋須於可見將來償還。

Included in the cost of investment in jointly controlled entities is goodwill of approximately HK$10,943,000 (2011: HK$10,943,000) arising on the acquisition of jointly controlled entities in prior years. The movement of goodwill is set out below:

於共同控制實體投資成本包括過往年度收購共同控制實體所產生為數約10,943,000港元（二零一一年：10,943,000港元）之商譽。商譽變動載列如下：

		Goodwill 商譽 HK$'000 千港元
CARRYING VALUE	賬面值	
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	10,943

25. INTERESTS IN JOINTLY CONTROLLED ENTITIES (continued)

25. 於共同控制實體之權益（續）

The summarised financial information in respect of the Group's interests in jointly controlled entities which are accounted for using the equity method is set out below:

以權益法列賬之本集團之共同控制實體權益之財務資料概述如下：

		2012 二零一二年 HK$'000 千港元	2011 二零一一年 HK$'000 千港元
Total assets	資產總值		3,437
Total liabilities	負債總額		(38,810)
Net liabilities	負債淨額		(35,373)
Group's share of net liabilities of jointly controlled entities	本集團應佔共同控制實體負債淨額		(35,373)
Revenue	營業額		5,692
Loss for the year	本年度虧損		(7,283)
Other comprehensive income for the year	本年度其他全面收益		–
Group's share of loss of jointly controlled entities for the year	本集團應佔共同控制實體本年度之虧損		(7,283)
Group's share of other comprehensive income of jointly controlled entities for the year	本集團應佔共同控制實體本年度之其他全面收益		–

The Group has discontinued recognition of its share of losses of jointly controlled entities. The amount of unrecognised share of losses, both for the year and cumulatively, are as follows:

本集團終止確認應佔共同控制實體虧損。取消確認的應佔虧損金額於本年度及累計如下：

		2012 二零一二年 HK$'000 千港元	2011 二零一一年 HK$'000 千港元
At 1 January	於一月一日		–
Unrecognised share of results of jointly-controlled entities for the year	取消確認應佔共同控制實體本年度之業績		(6,208)
At 31 December	於十二月三十一日		(6,208)

28. INVENTORIES

		2012 二零一二年 **HK$'000** 千港元	2011 二零一一年 HK$'000 千港元
Raw materials	原料		1,888,037
Work in progress	在製品		798,565
Finished goods	製成品		239,526
			2,926,128

During the year ended 31 December 2011, the Group changed the use of certain of its inventory of approximately HK$712,707,000 and licenced them to the Licencee (see note 18) for licence fee income. Under the licence agreement, the Licencee may use, consume and dispose of the licenced inventory which include consumables and stocks in trade. However, the Licencee is required to replace and return either by way of cash or identical inventory with the same value as the licenced inventory used, consumed or disposed during

30. OTHER FINANCIAL ASSETS

Trade and other receivables and prepayments and bills receivables

		2012 二零一二年 HK$'000 千港元	2011 二零一一年 HK$'000 千港元
Trade receivables	貿易應收賬款		5,203,420
Advance to suppliers	預付供應商款項		1,052,656
Deposits paid for acquisition of land use right of development of properties held for sale (Note)	購買持作未來出售之待發展物業之土地使用權所付訂金(附註)		–
Prepayment and deposits	預付款項及按金		981,017
Value added tax ("VAT") recoverables	可退回增值稅(「增值稅」)		815,339
LAT on pre-sale properties	預售物業之土地增值稅		123,297
Other receivables	其他應收賬款		238,376
			8,414,105

Note: It represents deposits paid for the acquisition of land use right in PRC. The acquisition is expected to complete in 2013 and constructing works are to be commenced in 2013. Details are set out in note 47.

The Group allows credit periods of up to 120 days, depending on

30. OTHER FINANCIAL ASSETS (continued)

Trade and other receivables and prepayments and bills receivables (continued)

In determining the recoverability of the trade receivables, the Group monitors any change in the credit quality of the trade receivables since the credit was granted and up to the end of the reporting period. The Directors considered that the Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

Movement in the allowance for doubtful debts

		2012 二零一二年 HK$'000 千港元	2011 二零一一年 HK$'000 千港元
Balance at beginning of the year	年初結餘		502,232
Exchange adjustments	滙兌調整		759
Written off as uncollectible	撇銷不可收回之款項		–
Impairment losses recognised on receivables	確認應收賬款之減值虧損		56,315
Balance at end of the year	年末結餘		559,306

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31. DERIVATIVE FINANCIAL INSTRUMENTS

31. 衍生金融工具

		Liabilities 負債	
		2012 二零一二年 HK$'000 千港元	2011 二零一一年 HK$'000 千港元
Interest rate swap contracts – derivatives under hedge accounting	利率掉期合約 —以對沖會計法列賬之衍生工具		13,761

Interest rate swap contracts under cash flow hedges

At 31 December 2012, the Group did not have outstanding interest rate swap contracts.

During the years ended 31 December 2011, the Group used interest rate swap contracts (net quarterly settlement) to minimise its exposure to certain cash flow changes of its variable-rate Hong Kong dollar bank borrowings by swapping floating interest rates to fixed interest rates. The terms of these interest rate swap contracts were negotiated to match with those of the hedged bank borrowings (i.e. same notional amount of the derivatives match with principal amounts of bank borrowings, same currency and interest rate index). The Directors considered that the interest rate swap contracts were highly effective hedging instruments and had designated them as cash flows hedging instruments for hedge accounting purpose.

During the year ended 31 December 2011, the hedge was 95% to 116% effective in hedging cash flow exposure to interest rate movements. Fair value gain of HK$50,571,000 for the year ended 31 December 2011 had been recognised in other comprehensive income and accumulated in equity and were expected to be released to the consolidated income statement when the hedged interest expense was charged to profit or loss quarterly.

現金流量對沖項下利率掉期合約

於二零一二年十二月三十一日，本集團並無尚未了結利率掉期合約。

截至二零一一年十二月三十一日止各年度，本集團透過將浮息轉為定息，利用利率掉期合約(每季淨額結算)減低按浮息計算之港元銀行借貸若干現金流量變動之風險。該等利率掉期合約之條款經磋商後與對沖銀行借貸之主要條款相脗合(即：衍生工具之面值與銀行借貸之本金金額相同、幣值及利率指標均相同)。董事認為利率掉期合約為極有效之對沖工具，並就對沖會計法而言，指定該等工具為現金流量對沖工具。

截至二零一一年十二月三十一日止年度，就對沖承受利率上落風險的現金流量而言，對沖為95%至116%有效。截至二零一一年十二月三十一日止年度公平值收益50,571,000港元於其他全面收益內確認及於權益內累計，預期對沖利息開支每季於損益內扣除時於綜合收益表撥回。

32. TRADE AND OTHER PAYABLES AND BILLS PAYABLES (continued)

32. 貿易及其他應付賬款及應付票據(續)

The following is an aged analysis of the trade payables based on the invoice date at the end of the reporting period:

於報告期間結束為止，基於發票日期的貿易應付賬款之賬齡分析如下：

		2012 二零一二年 **HK$'000** 千港元	2011 二零一一年 HK$'000 千港元
0 – 90 days	0－90日		2,191,413
91 – 180 days	91－180日		592,294
Over 180 days	180日以上		184,450
			2,968,157

All bills payables of the Group are aged within 90 days at the end of the reporting period.

本集團所有應付票據賬齡均為報告期間結束後的90日之內。

Included in trade and other payables and bills payables are the following amounts denominated in currencies other than the functional currency of the group entities to which they relate:

貿易及其他應付賬款及應付票據包括下列以集團實體之相關功能貨幣以外貨幣計值之金額：

		2012 二零一二年 **Amount** 金額 **'000** 千元	2011 二零一一年 Amount 金額 '000 千元
US$	美元		113,456
HK$	港元		161,708
JPY	日圓		391,462
Euro	歐元		817

33. BANK BORROWINGS (continued)

The rest of the bank borrowings are variable-rate borrowings which carry interest ranging from HIBOR + 0.54% to PBOC interest rate + 2.45% (2011: HIBOR + 0.54% to PBOC interest rate + 1.9%) per annum.

At 31 December 2012 and 2011, certain bank loans and trust receipt loans of the Group are covered by corporate guarantees given by Kingboard Investments Limited, a wholly-owned subsidiary of the Group.

The range of effective interest rates (which are also equal to contracted interest rates) on the Group's bank borrowings are as follows:

33. 銀行借貸(續)

餘下銀行借貸為浮息借貸，年息率介乎銀行同業拆息加0.54厘至中國人民銀行利率加2.45厘(二零一一年：銀行同業拆息加0.54厘至中國人民銀行利率加1.9

		2012 二零一二年 HK$'000 千港元	2011 二零一一年 HK$'000 千港元
Effective interest rates	實際利率		
Fixed-rate borrowings	定息借貸		5.31% to 7.93% 5.31厘 至 7.93厘
Variable-rate borrowings	浮息借貸		0.90% to 6.56% 0.90厘 至 6.56厘

Included in bank borrowings are the following amounts denominated in currencies other than the functional currency of the group entities to which they relate:

		2012 二零一二年 Amount 金額 '000 千元	2011 二零一一年 Amount 金額 '000 千元
US$	美元		122,438
HK$	港元		14,875,082
JPY	日圓		72,000

34. DEFERRED TAXATION (continued)

34. 遞延稅項(續)

For the purposes of the presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

若干遞延稅項資產及負債因應綜合財務狀況表呈示用途而作出抵銷。以下為該等遞延稅項結餘用作財務申報的用途時作出的分析：

		2012 二零一二年 **Amount** 金額 **HK'000** 千港元	2011 二零一一年 Amount 金額 HK'000 千港元
Deferred tax liabilities	遞延稅項負債		167,194
Deferred tax assets	遞延稅項資產		(14,342)
			152,852

36. WARRANTS

On 2 March 2010, a bonus issue of warrants ("Warrants") to the shareholders of the Company on the basis of 1 warrant for every 10 shares held by shareholders of the Company whose names appear on the register of members of the Company on 26 April 2010, was proposed. Consequently, 84,473,904 Warrants were issued, conferring rights to the holders of the Warrants from any time on 5 May 2010 up to 31 October 2012 (both days inclusive) to subscribe for up to an aggregate of 84,473,904 shares of the Company at an initial subscription price of HK$40 per share (subject to adjustment), representing an aggregate subscription price of approximately HK$3,378,956,000.

The fair value of equity component of the Warrants was amounted to HK$675,791,000 based on the quoted price of the Warrants at the first day of their trading on the Stock Exchange and the amount was transferred from retained profits to warrant reserve as a bonus issue of warrants.

During the year ended 31 December 2012, 100 (2011: 695,542) new shares of the Company were issued on exercise of the Warrants. The remaining outstanding 83,690,086 warrants were expired on 31 October 2012. The balance of warrant reserve was transferred to retained profit.

36. 認股權證

於二零一零年三月二日，本公司已提呈向於二零一零年四月二十六日名列本公司股東名冊之股東發行紅利認股權證(「認股權證」)，基準為每持有十股股份獲派一份認股權證。其後，84,473,904份認股權證獲發行，該等認股權證賦予其持有人權利，可於二零一零年五月五日起至二零一二年十月三十一日(包括首尾兩日)內隨時按初步認購價每股股份40港元(可予以調整)最多認購合共84,473,904股本公司股份，合共認購價相當於約3,378,956,000港元。

認股權證之權益部分之公平值為675,791,000港元，於聯交所首個交易日按認股權證之報價釐定，該金額由保留溢利轉撥至認股權證儲備，作為紅利認股權證發行。

截至二零一二年十二月三十一日止年度，由於認股權證獲行使而已發行100股(二零一一年：695,542股)本公司新股份。餘下尚未行使83,690,086份認股權證於二零一二年十月三十一日到期。認股權證儲備結餘轉撥至保留溢利。

37. SHARE OPTIONS

(a) Employees' share option scheme of the Company

The Company adopted its first share option scheme on 11 May 1998, and such share option scheme was terminated upon the adoption of its second share option scheme ("2002 Scheme") on 2 July 2002 for the duration of 10 years. In view of the changes to the Listing Rules, a new share option scheme (the "Scheme") was approved by shareholders of the Company at the extraordinary general meeting of the Company held on 23 March 2009. The 2002 Scheme was accordingly terminated on the same day without affecting the rights of holders of any options granted and outstanding under the 2002 Scheme.

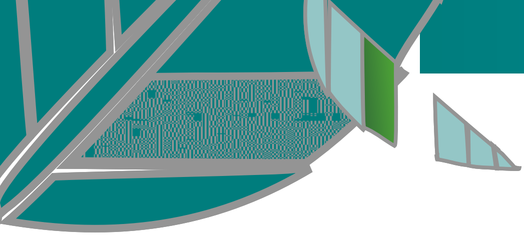
37. 優先購股權

(a) 本公司僱員優先購股權計劃

本公司於一九九八年五月十一日採納其首個優先購股權計劃，其後該優先購股權計劃於二零零二年七月二日因採納第二個為期十年之優先購股權計劃(「二零零二年計劃」)而終止。由於上市規則之改變，本公司股東已於二零零九年三月二十三日召開之本公司股東特別大會上批准一項新優先購股權計劃(「該計劃」)。二零零二年計劃亦因此而於同日終止，惟二零零二年計劃項下任何已授出及尚未行使之優先購股權持有人之權利並不受影響。

37. SHARE OPTIONS (continued)

(a)



37. SHARE OPTIONS (continued)

(a) Employees' share option scheme of the Company (continued)

Notes:

(i) The share options under 2002 Scheme were granted on 11 October 2002 at an exercise price of HK$3.74 per share. These options are exercisable during the period from 15 October 2002 to 2 July 2012.

(ii) The share options under the Scheme were granted on 21 March 2011 at an exercise price of HK$40.70 per share. 25% of the total share options are vested immediately at the date of grant. The remaining 75% will be splited evenly into three lots and will be vested at 21 March 2012, 2013 and 2014. The closing price of the Company's shares immediately before the date of grant was HK$39.55.

In respect of the share options exercised during the year ended 31 December 2011, the weighted average closing prices of the Company's shares quoted on the Stock Exchange on the five trading days immediately before the exercise dates was HK$42.80 (2012: nil).

The fair values of share options under the Scheme as at the grant date were calculated using The Black-Scholes pricing model. The inputs into the model were as follows:

37. 優先購股權(續)

(a) 本公司僱員優先購股權計劃(續)

附註：

(i) 二零零二年計劃項下優先購股權於二零零二年十月十一日授出，行使價為每股3.74港元。該等優先購股權可於二零零二年十月十五日至二零一二年七月二日期間行使。

(ii) 該計劃項下優先購股權於二零一一年三月二十一日授出，行使價為每股40.70港元。優先購股權總額之25%於授出日期即時歸屬。餘下75%將平均分為三組，分別於二零一二年、二零一三年及二零一四年三月二十一日歸屬。緊接授出日期前一日本公司股份的收市價為39.55港元。

就截至二零一一年十二月三十一日止年度行使的優先購股權而言，緊接行使日期前五個交易日在聯交所所報本公司股份加權平均收市價為42.80港元(二零一二年：無)。

於授出日期該計劃項下優先購股權公平值根據柏力克－舒爾斯定價模式計算。該模式的輸入數據如下：

		2011 二零一一年
Weighted average share price	加權平均股價	HK$40.68 40.68港元
Exercise price	行使價	HK$40.70 40.70港元
Expected volatility	預期波幅	33.03% 33.03%
Expected life	預期年期	5.3 to 6.3 years 5.3至6.3年

37. SHARE OPTIONS (continued)

(b) Employees' share option scheme of EEIC (continued)

The 2008 EEIC Scheme entitles the option holders to exercise their options and subscribe for new ordinary shares in EEIC

37. 優先購股權(續)

(b) EEIC僱員優先購股權計劃(續)

二零零八年EEIC計劃賦予優先購股權持有人權利，以相等於緊接相關授出日期前連續五個交易日EEIC股份最後成交價平均數(「行使價」)，或折讓不得超過先前所界定行使價20%之折讓行使價，行使彼等之優先購股權及認購EEIC新普通股。

按行使價或按折讓後行使價授出之優先購股權，可分別於授出日期滿一週年或兩週年當日起行使，並於授出日期滿五個週年屆滿。

二零零八年EEIC計劃之年期為十年，可發行之EEIC股份總數不得超過於採納日期EEIC已發行股份總數之10%，或倘符合若干條件後，不得超過EEIC不時已發行股份總數(不包括庫存股份，如有)之15%。每名參與者於任何十二個月期間獲授之優先購股權(包括已經及尚未行使之優先購股權)獲行使時已經及將予發行之EEIC股份總數，不得超過不時已發行EEIC股份總數之1%。

優先購股權可於相關授出日期起計30日內由參與者支付1.00新加坡幣(或其等值)作為代價予以接納，惟所授出之優先購股權不會賦予購股權持有人收取任何股息或於任何股東大會表決之權利。

根據二零零八年EEIC計劃的條款，EEIC發行的優先購股權由授出日期起計五年內歸屬。

37. SHARE OPTIONS

37. 優先購股權(續)

(c) 建滔積層板僱員優先購股權計劃

建滔積層板股東及本公司股東已分別於二零零七年五月十八日及二零零七年六月二十五日批准採納建滔積層板優先購股權計劃(「建滔積層板優先購股權計劃」)。建滔積層板優先購股權計劃於二零零七年七月六日獲得聯交所上市委員會批准後，現已生效。

建滔積層板優先購股權計劃有效期為十年。建滔積層板董事可酌情向合資格參與者授出可認購建滔積層板股份之優先購股權。合資格參與者為對建滔積層板長遠增長及盈利有貢獻之人士，包括(i)建滔積層板、其任何附屬公司(統稱「建滔積層板集團」)或任何建滔積層板持有股權之實體(「建滔積層板投資實體」)之任何僱員或擬聘用僱員(不論全職或兼職，且包括任何執行董事)、諮詢顧問或顧問；(ii)建滔積層板、其任何附屬公司或任何建滔積層板投資實體之任何非執行董事(包括獨立非執行董事)；(iii)任何向建滔積層板集團任何成員公司或任何建滔積層板投資實體提供貨品或服務之供應商；(iv)建滔積層板集團或任何建滔積層板投資實體之任何客戶；(v)任何向建滔積層板集團或任何建滔積層板投資實體提供研究、開發或其他技術支援之人士或實體；及(vi)建滔積層板集團任何成員公司或任何建滔積層板投資實體之任何股東或建滔積層板集團成員公司或任何建滔積層板投資實體所發行任何證券之持有人。

37. SHARE OPTIONS (continued)

(c) Employees' share option scheme of KLHL (continued)

The maximum number of shares of KLHL which may be issued upon exercise of all outstanding options granted and yet to be exercised under the KLHL Scheme and any other share option scheme of KLHL must not exceed 30% of the issued share capital of KLHL from time to time.

The total number of shares of KLHL issued and to be issued

37. 優先購股權(續)

(c) 建滔積層板僱員優先購股權計劃(續)

根據建滔積層板優先購股權計劃及建滔積層板任何其他優先購股權計劃所有授出而尚未行使及有待行使之優先購股權獲行使時可予發行之建滔積層板股份數目，最多不得超過建滔積層板不時之已發行股本30%。

於任何十二個月期內向各參與者授出之優先購股權(包括已行使及未行使優先購股權)獲行使而已發行及將予發行之建滔積層板股份總數，不得超過建滔積層板當時已發行股本之1%，除非獲建滔積層板及本公司之股東於股東大會批准則作別論。

於二零一一年三月二十一日，已授出優先購股權的估計公平值約為114,945,000港元。

於二零一二年十二月三十一日，建滔積層板優先購股權計劃下可予發行的建滔積層板股份總數是100,000,000股(二零一一年：100,000,000股)，相當於已發行建滔積層板股本約3.33%(二零一一年：3.33%)。

37. SHARE OPTIONS (continued)

(c) Employees' share option scheme of KLHL (continued)

These fair values are calculated using The Black-Scholes option pricing model. The inputs into the model were as follows:

		2011 二零一一年
Weighted average share price on the date of grant	於授出日期的加權平均股價	HK$6.46 6.46港元
Exercise price	行使價	HK$6.54 6.54港元
Expected volatility	預期波幅	34.42% 34.42%
Expected life	預期年期	4.1 to 5.1 years 4.1至5.1年
Risk-free rate	無風險利率	1.49% to 1.81% 1.49厘至1.81厘
Expected divided yield	預期股息率	5.66% to 6.18% 5.66厘至6.18厘

Expected volatility was determined by using the historical volatility of the Company's share price over the previous one year. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of approximately HK$30,847,000 (2011: HK$69,052,000) for the year ended 31 December 2012 in relation to share options granted by KLHL.

The Black-Scholes option pricing model has been used to estimate the fair value of the option. The variables and assumptions used in computing the fair value of the share options are based on the Directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

37. 優先購股權(續)

(c) 建滔積層板僱員優先購股權計劃(續)

該等公平值根據柏力克－舒爾斯期權定價模式計算。該模式的輸入數據如下：

預期波幅按本公司去年股價的過往波幅釐定。該模式所用預期年期按管理層對不可轉讓性、行使限制及行為考慮因素的影響的最佳估計作出調整。

截至二零一二年十二月三十一日止年度，本集團就建滔積層板授出的優先購股權確認開支總額30,847,000港元(二零一一年：69,052,000港元)。

柏力克－舒爾斯期權定價模式用以估計優先購股權公平值。計算優先購股權公平值所用的變數及假設乃按董事的最佳估計作出。優先購股權價值視乎若干主觀假設的不同變數而定。

39. ACQUISITIONS OF SUBSIDIARIES

(a) During the year ended 31 December 2012, the Group had the following acquisition of subsidiaries:

In April 2012, KLHL further acquired 55.27% equity interest in Linkfit, a company engaged in investment holding whose subsidiaries are principally engaged in hotel ownership and operation in the PRC, from independent third parties at a cash consideration of approximately HK$214,906,000.

Linkfit was an associate company of the Group in which the Group held an equity interest of 29.67%. Upon completion of the acquisition of 55.27% equity interest in Linkfit, Linkfit became a 84.94% owned subsidiary of the Company. This acquisition was accounted for by the acquisition method of accounting.

Acquisition related costs incurred were insignificant and were recognised under administrative expenses in the current year in the consolidated statement of comprehensive income.

39. 收購附屬公司

(a) 於截至二零一二年十二月三十一日止年度內，本集團收購以下附屬公司：

於二零一二年四月，建滔積層板向獨立第三方進一步收購聯發55.27%股權，其為一間投資控股公司，其附屬公司主要於中國從事擁有及經營酒店業務，現金代價約為214,906,000港元。

聯發為本集團持有29.67%股權之聯營公司。於收購聯發55.27%股權完成後，聯發成為本公司擁有84.94%之附屬公司。此項收購以收購會計法入賬。

所產生之相關收購成本並不重大，於本年度綜合全面收益表內行政費用項下確認。

39. ACQUISITIONS OF SUBSIDIARIES (continued)

(a) (continued)

The fair value of other assets acquired and liabilities assumed approximately the gross contractual amounts. The fair value of previously held interest was accounted for at the

39. 收購附屬公司(續)

(a) (續)

其他已收購資產及已承擔負債之公平值與合約總額相若。早前持有之權益之公平值按應佔聯發資產淨值之比例入賬。

由於重新計量早前持有之聯發權益，本集團確認收益約30,377,000港元。早前持有之聯發權益之公平值經本集團管理層參考收購55.27%權益之每股公平值後釐定，原因是控制權溢價不被視為重大。

年內，聯發對本集團營業額貢獻47,087,000港元，由收購日期起至報告期間結束止期間錄得虧損36,356,000港元。

倘收購於二零一二年一月一日完成，年內集團營業總額將為37,532,481,000港元，而年度溢利將為2,512,293,000港元。備考資料僅供說明，未必顯示倘收購於二零一二年一月一日完成，本集團實際可達致之營業額及經營業績，亦不擬作為未來業績之預測。

39. ACQUISITIONS OF SUBSIDIARIES (continued)

During the year ended 31 December 2011, the Group had the following acquisition of a subsidiary:

(c) In February 2011, the Group acquired 100% equity interest in a company, principally engaged in property development, from an independent third party for a cash consideration of approximately HK$404,555,000. This acquisition was reflected as purchase of assets.

39. 收購附屬公司(續)

於截至二零一一年十二月三十一日止年度內，本集團收購以下一間附屬公司：

(c) 於二零一一年二月，本集團向一名獨立第三方收購一間主要從事物業發展之公司之100%股權，現金代價約為404,555,000港元。此項收購反映為購買資產。

		HK$'000 千港元
Consideration transferred:	轉讓之代價：	
Cash paid	支付現金	404,555
Assets acquired and liabilities recognised at the date of acquisition:	於收購日期購入資產及確認負債：	
Properties, plant and equipment	物業、廠房及設備	307
Properties held for development	待發展物業	404,228
Trade and other receivables and prepayments	貿易及其他應收賬款及預付款項	12
Bank balances and cash	銀行結餘及現金	36
Trade and other payables	貿易及其他應付賬款	(28)
		404,555
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	(404,555)
Bank balances and cash acquired	購入銀行結餘及現金	36
		(404,519)

40. 出售附屬公司(續)

截至二零一一年十二月三十一日止年度，本集團出售以下一間附屬公司：

(b) 於二零一一年四月，本集團向一名獨立第三方出售主要從事製造及分銷甲醇之公司之全部股權，現金代價約為169,280,000港元。於出售日期之資產淨值如

43. OPERATING LEASES

43. 經營租約

		2012 二零一二年 HK$'000 千港元	2011 二零一一年 HK$'000 千港元
The Group as lessee:	本集團作為承租人：		
Lease payments charged to the consolidated income statement during the year	年內自綜合收益表扣除之租賃款項		
– for premises	–物業		14,939
– for plant and machinery	–廠房及機器		1,021
			15,960

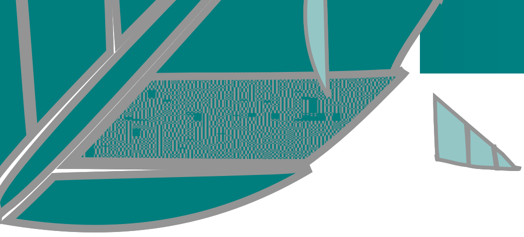
Under the leases entered into by the Group, all lease payments are fixed and predetermined.

根據本集團訂立之租約，所有租賃款項之金額均為固定及預早釐定。

At the end of the reporting period, the Group's future lease payments under non-cancellable operating leases are payable as follows:

於報告期間結束當日，本集團根據不可撤銷之經營租約於日後支付之租賃款項須於下列期間支付：

		Premises 物業 2012 二零一二年 HK$'000 千港元	Premises 物業 2011 二零一一年 HK$'000 千港元	Plant and machinery 廠房及機器 2012 二零一二年 HK$'000 千港元	Plant and machinery 廠房及機器 2011 二零一一年 HK$'000 千港元
Within one year	於一年內		44,571		1,021
After one year but not later than five years	於一年後但於五年內		57,086		–
After five years	於五年後		47,902		–
			149,559		1,021



43. 經營租約(續)

根據授權使用協議，本集團授權已承諾之獲授權人使用的授權使用資產如下：

- 在授權使用首十二個月，本集團或獲授權人可行使全權酌情權，向另一方發出不少於一個月事先書面通知，並向另一方支付1,000,000港元或雙方書面協議的其他金額，終止授權使用協議。

- 在授權使用首十二個月後，本集團可向獲授權人發出不少於一個月事先書面通知，終止授權使用協議。

44. 資產質押

於二零一二年十二月三十一日，本集團銀行存款162,891,000港元(二零一一年：133,245,000港元)及一項投資物業1,314,800,000港元(二零一一年：無)質押予銀行，作為本集團銀行融資的抵押品。

45. 退休福利計劃

本集團同時參加一項根據職業退休計劃條例註冊之定額供款計劃(「職業退休計劃」)於拆願一二年十艏註個時梱愊衍個ㅌ褖聀糞纖韄
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46. RELATED PARTY TRANSACTIONS (continued)

Included in trade and other receivables and prepayments at 31 December 2012 was an amount due from a non-controlling shareholder of a subsidiary of approximately HK$12,448,000 (2011: HK$17,337,000) which was in trade nature. The Group allowed credit periods of up to 120 days (2011: 120 days), depending on the product sold to its related parties.

Included in trade and other payables at 31 December 2012 was an amount due to an associate of approximately HK$10,377,000 (2011: HK$33,970,000) which was in trade nature. The related party offers credit periods of up to 120 days (2011: 120 days) to the Group.

Compensation of key management personnel

The remuneration of Directors and other members of key management during the year was as follows:

46. 有關連人士交易(續)

於二零一二年十二月三十一日，貿易及其他應收賬款及預付款項包括屬於貿易性質之應收一間附屬公司之非控股股東款項約12,448,000港元(二零一一年：17,337,000港元)。本集團向有關連人士授出之信貸期最長為120日(二零一一年：120日)，視乎所銷售之產品而定。

於二零一二年十二月三十一日，貿易及其他應付賬款包括屬於貿易性質之應付一間聯營公司款項約10,377,000港元(二零一一年：33,970,000港元)。有關連人士向本集團授出之信貸期最長為120日(二零一一年：120日)。

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：

48. FINANCIAL INFORMATION OF THE COMPANY

48. 本公司之財務資料

The financial information of the Company as at 31 December 2012 and 31 December 2011 is as follows:

本公司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之財務資料如下：

		2012 二零一二年 **HK$'000** 千港元	2011 二零一一年 HK$'000 千港元
Total assets	資產總值		
Properties, plant and equipment	物業、廠房及設備		6,312
Investments in subsidiaries	於附屬公司之投資		728,264
Deferred tax asset	遞延稅項資產		2,160
Available-for-sale investments	可供出售投資		513,660
Other receivables	其他應收賬款		63,692
Amounts due from subsidiaries	應收附屬公司款項		19,201,624
Bank balances	銀行結餘		24,612
			20,540,324
Total liabilities	負債總額		
Other payables	其他應付賬款		5,067
Derivative financial instrument	衍生金融工具		13,089
Amounts due to subsidiaries	應付附屬公司款項		5,409,528
Bank borrowings	銀行借貸		

Share

49. 本公司主要附屬公司詳情（續）

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本／註冊資本	Effective equity interest held by the Group 本集團持有之實際股權		Principal activities 主要業務
			2012 二零一二年 %	2011 二零一一年 %	

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

* The Company directly holds the equity interest in Jamplan (BVI) Limited. The Company's equity interest in all other subsidiaries is held indirectly through Jamplan (BVI) Limited.

These are investment holding companies which have no specific principal place of operations.

\+ These companies are non-wholly owned subsidiaries of KLHL and are regarded as non-wholly owned subsidiaries of the Company because the Group has control over the financial and operating policies of KLHL.

@ These companies are listed on The Singapore Exchange Securities Trading Limited.

Δ These companies are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

1 These companies were established in the PRC in the form of Wholly

49. 本公司主要附屬公司詳情（續）

* 本公司直接持有Jamplan (BVI) Limited之股權。本公司於所有其他附屬公司之股權均透過Jamplan (BVI) Limited間接持有。

此等為投資控股公司，並無特定之主要經營地點。

\+ 此等公司為建滔積層板之非全資擁有附屬公司，並因本集團對建滔積層板的財務及經營政策擁有控制權，視為本公司非全資擁有附屬公司。

@ 此等公司於新加坡證券交易所有限公司上市。

Δ 此等公司於香港聯合交易所有限公司主板上市。

1 此等公司乃以外商獨資企業形式在中國成立。

2 此等公司乃以中外合資合營企業形式在中國成立。

上表所列為董事認為主要影響本集團業績或資產之本公司附屬公司。董事認為列出其他附屬公司之詳情會過於冗長。

各附屬公司於年終結時概無發行任何債務證券。