



PAX

PAX Global Technology Limited **百富環球科技有限公司***

(Incorporated in Bermuda with limited liability) (於百慕達註冊成立的有限公司)
(Stock Code 股份代號 : 00327)

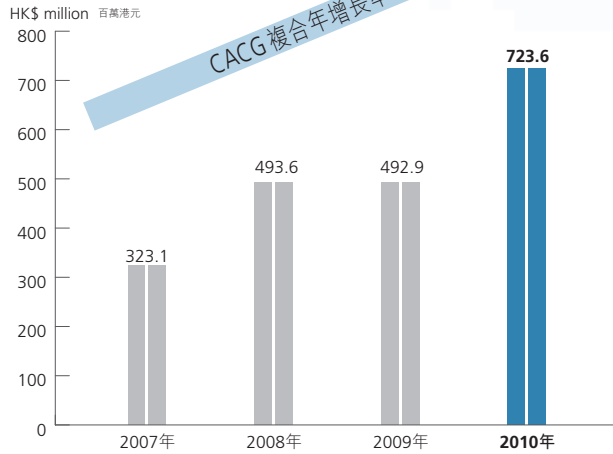


Annual Report 2010 年報

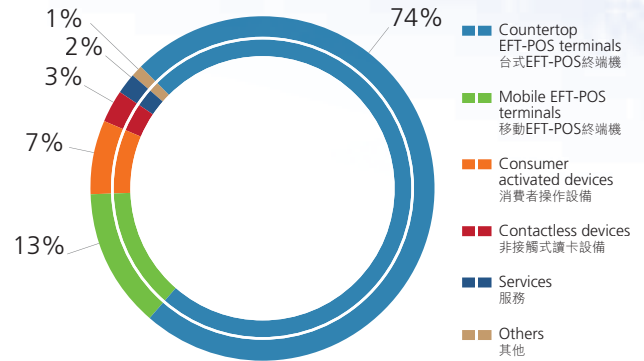
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僅供識別

Financial Highlight 財務概要

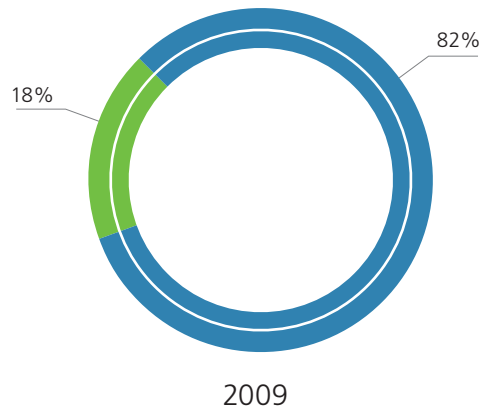
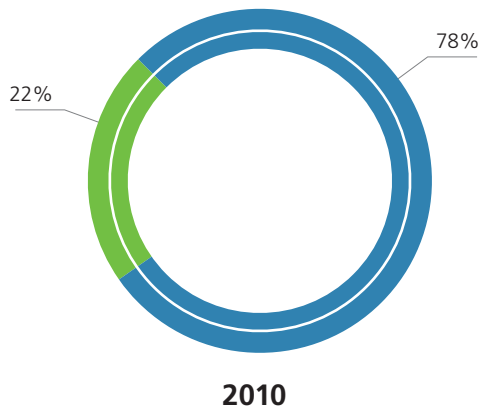
Revenue 營業額



Sales by product category 各類產品營業額

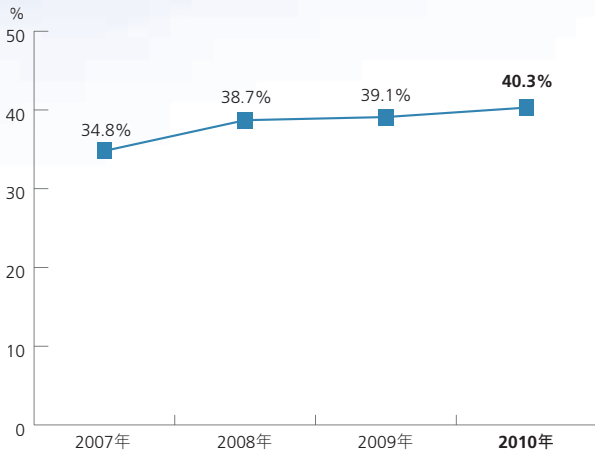


Sales by geographical region 按地區營業額

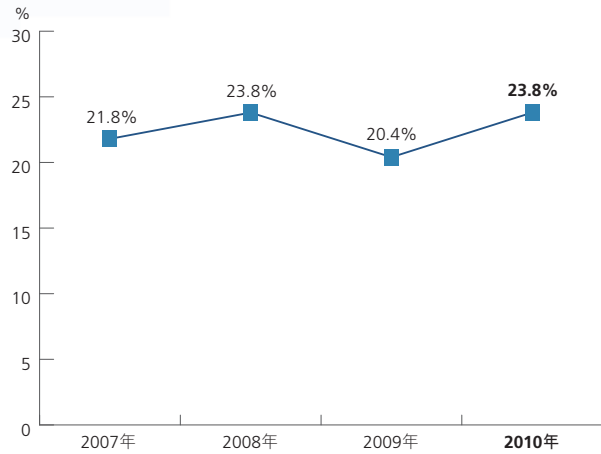


Financial Highlight 財務概要

Gross Profit Margin 毛利率

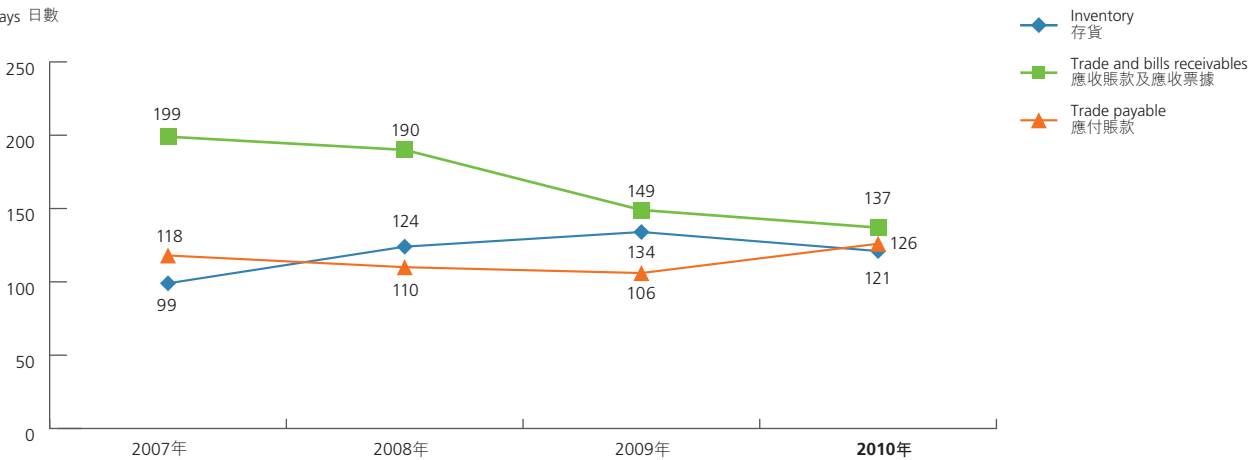


Operating Profit Margin 經營溢利潤率



Turnover days^{Note} 週轉日數^{附註}

Days 日數



Notes

Inventory turnover days = Gross inventory balance as at year end / (Cost of sales for the year / 365 days)

Trade and bills receivables turnover days = Gross trade and bills receivables balance as at year end / (Revenue for the year / 365 days)

Trade payable turnover days = Gross trade payable balance as at year end / (Cost of sales for the year / 365 days)

附註

存貨週轉日數 = 年末存貨結餘總額 / (年內銷售成本 / 365日)

應收賬款及應收票據週轉日數 = 年末應收賬款及應收票據結餘總額 / (年內營業額 / 365日)

應付賬款週轉日數 = 年末應付賬款總額 / (年內銷售成本 / 365日)

Financial Highlight 財務概要

		2010 二零一零年	2009 二零零九年	+/(–)
For the year ended 31 December (in HK\$'000)	截至十二月三十一日 止年度(千港元)			
Revenue	營業額	723,610	492,942	+47%
Gross profit	毛利	291,870	192,860	+51%
Other income	其他收入	27,390	10,479	+161%
Operating profit	經營溢利	172,508	100,512	+72%
Profit for the year attributable to equity holders of the Company	本公司權益持有人 應佔年度溢利	145,423	84,551	+72%
EBITDA	EBITDA	175,121	102,435	+71%
Research and development expenses (included in administrative expenses)	研發開支 (包括在行政費用內)	(34,899)	(24,149)	+45%
At 31 December (in HK\$'000)	於十二月三十一日(千港元)			
Total assets	資產總額	1,505,360	565,707	+166%
Total liabilities	負債總額	218,249	142,646	+53%
Total equity	權益總值	1,287,111	423,061	+204%
Net current assets	流動資產淨值	1,275,686	413,668	+208%
Per share (in HK\$)	每股(港元)			
Earnings per share	每股盈利			
– Basic	– 基本	0.194	0.114	+70%
– Diluted	– 攤薄	0.194	0.114	+70%
Financial ratios	財務比率			
Gross profit margin	毛利率	40.3%	39.1%	
EBITDA margin	EBITDA 利潤率	24.2%	20.8%	
Operating profit margin	經營溢利率	23.8%	20.4%	
Net profit margin	淨利潤率	20.1%	17.2%	
Return on equity ¹	權益回報 ¹	11.3%	20.0%	
Return on assets ²	資產回報 ²	9.7%	14.9%	
Price/Earnings ³ (times)	價格/盈利 ³ (倍)	14.6	N/A/ 不適用	

Notes

- Return on equity = Profit for the year/Equity as at year end
- Return on assets = Profit for the year/Total assets as at year end
- Price/Earnings = Closing share price on the last trading day of the year/Earnings per share

附註

- 權益回報 = 年度溢利/年末權益
- 資產回報 = 年度溢利/年末資產總額
- 價格/盈利 = 年度最後交易日之股份收市價/每股盈利

Products

公司產品

Countertop EFT-POS terminals – compact type

台式 EFT-POS 終端機 – 一體式

- Accept magnetic strip cards and IC cards and support credit, debit and a full range of pre-paid products, including gift cards and loyalty programs
- Models: P80, P78, S80, P58, SP30-S, SP30-T, S78
- 可讀取磁條卡及IC卡，並支持信用卡、借記卡及全系列預付產品，包括禮品卡及忠誠度計劃
- 型號：P80、P78、S80、P58、SP30-S、SP30-T、S78



P58



P78



P80



S78



S80



SP30-S



SP30-T

Countertop EFT-POS terminals – detachable type

台式 EFT-POS 終端機 – 分體式

- Payment transaction data can be stored in the terminals for later retrieval and forwarded for authorization and settlement. Generally used in the entertainment, restaurants and hospitality segments
- Models: P60-S1, S60-S, S60-T
- 可儲存支付交易數據於終端機內以作稍後檢索及將資料傳送作授權和結算。一般用於娛樂、餐廳及酒店業
- 型號：P60-S1、S60-S、S60-T



P60-S1



S60-S



S60-T

Products

公司產品

Mobile EFT-POS terminals

移動 EFT-POS 終端機

- Support multiple wireless communication methods, such as GSM, GPRS/CDMA and WiFi, Applications include “pay-at-the-table” and transportation (e.g. Taxi).
- Models: S90, P90
- 支援多種無線通訊方式，如 GSM、GPRS/CDMA 及 WiFi 等，應用範疇包括「到桌支付」及運輸（如計程車）。
- 型號：S90、P90



P90



S90

Consumer activated devices

消費者操作設備

- Support a variety of connection options to work with EFT-POS terminals
- Models: PP20-C, PP20-D, SP20, SP30, MT30
- 支援多種 EFT-POS 終端機的連接選項
- 型號：PP20-C、PP20-D、SP20、SP30、MT30



MT30



PP20-D



SP20



SP30

Contactless devices

非接觸式讀卡設備

- Specifically designed for contactless payment, which comply with various industry standards including MasterCard's PayPass and Visa's PayWave.
- Models: R50, S30, R50-M, T80
- 專為非接觸式支付而設，並符合多個業內標準，包括 MasterCard 的 PayPass 及 Visa 的 PayWave。
- 型號：R50、S30、R50-M、T80



R30



R50



R50-M



T80

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

NIE Guoming (*Chairman*)
JIANG Hougchun (*Chief Executive Officer*)
LI Wenjin

Independent Non-Executive Directors

YIP Wai Ming
WU Min
MAN Kwok Kuen, Charles

COMPANY SECRETARY

CHAN Yiu Kwong

AUTHORISED REPRESENTATIVES

LI Wenjin
CHAN Yiu Kwong

BERMUDA RESIDENT REPRESENTATIVE

Codan Services Limited

AUDITOR

PricewaterhouseCoopers

LEGAL ADVISERS

As to Hong Kong Law

Reed Smith Richards Butler
Woo, Kwan, Lee & Lo

As to Bermuda Law

Conyers Dill & Pearman

COMPLIANCE ADVISER

First Shanghai Capital Limited
19/F, Wing On House
71 Des Voeux Road Central
Hong Kong

董事會

執行董事

聶國明 (*主席*)
蔣洪春 (*行政總裁*)
李文晉

獨立非執行董事

葉偉明
吳敏
文國權

公司秘書

陳耀光

授權代表

李文晉
陳耀光

百慕達註冊處代表

Codan Services Limited

核數師

羅兵咸永道會計師事務所

法律顧問

香港法律

禮德齊伯禮律師行
胡關李羅律師行

百慕達法律

Conyers Dill & Pearman

合規顧問

第一上海融資有限公司
香港
德輔道中71號
永安集團大廈19樓

Corporate Information

公司資料

PRINCIPAL BANKERS

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

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2416, 24th Floor
Sun Hung Kai Centre
30 Harbour Road
Wanchai
Hong Kong

SHARE REGISTRAR IN BERMUDA

Codan Services Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Ltd
26/F., Tesbury Centre
28 Queen's Road East
Wanchai, Hong Kong

COMPANY'S WEBSITE

www.paxglobal.com.hk

STOCK CODE

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主要往來銀行

招商銀行
中國工商銀行(亞洲)有限公司
永隆銀行
香港上海滙豐銀行有限公司

恒生銀行有限公司
中國建設銀行股份有限公司

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港主要營業地點

香港
灣仔
港灣道30號
新鴻基中心
24樓2416室

百慕達股份過戶登記處

Codan Services Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

股份過戶登記處香港分處

卓佳證券登記有限公司
香港灣仔
皇后大道東28號
金鐘匯中心26樓

公司網站

www.paxglobal.com.hk

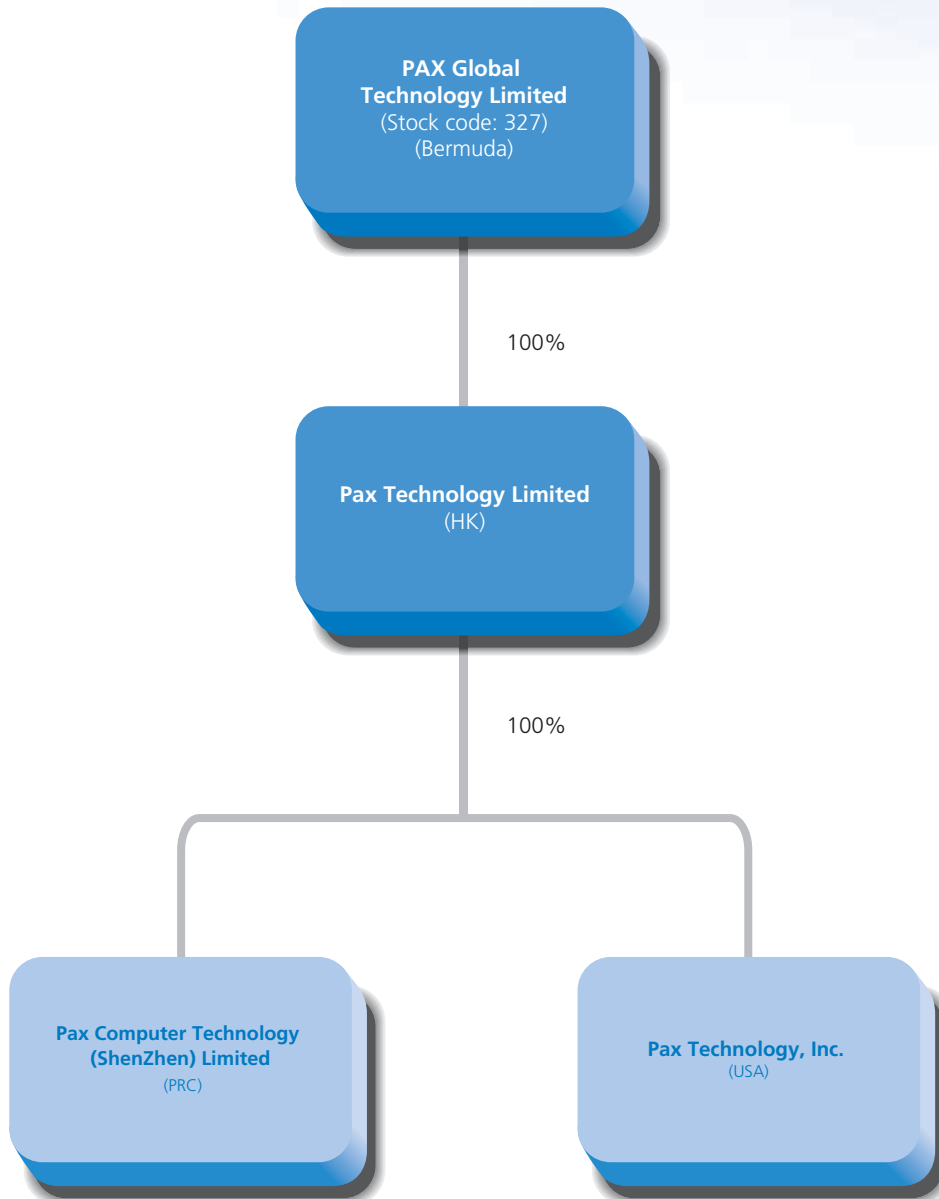
股份代號

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Simplified Corporate Chart

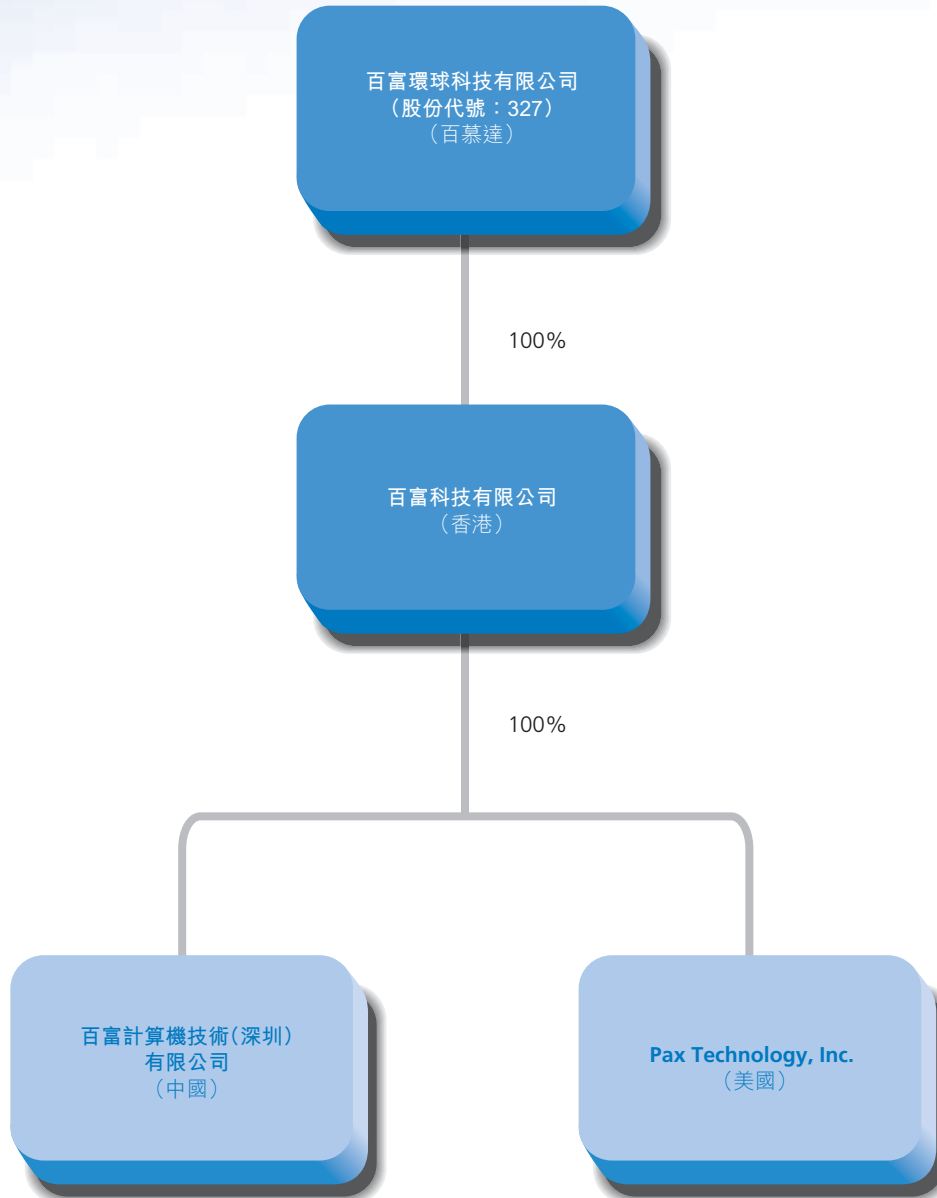
公司架構簡表

The following is a simplified corporate chart of the Group's principal operating subsidiaries up to the date of this report.



Simplified Corporate Chart 公司架構簡表

下表為截至本報告日期本集團主要營運附屬公司之公司架構簡表：



Directors and Senior Management

董事及高層管理人員

As at 17 March 2011, the date of the Report of the Directors, the biographical details of the Directors and senior management of the Company are as follows:

BOARD OF DIRECTORS

Executive Directors

NIE Guoming *Chairman*

Mr. Nie, aged 48, is the Chairman and an executive Director of the Company. He is responsible for the overall management and strategic development of the Group. Mr. Nie has over 15 years of experience in the card payment industry. He joined Pax Technology Limited (“Pax Technology”) since founding of the company in 20 March 2000. He was the vice president of Pax Technology from 20 March 2000 to 1 January 2001. He has been the president of Pax Technology from 2 January 2001 to 14 June 2010. He was appointed as the chairman of Pax Technology since 14 June 2010. Mr. Nie previously worked as an engineer in the Information Technology Department of the Headquarters of China Merchants Bank in the PRC from 1996 to 1999. Mr. Nie graduated from Tsinghua University in 1984 with a bachelor degree in Radio Electronics and obtained a master degree in Radio Electronics Engineering from Southeast University in 1991. He was appointed as the Chairman and an executive Director of the Company on 1 December 2010.

JIANG Hongchun *Chief Executive Officer*

Mr. Jiang, aged 39, is the Chief Executive Officer and an executive Director of the Company. He is responsible for the overall management of the Group’s operations. Mr. Jiang was the vice president and the chief executive officer of Hangzhou Pax Electric Technology Limited from 7 March 2007 to 31 January 2008 and from 1 February 2008 to 14 June 2010, respectively. He was appointed as the chief executive officer and president of Pax Technology since 14 June 2010. He has over 15 years of experience in payment industry and meter solutions industry. Mr. Jiang joined Schlumberger Technologies (Asia) Limited as a technical support engineer in the Smart Cards & Terminal Division in August 1993, and was promoted to senior engineer and product manager for banking retail terminal in December 1994 and January 1996, respectively. He was a vice president of Beijing Future Information Technology Co., Ltd., from 1 September 2001 to 28 February 2007, where he was responsible for sales

於二零一一年三月十七日(即董事會報告日期)，本公司董事及高層管理人員之履歷詳情如下：

董事會

執行董事

聶國明 *主席*

聶先生，48歲，為本公司主席兼執行董事。彼負責本集團的整體管理及策略發展。聶先生於卡支付行業擁有逾15年經驗。彼自百富科技有限公司(「百富科技」)於二零零零年三月二十日成立起加入該公司。彼於二零零零年三月二十日至二零零一年一月一日出任百富科技的副總裁，於二零零一年一月二日至二零一零年六月十四日間出任百富科技的總裁，自二零一零年六月十四日起獲委任為百富科技的主席。聶先生之前於一九九六年至一九九九年曾於中國招商銀行總部的信息科技部門任職工程師。聶先生於一九八四年畢業於清華大學，持有無線電電子學學士學位，其後於一九九一年獲東南大學頒授無線電工程碩士學位。彼於二零一零年十二月一日獲委任為本公司主席及執行董事。

蔣洪春 *行政總裁*

蔣先生，39歲，為本公司行政總裁兼執行董事。彼負責本集團營運的整體管理。蔣先生於二零零七年三月七日至二零零八年一月三十一日及二零零八年二月一日至二零一零年六月十四日分別擔任杭州百富電力技術有限公司的副總裁及行政總裁。彼自二零一零年六月十四日獲委任為百富科技的行政總裁兼總裁。彼於支付行業及電能表解決方案行業擁有逾15年經驗。蔣先生於一九九三年八月加入Schlumberger Technologies (Asia) Limited擔任智能卡及終端機部門的技術支援工程師，並於一九九四年十二月及一九九六年一月先後晉升為銀行零售終端機的高級工程師及產品經理。彼於二零零一年九月一日至二零零七年二月二十八日出任北京未來新星信

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

and marketing of point-of-sale, automatic teller machines and bank card processing solutions. Mr. Jiang is currently a committee member of the Chinese National Standardization Technical Committee for Electrical Measuring Instruments (全國電工儀器儀錶標準化技術委員會). Mr. Jiang graduated from Shanghai Jiao Tong University (上海交通大學) in 1992 with a bachelor's degree in automatic control. He was appointed as the Chief Executive Officer and an executive Director of the Company on 24 February 2010.

LI Wenjin

Mr. Li, aged 47, is an executive Director of the Company. He is responsible for risk management and treasury management. He is also responsible for overseeing operations of Pax Technology of which he has been a director since 5 April 2000. Mr. Li has over 16 years of experience in investment and administrative affairs. Mr. Li was the director of Hi Sun Information Technology Services Limited ("HSITSL") from 1 August 1997 to 3 May 2005. HSITSL was a Hong Kong company, which was a representative and purchasing office engaging in general trading, and engaging in provision of consultancy services. HSITSL provided consultancy services to Pax Technology from 2002 to 2003. Mr. Li is also the managing director of Hi Sun Limited since 16 August 1999 and an executive director of Hi Sun since 7 June 2001. He will continue to be an executive director of both Hi Sun Limited and Hi Sun Technology (China) Limited ("Hi Sun") and certain of their subsidiaries after Listing. Prior to joining Hi Sun Limited in 1999, he worked for several companies in the PRC and Hong Kong, including Beijing Order Computer Company, a system integration company, from 1994 to 1995 where he was responsible for investment and administrative affairs. Mr. Li obtained a master's degree in law from the Peking University in 1989. He was appointed as an executive Director of the Company on 24 February 2010.

息技術有限公司副總裁，負責銷售點、自動櫃員機及銀行卡處理解決方案的銷售及營銷工作。蔣先生目前為全國電工儀器儀錶標準化技術委員會的委員。蔣先生於一九九二年畢業於上海交通大學，獲自動控制學士學位。彼於二零一零年二月二十四日獲委任為本公司行政總裁兼執行董事。

李文晉

李先生，47歲，為本公司執行董事。彼負責風險管理及財務管理。彼自二零零零年四月五日起亦出任百富科技的董事，負責監察百富科技的營運。李先生於投資及行政事務擁有逾16年經驗。李先生於一九九七年八月一日至二零零五年五月三日擔任高陽信息產品服務有限公司(「高陽信息」)的董事。高陽信息為一家香港公司，乃進行一般買賣的代表暨採購辦事處，亦有提供諮詢服務。高陽信息於二零零二年至二零零三年向百富科技提供諮詢服務。李先生亦自一九九九年八月十六日起擔任高陽有限公司的董事總經理，並自二零零一年六月七日起出任高陽科技(中國)有限公司(「高陽」)的執行董事。於上市後，彼將繼續擔任高陽有限公司及高陽以及兩者的若干附屬公司的執行董事。彼於一九九九年加入高陽有限公司前，曾在中國及香港多家公司工作，包括於一九九四年至一九九五年在系統集成公司北京方正奧德計算機系統有限公司負責投資及行政事務。李先生於一九八九年獲北京大學頒授法律碩士學位。彼於二零一零年二月二十四日獲委任為本公司執行董事。

Directors and Senior Management

董事及高層管理人員

Independent non-executive Directors

YIP Wai Ming

Mr. Yip, aged 45, was appointed an independent non-executive Director of the Company on 1 December 2010. Mr. Yip is currently an independent non-executive director of BBMG Corporation (北京金隅股份有限公司) and Ju Teng International Holdings Limited (巨騰國際控股有限公司), and was the deputy general manager of Yuzhou Properties Company Limited (禹洲地產股份有限公司) from February 2010 to September 2010, all of which are companies listed on the Stock Exchange. Mr. Yip has previously served as the chief financial officer of Haier Electronics Group Co., Ltd. (海爾電器集團有限公司) from 2004 to 2009, as a vice president for Hi Sun from 2001 to 2003 and as the chief financial officer of Fulbond Holdings Limited (福邦控股有限公司) from 1999 to 2001, all of which are companies listed on the Stock Exchange. Mr. Yip was an associate director in the merchant banking department of ING Bank N.V. from 1996 to 1998. Before that, he worked for Ernst & Young from 1987, and was a senior manager at the time of his departure in 1996. Mr. Yip graduated from The University of Hong Kong with a bachelor degree in social sciences in 1987. He also holds a bachelor degree in laws from the University of London. Mr. Yip is a fellow of the Association of Chartered Certified Accountants, and a member of the Hong Kong Institute of Certified Public Accountants and the Chinese Institute of Certified Public Accountants.

獨立非執行董事

葉偉明

葉先生，45歲，於二零一零年十二月一日獲委任為本公司獨立非執行董事。葉先生目前為北京金隅股份有限公司及巨騰國際控股有限公司的獨立非執行董事，並曾於二零一零年二月至二零一零年九月擔任禹洲地產股份有限公司的副總經理，所有上述公司均於聯交所上市。葉先生之前於二零零四年至二零零九年曾擔任海爾電器集團有限公司的財務總監，於二零零一年至二零零三年為高陽的副總裁，以及於一九九九年至二零零一年出任福邦控股有限公司的財務總監，所有上述公司均於聯交所上市。於一九九六年至一九九八年，葉先生擔任荷蘭商業銀行的商業銀行業務部的聯席董事。在此之前，彼自一九八七年起在安永會計師事務所工作，於一九九六年離職時為高級經理。葉先生在一九八七年畢業於香港大學，持有社會科學學士學位。彼亦持有倫敦大學法律學士學位。葉先生為特許公認會計師公會資深會員及香港會計師公會及中國註冊會計師協會。

Directors and Senior Management

董事及高層管理人員

WU Min

Dr. Wu, aged 39, was appointed an independent non-executive Director of the Company on 1 December 2010. Dr. Wu is currently an assistant professor in accounting at School of Business, The University of Hong Kong and previously was an assistant professor at The Hong Kong University of Science & Technology from 2002 to 2008. Dr. Wu has been teaching International Accounting Standards, US Generally Accepted Accounting Principles and Chinese Accounting Standards. Her academic research achievements in identifying US accounting restatements and frauds were reported by various media, including the Wall Street Journal, New York Times, Business Week, Fortune, CNN, etc. Dr. Wu used to cooperate with major accounting firms and the Public Company Accounting Oversight Board (US) in research in the areas of accounting manipulation and frauds by US listed companies. She also provides professional interpretation and analysis services for investment funds on accounting standards and on listed companies' financial statements. Dr. Wu graduated from Peking University with a bachelor degree in Economics in 1994. Dr. Wu obtained a master degree in Economics from Tufts University in 1996 and a Ph.D. in Accounting from Stern School of Business, New York University in 2003.

MAN Kwok Kuen, Charles

Mr. Man, aged 52, was appointed an independent non-executive Director of the Company on 1 December 2010. Mr. Man graduated from The University of Hong Kong with a bachelor degree in laws in 1981. Mr. Man was admitted as a solicitor in Hong Kong in 1984 and has practised as a solicitor at Joseph S. C. Chan & Co. (formerly known as Chan and Lo) in Hong Kong since then. He is currently a partner of Joseph S.C. Chan & Co.

吳敏

吳博士，39歲，於二零一零年十二月一日獲委任為本公司的獨立非執行董事。吳博士目前為香港大學商學院會計系助理教授，之前於二零零二年至二零零八年擔任香港科技大學商學院會計系助理教授。吳博士一直教授國際會計準則、美國公認會計準則及中國會計準則。其於識別美國會計重列及欺詐的學術研究成果廣獲華爾街日報、紐約時報、商業周刊、財富、CNN等多家媒體報道。吳博士過去曾與主要會計公司及美國上市公司會計監察委員會合作研究美國上市公司的會計操縱及欺詐領域。彼亦為投資資金提供有關會計準則及上市公司財務報表的專業詮釋及分析服務。吳博士於一九九四年畢業於北京大學，獲經濟學士學位。吳博士於一九九六年獲塔夫斯大學頒授經濟碩士學位，及於二零零三年獲紐約大學Stern School of Business頒授會計博士學位。

文國權

文先生，52歲，於二零一零年十二月一日獲委任為本公司獨立非執行董事。文先生於一九八一年畢業於香港大學，獲法學學士學位。文先生於一九八四年成為香港律師，自此一直在香港的陳順祖、文國權、潘慧妍律師行（前稱Chan and Lo）執業。彼目前為陳順祖、文國權、潘慧妍律師行的合夥人。

Directors and Senior Management

董事及高層管理人員

SENIOR MANAGEMENT

As at the date of the Report of the Directors, Mr. Lu Jie, Mr. Luo Shaowen and Miss Kwok Ni Ha were the Company's senior management.

LU Jie

Mr. Lu, aged 45, is the executive vice president of Pax Computer Technology (Shenzhen) Limited ("Pax Technology (Shenzhen)"). He joined the Group in August 2001 and is responsible for managing all the business development, sales and marketing functions of the Group in China. Mr. Lu has over 12 years of experience in sales and marketing in the electronic payment industry and served a number of management positions and executive role at a system integration company Beijing Order Computer Company from 1998 to 2001 including general manager of insurance department, general manager of marketing department and vice president of the company. He had also worked as an engineer of the Ministry of Geology and Mineral Resources of the PRC and the Chinese Academy of Geological Sciences from 1986 to 1994 and from 1994 to 1995, respectively. Mr. Lu holds a bachelor of science degree from Chengdu Geology Institute. Mr. Lu completed a master of business administration programme at the Cheung Kong Graduate School of Business in 2010.

LUO Shaowen

Mr. Luo aged 41, is the vice president and chief financial officer of Pax Technology (Shenzhen). He is responsible for the procurement and supplies activities, and oversees the finance of the operations in Shenzhen. Mr. Luo graduated from Wuhan University with a bachelor's degree in economic management. Mr. Luo has over 15 years of experience in the card payment industry and over 11 years of experience in financial administration and supply chain management. He joined Pax Technology (Shenzhen) in December 2004 as Chief Financial Officer. Prior to joining the Group, Mr. Luo served various management positions including general manager of the Zhuhai Branch of the Beijing Order Computer Company.

高級管理層

於董事會報告日期，蘆杰先生、羅韶文先生及郭妮霞小姐均為本公司高層管理人員。

蘆杰

蘆先生，45歲，為百富計算機技術(深圳)有限公司(「百富科技(深圳)」)的行政副總裁。彼於二零零一年八月加入本集團，負責管理本集團在中國的所有業務發展、銷售及營銷工作。蘆先生於電子支付行業的銷售及營銷方面擁有逾12年經驗，曾於一九九八年至二零零一年在系統集成公司北京方正奧德計算機系統有限公司擔任多個管理職位及行政角色，包括保險部總經理、營銷部總經理及公司副總裁。彼亦於一九八六年至一九九四年及一九九四年至一九九五年分別在中國地質礦產部及中國地質科學院擔任工程師。蘆先生持有成都地質學院的理學士學位。蘆先生於二零一零年完成長江商學院的工商管理碩士課程。

羅韶文

羅先生，41歲，為百富科技(深圳)的副總裁兼財務總監。彼負責採購及供應業務、及監察在深圳營運的財務。羅先生畢業於武漢大學，獲經濟管理學士學位。羅先生於卡支付行業擁有逾15年經驗，及於財務管理及供應鏈管理方面擁有逾11年經驗。彼於二零零四年十二月加入百富科技(深圳)擔任財務總監。羅先生於加入本集團前，曾擔任北京方正奧德計算機系統有限公司珠海分公司的總經理等多個管理職位。

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

KWOK Ni Ha

Miss Kwok , aged 28, is the Group financial controller of the Company. She is responsible for overseeing the business development and the finance of the Group. She joined the Group as the Group financial controller in October 2010. Miss Kwok was a manager for business development and transactions of Hi Sun from January 2010 to September 2010. She graduated from The Chinese University of Hong Kong with a bachelor degree in business administration in 2005 and completed a master degree in professional accounting in The Hong Kong Polytechnic University in 2009. She is a certified public accountant and a member of the Hong Kong Institute of Certified Public Accountants. Prior to joining the Group, she was an assistant manager of an international accountancy firm.

郭妮霞

郭小姐，28歲，為本公司的集團財務總監。彼負責監察本集團的業務發展及財務事宜。彼於二零一零年十月加入本集團擔任集團財務總監。郭小姐於二零一零年一月至二零一零年九月擔任高陽業務發展及交易經理。彼於二零零五年畢業於香港中文大學，獲工商管理學士學位，並於二零零九年獲香港理工大學頒授專業會計碩士學位。彼為執業會計師及香港會計師公會會員。彼於加入本集團前，為一間國際會計公司的助理經理。

Chairman's Statement 主席報告

Dear Shareholders,

On behalf of the board of Directors (the "Board") of PAX Global Technology Limited, I am pleased to present the annual report of the Group for the year ended 31 December 2010.

Initial public offering

Year 2010 was an important year and it represented a remarkable milestone to the Group. The Company was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 20 December 2010 (the "Listing"). Upon the completion of Global offering, the Company issued 297,728,000 new shares (including the exercise of over-allotment option on 12 January 2011), the amount of net proceeds was approximately HK\$857.5 million. The Listing has allowed the Group to establish its own brand name to enhance its position in electronic fund transfer point-of-sale (EFT-POS) terminal solutions market and to more effectively tap into international capital market thereby attracting different investors.

Financial Results

Year 2010 was also a fruitful year for the Group, the Group achieved revenue amounted to HK\$723.6 million, representing a significant growth of 47% compared to that of HK\$492.9 million in 2009. Total shipment of EFT-POS terminals has hit a new record of 450,000 units, as compared to that of 300,000 units. Profit for the year attributable to equity holders of the Company was HK\$145.4 million, representing a significant growth of 72% as compared to that of HK\$84.6 million in 2009, which also met the profit forecast prepared in the Prospectus of the Company dated 8 December 2010. Basic earnings per share for the year was 19.4 HK cents (2009: 11.4 HK cents).

In 2010, the China segment recorded revenue of HK\$566.3 million, representing an increase of 40% as compared to that of HK\$405.4 million in 2009. Segmental operating profit amounted to HK\$148.0 million as compared to that of HK\$102.0 million in 2009. With the economic recovery and increase in consumer consumption with bank card payment, the surge in demand for the EFT-POS terminals of the Group in China has brought exceptional growth to on Group.

各位股東：

本人謹代表百富環球科技有限公司董事會(「董事會」)，欣然提呈本集團截至二零一零年十二月三十一日止年度的年報。

首次公開發售

二零一零年對本集團而言為重要且具有里程碑意義的一年。本公司於二零一零年十二月二十日成功在香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)。於全球發售完成後，本公司發行了297,728,000股新股份(包括於二零一一年一月十二日行使的超額配股權)，所得款項淨額約為857.5百萬港元。憑藉此次上市，將有助本集團建立自有品牌以提升其在電子支付(EFT-POS)終端機解決方案市場的地位，並更有效地進軍國際資本市場，從而吸引不同的投資者。

財務業績

二零一零年對本集團而言同樣是碩果纍纍的一年，本集團營業額達723.6百萬港元，較二零零九年的492.9百萬港元大幅增加47%。電子支付(EFT-POS)終端機的出貨總量創出新記錄，較去年同期的300,000台增至450,000台。本公司權益持有人應佔年度溢利為145.4百萬港元，較二零零九年的84.6百萬港元大幅增加72%(同時達到本公司二零一零年十二月八日招股章程內所編製之溢利預測)。本年度每股基本盈利為19.4港仙(二零零九年：11.4港仙)。

於二零一零年，中國業務分部錄得營業額566.3百萬港元，較二零零九年的405.4百萬港元增加40%。分部經營溢利為148.0百萬港元，而二零零九年為102.0百萬港元。由於經濟復甦及銀行卡消費增加，推動於中國對EFT-POS終端機需求上升，為本集團帶來大幅增長。

Chairman's Statement 主席報告

Year 2010 was a year of challenges and opportunities to overseas segment of the Group, segmental revenue amounted to HK\$157.3 million, representing an increase of 80% as compared to that of HK\$87.5 million in 2009. Segmental operating profit amounted to HK\$24.5 million as compared to loss of HK\$1.5 million in 2009. The increase in segmental operating profit during the year was mainly attributable to increased sales to new markets explored in the recent years such as Middle East, Taiwan and New Zealand. With the persistent effort to explore the international market and increase market shares in key international and new emerging markets, the Group managed to regain its momentum and profitability in overseas segment.

Outlook

Looking forward, we believe that the Group's leading position in China will grasp the enormous potential rapid growth in this market and has laid a solid foundation for our future growth. The Group will continue to increase investment to the research and development of contactless devices related to the markets of micropayment and mobile phone payment, hence further enlarge of our existing market share. In the coming year, the Group will also focus on the type-II telephone-POS terminal market and strive to develop it as growth opportunity of our business. The Group will continuously strengthen our sales and after-sales service network as well as the technical support of application development to customers, to further consolidate the Group's position in the China market. In addition, we will also proactively invest in the research and development of the payment products related to smart phone and online e-commerce keep seeking new business development opportunities in the future through close cooperation with other players in the emerging third-party payment market.

二零一零年對於本集團的海外分部而言為挑戰及機遇並存的一年，營業額為157.3百萬港元，較二零零九年的87.5百萬港元增加80%。分部經營溢利為24.5百萬港元，而二零零九年為虧損1.5百萬港元。年內分部經營溢利增加主要是來自近年開拓的新市場銷售增加，包括中東、台灣及新西蘭。隨著我們不斷努力開拓國際市場及我們於主要國際市場及新興市場的市場份額不斷增加，本集團成功在海外分部重拾發展動力及盈利能力。

前景

展望未來，我們相信，憑藉本集團於中國的領先地位，將可把握中國市場的巨大發展機遇以及為集團未來發展打下堅實的基礎。本集團將在與小額支付和手機支付市場相關的非接觸式讀卡設備方面繼續加大研發投入並進一步擴大已有市場份額。在新的一年裏，本集團也將大力拓展II型電話POS終端的市場，努力使其成為本集團全新的業務增長動力。本集團將繼續加強我們現有的銷售和售後服務網絡以及客戶在應用發展上的技術支援，以進一步穩固本集團在中國市場的地位。另外，我們還將積極地投入與智能手機和網上電子商務相關的支付產品的研究和開發，並透過與其他在新興第三方支付市場的公司之緊密合作，積極尋求未來新的業務發展機遇。

Chairman's Statement 主席報告

Regarding the overseas market, the continuous consolidations of the industry in the recent years have brought to the Group with unprecedented development opportunities. Meanwhile, the continuous proactive expansion in the overseas market by the Group in the past decade also formed a concrete foundation for the development of our overseas business in the future. The Group is committed to provide strong support to its distributors and further enhance marketing and distribution channels to obtain greater breakthrough in these markets. Besides, the Group is striving to achieve new growth in international market share by increasing its focus on the South America region. The Group believes these forward looking efforts will lead us to move a step closer to our goal – “To become one of the leading players in the global market”.

Acknowledgement

On behalf of the Board, I would like to take this opportunity to express my utmost gratitude to our customers, bankers, suppliers, business associates and most valued shareholders for the continuous trust and support to the Group and our dedicated Directors, management and staff for their valuable contributions in 2010. I look forward to further achieving brilliant performance in the future.

Nie Guoming

Chairman

Hong Kong, 17 March 2011

於海外市場，近年來持續發生的行業整合活動給本集團帶來了前所未有的發展良機。另一方面本集團過往十年對海外市場的持續積極開拓，也為本集團今後海外業務的發展打下了堅實的基礎。本集團致力於向其分銷商提供更強支援，並進一步優化市場推廣及分銷渠道，以求在開拓該等市場上獲得更大突破。此外，本集團為爭取國際市場份額增長，將會加強在南美地區的集中力。本集團相信此等具前瞻性的努力，將引領我們向目標—「成為全球市場的領跑者之一」進一步邁進。

鳴謝

本人藉此機會代表董事會向各客戶、銀行、供應商、業務伙伴及最尊貴的股東對本集團的持續信賴及支持，向我們的董事、管理層及員工在二零一零年所作出的寶貴貢獻致以由衷感謝，本人期待各位再接再厲，爭取更傑出的表現。

主席

聶國明

香港，二零一一年三月十七日

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

The Group is an electronic fund transfer point-of-sale (EFT-POS) terminal solutions provider principally engaged in the development and sale of EFT-POS products and provision of related services (collectively, the “EFT-POS terminal solutions business”). The Group is one of the dominant suppliers in the EFT-POS terminal solutions market in China and the largest customers of the Group include major merchant services providers and financial institutions in China. The Group has also become one of China Mobile’s suppliers for contactless devices. Our EFT-POS products are sold to more than 50 overseas countries and regions including the US, Singapore, Taiwan, Japan, South Korea, New Zealand, France, Finland, Saudi Arabia, South Africa and Russia.

MARKET OVERVIEW

Improvement of bank card acceptance environment of the bank card industry in China

The growth of the bank card industry in China has been accelerating with the establishment of China UnionPay in 2002. With the joint efforts of China UnionPay and several commercial banks in China, the bank card netted utilization in China has been continuously penetrated. According to the People’s Bank of China (“PBOC”), by the end of 2010, the number of in-network bank card merchants reached 2.18 million (2009: 1.57 million) and in-network EFT-POS terminals has grown rapidly to 3.33 million sets (2009: 2.41 million sets) in China.

Although the number of in-network bank card merchants and EFT-POS terminals experienced robust growth, the penetration of EFT-POS terminals in China is still considered to be relatively low. The low penetration rate implies vast potential future growth of the EFT-POS terminal solutions industry.

本集團為一家電子支付(EFT-POS)終端機解決方案供應商，主要從事開發及銷售EFT-POS產品及提供相關服務(統稱「EFT-POS」終端機解決方案業務)。本集團為中國EFT-POS終端機解決方案市場的主要供應商之一。本集團最大的客戶包括中國主要的商戶服務供應商及金融機構。本集團亦為中國移動的非接觸式支付設備供應商之一。本集團的EFT-POS產品銷往海外逾50個國家及地區，包括美國、新加坡、台灣、日本、南韓、新西蘭、法國、芬蘭、沙特阿拉伯、南非及俄羅斯。

市場概覽

中國銀行卡行業的銀行卡受理環境改善

隨著中國銀聯於二零零二年成立，中國銀行卡行業亦得到迅猛發展。在中國銀聯及國內多家商業銀行的共同努力下，國內銀行卡的聯網使用不斷普及。根據中國人民銀行的資料，截至二零一零年年底，中國聯網銀行卡商戶達2.18百萬戶(二零零九年：1.57百萬戶)，聯網EFT-POS終端機快速增至3.33百萬台(二零零九年：2.41百萬台)。

儘管聯網銀行卡商戶及EFT-POS終端機的數目出現強勁增長，但中國EFT-POS終端機的普及程度依然偏低。低普及率顯示EFT-POS終端機解決方案行業未來存在巨大的增長潛力。

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

Growth in card payment transactions in China

Consumer spending in China continuously increases with the rapid development of the economy. Consumers in China have gradually developed a spending habit of using bank cards in settling their payments in purchases and the use of bank cards will continue to be a popular mode of consumer payment in China. According to PBOC, a total of 2.42 billion bank cards had been issued in China by the end of 2010, representing a growth of 16.9% as compared with 2009 and on average, each individual in China held 1.81 bank cards by the end of 2010.

Growth in bank card transactions is one of the major drivers of demand for EFT-POS terminals. Along with the continuous penetration of China UnionPay netted utilization as well as the ongoing improvement of bank card acceptance environment in China, bank card transactions also grew rapidly. In 2010, the inter-bank bank card transactions in China hit RMB11.1 trillion, which is approximately 120 times of the figure in 2001, prior to the establishment of China UnionPay.

The scope of acceptance of bank cards in consumer payments has also been extended from retailers, restaurants and hotels to medical, educational, transportation and telecommunication services. The following charts set forth the value of inter-bank transactions of domestic bank cards in China from 2006 to 2010.

中國卡支付交易的增長

中國的消費開支一直隨中國經濟的快速發展而持續增加。中國消費者已逐漸形成使用銀行卡結賬的消費習慣，銀行卡的使用將繼續成為一種全國普遍的消費付款方式。根據中國人民銀行的資料，於二零一零年底，國內合共已發行24.2億張銀行卡，較二零零九年底增長16.9%，於二零一零年年底人均持有1.81張銀行卡。

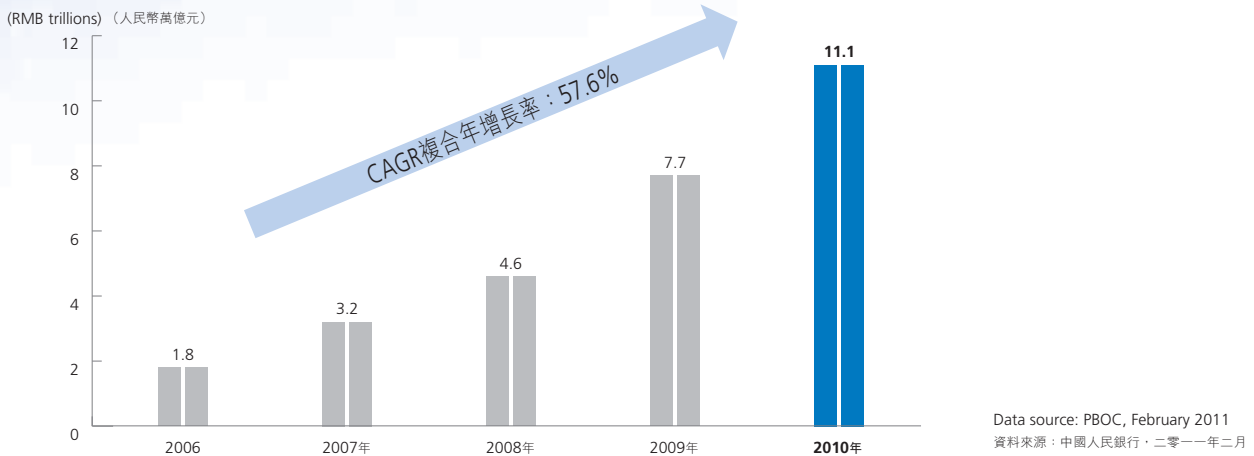
銀行卡支付交易增長為EFT-POS終端機需求的主要動力之一。隨著中國銀聯網使用不斷普及及中國銀行卡受理環境持續改善，銀行卡交易亦迅猛增長。二零一零年，中國的銀行卡跨行交易達人民幣11.1萬億元，約為中國銀聯成立前二零零一年數字的120倍。

銀行卡消費付款的受理範圍已從零售商戶、餐廳及酒店推展至醫療、教育、運輸及電訊服務。以下圖表載列二零零六年至二零一零年期間中國銀行跨行銀行卡交易總額。

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

Total value of inter-bank transactions of domestic bank cards in China from 2006 to 2010

二零零六年至二零一零年期間中國銀行跨行銀行卡交易總額



Development of EFT-POS terminal solutions market in China

There will be gradual increase in the penetration of electronic payment transactions in China spurred by the PRC government's support of the expansion of the electronic payment industry. In July 2009, PBOC issued the Guidelines on Improving Payment Service Environment in Rural Area (關於改善農村地區支付服務環境的指導意見) with specific measures for the construction of the payment service environment in the rural area in China, to promote the improvement of non-cash payment instruments, and aim to enhance the efficiency and quality of payment services in rural areas. The overall domestic EFT-POS terminal solutions market remains promising and the size of the market will continue to grow as EFT-POS terminals further penetrate into the rural areas.

中國EFT-POS終端機解決方案市場的發展

在中國政府支持電子支付行業擴充帶動下，中國電子支付交易的滲透率將逐步上升。二零零九年七月，中國人民銀行發出《關於改善農村地區支付服務環境的指導意見》，規定在中國農村地區構建支付服務環境的具體措施，大力推廣非現金支付工具，全面提升農村地區支付服務效率和質量。由於EFT-POS終端機進一步滲入農村地區，故整體國內EFT-POS終端機解決方案市場仍然向好且市場規模將持續擴大。

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

There will also be a spurring growth in the EFT-POS terminal solutions industry with the development of mobile phone payment markets in China. The policies on electronic business development in China's "Eleventh Five Year Plan" (電子商務發展“十一五”規劃) promulgated by National Development and Reform Commission (國家發展改革委員會) and the State Council Informatization Office (國務院信息化工作辦公室) which highlighted the Mobile Electronic Payment Trial Project (移動電子商務試點示範工程) as one of the key areas of development will continue to provide further stimulations to the development of the mobile payment environment and hence the growth of China's EFT-POS terminal solutions industry.

The market of telephone-POS terminals has developed in China for a decade and gradually becomes a new electronic payment channel featured by Chinese culture which is of comparable scale to traditional EFT-POS terminal solutions market. It is mainly designed for individual merchants of wholesale markets with major business functions comprising account enquiry and inter-cards transactions. Along with the rapid deployment of telephone-POS terminals in a large scale, the security of product and crimes related to bank cards have aroused great concern. In November 2009, China UnionPay issued the "Solutions to Management of Cross-industry Fixed Phone Payment Terminals" (固定電話支付終端跨行業務處理方案), which regulates telephone-POS terminals business and expressively requires the suspension of type-I telephone-POS terminals, with low security requirement and the installation and use of type-II telephone-POS terminals in most applicable circumstances. The suppliers of the traditional EFT-POS terminal solutions market have undertaken proactive preparation and efforts for the entrance into the telephone-POS terminals market, which in turns provide them with splendid market opportunity.

Huge opportunity from global market

The global EFT-POS terminal solutions market is also highly concentrated, with the top three players captured over 60% of market shares in 2009. In recent years, the global market has been undergoing consolidations with active merger and acquisition activities, which provides great opportunities in both mature and emerging markets for rising global EFT-POS terminal solutions suppliers.

中國的EFT-POS終端機解決方案行業將會隨着流動電話付款市場的發展迅速增長。國家發展改革委員會及國務院信息化工作辦公室頒佈有關《電子商務發展「十一五」規劃》的政策，強調移動電子商務試點示範工程作為主要發展領域之一，將繼續進一步刺激移動支付環境的發展，從而帶動中國EFT-POS終端機解決方案行業的增長。

電話POS終端機市場在中國經歷了近十年發展，已逐漸成為和傳統EFT-POS終端機解決方案市場在規模上基本相當及具有中國特色的新型電子支付渠道，主要的應用場合為批發市場的個體商戶，主要業務功能包括帳戶查詢、卡卡轉帳。隨著電話POS終端機的大規模快速投放，其產品安全性以及時有發生的銀行卡犯罪事件，已引起高度關注。二零零九年十一月，中國銀聯發佈了《固定電話支付終端跨行業務處理方案》，規範電話POS終端的業務，明確要求絕大多數的應用場合都必須停止安裝安全性較低的I型電話POS終端機並安裝使用II型電話POS終端。傳統EFT-POS終端機解決方案市場的供應商都已經為進入電話POS終端機市場作了積極的準備和努力，這將成為該等供應商的一個巨大的市場機會。

全球市場的巨大機遇

全球EFT-POS終端機解決方案市場亦高度集中，二零零九年前三大商家佔據著逾60%的市場份額。近年來，隨著併購活動的活躍，全球市場不斷整合，成熟及新興市場均為成長中的EFT-POS終端機解決方案供應商帶來巨大商機。

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

FINANCIAL REVIEW

The key financial figures for the year ended 31 December 2010 are extracted as follows:

財務回顧

截至二零一零年十二月三十一日止年度的主要財務數據摘錄如下：

		For the year ended 31 December 截至十二月三十一日止年度		
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	+ / (-)
Revenue	營業額	723,610	492,942	+47%
Gross profit	毛利	291,870	192,860	+51%
Other income	其他收入	27,390	10,479	+161%
Selling expenses	銷售開支	(74,371)	(59,083)	+26%
Administrative expenses	行政費用	(72,381)	(43,744)	+65%
Operating profit	經營溢利	172,508	100,512	+72%
Income tax expense	所得稅開支	(27,085)	(15,532)	+74%
Profit for the year attributable to equity holders of the Company	本公司權益持有人年內應佔年度溢利	145,423	84,551	+72%
EBITDA	EBITDA	175,121	102,435	+71%
Research and development expenses (included in administrative expenses)	研發開支 (包括在行政費用內)	(34,899)	(24,149)	+45%

		As at 31 December 於十二月三十一日		
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	+ / (-)
Total current assets	流動資產總額	1,493,935	556,314	+169%
Total non-current assets	非流動資產總額	11,425	9,393	+22%
Total assets	資產總額	1,505,360	565,707	+166%
Total liabilities	負債總額	218,249	142,646	+53%
Net current assets	流動資產淨值	1,275,686	413,668	+208%
Total equity	權益總額	1,287,111	423,061	+204%

		For the year ended 31 December 截至十二月三十一日止年度		
		2010 二零一零年	2009 二零零九年	+ / (-)

PER SHARE DATA

		每股數據		
		本公司權益持有人應佔溢利之每股盈利		
Earnings per share for profit attributable to equity holders of the Company	本公司權益持有人應佔溢利之每股盈利			
– Basic (HK\$)	– 基本 (港元)	0.194	0.114	+70%
– Diluted (HK\$)	– 攤薄 (港元)	0.194	0.114	+70%

Financial ratios

		財務比率		
Gross profit margin	毛利率	40.3%	39.1%	
EBITDA margin	EBITDA 利潤率	24.2%	20.8%	
Net profit margin	淨利潤率	20.1%	17.2%	

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

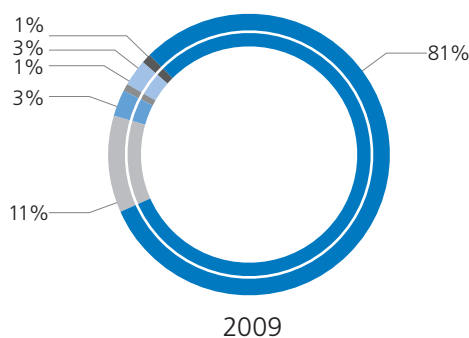
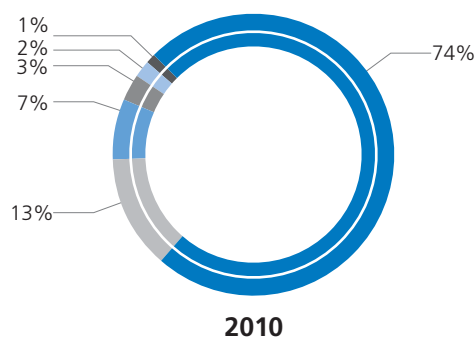
Revenue

Revenue increased by 47% to HK\$723.6 million for the year ended 31 December 2010 from HK\$492.9 million for the year ended 31 December 2009 with new shipment record of EFT-POS terminals of approximately 450,000 units, representing an increase of 50% as compared to that of approximately 300,000 units for the year ended 31 December 2009, partially offset by the decrease in the average selling price in response to market competition.

營業額

營業額由截至二零零九年十二月三十一日止年度的492.9百萬港元增加47%至截至二零一零年十二月三十一日止年度的723.6百萬港元，其中電子支付(EFT-POS)終端機的出貨總量創出約450,000台的新記錄，較截至二零零九年十二月三十一日止年度的約300,000台增加50%，增幅部分由平均售價因市場競爭產生的跌幅所抵銷。

Sales by product category



各類產品營業額

- Countertop EFT-POS terminals
台式EFT-POS終端機
- Mobile EFT-POS terminals
移動EFT-POS終端機
- Consumer activated devices
消費者操作設備
- Contactless devices
非接觸式讀卡設備
- Services
服務
- Others
其他

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	+ / (-)
Countertop EFT-POS terminals	台式EFT-POS終端機	531,501	401,685	+32%
Mobile EFT-POS terminals	移動EFT-POS終端機	91,947	55,646	+65%
Consumer activated devices	消費者操作設備	52,650	16,165	+226%
Contactless devices	非接觸式讀卡設備	22,695	3,665	+519%
Services	服務	14,260	13,574	+5%
Others	其他	10,557	2,207	+378%
		723,610	492,942	+47%

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

Countertop EFT-POS terminals

Revenue from sales of countertop EFT-POS terminals increased by 32% to HK\$531.5 million for the year ended 31 December 2010 from HK\$401.7 million for the year ended 31 December 2009.

With the gradual recovery of global economy and the increased consumer spending by bank cards in China, the demand for countertop EFT-POS terminals increased dramatically, especially by the largest merchant service provider and major banks in China. Revenue growth has also been driven by increase in overseas sales during the year ended 31 December 2010.

Mobile EFT-POS terminals

Revenue from sales of mobile EFT-POS terminals increased by 65% to HK\$91.9 million for the year ended 31 December 2010 from HK\$55.6 million for the year ended 31 December 2009.

Apart from increased demand with the recovery of global economy and increased consumer spending by bank cards, the growth of sales of mobile EFT-POS terminals outperformed countertop EFT-POS terminals. The development of wireless communication infrastructure worldwide has support the growth in demand for mobile EFT-POS terminals as an alternative to countertop EFT-POS terminals for its wider applications, flexibility, mobility and cost-effectiveness. The additional applications include pay-at-the-table in restaurants, taxi and delivery services, etc.

台式EFT-POS終端機

銷售台式EFT-POS終端機的營業額由截至二零零九年十二月三十一日止年度的401.7百萬港元增加32%至截至二零一零年十二月三十一日止年度的531.5百萬港元。

隨著全球經濟逐步復甦及銀行卡消費的增加，特別是中國最大的商業服務供應商及大型銀行對台式EFT-POS終端機需求亦隨着大幅增加。海外銷售增長亦帶動本年度營業額的增長。

移動EFT-POS終端機

銷售移動EFT-POS終端機的營業額由截至二零零九年十二月三十一日止年度的55.6百萬港元增加65%至截至二零一零年十二月三十一日止年度的91.9百萬港元。

除全球經濟復甦及消費者從銀行卡消費增加帶動需求增長外，移動EFT-POS終端機的銷售增長超越台式EFT-POS終端機。由於應用性更廣泛、具靈活性、移動性及成本效益，移動EFT-POS終端機可視為台式EFT-POS終端機的替代，其需求亦伴隨着全球無線通訊基礎設施的發展而不斷增長。其他應用範疇包括在餐館的「到桌支付」、計程車及運輸服務等。

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

Consumer activated devices

Revenue from sales of consumer activated devices increased by 226% to HK\$52.7 million for the year ended 31 December 2010 from HK\$16.2 million for the year ended 31 December 2009.

Due to the continuous growth in demand for one of our product models which supports magnetic card reader IC card reader, built-in contactless card reader functions, sales of consumer activated devices experienced significant growth.

Contactless devices

Revenue from sales of contactless devices increased by 519% to HK\$22.7 million for the year ended 31 December 2010 from HK\$3.7million for the year ended 31 December 2009.

In recent years, contactless payment environment is developing with continuous rising popularity in China as well as worldwide. With the effort of PBOC to promote contactless payment applications, there is increasing investment in infrastructure for contactless payment. Applications of contactless devices are extended from public transportation to retail business.

Services

Revenue from provision of services increased by 5% to HK\$14.3 million for the year ended 31 December 2010 from HK\$13.6 million for the year ended 31 December 2009.

With the increase in aggregate deployment of EFT-POS terminals, income from maintenance service increased gradually during the year ended 31 December 2010.

消費者操作設備

銷售消費者操作設備的營業額截至二零零九年十二月三十一日止年度的16.2百萬港元增加226%至截至二零一零年十二月三十一日止年度的52.7百萬港元。

由於本集團其中一個支援磁條讀寫器、IC卡讀寫器及內置非接觸式卡讀寫器功能的產品型號的需求持續增長，帶動消費者操作設備的銷售大幅增長。

非接觸式讀卡設備

銷售非接觸式讀卡設備的營業額由截至二零零九年十二月三十一日止年度的3.7百萬港元增加519%至截至二零一零年十二月三十一日止年度的22.7百萬港元。

近年來，非接觸式支付環境發展迅猛，國內外的受歡迎程度持續增加。憑藉中國人民銀行推廣非接觸式支付應用，非接觸式支付設備的投入增加。非接觸式讀卡設備的應用由公共運輸拓展至零售業務。

服務

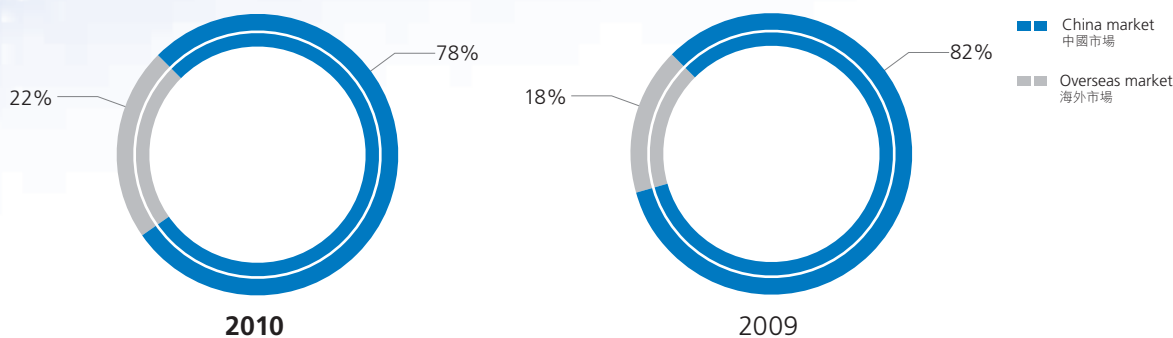
提供服務的營業額由截至二零零九年十二月三十一日止年度的13.6百萬港元增加5%至截至二零一零年十二月三十一日止年度的14.3百萬港元。

隨著EFT-POS終端機安裝總量的增加，截至二零一零年十二月三十一日止年度的維護服務收入逐步增加。

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

Sales by geographical region

按地區營業額



		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	+ / (-)
China market	中國市場	566,340	405,402	+40%
Overseas market	海外市場	157,270	87,540	+80%
		723,610	492,942	+47%

Revenue generated from the China market increased by 40% to HK\$566.3 million for the year ended 31 December 2010 from HK\$405.4 million for the year ended 31 December 2009. With increase in consumer consumption with bank cards, major banks in China continue to expand their investment in EFT-POS terminals and related products.

中國市場產生的營業額由截至二零零九年十二月三十一日止年度的405.4百萬港元增加40%至截至二零一零年十二月三十一日止年度的566.3百萬港元。由於銀行卡消費增長，中國各大銀行持續擴大對EFT-POS終端機及有關產品的投入。

Revenue generated from the overseas market increased by 80% to HK\$157.3 million for the year ended 31 December 2010 from HK\$87.5 million for the year ended 31 December 2009. The increase was mainly attributable to increased sales to Middle East, Taiwan and New Zealand. Besides, the Group has continuously extended its international market coverage to new markets including Canada and Dominica in America, Latvia, Georgia, Uzbekistan, Kazakhstan and Tajikistan in Europe, Kuwait and Turkey in Middle East, and New Zealand in Asia Pacific. As at 31 December 2010, we had a total of 25 (2009: 23) overseas distributors with sales contribution amounted to HK\$125.2 million for the year ended 31 December 2010 (2009: HK\$62.4 million).

海外市場產生的營業額由截至二零零九年十二月三十一日止年度的87.5百萬港元增加80%至截至二零一零年十二月三十一日止年度的157.3百萬港元，這主要是由於中東、台灣及新西蘭市場的銷量上升所致。另外，本集團持續開拓國際市場至新市場包括：美洲的加拿大、多米尼加，歐洲的拉托維亞、格魯吉亞、烏茲別克斯坦、哈薩克斯坦、塔吉克斯坦，中東的科威特、土耳其以及亞太區的新西蘭。於二零一零年十二月三十一日，我們共擁有25名(二零零九年：23名)海外分銷商，於截至二零一零年十二月三十一日止年度，有關的銷售額達125.2百萬港元(二零零九年：62.4百萬港元)。

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

Gross Profit Margin

Gross profit margin was 40.3% for the year ended 31 December 2010 as compared with 39.1% for the year ended 31 December 2009, which primarily reflecting the Group's effort to proactively reduce the cost of materials and introduce new products with additional features and higher gross profit margin.

Other Income

Other income primarily included value added tax refund, interest income and subsidy income. Other income increased by 161% to HK\$27.4 million for the year ended 31 December 2010 from HK\$10.5 million for the year ended 31 December 2009, primarily reflecting the increase in value added tax refund received during the year ended 31 December 2010.

Selling Expenses

Selling expenses increased by 26% to HK\$74.4 million for the year ended 31 December 2010 from HK\$59.1 million for the year ended 31 December 2009, primarily reflecting an increase of employee benefit expenses associated with the increase in the number of sales staff.

Administrative Expenses

Administrative expenses increased by 65% to HK\$72.4 million for the year ended 31 December 2010 from HK\$43.7 million for the year ended 31 December 2009 primarily reflecting increase in research and development costs, employee benefit expenses in relation to administrative staff and certain listing expenses.

Profit for the Year and Net Profit Margin

As a result of the foregoing, the profit for the year attributable to equity holders of the Company increased by 72% to HK\$145.4 million for the year ended 31 December 2010 from HK\$84.6 million for the year ended 31 December 2009.

毛利率

截至二零一零年十二月三十一日止年度的毛利率為40.3%，而截至二零零九年十二月三十一日止年度則為39.1%，這主要反映本集團積極降低材料成本及推出毛利率較高的新產品（具有額外功能配置）所致。

其他收入

其他收入主要包括增值稅退稅、利息收入及補貼收入。其他收入由截至二零零九年十二月三十一日止年度的10.5百萬港元增加161%至截至二零一零年十二月三十一日止年度的27.4百萬港元，主要反映截至二零一零年十二月三十一日止年度收取的增值稅退稅增加。

銷售開支

銷售開支由截至二零零九年十二月三十一日止年度的59.1百萬港元增加26%至截至二零一零年十二月三十一日止年度的74.4百萬港元，主要反映員工福利開支隨著銷售人員數目增加而上升。

行政費用

行政費用由截至二零零九年十二月三十一日止年度的43.7百萬港元增加65%至截至二零一零年十二月三十一日止年度的72.4百萬港元，主要反映研發成本、行政人員有關的僱員福利開支增加及發生若干上市費用。

本年度溢利及純利率

由於以上所述，本公司權益持有人年內應佔年度溢利由截至二零零九年十二月三十一日止年度的84.6百萬港元增加72%至截至二零一零年十二月三十一日止年度的145.4百萬港元。

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

The net profit margin increased to 20.1% for the year ended 31 December 2010 from 17.2% for the year ended 31 December 2009. The increase was mainly due to (i) the increase in other income primarily reflecting the increase in value added tax refund received during the year; and (ii) the increase in gross profit margin.

Outlook

Currently, the Group is one of the dominant market leaders in EFT-POS terminals solutions market in China. The Group has positioned itself as a global EFT-POS terminal solutions provider since its establishment in 2000, with its persistent effort in expanding presence and increasing market shares in international market, our EFT-POS products have been sold to more than 50 overseas countries and regions.

China's position of one of the world's fastest growing economies with huge commercial businesses, relatively low EFT-POS terminals penetration rate compared with developed countries, robust growth in card payment transactions and gradual development of consumer spending habit of using bank cards, have formed a concrete foundation for EFT-POS terminal solutions industry in China. Further increase in the penetration of electronic payment in China stimulated by PRC government's continuous support to modernize the country's electronic payment infrastructure, is expected to drive the demand for EFT-POS terminal solutions products further in China.

Riding the high tide of growth in electronic payment industry in China, the Group continuously seeks new business opportunities and revenue source. In 2010, the Group was successfully selected as a qualified supplier for the standard model of telephone-POS terminals by one of the major customers and is expected to gain more market share in this new industry. The Group is also well prepared for grasping the explosive growth opportunities of the new mobile phone and contactless payment markets in China.

純利率由截至二零零九年十二月三十一日止年度的17.2%增加至截至二零一零年十二月三十一日止年度的20.1%，該增加主要由於(i)本年度收取的增值稅退稅增加令其他收入增加；及(ii)毛利率上升所致。

前景

目前，本集團為中國EFT-POS終端方案市場的主要市場領先者之一。本集團自二零零零年成立以來便將自身定位為全球EFT-POS終端機解決方案供應商，隨著我們不斷擴張業務範圍及提高本集團於主要國際市場的市場份額，本集團的EFT-POS產品已銷往50多個國家和地區。

中國經濟急速發展所蘊含的巨大商機、EFT-POS終端機普及率相對於已發展國家較低、銀行卡支付交易強勁增長以及消費者逐漸形成使用銀行卡消費的習慣，為中國EFT-POS終端機解決方案行業的發展提供了一個堅實的基礎。由於中國政府持續推動國內電子支付基礎設施現代化，電子支付普及率提高預期可進一步帶動EFT-POS終端機解決方案產品於中國的需求。

處身於中國電子支付業的增長浪潮中，本集團持續尋求新的業務機遇和收入來源。於二零一零年，本集團成功獲其中一名主要客戶選為電話POS終端機標準型號的入圍供應商，預期可取得更多此新行業的市場份額。本集團亦作好準備，捉緊中國流動電話及非接觸式支付等新市場巨幅增長的機遇。

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

With the global market consolidation continues, demand for EFT-POS terminals in both mature and emerging markets will provide huge opportunities for the Group. The Group has accumulated well-established sales and distribution channels in various major markets through its continuous expansion and over 20 distributors throughout the world. In addition to the extensive coverage in its existing markets, the Group has attained important breakthroughs in Australia, New Zealand, North Europe, the United States and Canada, which laid a solid foundation for the growth of the Group in these markets. The Group is confident that overseas sales will grow rapidly in coming future.

Looking forward, the Group will focus on several major areas including: (i) to maintain and enhance our leading position in China through continuous development of innovative products that meet the customers' demand; (ii) to further improve our research capacity of technology; (iii) to expand and optimize our sales and after-sales service networks and enlarge our scope of business and market share in major international markets; and (iv) to seek potential merger and acquisition opportunities.

Leveraging our leading position in EFT-POS terminal solutions market in China, we believe that we will manage to capture on the rapid development of the market. Coupled with the splendid opportunity emerging in the global market, all these will lay a solid foundation for our future development, leading us towards our goals- "To become one of the leading players in the global market".

Liquidity and capital resources

During the year, the main source of fund of the Group was cash generated from net proceeds of the Global Offering and cash inflow from operating activities. Certain financial data are summarised as follows:-

隨著全球市場持續整合，成熟及新興市場對EFT-POS終端機的需求將為本集團提供極大商機。通過多年來持續開拓和遍佈全球的20多個分銷商，本集團已經在很多重要市場積累了完善的銷售及分銷渠道，全面覆蓋現有市場，更在澳洲、新西蘭、北歐及美加取得了重要的突破，從而為本集團在這些市場的發展打下了堅實的基礎。本集團有信心海外銷售可於未來迅速增長。

展望未來，本集團將專注於若干個主要領域，包括(i)透過持續開發滿足客戶需求的創新產品維持及提升於中國的領先地位；(ii)進一步提升研發技術能力；(iii)擴大及優化我們的銷售及售後服務網絡以及在主要國際市場擴大業務範圍及增加市場份額；及(iv)物色潛在合併和收購機遇。

我們相信，憑藉我們於中國EFT-POS終端機解決方案市場的領先地位，我們將可抓緊該市場的急速發展，加上全球市場出現的極大機遇，這將為我們的日後發展打下堅實的基礎，引領我們向目標—「成為全球市場的領跑者之一」進一步邁進。

流動性及資金來源

於本年度，本集團的主要資金來源為自全球發售所得款項淨額的現金及經營活動產生的現金流入。若干財務數據概述如下：

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

		As at 31 December 於十二月三十一日	
		2010 二零一零年	2009 二零零九年
		HK\$'000 千港元	HK\$'000 千港元
Cash at bank and on hand	銀行及手上現金	1,066,526	242,380
Net current assets	流動資產淨值	1,275,686	413,668
Net cash generated from operations	經營活動產生的現金淨額	118,220	150,964
Net cash generated from/(used in) financing activities	融資活動產生/(所用)的 現金淨額	699,995	(15,837)
Current ratio (times)	流動比率(倍)	6.8	3.9
Quick ratio (times)	速動比率(倍)	6.2	3.1

As at 31 December 2010, the Group had cash and short-term bank deposit of HK\$1,066.5 million (2009: HK\$242.4 million) and no short term borrowings (2009: nil). As at 31 December 2010, the Group reported net current assets of HK\$1,275.7 million, as compared with HK\$413.7 million as at 31 December 2009. For the year ended 31 December 2010, net cash generated from operating activities was HK\$118.2 million, as compared with HK\$151.0 million as at 31 December 2009. Net cash inflow from financing activities for the year ended 31 December 2010 was HK\$700.0 million which was mainly generated from the Global Offering, as compared with an outflow of HK\$15.8 million for the year ended 31 December 2009 for repayment of bank borrowings.

We believe good liquidity will be maintained by funding our expansions and operations with the net proceeds from the Global Offering, as well as cash flows generated from our operating activities.

Capital structure and details of charges

As at 31 December 2010, the Group did not have any short term borrowings (2009: Nil).

於二零一零年十二月三十一日，本集團擁有現金及短期銀行存款1,066.5百萬港元(二零零九年：242.4百萬港元)以及無短期借貸(二零零九年：無)。於二零一零年十二月三十一日，本集團錄得流動資產淨值1,275.7百萬港元，而二零零九年十二月三十一日的413.7百萬港元。截至二零一零年十二月三十一日止年度，經營活動產生的現金淨額為118.2百萬港元，而二零零九年十二月三十一日為151.0百萬港元。截至二零一零年十二月三十一日止年度融資活動現金流入淨額(主要來自全球發售)為700.0百萬港元。截至二零零九年十二月三十一日止年度所用現金淨額為15.8百萬港元則用作償還銀行借貸。

我們相信，透過以全球發售所得款項淨額及自經營活動所得現金流量為我們的擴充及業務營運提供資金，我們將可維持良好的流動資金狀況。

資本架構及抵押詳情

於二零一零年十二月三十一日，本集團並無任何短期借貸(二零零九年：無)。

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

Approximately HK\$229.0 million, HK\$746.7 million, HK\$89.8 million and HK\$1.0 million (2009: HK\$162.5 million, HK\$14.4 million, HK\$64.4 million and HK\$1.0 million) of the Group's cash balances were denominated in Renminbi ("RMB"), Hong Kong dollar ("HK\$"), US dollar ("US\$") and Euro respectively as at 31 December 2010.

Significant investment

Save as disclosed in this annual report, the Group has no significant investment held as at 31 December 2010 (2009: Nil).

Material acquisition and disposal of subsidiaries

Save as disclosed in this annual report, the Group does not have any material acquisition or disposal of subsidiaries during the year ended 31 December 2010 (2009: Nil).

Use of Proceeds

The net proceeds raised from the Global Offering received by the Company was approximately HK\$701.1 million (excluding proceeds from the exercise of over-allotment option on 12 January 2011).

The planned amount of usage of total net proceeds (excluding proceeds from the exercise of over-allotment option on 12 January 2011) are as follows:

於二零一零年十二月三十一日，本集團約229.0百萬港元、746.7百萬港元、89.8百萬港元及1.0百萬港元(二零零九年：162.5百萬港元、14.4百萬港元、64.4百萬港元及1.0百萬港元)之現金結餘分別以人民幣、港元、美元及歐元計值。

重大投資

除本年報披露外，本集團於二零一零年十二月三十一日並無持有任何重大投資(二零零九年：無)。

附屬公司的重大收購及出售

除本年報披露外，於截至二零一零年十二月三十一日止年度並無進行任何重大的附屬公司收購或出售(二零零九年：無)。

所得款項用途

本公司自全球發售籌得的所得款項淨額約為701.1百萬港元(不包括於二零一一年一月十二日行使超額配股權的所得款項)。

所得款項總額(不包括於二零一一年一月十二日行使超額配股權所得款項)的計劃用途如下：

		Total planned amount 計劃總金額 HK\$ million 百萬港元
Enhancing research and development effort	加大研發投入	280.4
Expanding distribution network	擴大分銷網絡	105.2
Potential merger and acquisition	潛在併購	245.4
General working capital	一般營運資金	70.1
		701.1

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

The net proceeds from the Global Offering was intended to be utilised over three years from 2011 to 2013, the Group has not utilised any proceeds for the period from 20 December 2010, the listing date, to 31 December 2010.

The remaining net proceeds have been placed on deposits with banks in Hong Kong.

Exchange rates exposure

The Group derives its revenue, makes purchases and incurs expenses denominated mainly in RMB, HK\$ and US\$. The majority of assets and liabilities are denominated in RMB, HK\$ and US\$, and there are no significant assets and liabilities denominated in other currencies. Currently, the Group has not entered into agreements or purchased instruments to hedge the Group's exchange rate risks. Any material fluctuation in the exchange rates of HK\$ or RMB may have an impact on the operating results of the Group.

The management considers the foreign exchange risk with respect to US\$ is not significant as HK\$ is pegged to US\$ and transactions denominated in US\$ are mainly carried out by entities with the same functional currency. The exchange rate of RMB to HK\$ is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. The Group manages foreign currency risk by closely monitoring the movement of the foreign currency rates.

Contingent liabilities

The Group had no significant contingent liabilities as at 31 December 2010.

全球發售所得款項淨額計劃於二零一一年至二零一三年三個年度間使用。本集團並無於二零一零年十二月二十日(上市日期)至二零一零年十二月三十一日期間使用任何所得款項。

所得款項淨額的餘下部份已存入香港銀行。

外匯風險

本集團的營業額、採購及開支主要以人民幣、港元及美元計值。大部分資產及負債以人民幣、港元及美元計值，並無重大資產及負債以其他貨幣計值。目前，本集團並無訂立協議或購買工具對沖本集團的外匯風險。港元或人民幣匯率的重大波動或會影響本集團的經營業績。

由於港元與美元掛鈎，且以美元計值的交易主要由採用相同功能貨幣的實體進行，故管理層認為與美元有關的外匯風險並不重大。人民幣兌港元的匯率須遵守中國政府頒佈的外匯管制的規則及規例。本集團會密切監察匯率變動，以管理外幣風險。

或然負債

本集團於二零一零年十二月三十一日並無任何重大或然負債。

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

Human Resources and Remuneration Policies

The total number of employees of the Group as at 31 December 2010 was 436. The following table shows a breakdown of employees of the Group by function as at 31 December 2010:

Management	管理層	10
Sales and after-sales services and marketing	銷售及售後服務以及市場推廣	149
Research and development	研發	227
Quality assurance	質檢	10
Administration and human resources	行政及人力資源	13
Accounting	會計	10
Production, procurement and inventory control	生產、採購及存貨控制	17
		436

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

Disclaimer:

Non-GAAP measures

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

人力資源及薪酬政策

於二零一零年十二月三十一日，本集團共擁有436名僱員。下表載列於二零一零年十二月三十一日根據職能劃分的各類僱員數目：

本集團確保其薪酬安排全面及具吸引力。僱員的酬金為每月固定收入加年度表現花紅。本集團亦會資助僱員參加符合本集團業務需要的外部培訓課程。

免責聲明：

非公認會計原則指標

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

Corporate Governance Report 企業管治報告

The Board is pleased to present this Corporate Governance Report in the Group's annual report for the year ended 31 December 2010.

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

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

CORPORATE GOVERNANCE PRACTICES

The Company's corporate governance practices are based on the principles (the "Principles") and code provisions (the "Code Provisions") as set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules").

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

The Company periodically reviews its organisational structure to ensure that operations are conducted in accordance with the standards of the CG Code.

董事會欣然於本集團截至二零一零年十二月三十一日止年度之年報提呈其企業管治報告。

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

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

企業管治常規

本公司之企業管治常規乃以香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載企業管治常規守則（「企業管治守則」）當中原則（「原則」）及守則條文（「守則條文」）為基礎。

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

本公司定期檢討其組織架構，確保業務運作符合企業管治守則之準則。

Corporate Governance Report 企業管治報告

DIRECTORS' SECURITIES TRANSACTIONS

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

Specific enquiry had been made to all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2010.

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

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

THE BOARD

Responsibilities

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

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

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

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

董事的證券交易

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

經向全體董事作出具體查詢後，董事已確認彼等截至二零一零年十二月三十一日止年度一直符合標準守則。

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

本公司主要企業管治原則及常規概述如下：

董事會

職責

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

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

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

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

Corporate Governance Report 企業管治報告

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

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

Composition

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

The Board currently comprises 6 members, consisting of 3 executive Directors and 3 independent non-executive Directors.

The Board comprises the following Directors:

Executive Directors:

NIE Guoming (*Chairman, appointed on 1 December 2010*)

JIANG Hangchun (*Chief Executive Officer, appointed on 24 February 2010*)

LI Wenjin (*appointed on 24 February 2010*)

Independent non-executive Directors:

YIP Wai Ming (*appointed on 1 December 2010*)

WU Min (*appointed on 1 December 2010*)

MAN Kwok Kuen (*appointed on 1 December 2010*)

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

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

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

董事會履行職責時可獲得高級管理層全面支援。

組成

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

董事會現由6名成員組成，包括3名執行董事及3名獨立非執行董事。

本公司董事會由以下董事組成：

執行董事：

聶國明(主席，於二零一零十二月一日獲委任)

蔣洪春(行政總裁，於二零一零二月二十四日獲委任)

李文晉(於二零一零二月二十四日獲委任)

獨立非執行董事：

葉偉明(於二零一零十二月一日獲委任)

吳敏(於二零一零十二月一日獲委任)

文國權(於二零一零十二月一日獲委任)

上列董事(按類別計)亦於本公司根據上市規則不時發出之所有企業通訊披露。

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

Corporate Governance Report 企業管治報告

Appointment, re-election and removal of Directors

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

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

Training for Directors

Each newly appointed Director receives induction on the first occasion of his/her appointment, so as to ensure that he/she has appropriate understanding of the business and operations of the Company. Besides, the Company shall consider to engage external legal and other professional advisers for providing professional development and training programmes to Directors on an occasional basis.

Board Meetings and Directors' Attendance

The Board conducts meeting on a regular basis and on an ad hoc basis, whenever it is needed. The Board will meet regularly and Board meetings will be held at least four times a year.

委任，重選及罷免董事

本公司已訂立正式且具透明度之董事委任及繼任規劃程序。

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

董事培訓

各新委任董事於最初獲委任時獲得就職介紹，確保彼恰當瞭解本公司業務及運作。此外，本公司將考慮委聘外聘法律及其他專業顧問，以按非經常性質，向董事提供專業發展及培訓計劃。

董事會會議及董事出席情況

董事會定期及在有需要時召開會議。本公司將每年至少召開四次定期會議。

Corporate Governance Report 企業管治報告

The individual attendance record of each Director at the meetings of the Board from the date of incorporation to 31 December 2010 is set out below:

各董事自註冊成立日期至二零一零年十二月三十一日出席董事會會議之個別記錄載列如下：

Name of Directors	董事姓名	Attendance/Number of meetings 會議出席／舉行次數 Board Meetings 董事會會議
Nie Guoming (appointed on 1 December 2010)	聶國明 (於二零一零年十二月一日獲委任)	1/1*
Jiang Hongchun (appointed on 24 February 2010)	蔣洪春 (於二零一零年二月二十四日獲委任)	11/11
Li Wenjin (appointed on 24 February 2010)	李文晉 (於二零一零年二月二十四日獲委任)	11/11
Yip Wai Ming (appointed on 1 December 2010)	葉偉明 (於二零一零年十二月一日獲委任)	1/1*
Wu Min (appointed on 1 December 2010)	吳敏 (於二零一零年十二月一日獲委任)	1/1*
Man Kwok Kuen, Charles (appointed on 1 December 2010)	文國權 (於二零一零年十二月一日獲委任)	1/1*

* The Directors are not required to attend the rest of meetings which mainly deal with implementation of executive policies and administrative routine.

* 董事無需出席(主要處理執行政策之推行及日常行政)其餘之會議。

Practices and Conduct of Meetings

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

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

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

會議常規及程序

週年會議時間表及每次會議議程草擬本一般預先發給董事。

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

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

Corporate Governance Report 企業管治報告

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

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

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

Chairman and Chief Executive Officer

According to the Code Provision A.2.1 of the CG Code, the roles of the Chairman, Mr. Nie Guoming, and the Chief Executive Officer (the "CEO"), Mr. Jiang Hongchun are segregated in order to ensure a clear distinction between the responsibilities of the Chairman and the CEO. There are clear division of responsibilities of management of the Board and the day-to-day management of the Company's business between the Chairman and the CEO to ensure a balance of power and authority of the Board for decision-making.

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

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

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

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

主席及行政總裁

根據企業管治守則第A.2.1條守則條文規定，主席聶國明先生及行政總裁（「行政總裁」）蔣洪春先生的職責須作區分，藉以確保主席與行政總裁的責任明確劃分。主席及行政總裁在董事會管理及本公司業務日常管理的責任上有明確劃分，以確保董事會的決策權力及授權得以平衡。

主席提供領導及負責董事會按照良好企業管治常規有效運作。在公司秘書及高級管理層的支持下，主席亦負責確保董事及時收到充分、完整及可靠的資訊，及負責確保就董事會會議上所有當前事項作出簡報，及所有主要及適當的議程由董事會及時地審議。

Corporate Governance Report 企業管治報告

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

Independent non-executive Directors

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

During the year ended 31 December 2010, the Board at all times met the requirements of Rule 3.10(1) and Rule 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The Company has received written annual confirmation from each independent non-executive Director of his/her independence pursuant to the requirements of Rule 3.13 of the Listing Rules, which confirmed to the Company that he/she has met the independence guidelines set out in the Listing Rules.

行政總裁主要負責執行經董事會批准及授權之目標、政策及策略。彼負責本公司之日常管理及運作。行政總裁亦負責制定策略計劃及擬定組織架構、監控制度及內部程序，以供董事會批准。

獨立非執行董事

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

截至二零一零年十二月三十一日止年度，董事會一直遵守上市規則第3.10(1)及3.10(2)條有關委任最少三名獨立非執行董事而其中最少一名獨立非執行董事須具備合適專業資歷或會計或相關財務管理專業知識之規定。

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

Corporate Governance Report 企業管治報告

BOARD COMMITTEES

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

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

Audit Committee

YIP Wai Ming (*Chairman*)
WU Min
MAN Kwok Kuen, Charles

Nomination Committee

WU Min (*Chairman*)
YIP Wai Ming
LI Wenjin

Remuneration Committee

YIP Wai Ming (*Chairman*)
WU Min
LI Wenjin

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

董事會委員會

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

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

審核委員會

葉偉明 (*主席*)
吳 敏
文國權

提名委員會

吳 敏 (*主席*)
葉偉明
李文晉

薪酬委員會

葉偉明 (*主席*)
吳 敏
李文晉

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

Corporate Governance Report 企業管治報告

Audit Committee

The Audit Committee was established by the Board on 1 December 2010 with written terms of reference. The Audit Committee comprises three independent non-executive Directors (including one independent non-executive Director who possesses the appropriate professional qualifications or accounting or related financial management expertise). None of the members of the Audit Committee is a former partner of the Company's existing external auditors.

The main duties of the Audit Committee include the following:

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

The written terms of reference which describe the authority and duties of the Audit Committee were prepared and adopted with reference to "A Guide for The Formation of An Audit Committee" published by the Hong Kong Institute of Certified Public Accountants.

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

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

The Company's annual results for the year ended 31 December 2010 has been reviewed by the Audit Committee.

審核委員會

審核委員會於二零一零年十二月一日成立，並列明書面職權範圍。審核委員會由三名獨立非執行董事組成，當中包括一名具備合適專業資歷或會計或相關財務管理專業知識之獨立非執行董事。審核委員會全體成員均非本公司現任外聘核數師之前合夥人。

審核委員會之主要職責包括：

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

已參照由香港會計師公會發出之「成立審核委員會指引」編製及採納列明審核委員會之職權及責任之書面職權範圍。

並無有關或會對本公司按持續基準經營之能力產生重大疑問之事件或情況。

審核委員會就外聘核數師甄選、委任、辭任或罷免所持意見與董事會無異。

本公司截至二零一零年十二月三十一日止年度之全年業績已經由審核委員會審閱。

Corporate Governance Report 企業管治報告

Deviation from Code C3.3(e)(i)

Code provision C3.3(e)(i) stipulates that the members of the committee must liaise with the Board of Directors and senior management and committee must meet, at least once a year, with the auditors.

The Company was a private company for most of the year ended 31 December 2010 as it was only listed on the Main Board of the Stock Exchange on 20 December 2010.

No Audit Committee meeting of the Company has been held during the year ended 31 December 2010, as no external audit matters, internal controls and risk evaluation is considered necessary to be reviewed during the period from 1 December 2010 (date of establishment of Audit Committee) to 31 December 2010. The first Audit Committee meeting of the Company was held on 10 March 2011, which was after the year under review. Going forward, the Company will convene Audit Committee in compliance with the respective code provision in the code.

Nomination Committee

The Nomination Committee was established by the Board on 1 December 2010. The principal duties of the Nomination Committee include reviewing the structure, size and composition of the Board, developing and formulating relevant procedures for nomination and appointment of Directors, making recommendations to the Board on the appointment and succession planning of Directors, and assessment of the independence of the independent non-executive Directors.

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

偏離守則第C3.3(e)(i)條

守則條文第C3.3(e)(i)條規定委員會成員須與董事會及高級管理人員聯絡。委員會須至少每年與核數師開會一次。

由於本公司於二零一零年十二月二十日始於聯交所主板上市，故其於截至二零一零年十二月三十一日止年度大部分時間為一家私人公司。

由於自二零一零年十二月一日(審核委員會成立日期)至二零一零年十二月三十一日期間並無外部核數事宜、內部監控及風險評估事宜被認為需進行審核，故於截至二零一零年十二月三十一日止年度，本公司並無舉行審核委員會會議。本公司的首次審核委員會會議已於回顧年度年末後的二零一一年三月十日舉行。本公司將來會舉行審核委員會會議，以遵守守則的相關守則條文。

提名委員會

提名委員會於二零一零年十二月一日成立。提名委員會之主要職責包括審閱董事會之架構、規模及組成、制定有關董事提名及委任程序以及就董事委任及繼任規劃向董事會作出意見，並評估獨立非執行董事之獨立身分。

提名委員會負責就均衡專業知識、技能、經驗、專業知識、個人誠信及投入時間以及就本集團業務需要及其他相關法定規則及規例，甄選及推薦候任董事人選。有需要時或會委任外界招聘代理進行招聘及甄選程序。

Corporate Governance Report 企業管治報告

For the year ended 31 December 2010, no meeting was held by the Nomination Committee as matters such as determination of the structure, size and composition of the Board, selection of qualified and suitable persons as Directors and appointments of independent non-executive Directors, have been performed in the Board meeting held on 1 December 2010 before the Listing on 20 December 2010.

In accordance with the Company's bye-laws 84 and 85, Mr. Jiang Hongchun and Mr. Li Wenjin, executive Directors of the Company, shall retire by rotation and being eligible, offer themselves for re-election at the 2010 annual general meeting.

The Board recommended the re-appointment of the Directors standing for re-election at the 2011 annual general meeting of the Company.

The Company's circular dated 28 March 2011 contains detailed information of the Directors standing for re-election.

Remuneration Committee

The Remuneration Committee was established by the Board on 1 December 2010. The primary objectives of the Remuneration Committee include making recommendations on and approving the remuneration policy and structure and remuneration packages of the Directors and the senior management. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions.

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

截至二零一零年十二月三十一日止年度，由於定立董事會之架構、規模及組成、選定合資格合適人選為董事及委任本集團獨立非執行董事等事項已於二零一零年十二月一日（於股份於二零一零年十二月二十日上市前）所舉行之董事會議完成，提名委員會並無舉行會議。

根據本公司之公司細則第84及85條，本公司執行董事蔣洪春先生及李文晉先生將輪值告退，惟符合資格並願意於二零一零年股東週年大會膺選連任。

董事會推薦重選於本公司二零一一年股東週年大會膺選連任之董事。

本公司日期為二零一一年三月二十八日之通函載有膺選連任董事詳細資料。

薪酬委員會

薪酬委員會於二零一零年十二月一日成立。薪酬委員會主要職責包括就董事及高級管理人員薪酬政策及結構與薪酬待遇作出推薦意見及加以批准。薪酬委員會亦負責制定該等薪酬政策及結構之具透明度程序，確保並無董事或彼任何聯繫人士參與釐定本身薪酬，而薪酬將參考個人及公司表現以及市場常規及情況後釐定。

薪酬委員會一般就審閱薪酬政策及結構以及釐定董事及高級管理人員年度薪酬待遇與其他相關事務舉行會議。人力資源部門負責收集及管理人力資源數據，並向薪酬委員會作出意見，以供其考慮。薪酬委員會須就該等薪酬政策及結構與薪酬待遇意見諮詢主席及／或本公司董事會。

Corporate Governance Report 企業管治報告

For the year ended 31 December 2010, no meeting was held by the Remuneration Committee as matters such as approval of the terms of Director's service contracts have been performed in the Board meeting held on 1 December 2010 before the Listing on 20 December 2010.

RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2010.

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the "Independent Auditor's Report" on pages 56 to 57.

INTERNAL CONTROL

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

截至二零一零年十二月三十一日止年度，由於批准執行董事服務合約等事項已於二零一零年十二月一日（於二零一零年十二月二十日上市前）所舉行之董事會議完成，薪酬委員會並無舉行會議。

有關財務報表之責任

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

董事明瞭彼等編製本公司截至二零一零年十二月三十一日止年度財務報表之責任。

本公司外聘核數師有關彼等申報財務報表責任之聲明載於第56至57頁「獨立核數師報告」。

內部監控

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

Corporate Governance Report 企業管治報告

AUDITORS' REMUNERATION

The external auditors have rendered certain non-audit services to the Company for the year ended 31 December 2010 amounted to approximately HK\$6,000,000. The amount mainly represents non-audit service fees for acting as the reporting accountant in relation to the Listing of the Company. The remuneration paid to the external auditor of the Company in respect of audit services for the year ended 31 December 2010 amounted to approximately HK\$721,000.

SHAREHOLDER RIGHTS AND INVESTOR RELATIONS

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

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

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

核數師酬金

外聘核數師曾於截至二零一零年十二月三十一日止年度向本公司提供若干非核數服務，金額為6,000,000港元。此金額主要為擔任本公司上市的申報會計師之非核數服務費。本公司就截至二零一零年十二月三十一日止年度的核數服務而向外聘核數師支付的酬金約為721,000港元。

股東權利及投資者關係

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

按股數投票表決結果將於股東大會後之營業日，在聯交所網站刊載。

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

Corporate Governance Report 企業管治報告

Separate resolutions are proposed at shareholders' meetings on each substantial issue, including the election of individual Directors.

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

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

On behalf of the Board

NIE Guoming

Chairman

Hong Kong, 17 March 2011

須於股東大會就各重大事項提呈獨立決議案，包括選舉個別董事。

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

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

代表董事會

主席

聶國明

香港，二零一一年三月十七日

Report of the Directors

董事會報告

The Directors submit their report together with the audited financial statements for the year ended 31 December 2010.

GENERAL INFORMATION AND GROUP REORGANISATION

PAX Global Technology Limited (the “Company”) is a limited liability company incorporated in Bermuda. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 20 December 2010 (the “Listing”).

On 8 December 2010, the Company issued a prospectus (the “Prospectus”) and launched a global offering of 319,200,000 ordinary shares comprising 260,000,000 new shares issued by the Company and 59,200,000 shares offered by the Digital Investment Limited and Dream River Limited (the “Global Offering”), at an offer price of HK\$2.88 per share (the “Offer Price”). On 12 January 2011, the over-allotment option in connection with the Global Offering as detailed in the Prospectus (the Over-allotment Option”) was partially exercised and the Company was required to allot and issue an aggregate of 37,728,000 additional shares at the Offer Price. Gross proceeds received by the Company from the Global Offering and the exercise of the Over-allotment Option amounted to HK\$857,457,000 in aggregate, of which HK\$748,800,000 was received from the Global Offering on 20 December 2010 and HK\$108,657,000 was received from the exercise of the Over-allotment Option on 17 January 2011.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding and together with its subsidiaries (collectively referred to as the “Group”) are principally engaged in the development and sales of electronic fund transfer point-of-sale (“EFT-POS”) products and provision of related services.

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

董事會謹此提呈彼等之報告及截至二零一零年十二月三十一日止年度之經審核財務報表。

一般資料及集團重組

百富環球科技有限公司(「本公司」)為一間在百慕達註冊成立之有限責任公司。本公司於二零一零年十二月二十日在香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)。

於二零一零年十二月八日，本公司刊發招股章程(「招股章程」)及按每股2.88港元之發售價(「發售價」)全球發售319,200,000股普通股股份(「全球發售」)，包括260,000,000股本公司發行之新股份及59,200,000股由Digital Investment Limited 和 Dream River Limited發售之股份。於二零一一年一月十二日，有關全球發售之超額配股權(「超額配股權」)(詳情載於招股章程)獲部份行使，而本公司需以發售價配發及發行合共37,728,000股額外股份。本公司在全球發售及行使超額配股權中收取之所得款項總額為857,457,000港元，其中來自全球發售的748,800,000港元於二零一零年十二月二十日取得而來自自行行使超額配股權的108,657,000港元則於二零一一年一月十七日取得。

主要業務及地區業務分析

本公司之主要業務為投資控股連同其附屬公司(統稱「本集團」)主要從事開發及銷售電子支付(「EFT-POS」)產品及提供相關服務。

本集團於本年度之表現按地區劃分之分析載於綜合財務報表附註6。

Report of the Directors

董事會報告

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2010 are set out in the consolidated income statement on page 58.

Profit for the year attributable to equity holders of the Company amounted to HK\$145.4 million, which is consistent with the profit forecast prepared for the Listing.

During the year, no dividends were declared by the consolidated entities to their then respective shareholders (2009: Nil).

RESERVES

Details of the movements in the reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity and in note 23 to the consolidated financial statements.

DONATIONS

Charitable donations were made by the Group during the year amounted to approximately HK\$1.0 million (2009: Nil).

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 15 to the consolidated financial statements.

SHARE CAPITAL AND SHARE OPTIONS

Details of the movements in the Company's share capital are set out in note 22 to the consolidated financial statements.

(a) Cancellation of Employee Incentive Plan of a subsidiary

On 27 April 2009, Hi Sun Technology (China) Limited ("Hi Sun"), the former controlling shareholder of the Company, approved the share option scheme for the issuance of such number of ordinary shares in the capital of Pax Technology Limited ("Pax Technology"), subsidiary of the Company, representing no more than 5% of the total number of shares in issue in the capital of Pax Technology. On 6 December 2010, the board of Directors of Pax Technology terminated the share option scheme in accordance with its scheme rules. No options were granted during the life of the share option scheme. For details of the share option scheme of Pax Technology, please refer to the circular of Hi Sun dated 8 April 2009.

業績及分配

本集團截至二零一零年十二月三十一日止年度之業績載於第58頁之綜合收益表。

本公司權益持有人年內應佔溢利為145.4百萬港元，與準備上市溢利預測一致。

年內，合併實體並無向其當時各自之股東宣派任何股息(二零零九年：無)。

儲備

年內本集團及本公司之儲備變動詳情載於財務報表之綜合權益變動表及綜合財務報表附註23。

捐獻

本集團於本年度作出之慈善捐獻金約為1.0百萬港元(二零零九年：無)。

物業、廠房及設備

本集團物業、廠房及設備之變動詳情載於綜合財務報表附註15。

股本及購股權

本公司股本之變動詳情載於綜合財務報表附註22。

(a) 取消附屬公司僱員獎勵計劃

二零零九年四月二十七日，高陽科技(中國)有限公司(「高陽」)(本公司的前控股股東)批准有關發行佔百富科技有限公司(「百富科技」)(本公司的附屬公司)股本中已發行股份總數不超過5%的百富科技普通股的購股權計劃。於二零一零年十二月六日，百富科技董事會根據計劃規則終止購股權計劃。概無購股權於購股權計劃的年期內授出。有關百富科技購股權計劃的詳情，請參閱高陽於二零零九年四月八日刊發的通函。

Report of the Directors

董事會報告

(b) PAX Share Option Scheme

The Company operates a share option scheme (the "Scheme") for the issuance of in aggregate no more than 10% in nominal amount of the aggregate of Shares in issue on the Listing Date, representing 100,000,000 shares (subject to the terms of the Scheme and the relevant provisions under the Listing Rules) under the Scheme adopted by a resolution of the Board on 1 December 2010.

The purpose of the Scheme is to reward Participants who have contributed or will contribute to the Group and to encourage Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole.

The Scheme became effective on 1 December 2010 and unless otherwise cancelled or amended, will remain valid and effective for the period of 10 years from that date. Up to date of the report, no share option was granted under the scheme.

For details of the PAX Share Option Scheme, please refer to note 22(d) to the consolidated financial statements and the Appendix II of the circular of Hi Sun dated 8 November 2010.

DISTRIBUTABLE RESERVES

As at 31 December 2010, the aggregate amount of reserves available for distribution to the equity holders of the Company, including contributed surplus, other reserves and accumulated losses, was nil.

(b) 百富購股權計劃

本公司之購股權計劃(「該計劃」)於二零一零年十二月一日的董事會決議案採納，發行合共不超過上市日期已發行股份總面值的10%(即100,000,000股股份)(但須按照該計劃之條款及遵守上市規則之有關規定)。

購股權計劃旨在獎勵曾對本集團作出貢獻的員工，並鼓勵參與者為本公司及其股東的整體利益，努力提升本公司及其股份的價值。

該計劃已於二零一零年十二月一日生效，除非另行撤銷或修訂，否則該計劃將自生效當日起十年期間一直有效。截至本報告日期，並無根據百富僱員獎勵計劃授出購股權。

有關百富購股權計劃的詳情，請參閱綜合財務報表附註22(d)及高陽於二零一零年十一月八日刊發的通函附錄二。

可供分派儲備

於二零一零年十二月三十一日，本公司無可供分派予權益持有人之儲備(包括實繳盈餘、其他儲備及累計虧損)。

Report of the Directors

董事會報告

PRE-EMPTIVE RIGHTS

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

FOUR YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last four financial years is set out on page 138.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares from the Listing Date to the date of this report.

DIRECTORS

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

Executive Directors:

NIE Guoming (*Chairman, appointed on 1 December 2010*)

JIANG Hongchun (*Chief Executive Officer, appointed on 24 February 2010*)

LI Wenjin (*appointed on 24 February 2010*)

Independent non-executive Directors:

YIP Wai Ming (*appointed on 1 December 2010*)

WU Min (*appointed on 1 December 2010*)

MAN Kwok Kuen, Charles (*appointed on 1 December 2010*)

優先認股權

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

四年財務概要

本集團於過去四個財政年度之業績及資產與負債概要載於第 138 頁。

購買、出售或贖回證券

由上市日期起至本報告日期期間，本公司或其任何附屬公司概無購買、出售或贖回本公司任何股份。

董事

年內及直至本報告日期之董事為：

執行董事：

聶國明(主席，於二零一零年十二月一日獲委任)

蔣洪春(行政總裁，於二零一零年二月二十四日獲委任)

李文晉(於二零一零年二月二十四日獲委任)

獨立非執行董事：

葉偉明(於二零一零年十二月一日獲委任)

吳敏(於二零一零年十二月一日獲委任)

文國權(於二零一零年十二月一日獲委任)

Report of the Directors

董事會報告

In accordance with the Company's bye-laws 84 and 85, one-third of the Directors of the Company are subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company.

Messrs. Jiang Hongchun and Li Wenjin will retire and, being eligible will offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' SERVICE CONTRACTS

As at the date of this report, each of the executive Directors has entered into a service contract with the Company for a term of three year from 20 December 2010 unless and until terminated by either the Company or the Directors giving to the other not less than a notice of three months.

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

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of the Directors and senior management are set out on pages 5 to 10.

根據本公司之公司細則第84及第85條，本公司三分一董事須至少每三年於本公司股東週年大會上輪值告退及膺選連任。

蔣洪春先生及李文晉先生將退任，而彼等符合資格並願意於應屆股東大會膺選連任。

董事之服務合約

於本報告日期，執行董事已各自與本公司訂立服務合約，任期自二零一零年十二月二十日起計，為期三年，除非及直至本公司或董事向對方發出不少於三個月之通知而終止。

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

董事及高級管理層履歷詳情

董事及高級管理層之履歷詳情載於第5至10頁。

Report of the Directors

董事會報告

DIRECTORS' INTERESTS IN CONTRACTS

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

DIRECTORS' INTEREST IN COMPETING BUSINESS

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

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

As at 31 December 2010, none of the Director and Chief Executive Officer have an interest in shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company under Section 352 of the SFO or as notified to the Company.

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

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 31 December 2010, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors and Chief Executive Officer.

董事於合約之權益

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

董事於競爭業務之權益

概無任何董事於任何與本集團構成競爭之業務中擁有任何權益。

董事及行政總裁於股份、相關股份及債券之權益及淡倉

於二零一零年十二月三十一日，概無董事及行政總裁於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」））之股份、相關股份及債券中擁有已記入本公司根據證券及期貨條例第352條存置之登記冊或已知會本公司之權益。

主要股東於股份及相關股份之權益及淡倉

按本公司根據證券及期貨條例第336條存置之主要股東登記冊所顯示，於二零一零年十二月三十一日，本公司獲知會下列主要股東擁有本公司已發行股本5%或以上之權益及淡倉。該等權益不包括上文所披露有關就董事及行政總裁之權益。

Report of the Directors 董事會報告

Name of shareholder	股東名稱	Class of securities (Note 1) 證券類別 (附註1)	Total number of Shares 股份總數	Approximate percentage of shareholders (Note 2) 概約控股百分比 (附註2)
Hi Sun Technology (China) Limited	高陽科技(中國)有限公司	Ordinary 普通股	444,000,000 (L)	44.40%
Digital Investment Limited (Note 3)	Digital Investment Limited (附註3)	Ordinary 普通股	118,400,000 (L)	11.84%
HAO Capital China Fund L.P. (Note 3)	HAO Capital China Fund L.P. (附註3)	Ordinary 普通股	118,400,000 (L)	11.84%
891 Venture Limited (Note 4)	891 Venture Limited (附註4)	Ordinary 普通股	118,400,000 (L)	11.84%
Dream River Limited (Note 5)	Dream River Limited (附註5)	Ordinary 普通股	118,400,000 (L)	11.84%
HAO Capital Fund II L.P. (Note 5)	HAO Capital Fund II L.P. (附註5)	Ordinary 普通股	118,400,000 (L)	11.84%
HAO Partners L.P. (Note 6)	HAO Partners L.P. (附註6)	Ordinary 普通股	118,400,000 (L)	11.84%
Hao Partners (Holdings) Limited (Note 7)	Hao Partners (Holdings) Limited (附註7)	Ordinary 普通股	118,400,000 (L)	11.84%
Liu Yangsheng (Note 8)	劉揚聲(附註8)	Ordinary 普通股	236,800,000 (L)	23.68%
Bao Lei (Note 9)	暴蕾(附註9)	Ordinary 普通股	236,800,000 (L)	23.68%
Citic Securities Co., Ltd. (Note 10)	中信證券股票有限公司(附註10)	Ordinary 普通股	63,851,000 (L) 47,880,000 (S)	6.39% 4.79%

Notes:

- The letter "L" denotes a long position in Shares, the letter "S" denotes a short position in Shares.
- The percentage is calculated based on the total issued number of the Company as at 31 December 2010.
- Digital Investment Limited is owned as to 95% by HAO Capital China Fund L.P. and 5% by Mr. Max Burger. As such, HAO Capital China Fund L.P. is deemed to be interested in the 118,400,000 Shares owned by Digital Investment by virtue of the SFO.

附註：

- 字母「L」表示於股份的好倉；字母「S」表示於股份的淡倉。
- 百分比乃根據本公司於二零一零年十二月三十一日已發行股份總數計算。
- Digital Investment Limited 分別由 HAO Capital China Fund L.P. 及 Max Burger 先生各擁有 95% 及 5%。因此，HAO Capital China Fund L.P. 根據證券及期貨條例被視為於 Digital Investment 所擁有的 118,400,000 股股份中擁有權益。

Report of the Directors

董事會報告

4. 891 Venture Limited is incorporated in the Cayman Islands and is the general partner of HAO Capital China Fund L.P. As such, 891 Venture Limited is deemed to be interested in 118,400,000 Shares owned by Digital Investment by virtue of the SFO.
 5. Dream River Limited is wholly owned by HAO Capital Fund II L.P. As such, HAO Capital Fund II L.P. is deemed to be interested in 118,400,000 Shares owned by Dream River by virtue of the SFO.
 6. HAO Partners L.P. is the general partner of HAO Capital Fund II L.P. As such, HAO Partners L.P. is deemed to be interested in 118,400,000 Shares owned by Dream River by virtue of the SFO.
 7. Hao Partners (Holdings) Limited is incorporated in the Cayman Islands and is the general partner of HAO Partners L.P.. As such, HAO Capital L.P. is deemed to be interested in 118,400,000 Shares owned by Dream River by virtue of the SFO.
 8. As Mr. Liu Yangsheng controls more than one-third of the voting power at the general meetings of 891 Venture Limited and Hao Partners (Holdings) Limited respectively, he is deemed to be interested in an aggregate of 236,800,000 Shares owned by Digital Investment Limited and Dream River Limited by virtue of the SFO.
 9. Bao Lei, the spouse of Liu Yangsheng, is deemed to be interested in Liu Yangsheng's interest.
 10. Citic Security Co. Ltd. as the stabilizing manager borrowed 47,880,000 Shares from Hi Sun to cover Over-allotment Option in connection with the Global Offering and details of which are set out in the Prospectus.
4. 891 Venture Limited 於開曼群島註冊成立，為 HAO Capital China Fund L.P. 的普通合夥人。因此，891 Venture Limited 根據證券及期貨條例被視為於 Digital Investment 所持 118,400,000 股股份中擁有權益。
 5. Dream River Limited 由 HAO Capital Fund II L.P. 全資擁有。因此，HAO Capital Fund II L.P. 根據證券及期貨條例被視為於 Dream River 所擁有的 118,400,000 股股份中擁有權益。
 6. HAO Partners L.P. 為 HAO Capital Fund II L.P. 的普通合夥人。因此，HAO Partners L.P. 根據證券及期貨條例被視為於 Dream River 所擁有的 118,400,000 股股份中擁有權益。
 7. Hao Partners (Holdings) Limited 於開曼群島註冊成立，為 HAO Partners L.P. 的普通合夥人。因此，HAO Capital L.P. 根據證券及期貨條例被視為於 Dream River 所擁有的 118,400,000 股股份中擁有權益。
 8. 由於劉揚聲先生於 891 Venture Limited 及 Hao Partners (Holdings) Limited 的股東大會上控制投票權超逾三分之一，故彼根據證券及期貨條例被視為於 Digital Investment Limited 及 Dream River Limited 所擁有的 236,800,000 股股份中擁有權益。
 9. 暴蕾(劉揚聲的配偶)，被視為於劉揚聲的權益中擁有權益。
 10. 中信證券股票有限公司(作為穩定價格操作人)向高陽借取 47,880,000 股股份以補充有關全球發售之超額配股權，其詳情載於招股章程內。

Report of the Directors 董事會報告

CONNECTED TRANSACTIONS

The Group has occupied and rented office premises owned by Hi Sun in Beijing under a tenancy agreement (Details are set out in note 29(a) to the Financial Statements). Based on the agreed annual rental of each of the tenancy agreement, as each of the applicable percentage ratios (other than the profit ratio) of the transactions contemplated under the tenancy agreements are on an annual basis less than 0.1%, the tenancy agreements will constitute de minimis continuing connected transactions which is exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

There was no related party transaction which constituted connected transaction or continuing connected transaction not exempted under Rule 14A.31 or Rule 14A.33 of the Listing Rules during the year ended 31 December 2010. The Group has complied with the disclosure requirements in accordance with chapter 14A of the Listing Rules in respect of such transaction.

MANAGEMENT CONTRACTS

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

DEED OF NON-COMPETITION AND CONFLICTS OF INTERESTS

Hi Sun has pursuant to the deed of non-competition dated 1 December 2010 between the Company and Hi Sun, undertaken to the Company that, among other things, at any time during which the Shares are listed on the Stock Exchange or any stock exchange recognized under the SFO and for so long as it remains the controlling shareholder of the Company, Hi Sun will not, and will procure that its subsidiaries (other than the Group) will not directly or indirectly engage or otherwise be interested in the design, manufacture and/or sale of EFT-POS products and the provision of related services in the PRC, Hong Kong or any part of the world in which any member of the Group may from time to time operate. The undertaking does not apply to Hi Sun's interests in the Shares (including the exercise of any right as a shareholder) and any interests held by Hi Sun and its associates in up to 5% of any class of listed securities of a company that engages in the business of the Group.

關連交易

本集團根據租賃合同佔用及租賃由高陽擁有之位於北京之辦公室單位(詳情載於財務報表附註29(a))。按照租賃協議的協定年租金,由於該等租賃協議項下擬進行交易的各適用百分比率(溢利比率除外)按年度基準計算低於0.1%,故根據上市規則第14A章,該等租賃協議將構成一項最低限額持續關連交易,獲豁免遵守申報、公佈及獨立股東批准的規定。

於截至二零一零年十二月三十一日止年度,概無構成關連交易或持續關連交易但未能根據上市規則第14A.31條或14A.33條獲豁免之關連交易。本集團已遵守根據上市規則第14A章關於該等交易之披露規定。

管理合約

年內,概無訂立或存在任何與本公司全部或任何重大業務部分相關之管理及行政合約。

不競爭契據及利益衝突

根據本公司與高陽於二零一零年十二月一日訂立的不競爭契據,高陽已向本公司承諾,(其中包括)於股份在聯交所或證券及期貨條例所認可的任何證券交易所上市期間的任何時間,只要其仍為本公司控股股東,則高陽將不會並將促使其附屬公司(本集團除外)不會直接或間接從事在中國、香港或本集團成員公司可能不時經營業務的全球任何地方設計、生產及/或銷售EFT-POS產品及提供相關服務或於其中擁有權益。該承諾並不適用於高陽於股份的權益(包括行使作為股東的任何權利)以及高陽及其聯繫人所持有的任何權益而有關權益最多達從事本集團業務的任何公司的任何類別上市證券5%。

Report of the Directors 董事會報告

Hi Sun has undertaken to the Company that, if any time that the Group or our independent non-executive Directors have reasonable cause to believe that Hi Sun may be in breach of the non-compete undertaking, against undertaking of the Company to keep the information received confidential except for disclosures of such information as may be necessary to comply with our legal or regulatory obligations, or such information that is already in the public domain other than as a result of our breach of the confidentiality undertaking or for the purposes of enforcement of the non-compete undertaking, Hi Sun will at our or our independent non-executive Directors' request provide all such information that it possesses and may be lawfully disclosed pertaining to such request so as to enable us or our independent non-executive Directors to make an informed assessment as to whether or not there has in fact been a breach of the non-compete undertaking. On 11 January 2011, Hi Sun signed an annual declaration of compliance with the Deed of Non-competition. Hi Sun has complied with the non-compete undertaken given above.

None of the Directors of Hi Sun nor the Company have any interest in any competing business that is discloseable under Rule 8.10(1) and Rule 8.10(2), respectively, of the Listing Rules. In respect of any other conflicts of interest that may arise between the Group and Hi Sun Group, common directors between the two groups or any director with an interest in the relevant transaction(s) will be required to abstain from voting on the relevant Board resolutions.

MAJOR CUSTOMERS AND SUPPLIERS

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

Purchases

– the largest supplier	9.4%
– five largest suppliers combined	23.5%

Sales

– the largest customer	24.3%
– five largest customers combined	61.2%

高陽已向本公司承諾，倘任何時候本集團或我們的獨立非執行董事有合理理由相信高陽可能違反不競爭承諾、違反本公司將所收到資料保密的承諾(惟因遵守我們的法律或監管責任而可能須披露有關資料除外)或有關資料已公開(因我們違反保密承諾而導致者除外)或為執行不競爭承諾除外，高陽將應我們或我們的獨立非執行董事要求提供其管有並可合法就此要求披露的所有資料，以使我們或我們的獨立非執行董事就是否有違反不競爭承諾作出知情評估。於二零一一年一月十一日，高陽簽署不競爭契據之年度遵守聲明。高陽已遵守上文所作之不競爭保證。

概無高陽或本公司的董事於任何競爭業務中擁有權益而須分別根據上市規則第8.10(1)條及第8.10(2)條予以披露。就本集團與高陽集團之間可能產生的任何其他利益衝突而言，兩家集團的共同董事或於相關交易中擁有權益的任何董事須就相關董事會決議案放棄投票。

主要客戶及供應商

年內，本集團主要供應商和客戶的應佔採購和銷售百分比如下：

採購

– 最大供應商	9.4%
– 五大供應商合計	23.5%

銷售

– 最大客戶	24.3%
– 五大客戶合計	61.2%

Report of the Directors 董事會報告

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

SUBSEQUENT EVENTS

On 12 January 2011, the Over-allotment Option was partially exercised and the Company issue an aggregate of 37,728,000 additional shares at the Offer Price of HK\$2.88 per share. Gross proceeds in relation to the over-allotment amounted to HK\$108,657,000 and was received by the Company on 17 January 2011.

PENSION SCHEME

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

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

SUFFICIENCY OF PUBLIC FLOAT

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

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

結算日後事項

於二零一一年一月十二日，超額配股權獲部份行使，而本公司以發售價每股2.88港元發行合共37,728,000股額外股份。有關超額配售之所得款項金額為108,657,000港元，由本公司於二零一一年一月十七日取得。

退休金計劃

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

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

足夠公眾持股量

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

Report of the Directors

董事會報告

COMPLIANCE ADVISER'S INTERESTS

Pursuant to the compliance adviser agreement dated 16 November 2010 entered into between the Company and First Shanghai Capital Limited, First Shanghai Capital Limited has been appointed as the compliance adviser as required under the Listing Rules for the period from the Listing Date to the date on which the Company complies with Rule 13.46 of the Listing Rules in respect of the Company's financial results for the year ending 31 December 2011. First Shanghai Capital Limited has received a fee for acting as the Company's compliance adviser during the period.

As at 31 December 2010, each of Wise Success Investments Limited, First Shanghai China Equity Fund Limited and an employee of First Shanghai Securities Limited held 400,000 shares, 240,000 shares and 6,000 shares of the Company respectively. Wise Success Investments Limited, First Shanghai China Equity Fund Limited and First Shanghai Securities Limited are all fellow subsidiaries of First Shanghai Capital Limited.

As notified by First Shanghai Capital Limited, save as disclosed above, neither First Shanghai Capital Limited nor its respective directors, employees or associates (as defined in the Listing Rules) had any interest in the shares of the Company, or had any options or rights to subscribe for or to nominate persons to subscribe for the shares of the Company as at 31 December 2010.

AUDITOR

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

Nie Guoming

Chairman

Hong Kong, 17 March 2011

合規顧問之權益

根據本公司與第一上海融資有限公司於二零一零年十一月十六日訂立之合規顧問協議，第一上海融資有限公司已根據上市規則的規定，由上市日期起至本公司根據上市規則第13.46條公佈其截至二零一一年十二月三十一日止年度之財務業績的日期止期間擔任合規顧問。第一上海融資有限公司已於該段期間就擔任本公司合規顧問收取費用。

於二零一零年十二月三十一日，Wise Success Investments Limited、First Shanghai China Equity Fund Limited及第一上海證券有限公司之一名僱員分別持有400,000股、240,000股及6,000股本公司股份。Wise Success Investments Limited、First Shanghai China Equity Fund Limited及第一上海證券有限公司均為第一上海融資有限公司之同系附屬公司。

按第一上海融資有限公司所知會，除上文披露者外，於二零一零年十二月三十一日，第一上海融資有限公司或其董事、僱員或聯繫人士（按上市規則所界定）於本公司股份中，概無擁有任何權益，或擁有任何可認購本公司股份之購股權或權利，或提名他人認購本公司股份之權利。

核數師

羅兵咸永道會計師事務所已審核財務報表，而羅兵咸永道會計師事務所即將任滿告退，惟符合資格獲重新委任。

代表董事會

主席

聶國明

香港，二零一一年三月十七日

Independent Auditor's Report 獨立核數師報告



羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong

Independent Auditor's Report To the shareholders of PAX Global Technology Limited (incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of PAX Global Technology Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 58 to 137, which comprise the consolidated and company balance sheets as at 31 December 2010, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

獨立核數師報告 致百富環球科技有限公司股東 (於百慕達註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審計列載於第58至137頁百富環球科技有限公司(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表。此綜合財務報表包括於二零一零年十二月三十一日的綜合和公司資產負債表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋資料。

董事就合併財務報表須承擔的責任

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

核數師的責任

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

Independent Auditor's Report

獨立核數師報告

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

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

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2010, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 17 March 2011

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

審計涉及執行情序以獲取有關綜合財務報表所載金額及披露資料的審計憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製綜合財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的合適性及作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零一零年十二月三十一日的事務狀況，及 貴集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零一一年三月十七日

Consolidated Income Statement 綜合收益表

				Year ended 31 December	
				截至十二月三十一日止年度	
				2010	2009
				二零一零年	二零零九年
				HK\$'000	HK\$'000
				千港元	千港元
Revenue	營業額	5	723,610	492,942	
Cost of sales	銷售成本	7	(431,740)	(300,082)	
Gross profit	毛利		291,870	192,860	
Other income	其他收入	5	27,390	10,479	
Selling expenses	銷售開支	7	(74,371)	(59,083)	
Administrative expenses	行政費用	7	(72,381)	(43,744)	
Operating profit	經營溢利		172,508	100,512	
Finance costs	融資成本	10	–	(429)	
Profit before income tax	除所得稅前溢利		172,508	100,083	
Income tax expense	所得稅開支	11	(27,085)	(15,532)	
Profit for the year attributable to equity holders of the Company	本公司權益持有人應佔年度溢利		145,423	84,551	
Earnings per share for the profit attributable to equity holders of the Company during the year (expressed in HK\$ per share)	年內本公司權益持有人應佔溢利之每股盈利 (以每股港元呈列)				
– Basic	– 基本	13	0.194	0.114	
– Diluted	– 攤薄	13	0.194	0.114	

The notes on pages 65 to 137 are an integral part of these consolidated financial statements.

第65至137頁之附註乃綜合財務報表之其中部分。

Consolidated Statement of Comprehensive Income

綜合全面收益表

		Year ended 31 December	
		截至十二月三十一日止年度	
		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
Profit for the year	年內溢利	145,423	84,551
Other comprehensive income	其他全面收益		
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	17,526	—
Total comprehensive income for the year attributable to equity holders of the Company	本公司權益持有人應佔年內全面收益總額	162,949	84,551

The notes on pages 65 to 137 are an integral part of these consolidated financial statements.

第65至137頁之附註乃綜合財務報表之其中部分。

Consolidated Balance Sheet

綜合資產負債表

		As at 31 December	
		於十二月三十一日	
		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
		<u> </u>	<u> </u>
ASSETS	資產		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	15 11,194	9,168
Leasehold land	租賃土地	16 231	225
		<u> </u>	<u> </u>
Total non-current assets	非流動資產總額	11,425	9,393
Current assets	流動資產		
Inventories	存貨	18 148,520	110,558
Deposits and other receivables	按金及其他應收款項	19 7,001	2,989
Trade and bills receivables	應收賬款及應收票據	19 269,042	198,647
Restricted cash	受限制現金	20 2,846	1,740
Cash at bank and on hand	銀行及手上現金	21 1,066,526	242,380
		<u> </u>	<u> </u>
Total current assets	流動資產總額	1,493,935	556,314
Total assets	資產總額	1,505,360	565,707
EQUITY	權益		
Capital and reserves attributable to equity holders of the Company	本公司權益持有人應佔股本及儲備		
Share capital	股本	22 100,000	–
Reserves	儲備	23 1,187,111	423,061
		<u> </u>	<u> </u>
Total equity	權益總額	1,287,111	423,061

The notes on pages 65 to 137 are an integral part of these consolidated financial statements.

第65至137頁之附註乃綜合財務報表之其中部分。

Consolidated Balance Sheet 綜合資產負債表

		As at 31 December 於十二月三十一日	
		2010 二零一零年	2009 二零零九年
		HK\$'000 千港元	HK\$'000 千港元
		Notes 附註	
LIABILITIES	負債		
Current liabilities	流動負債		
Trade payables	應付賬款	24	143,033
Other payables and accruals	其他應付賬款及應計款項	24	55,735
Taxation payable	應付稅項		19,481
Total current liabilities and liabilities	流動負債及負債總額		218,249
Total equity and liabilities	權益及負債總額		1,505,360
Net current assets	流動資產淨值		1,275,686
Total assets less current liabilities	資產總值減流動負債		1,287,111

On behalf of the Board
代表董事會

NIE GUOMING
聶國明
Director
董事

LI WENJIN
李文晉
Director
董事

The notes on pages 65 to 137 are an integral part of these consolidated financial statements.

第65至137頁之附註乃綜合財務報表之其中部分。

Balance Sheet

資產負債表

		Notes 附註	As at 31 December 2010 於二零一零年 十二月三十一日 HK\$'000 千港元
ASSETS	資產		
Non-current assets	非流動資產		
Investment in a subsidiary	於附屬公司之投資	17	<u>528,103</u>
Total non-current assets	非流動資產總額		<u>528,103</u>
Current assets	流動資產		
Cash at bank and on hand	銀行及手上現金	21	<u>697,082</u>
Total current assets	流動資產總額		<u>697,082</u>
Total assets	資產總額		<u>1,225,185</u>
EQUITY	權益		
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益		
Shares Capital	股本	22	<u>100,000</u>
Reserves	儲備	23	<u>1,120,807</u>
Total equity	權益總額		<u>1,220,807</u>
LIABILITIES	負債		
Current liabilities	流動負債		
Other payables and accruals	其他應付款項及應計款項	24	<u>4,378</u>
Total current liabilities and liabilities	流動負債及負債總額		<u>4,378</u>
Total equity and liabilities	權益及負債總額		<u>1,225,185</u>
Net current assets	流動資產淨值		<u>692,704</u>
Total assets less current liabilities	資產總值減流動負債		<u>1,220,807</u>

On behalf of the Board
代表董事會

NIE GUOMING
聶國明
Director
董事

LI WENJIN
李文晉
Director
董事

The notes on pages 65 to 137 are an integral part of these consolidated financial statements.

第65至137頁之附註乃綜合財務報表之其中部分。

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

		Attributable to the equity holders of the Company 本公司權益持有人應佔					
		Reserves 儲備					Total equity 權益總額 HK\$'000 千港元
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Exchange reserve 外匯儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	
For the year ended 31 December 2010	截至二零一零年十二月 三十一日止年度						
Balance at 1 January 2010	於二零一零年一月一日之結餘	-	-	113,125	19,328	290,608	423,061
Comprehensive income	全面收益						
Profit for the year	年內溢利	-	-	-	-	145,423	145,423
Other comprehensive income	其他全面收益						
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	-	-	-	17,526	-	17,526
Total comprehensive income	全面收益總額	-	-	-	17,526	145,423	162,949
Transactions with owners	與擁有人之交易						
Allotment of shares pursuant to the Reorganisation (Note 1.1)	根據重組配發股份(附註1.1)	25,000	503,103	(528,103)	-	-	(25,000)
Shares issued under the capitalisation issue (Note 22(b)(i))	根據資本化發行之已發行股份(附註22(b)(i))	49,000	(49,000)	-	-	-	(49,000)
Shares issued pursuant to the Global Offering (Note 22(b)(ii))	根據全球發售發行之股份(附註22(b)(ii))	26,000	675,101	-	-	-	701,101
		100,000	1,129,204	(528,103)	-	-	601,101
Balance at 31 December 2010	於二零一零年十二月 三十一日結餘	100,000	1,129,204	(414,978)	36,854	436,031	1,187,111
For the year ended 31 December 2009	截至二零零九年十二月 三十一日止年度						
Balance at 1 January 2009	於二零零九年一月一日之結餘	-	-	113,125	19,328	206,057	338,510
Comprehensive income	全面收益						
Profit for the year	年內溢利	-	-	-	-	84,551	84,551
Total comprehensive income	全面收益總額	-	-	-	-	84,551	84,551
Balance at 31 December 2009	於二零零九年十二月 三十一日之結餘	-	-	113,125	19,328	290,608	423,061

The notes on pages 65 to 137 are an integral part of these consolidated financial statements.

第65至137頁之附註乃綜合財務報表之其中部分。

Consolidated Cash Flow Statement

綜合現金流量表

		Year ended 31 December 截至十二月三十一日止年度	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
		Notes 附註	
Cash flows from operating activities	經營業務之現金流量		
Cash generated from operations	經營所得現金	26(a)	140,236
Interest paid	已付利息		(429)
Income tax paid	已付所得稅		(4,156)
			<hr/>
Net cash generated from operating activities	經營業務所得現金淨額		118,220
			150,964
Cash flows from investing activities	投資活動之現金流量		
Purchase of property, plant and equipment	購置物業、廠房及設備		(4,560)
Interest received	已收利息		928
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之款項	26(b)	233
			<hr/>
Net cash used in investing activities	投資活動所用現金淨額		(3,399)
			(2,571)
Cash flows from financing activities	融資活動之現金流量		
Proceeds from issuance of ordinary shares pursuant to the Global Offering	根據全球發售發行普通股所得款項		748,800
Payment of share issue expenses	支付發行股份開支		(47,699)
Repayments of short term bank borrowings	償還短期銀行借貸		(15,209)
Increase in restricted cash	受限制現金增加		(1,106)
			<hr/>
Net cash generated from/(used in) financing activities	融資活動產生/(所用)現金淨額		699,995
			(15,837)
Net increase in cash and cash equivalents	現金及現金等價物之增加淨額		814,816
Exchange gains on cash and cash equivalents	現金及現金等價物之匯兌收益		9,330
Cash and cash equivalents at beginning of the year	年初現金及現金等價物		242,380
			<hr/>
Cash and cash equivalents at end of the year	年終現金及現金等價物	21	1,066,526
			242,380

The notes on pages 65 to 137 are an integral part of these consolidated financial statements.

第65至137頁之附註乃綜合財務報表之其中部分。

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

1 GENERAL INFORMATION AND GROUP REORGANISATION

PAX Global Technology Limited (the “Company”) is a limited liability company incorporated in Bermuda. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 20 December 2010 (the “Listing”). The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

On 8 December 2010, the Company issued a prospectus (the “Prospectus”) and launched a global offering of 319,200,000 ordinary shares, comprising 260,000,000 new shares issued by the Company and 59,200,000 shares offered by the Selling Shareholders (as defined in Note 1.1 below) (the “Global Offering”), at an offer price of HK\$2.88 per share (the “Offer Price”). On 12 January 2011, the over-allotment option in connection with the Global Offering as detailed in the Prospectus (the “Over-allotment Option”) (Note 22(c)) was partially exercised and the Company was required to allot and issue an aggregate of 37,728,000 addition shares at the Offer Price. Gross proceeds received by the Company from the Global Offering and the exercise of Over-allotment Option amounted to HK\$857,457,000 in aggregate, of which Option HK\$748,800,000 was received from the Global Offering on 20 December 2010 and HK\$108,657,000 was received from the exercise of the Over-allotment Option on 17 January 2011.

The Company is an investment holding company and together with its subsidiaries (collectively referred to as the “Group”) are principally engaged in the development and sale of electronic fund transfer point-of-sale (“EFT-POS”) products and provision of related services (collectively, the “EFT-POS terminal solutions business”).

As the Company was only incorporated on 15 February 2010, there are no comparative figures in the Company’s balance sheet as at 31 December 2009.

These financial statements are presented in thousands units of Hong Kong dollars (“HK\$”), unless otherwise stated. These financial statements have been approved for issue by the Board of Directors on 17 March 2011.

1 一般資料及集團重組

百富環球科技有限公司(「本公司」)為一間在百慕達註冊成立之有限責任公司。本公司於二零一零年十二月二十日在香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)。本公司註冊辦事處的地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

於二零一零年十二月八日，本公司刊發招股章程(「招股章程」)及按每股2.88港元之發售價(「發售價」)全球發售319,200,000股普通股股份(「全球發售」)，包括260,000,000股本公司發行之新股份及59,200,000股由出售股東(按附註1.1所界定)發售之股份。於二零一一年一月十二日，有關全球發售之超額配股權(「超額配股權」)(詳情載於招股章程)(附註22(c))獲部份行使，而本公司需以發售價配發及發行合共37,728,000股額外股份。本公司在全球發售及行使超額配股權中收取之所得款項總額為857,457,000港元，其中來自全球發售的748,800,000港元於二零一零年十二月二十日取得，而來自行使超額配股權的108,657,000港元則於二零一一年一月十七日取得。

本公司為一間投資控股公司，連同其附屬公司(統稱「本集團」)主要從事開發及銷售電子支付(「EFT-POS」)產品及提供相關服務(統稱「EFT-POS 終端機解決方案業務」)。

由於本公司僅於二零一零年二月十五日註冊成立，故此本公司於二零零九年十二月三十一日之資產負債表內並無比較數字。

除另有所指外，此等綜合財務報表以千港元(「港元」)為單位呈列。此等財務報表於二零一一年三月十七日獲董事會批准刊發。

Notes to the Consolidated Financial Statements

綜合財務報表附註

1 GENERAL INFORMATION AND GROUP REORGANISATION (continued)

1.1 Reorganisation

Prior to spin-off of the EFT-POS terminal solutions business for the Listing of the Company, the then ultimate holding company of the Company is Hi Sun Technology (China) Limited (“Hi Sun”), whose shares are listed on the Main Board of the Stock Exchange, which operated the EFT-POS terminal solutions business and other businesses, including the provision of telecommunication solutions and operation value-added services, provision of financial solutions, services and related products, provision of payment solutions and services and the sales and manufacturing of electronic power meters and solutions through various subsidiaries. In preparation for the Listing of the Company, Hi Sun underwent a group reorganisation (the “Reorganisation”), pursuant to which the companies engaged in the EFT-POS terminal solutions business were transferred to the Company and then the Company became the holding company of the consolidated entities. The Reorganisation mainly involved the following:

- (i) On 4 November 2010, the Company entered into an agreement with Hi Sun to acquire 100% equity interest in Grand Global International Limited (“Grand Global”). Grand Global held 60% equity interest in Pax Technology Limited (“Pax Technology”), which in turn held 100% equity interest in Pax Computer Technology (Shenzhen) Co., Ltd. (“Pax Computer Shenzhen”) and Pax Technology, Inc. The Company credited as fully paid the one nil paid shares held by Hi Sun and allotted 149,999,999 shares as fully paid to Hi Sun in exchange for the equity interests in Grand Global;

1 一般資料及集團重組(續)

1.1 重組

於為本公司上市而分拆EFT-POS終端機解決方案業務前，本公司當時之最終控股公司為高陽科技(中國)有限公司(「高陽」)(該公司股份於聯交所主板上市)，營運EFT-POS終端機解決方案業務及其他業務，包括透過多家附屬公司提供電訊解決方案及運營增值服務，提供金融解決方案、服務及相關產品，提供支付解決方案及服務以及銷售及製造電能計量產品及解決方案。為籌備本公司上市，高陽進行集團重組(「重組」)，據此，從事EFT-POS終端機解決方案業務的各公司轉讓予本公司，本公司於重組後成為合併實體的控股公司。重組主要涉及以下方面：

- (i) 於二零一零年十一月四日，本公司與高陽訂立協議，收購Grand Global International Limited(「Grand Global」)的100%股權。Grand Global持有百富科技有限公司(「百富科技」)的60%股權，而百富科技則持有百富計算機技術(深圳)有限公司及Pax Technology, Inc.的100%股權。本公司將高陽持有的一股未繳股款股份入賬列為繳足並向高陽配發149,999,999股股份作為繳足股款股份，以換取Grand Global的股權；

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

1 GENERAL INFORMATION AND GROUP REORGANISATION (continued)

1.1 Reorganisation (continued)

- (ii) On 5 November 2010, the Company entered into a share swap agreement (the “Share Swap”) with Digital Investment Limited (“Digital Investment”) and Dream River Limited (“Dream River”) (the “Selling Shareholders”) for the acquisition of their entire shareholding in Pax Technology, one of the subsidiaries of the Group, in consideration of allotting credited as fully paid 50,000,000 ordinary shares to each of Digital Investment and Dream River. The Share Swap was completed on 14 December 2010.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

Immediately prior to and following the Reorganisation, there is no change in the shareholders of the Group which are Hi Sun, Digital Investment and Dream River. The EFT-POS terminal solutions business is mainly conducted through Pax Technology, Pax Computer Shenzhen and Pax Technology, Inc., which are the subsidiaries of the Company. The Company has not involved in any business before the Reorganisation. The Reorganisation, which was completed before the Listing upon the Share Swap with Digital Investment and Dream River as described in Note 1.1 above, merely involved putting together of all subsidiaries originally carrying on the EFT-POS terminal solutions business of Hi Sun with the insertion of the Company for the purpose of Listing. Accordingly, the consolidated financial statements of the Group has been prepared on a consolidation basis and is presented using the carrying values of the EFT-POS terminal solutions business under the Group for both of years presented.

1 一般資料及集團重組(續)

1.1 重組(續)

- (ii) 於二零一零年十一月五日，本公司與Digital Investment Limited (「Digital Investment」) 及Dream River Limited (「Dream River」) (「出售股東」) 訂立換股協議(「換股」)，以收購彼等於本集團其中一間附屬公司百富科技的全部股權，代價為向Digital Investment及Dream River各自配發50,000,000股入賬列作繳足的普通股股份。有關換股已於二零一零年十二月十四日完成。

2 主要會計政策概要

2.1 編製基準

緊接重組前及緊隨重組後，本集團的股東概無任何變動，而該等股東為高陽、Digital Investment及Dream River。EFT-POS終端機解決方案業務主要由本公司的子公司百富科技、百富計算機技術(深圳)有限公司及Pax Technology, Inc.經營。本公司於重組前並無參與任何業務。重組於上市前(上文附註1.1所述與Digital Investment及Dream River換股時完成)為達到上市目的僅涉及將高陽原先所有進行EFT-POS終端機解決方案業務的附屬公司與本公司合併。因此，本集團綜合財務報表經已按照綜合基準編製，並以本集團於呈列年度內的EFT-POS終端機解決方案業務賬面值呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

Intercompany transactions, balances and unrealised gains on transactions are eliminated on consolidation.

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

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants. The consolidated financial statements have been prepared under the historical cost convention.

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

2 主要會計政策概要(續)

2.1 編製基準(續)

公司間交易、結餘及因交易而產生的未變現收益於合併時予以對銷。

編製綜合財務報表所採用的主要會計政策載列如下。除另有說明外，該等政策於所有所呈列年度一直貫徹應用。

本公司之綜合財務報表已根據香港會計師公會頒佈之香港財務報告準則(「香港財務報告準則」)編製。綜合財務報表則已按歷史成本法編製。

編製符合香港財務報告準則的財務報表需使用若干重要會計估計，並要求管理層在應用本集團會計政策時作出判斷。涉及更高程度判斷或複雜性的領域或假設及估計對綜合財務報表而言屬重要的領域於下文附註4披露。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

(a) New standards, amendments and interpretations have been issued but are not effective for the financial year beginning 1 January 2010 and have not been early adopted:

- HKAS 24 (Revised), 'Related party disclosures'²
- HKFRS 9, 'Financial instruments'¹
- HK(IFRIC) Int 19, 'Extinguishing financial liabilities with equity instruments'⁴
- Amendments to HKAS 1, 'Presentation of Financial Statements'²
- Amendments to HKAS 27, 'Consolidated and separate financial statements'²
- Amendments to HKAS 34, 'Interim Financial Reporting'²
- Amendments to HKAS 32, 'Classification of rights issues'³
- Amendments to HKFRS 1, 'Limited exemption from comparative HKFRS 7 disclosures for first-time adopters'⁴
- Amendments to HKFRS 1, 'First-time Adoption of Hong Kong Financial Reporting Standards'²
- Amendments to HKFRS 3 (Revised), 'Business Combinations'⁴

2 主要會計政策概要(續)

2.1 編製基準(續)

(a) 已公佈但於二零一零年一月一日未生效及無提早採納的新準則、修改和解釋：

- 香港會計準則第24號(經修訂)「關連方披露」²
- 香港財務報告準則第9號「金融工具」¹
- 香港(國際財務報告詮釋委員會)第19號「以權益工具抵銷財務負債」⁴
- 香港會計準則第1號「財務報表呈列」之修訂²
- 香港會計準則第27號「綜合及獨立財務報表」之修訂²
- 香港會計準則第34號「中期財務報告」之修訂²
- 香港會計準則第32號「供股之分類」之修訂³
- 香港財務報告準則第1號「首次採納者有關香港財務報告準則第7號比較披露資料之有限豁免」之修訂⁴
- 香港財務報告準則第1號「首次採納香港財務報告準則」之修訂²
- 香港財務報告準則第3號(經修訂)「業務合併」之修訂⁴

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

(a) New standards, amendments and interpretations have been issued but are not effective for the financial year beginning 1 January 2010 and have not been early adopted: (continued)

- Amendments to HKFRS 7, 'Financial Instruments: Disclosures'²
- Amendments to HK(IFRIC) Int 13, 'Customer Loyalty Programmes'²
- Amendments to HK(IFRIC) Int 14, 'Prepayments of a minimum funding requirement'²
- Amendments to HKAS 12, 'Income taxes'⁵

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

² Effective for annual periods beginning on or after 1 January 2011.

³ Effective for annual periods beginning on or after 1 February 2010.

⁴ Effective for annual periods beginning on or after 1 July 2010.

⁵ Effective for annual periods beginning on or after 1 January 2012.

The Group has already commenced an assessment of the impact of the new standards, amendments to the standards and interpretations but is not yet in a position to state whether these new standards, amendments to standards and interpretations would have a significant impact to the Group's results of operations and financial position.

2 主要會計政策概要(續)

2.1 編製基準(續)

(a) 已公佈但於二零一零年一月一日未生效及無提早採納的新準則、修改和解釋：(續)

- 香港財務報告準則第7號「金融工具：披露」之修訂²
- 香港(國際財務報告詮釋委員會)第13號「客戶忠誠計劃」之修訂²
- 香港(國際財務報告詮釋委員會)第14號「最低資金預付款規定」之修訂²
- 香港會計準則第12號「所得稅」之修訂⁵

¹ 於二零一三年一月一日或之後開始之年度期間生效。

² 於二零一一年一月一日或之後開始之年度期間生效。

³ 於二零一零年二月一日或之後開始之年度期間生效。

⁴ 於二零一零年七月一日或之後開始之年度期間生效。

⁵ 於二零一二年一月一日或之後開始之年度期間生效。

本集團已著手對新準則、對準則之修訂及詮釋之影響進行評估，但尚未確定該等新準則、對準則之修訂及詮釋是否對本集團之經營業績及財務狀況造成重大影響。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Consolidation and combination

(a) Subsidiaries

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

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

Investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment.

The results of subsidiaries are accounted by the Company on the basis of dividend received and receivable.

2 主要會計政策概要(續)

2.2 綜合及合併

(a) 附屬公司

附屬公司指本集團有權管理其財務及營運政策，且一般而言擁有其過半數投票權的所有實體。於評估本集團是否控制另一實體時，會考慮現時可行使或可轉換的潛在投票權的存在及影響。附屬公司由控制權轉讓予本集團當日起全面綜合，並於控制權終止當日取消綜合。

除重組外，會計的收購法乃用作本集團業務合併的入賬方法。於收購一間附屬公司時所轉讓的代價為本集團所轉讓資產、所發行股本工具及所產生或承擔負債的公平值。所轉讓的代價包括或有代價安排產生的任何資產或負債的公平值。收購相關成本在產生時支銷。在業務合併中所收購可識別的資產以及所承擔的負債及或有負債，初步以彼等於收購日期的公平值計量。對於個別收購基準，本集團按公平值或按非控股權益應佔被收購方資產淨值的比例，確認被收購方的任何非控股權益。

於附屬公司之投資按成本減減值入賬。成本亦包括歸屬直接投資之成本。

附屬公司之業績由本公司按所收取及應收股息入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Consolidation and combination (continued)

(a) Subsidiaries (continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

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

2.3 Segment reporting

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

2 主要會計政策概要(續)

2.2 綜合及合併(續)

(a) 附屬公司(續)

所轉讓代價的差額、被收購方的任何非控股權益數額，以及被收購方任何之前權益在收購日期的公平值超過本集團應佔所收購可識別資產淨值的公平值乃記錄為商譽。若該數額低於所購入附屬公司資產淨值的公平值，該差額直接在綜合收益表中確認。

公司間交易、結餘及因交易而產生的未變現收益予以對銷。除非交易提供證據顯示所轉讓的資產出現減值，否則未變現虧損亦予以抵銷。附屬公司的會計政策已作必要修改，以確保與本集團所採納之政策保持一致。

2.3 分部報告

經營分部乃以與向主要經營決策者提交內部報告一致的方式呈報。主要經營決策者負責於有關期間分配資源、評估經營分部的表現及作出策略決策，已被確認為就合併實體作出策略決策的董事會。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Foreign currency translation

(a) *Functional and presentation currency*

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates or the currency in which funds from financing activities are generated (the "functional currency") (Note 4(b)). The consolidated financial statements are presents in HK\$, which is the Company's functional currency and the Group's presentation currency.

(b) *Transactions and balances*

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

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

2 主要會計政策概要(續)

2.4 外幣換算

(a) *功能及呈報貨幣*

本集團各實體於綜合財務報表內入賬的項目採用實體經營所在主要經濟環境的貨幣或融資活動產生資金的貨幣(「功能貨幣」)(附註4(b))計量。綜合財務報表以港元呈報，該貨幣為本公司及本集團的呈報貨幣。

(b) *交易及結餘*

外幣交易按交易當日有關項目價值重新計量適用的匯率換算為功能貨幣。因結算交易及按年末/期末匯率換算以外幣列值的貨幣資產及負債產生的外匯損益均於綜合收益表確認。

非貨幣金融資產與負債(如按公平值計入溢利或虧損之股權)之匯兌差額於損益中確認為公平值收益或虧損之一部分。非貨幣金融資產(如按持作出售分類之權益)之匯兌差額計入其他全面收益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Foreign currency translation (continued)

(c) Group companies

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

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

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to other comprehensive income. When a foreign operation is sold, exchange differences that were recorded in equity are recognised in the consolidated income statement as part of the gain or loss on sale.

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

2 主要會計政策概要(續)

2.4 外幣換算(續)

(c) 集團公司

功能貨幣與呈報貨幣不相同的所有集團實體(全部均非高通脹經濟的貨幣)的業績及財務狀況,按以下方式換算為呈報貨幣:

- (i) 各資產負債表所呈列資產及負債,按結算日的收市匯率換算;
- (ii) 各收益表的收入及支出均按平均匯率換算,惟此平均值並非該等交易日期通行匯率具累積效果的合理約數除外。在此情況下,收入及支出將按交易日期匯率換算;及
- (iii) 所有匯兌差額將確認為個別權益項目。

合併賬目時,換算於海外實體的投資淨額所產生匯兌差額計入其他全面收入。出售海外業務時,記入權益之匯兌差額於綜合收益表確認為出售收益或虧損的一部分。

收購海外實體產生的商譽及公平值調整視為該海外實體的資產和負債,並按收市匯率換算。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Property, plant and equipment

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

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

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

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

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

2 主要會計政策概要(續)

2.5 物業、廠房及設備

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

當與項目有關的未來經濟利益可能流入本集團，以及項目成本能可靠計算時，其後成本才會計入資產的賬面值或確認為獨立資產(如適用)。所有其他維修及保養費於產生財政期間在綜合收益表扣除。

物業、廠房及設備的折舊以直線法於其估計可用年期內分配其成本至剩餘價值。所採用年率如下：

樓宇	5-10%
租賃物業裝修	20% 或按租賃年期(以較短者為準)
辦公室傢俱及設備	18%-25%
廠房及設備	9%-25%
汽車	18%-25%

資產的剩餘價值及可用年期會於各結算日審閱及調整(如適用)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Property, plant and equipment (continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within administrative expenses in the consolidated income statement.

2.6 Leasehold land

Leasehold land is up-front payments to acquire long-term interest in leasehold land, which are stated at cost less accumulated amortisation and accumulated impairment losses. Cost represents consideration paid for the rights to use the land from the date when the respective rights were granted. Amortisation of leasehold land is calculated on a straight-line basis over the period of the lease and is recognised in the consolidated income statement within administrative expenses.

2.7 Impairment of investments in a subsidiary and non-financial assets

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

2 主要會計政策概要(續)

2.5 物業、廠房及設備(續)

倘資產的賬面值超過其估計可收回金額，則其賬面值將即時撇減至其可收回金額。

出售資產的收益或虧損指出售所得款項與有關資產賬面值之間差額，並於綜合收益表的行政開支內確認。

2.6 租賃土地

租賃土地透過預先付款以收購租賃土地的長期權益，乃按成本減累計攤銷及累計減值虧損列賬。成本為就自授出權利日期起使用土地的權利而已付的代價。租賃土地的攤銷乃按租約期限以直線法計算，並於綜合收益表的行政開支內確認。

2.7 投資附屬公司及非金融資產之減值

倘發生任何可能導致未能收回資產賬面值之事項或情況變化，本集團將檢討該資產的減值情況。減值虧損為資產賬面值超越其可收回價值之數額。可收回金額為資產公平值減出售成本後之價值，與其使用價值之間的較高者。就評估資產減值而言，本集團按可個別可識別其現金流量(現金產生單位)的最低水平劃分資產類別。除商譽外，已蒙受減值的非金融資產在每個結算日均就減值是否可以撥回進行檢討。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Financial assets

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those that are not expected to be realised within the normal operating cycle of the EFT-POS terminal solutions business. These are classified as non-current assets. Loans and receivables are included in trade and bills receivables, deposits and other receivables, restricted cash and cash at bank and on hand in the consolidated balance sheet (Notes 2.12 and 2.13).

Loans and receivables are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost using the effective interest method. The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

2 主要會計政策概要(續)

2.8 金融資產

本集團將其金融資產分類為貸款及應收款項。分類取決於收購金融資產的目的。管理層於初步確認時釐定其金融資產的分類。

貸款及應收款項

貸款及應收款項為並無於活躍市場掛牌而有固定或待定付款的非衍生金融資產。貸款及應收款項計入流動資產，惟預期不會於EFT-POS終端機解決方案業務的正常經營週期中變現者除外。此等貸款及應收款項分類為非流動資產。貸款及應收款項包括綜合資產負債表內的應收賬款及應收票據、按金及其他應收款項、受限制現金以及銀行及手上現金。(附註2.12及2.13)

貸款及應收款項初步按公平值加交易成本確認，其後利用實際利率法按攤銷成本列賬。本集團於各結算日評估是否存在客觀證據證明某項金融資產或某組金融資產已減值。

金融資產於收取資產的投資現金流量的權利已到期或已轉讓，且本集團已將擁有權的絕大部分風險及回報轉讓時，即取消確認。

本集團會於各個結算日評估是否存在客觀證據證明某項金融資產或某組金融資產已減值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Offsetting financial instruments

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

2.10 Impairment of financial assets

Assets carried at amortised cost

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

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- The group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;

2 主要會計政策概要(續)

2.9 金融工具抵銷

倘若存在合法可強制執行之權利以抵銷所確認金額及擬按淨額基準結算或變現資產及同時結算負債，則金融資產與負債相互抵銷，而淨額於資產負債表內呈報。

2.10 金融資產減值

按攤銷成本計算之資產

本集團於每個報告期末評估是否存在客觀證據證明某一金融資產或某組金融資產出現減值。只有當存在客觀證據證明於因為首次確認資產後發生一宗或多宗事件導致出現減值(「損失事項」)，而該宗(或該等)損失事項對該項或該組金融資產的估計未來現金流量構成的影響可以合理估計，有關金融資產或金融資產組才算出現減值及產生減值虧損。

本集團用於釐定是否存在減值虧損客觀證據的標準如下：

- 發行人或欠債人遇上嚴重財政困難；
- 違反合約，例如逾期或拖欠償還利息或本金；
- 本集團基於與借款人的財政困難有關的經濟或法律原因，向借款人提供一般放款人不會考慮的特惠條件；

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Impairment of financial assets (continued)

Assets carried at amortised cost (continued)

- It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
 - (i) adverse changes in the payment status of borrowers in the portfolio;
 - (ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The Group first assesses whether objective evidence of impairment exists.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

2 主要會計政策概要(續)

2.10 金融資產減值(續)

按攤銷成本計算之資產(續)

- 借款人有可能破產或進行其他財務重組；
- 因為財政困難而使該財務資產的活躍市場不再存在；或
- 可察覺的資料顯示自從初始確認後，某組財務資產的估計未來現金流量有可計量的減少，雖然該減少尚未能在該組別的個別財務資產內確定，有關資料包括：
 - (i) 該組別的借款人的還款狀況的不利變動；
 - (ii) 與該組別資產逾期還款相關連的全國性或地方經濟狀況。

本集團首先評估是否存在減值的客觀證據。

就貸款及應收賬款類別而言，損失金額乃根據資產賬面值與按金融資產原實際利率貼現而估計未來現金流量(不包括仍未產生的未來信用損失)的現值兩者的差額計量。資產賬面值予以削減，而損失金額則在綜合收益表確認。如貸款或持有至到期投資有浮動利率，計量任何減值損失的貼現率為按合同釐定的當前實際利率。在實際應用中，集團可利用可觀察的市場價格，按工具的公平值計量減值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Impairment of financial assets (continued)

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

Impairment testing of trade and other receivables is described in note 2.12.

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

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2 主要會計政策概要(續)

2.10 金融資產減值(續)

如在隨後期間，減值虧損的數額減少，而此減少可客觀地聯繫至減值在確認後才發生的事件(例如債務人的信用評級有所改善)，則之前已確認的減值虧損可在綜合收益表轉回。

貿易及其他應收賬款之減值評估於附註2.12闡述。

於附屬公司之投資的減值評估須於自該等投資收取股息時作出，倘若派發股息期內股息超出附屬公司或聯營公司之全面收入總額或倘若於個別財務報表內投資之賬面值超出綜合財務報表內受投資公司資產淨值(包括商譽)之賬面值。

2.11 存貨

存貨乃以成本值及可變現淨值兩者中較低者列賬。成本以加權平均法釐定。製成品及在製品的成本包括原材料及有關生產經常開支(按正常營運能力計算)。可變現淨值為正常業務過程中的估計售價扣除適用的可變銷售開支。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Trade, bills and other receivables

Trade, bills and other receivables including retention money receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade, bills and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indication that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the consolidated income statement within administrative expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against administrative expenses in the consolidated income statement.

2.13 Cash at bank and on hand

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

2.14 Share capital

Ordinary shares are classified as equity.

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

2 主要會計政策概要(續)

2.12 應收賬款、應收票據及其他應收款項

應收賬款、應收票據及其他應收款項(包括應收預扣金額)初步按公平值確認,其後利用實際利率法按攤銷成本減減值撥備計量。當有客觀證據顯示本集團未能根據應收款項的原訂條款收回所有到期款項,即就應收賬款、應收票據及其他應收款項作出減值撥備。債務人的重大財務困難、債務人可能破產或進行債務重組,以及拖欠或逾期付款,均被視為應收款項已減值的跡象。撥備金額為資產的賬面值與按原實際利率折現的估計未來現金流量的現值的差額。資產的賬面值通過撥備賬調減,虧損金額在綜合收益表內行政開支項下確認。當應收賬款不可收回時,該金額在應收賬款撥備賬中撇銷。其後收回早前撇銷的金額則撥回扣除綜合收益表中的行政開支。

2.13 銀行及手上現金

銀行及手上現金包括手頭現金及原定到期日為三個月或以下的銀行活期存款。

2.14 股本

普通股分類為權益。

直接歸屬於發行新股份或期權之新增成本於權益中呈列為所得款項之減少(扣除稅項)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.15 Trade payables

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

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

2.16 Borrowings

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

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

2 主要會計政策概要(續)

2.15 應付賬款

應付賬款是企業日常業務從供應商提供商品或勞務中須支付的義務。如果付款期限少於一年(或在企業正常營業週期(倘多於一年))，則被歸類為流動負債。否則，將歸為非流動負債。

應付賬款初步按公平值確認，其後使用實際利率法按攤銷成本計算。

2.16 借款

借款初步以公平值確認(扣除所產生的交易成本)。交易成本為收購及發行借款的直接遞增成本，包括支付予代理人、顧問、經紀及經銷商的費用及佣金，以及監管機構及證券交易所徵收的徵費，以及轉讓稅項及徵稅。借款其後按攤銷成本列賬。所得款項(扣除交易成本)與贖回價值間的任何差額，乃以實際利率法於借款期間在綜合收益表確認。

借款歸類為流動負債，除非本集團有權無條件將債項延長至結算日後最少12個月清償則作別論。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Current and deferred income tax

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

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

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

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

2 主要會計政策概要(續)

2.17 當期及遞延所得稅

本年度稅項開支包括當期及遞延稅項。稅項於綜合收益表確認，稅項是有關於其他全面收益項下直接確認或直接計入權益的項目除外。在此情況下，稅項亦分別於其他全面收益或直接於權益內確認。

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

遞延所得稅乃就資產與負債的稅基及有關資產與負債於合併財務報表中的賬面值兩者的暫時差額，以負債法確認。然而，倘遞延所得稅乃產生自於交易(業務合併除外)，而當時的交易並無影響會計或應課稅溢利或虧損，則不會列賬。遞延所得稅乃以於結算日制定或實質制定的稅率(及法例)釐定，並預期於變現相關遞延所得稅資產或償還遞延所得稅負債時適用。

遞延所得稅資產的確認以預期日後可能出現應課稅溢利用作抵銷暫時差額為限。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Current and deferred income tax (continued)

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

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

2.18 Employee benefits

(a) Employee leave entitlements

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

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

2 主要會計政策概要(續)

2.17 當期及遞延所得稅(續)

本集團就附屬公司投資產生的暫時差額作出遞延所得稅撥備，除非就遞延所得稅負債而言本集團可控制撥回該暫時差額的時間，且該暫時差額可能不會於可預見未來撥回則屬例外。

倘有能通過法律途徑強制實行將當期所得稅資產與當期所得稅負債互相抵銷的權利及倘遞延所得稅資產及負債涉及同一稅務機關對稅務實體徵收的所得稅或不同稅務實體有意按淨值基準償還結餘，遞延稅項資產及負債乃予以互相抵銷。

2.18 僱員福利

(a) 僱員應有假期

僱員獲享的年假在僱員可享有時確認。本集團會對僱員服務至結算日所累積的年假估算負債作出撥備(倘適用)。

僱員獲享的病假及產假直至僱員休假之時方會確認。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Employee benefits (continued)

(b) Pension obligations

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

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

2 主要會計政策概要(續)

2.18 僱員福利(續)

(b) 退休金責任

本集團為其所有香港僱員運作一個根據強制性公積金計劃條例設立的定額供款強制性公積金退休計劃(「退休計劃」)。退休計劃的供款按僱員基本薪金的某個百分比計算，並於根據退休計劃規定應支付供款時在綜合收益表扣除。退休計劃的資產與本集團的資產分開持有，並由獨立管理基金保管。本集團的僱主供款在向退休計劃作出供款時悉數歸屬僱員，惟本集團作出的僱主自願供款，會按照退休計劃的規則在僱員於有關供款全數歸屬前離職時退回予本集團。

本集團於支付供款後即無其他付款責任。供款於到期應付及被僱員於供款全數歸屬前離職所沒收供款抵銷時確認。預付供款於退回現金或可對銷未來供款時確認為資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Employee benefits (continued)

(b) Pension obligations (continued)

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

(c) Profit sharing and bonus plans

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

2 主要會計政策概要(續)

2.18 僱員福利(續)

(b) 退休金責任(續)

此外，根據中華人民共和國(「中國」)政府的規例，本集團須按中國員工該年度／期間的工資約7%至20%就若干退休福利計劃作出供款，由地方市政府承擔該等本集團僱員的退休福利責任。就該等退休福利計劃作出的供款於產生時在綜合收益表中扣除。

(c) 溢利分享及花紅計劃

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Employee benefits (continued)

(d) Share-based compensation

The Group operates a equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any service and non-market performance vesting conditions (for example, profitability and sales growth targets).

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets);and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the balance sheet date, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

2 主要會計政策概要(續)

2.18 僱員福利(續)

(d) 股本酬金

本集團推行多項按股本結算、以股份為基礎支付薪酬的計劃，據此，實體從其僱員獲得服務作為換取本集團權益工具(購股權)的代價。為換取授出購股權而獲得僱員服務的公平值乃確認為開支。列作開支的總金額，乃參照已授出的購股權的公平值釐定，不包括任何服務及非市場性質歸屬條件(例如盈利能力及銷售額增長指標)所產生的影響。

- 包括任何市場表現情況(例如實體股價)；
- 不包括任何服務及非市場表現歸屬條件(例如盈利能力及銷售增長目標)；及
- 包括任何非歸屬條件之影響(例如僱員儲蓄要求)。

非市場歸屬條件包括在有關預期可予歸屬購股權數目的假設內。總開支乃在歸屬期確認，歸屬期即符合所有特定歸屬條件的期間。於結算日，各實體均會根據非市場歸屬條件修改其估計預期可予歸屬的購股權的數目。修改原來估計數字如有影響，則於收益表內確認，並對權益作相應調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Employee benefits (continued)

(d) *Share-based compensation* (continued)

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

2.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

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

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

2 主要會計政策概要(續)

2.18 僱員福利(續)

(d) *股本酬金*(續)

於認股權獲行使時，本公司發行新股份。於認股權獲行使時之已收所得款項於減去所有直接應佔交易成本後撥入股本(面值)及股份溢價。

本公司向為本集團工作之附屬公司僱員所授出其股本工具之認股權被視為資本出資。所獲得僱員服務之公平值乃參考授出日期之公平值計量，於歸屬期內確認為增加對附屬公司之投資，並相應計入權益。

2.19 撥備

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

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

撥備按預期須採用稅前利率償還債務的支出之現值計量，其反映了對貨幣時間價值和債務的特定風險的現時市場評估。隨著時間推移的撥備增加應被確認為利息開支。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Sales of goods

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

(b) Sales of service

Revenue from fixed-price contracts is generally recognised in the period in which the services are provided, using the straight-line basis over the terms of contracts.

(c) Interest income

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

2 主要會計政策概要(續)

2.20 收入確認

營業額包括本集團於日常業務中銷售貨品收回或應收代價的公平值。所示營業額已扣除增值稅、退貨、回扣及折扣，並沖銷集團內集團間的銷售。

當營業額金額能夠可靠計量，且未來經濟利益有可能流入本集團，並已符合本集團各業務所訂的個別條件(如下文所述)時，本集團將確認收入。本集團將根據其以往業績並考慮客戶類別、交易種類及各項安排的特點作出估計。

(a) 銷售貨品

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

(b) 銷售服務

來自固定價格合約的營業額一般於提供服務期間於合約期內按直線法基準確認。

(c) 利息收入

利息收入以實際利率法按時間比例確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Leases (as the lessee for operating leases)

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

2.22 Value added tax refund

Value added tax refund are recognised in other income in the consolidated income statement when there is a reasonable assurance that the refund will be received which generally occurs upon the receipt of value added tax refund from the local tax bureau.

2.23 Government grants

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

2.24 Research and development

Research expenditure is expensed as incurred.

2.25 Dividend distribution

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

2 主要會計政策概要(續)

2.21 租約(經營租約的承租人)

凡擁有權所涉及大部分風險及回報由出租人保留的租約，均列作經營租約。根據經營租約所付租金在扣除來自出租人的任何優惠後，在租約年期內以直線法在綜合收益表支銷。

2.22 增值稅退稅

本集團有合理保證將收取退稅(一般於向地方稅務局收取增值稅退稅後)，本集團乃於綜合收益表的其他收入內確認增值稅退稅。

2.23 政府資助

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

2.24 研發

研究開支於產生時支銷。

2.25 股息分派

向本公司股東分派的股息於股東批准股息期內，在本集團的財務報表內確認為負債。

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

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: foreign exchange, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign exchange risk

The Group's foreign currency transactions are mainly denominated in RMB, HK\$ and United States dollar ("USD"). The majority of assets and liabilities are denominated in RMB, HK\$ and USD, and there are no significant assets and liabilities denominated in other currencies. The Group is subject to foreign exchange rate risk arising from future commercial transactions and recognised assets and liabilities which are denominated in a currency other than HK\$, RMB or USD, which are the functional currencies of the major operating companies within the Group. The Group currently does not hedge its foreign currency exposure.

The management considers the foreign exchange risk with respect to USD is not significant as HK\$ is pegged to USD and transactions denominated in USD are mainly carried out by entities with the same functional currency. The exchange rate of RMB to HK\$ is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates.

3 財務風險管理

3.1 財務風險因素

本集團的活動令其自身面臨各類財務風險：外匯風險、信貸風險及流動資金風險。本集團的整體風險管理計劃專注金融市場的不可預測性，力求將對本集團財務表現所造成的不利影響降至最低。

(a) 外匯風險

本集團的外幣交易主要以人民幣、港元及美元計值。大部分資產及負債亦以人民幣、港元及美元計值，並無重大資產及負債以其他貨幣計值。本集團因以港元、人民幣或美元（本集團旗下主要營運公司的功能貨幣）以外貨幣計值的未來商業交易及已確認資產及負債而承受外匯匯率風險。現時，本集團並無對沖外幣風險。

管理層認為，與美元有關的外匯風險並不重大，乃因港元與美元掛鈎，加上美元計值的交易主要由採用同種功能貨幣的實體進行。人民幣兌港元的匯率須遵守中國政府頒佈的外匯管制規則及規例。本集團透過密切監控外幣匯率的變動來管控其外幣風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Foreign exchange risk (continued)

As at 31 December 2010, if HK\$ had weakened/strengthened by 5% against RMB with all other variables held constant, profit for the year and equity of the Group would have been approximately HK\$1,798,000 (2009: HK\$51,000) higher/lower, respectively, mainly as a result of the foreign exchange gains/losses on translation of HK\$ denominated cash at bank and on hand and trade receivables as well as the current account with related parties.

(b) Price risk

The Group is not exposed to equity securities price risk and commodity price risk.

(c) Credit risk

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

The carrying amounts of trade, bills and other receivables, restricted cash and deposits with banks represent the Group's maximum exposure to credit risk in relation to financial assets.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 外匯風險(續)

倘港元兌人民幣貶值/升值5%，而所有其他可變因素維持不變，則於二零一零年十二月三十一日，本集團的年內溢利及權益將會分別增加/減少約1,798,000港元(二零零九年：51,000港元)，主要乃因匯兌以港元計值的銀行及手上現金物、應收賬款及關連方往來賬目產生匯兌溢利/虧損所致。

(b) 價格風險

本集團並無面對股權證券價格風險及商品價格風險。

(c) 信貸風險

本集團承受與其應收賬款、應收票據及其他應收款項、受限制現金及銀行存款有關的信貸風險。

應收賬款、應收票據及其他應收款項、受限制現金及銀行存款的賬面值乃本集團所面對有關金融資產的最大信貸風險。

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

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(c) Credit risk (continued)

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

The Group has concentration of credit risk. Sales of goods and services to the top five customers constituted 61.2% (2009: 74.3%) of the Group's revenue for the year ended 31 December 2010. They accounted for approximately 80.9% (2009: 82.7%) of the gross trade receivable balances as at 31 December 2010. Collections of outstanding receivable balances are closely monitored on an ongoing basis to minimise such credit risk.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 信貸風險(續)

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

本集團有信貸集中風險。截至二零一零年十二月三十一日止年度，向五大客戶銷售的貨物及服務分別佔貴集團收益61.2%（二零零九年：74.3%）。彼等於二零一零年十二月三十一日佔總應收賬款結餘約80.9%（二零零九年：82.7%）。收取尚未償還應收結餘乃按持續基準密切監控，務求將信貸風險降至最低。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(d) Liquidity risk

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

Surplus cash held by the operating entities over and above the balance required for working capital management are transferred to interest bearing bank deposits with appropriate maturities to manage its overall liquidity position. As at 31 December 2010, the Group maintained cash at bank and on hand of approximately HK\$1,066,526,000 (2009: HK\$242,380,000), that are expected to be readily available and sufficient to meet the cash outflows of its financial liabilities, hence, management considers that Group's exposure to liquidity risk is not significant.

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

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(d) 流動資金風險

透過審慎的流動資金風險管理，本集團致力維持充足的銀行及手上現金，或透過充足融資金額(包括短期銀行借款)取得資金。由於相關業務的多變性質，本集團的融資部門透過維持充足的銀行及手上現金；及透過可動用融資來源維持資金的靈活性。

經營實體所持有的現金超過營運資金管理所需的餘額時，會被撥入具有適當期限的計息銀行存款以控制整體流動資金狀況。於二零一零年十二月三十一日，本集團持有銀行及手上現金約1,066,526,000港元(二零零九年：242,380,000港元)，預期隨時可動用並足夠滿足金融負債的現金流出。因此，管理層認為，本集團所承受的流動資金風險並不重大。

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

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

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(d) Liquidity risk (continued)

		Less than 1 year 少於一年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Group	本集團		
At 31 December 2010	於二零一零年十二月三十一日		
Trade payables	應付賬款	143,033	143,033
Other payables and accruals	其他應付款項及應計款項	55,735	55,735
Total	總計	<u>198,768</u>	<u>198,768</u>
At 31 December 2009	於二零零九年十二月三十一日		
Trade payables	應付賬款	86,912	86,912
Other payables and accruals	其他應付款項及應計款項	41,322	41,322
Total	總計	<u>128,234</u>	<u>128,234</u>
		Less than 1 year 少於一年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Company	本公司		
At 31 December 2010	於二零一零年十二月三十一日		
Other payables and accruals	其他應付款項及應計款項	4,378	4,378
Total	總計	<u>4,378</u>	<u>4,378</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(e) Interest rate risk

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

As at 31 December 2010, if interest rates on all interest-bearing bank and cash deposits had been 100 basis points higher/lower with all other variables held constant, profit for the year and equity of the Group would have been HK\$10,665,000 (2009: HK\$2,424,000) higher/lower respectively, due to higher/lower interest income earned on the deposits.

As at 31 December 2010, if interest rates on all interest-bearing bank and cash deposits had been 100 basis points higher/lower with all other variables held constant, profit for the period from 15 February 2010 (date of incorporation) to 31 December 2010 and equity of the Company would have been HK\$6,971,000 higher/lower respectively, due to higher/lower interest income earned on the deposits.

3.2 Capital risk management

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

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

3 財務風險管理(續)

3.1 財務風險因素(續)

(e) 利率風險

本集團及本公司的收入及經營現金流量大部分不受市場利率變動影響，本集團及本公司亦無重大計息資產(存於銀行的存款除外)。

於二零一零年十二月三十一日，倘所有計息的銀行及現金存款的利率高出／低於100個基點而所有其他變數維持不變，該年度的溢利及本集團的權益應會因存款所賺取的利息收入增加／減少而分別增加／減少10,665,000港元(二零零九年：2,424,000港元)。

於二零一零年十二月三十一日，倘所有計息的銀行及現金存款的利率高出／低於100個基點而所有其他變數維持不變，自二零一零年二月十五日(註冊成立日期)起至二零一零年十二月三十一日止期間的溢利及本公司權益因高於／低於存款賺取的利息收入應為增加／減少6,971,000港元。

3.2 資本風險管理

本集團將其股東權益視為資本。本集團管理資本的目的為保障本集團繼續以持續經營方式為股東提供回報以及為其他利益相關者帶來利益，並且維持最佳資本結構以減少資金成本。

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

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

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Capital risk management (continued)

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total borrowings divided by total equity. As at 31 December 2009 and 2010, the Group had no borrowings, the gearing ratio is not applicable.

3.3 Fair value estimation

The carrying amounts of the Group's financial assets and liabilities including cash at bank and on hand, restricted cash, trade and bills receivables, deposits and other receivables, trade payables, other payables and accruals approximate their fair values due to their short maturities.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

3 財務風險管理(續)

3.2 資本風險管理(續)

本集團根據資本負債比率監控資本。資本負債比率乃按借款總額除以權益總額計算。本集團於二零零九年及二零一零年十二月三十一日並無借貸，資本負債比率為不適用。

3.3 公平值估計

由於到期日較短，本集團金融資產及負債(包括銀行及手上現金、受限制現金、應收賬款及應收票據、按金及其他應收款項、應付賬款、其他應付款項及應計款項以及借款)的賬面值與其公平值相若。

4 重要會計估計及判斷

用於編製綜合財務報表的估計及判斷，乃基於過往經驗及其他因素，包括預期日後在有關情況下相信會合理出現的事件而作出。本集團作出有關未來的估計及假設。按此規範，所作的會計估計甚少與有關的實際結果相同。下文所述的估計及假設可能會對下一個財政期間資產與負債的賬面值造成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

(a) Income taxes and deferred taxation

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

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

(b) Determination of functional currency

Before the Listing of the Company on 20 December 2010, as the Company has no operation and no financing activity and its primary sources of income is only from its PRC subsidiary and its ability to pay dividend to shareholders is heavily dependent on the economy of its PRC subsidiary, the Company determined its functional currency as RMB.

Following completion of the Listing of the Company on 20 December 2010, the cash generated through the financing activity, namely the Global Offering, by the Company is denominated in HK\$. The management of the Company reassessed the Company's functional currency and determined that HK\$ is more appropriate as the Company's functional currency.

4 重要會計估計及判斷(續)

(a) 所得稅及遞延稅款

對所得稅釐定撥備時，需要作出重要的判斷。在日常業務過程中，許多交易及計算的最終釐定是不確定的。當最終的稅款結果與最初記賬金額不同時，有關差額將影響釐定期間的所得稅和遞延稅款撥備。

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

(b) 釐定功能貨幣

於本公司在二零一零年十二月二十日上市前，由於本公司並無經營業務及融資活動，且其主要收入來自其中國附屬公司及其向股東派付股息的能力很大程度依賴中國附屬公司的經濟狀況，故本公司釐定以人民幣作為功能貨幣。

於本公司在二零一零年十二月二十日完成上市後，本公司產生自融資活動(即全球發售)的現金以港元計值。本公司管理層對本公司功能貨幣進行重估並釐定港元更適合作為本公司的功能貨幣。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 REVENUE AND OTHER INCOME

The Group is principally engaged in the sale of EFT-POS products and provision of related services. Revenue and other income recognised during the year were as follows:

Revenue	營業額
Sales of electronic payment products	銷售電子支付產品
Sales of electronic payment services	銷售電子支付服務
Other income	其他收入
Interest income	利息收入
Value added tax refund (Note (i))	退還增值稅(附註(i))
Subsidy income	補貼收入
Others	其他

Note (i) The amount represents the Group's entitlement to value added tax refund in relation to sales of self-developed software products in the PRC.

5 營業額及其他收入

本集團主要從事銷售EFT-POS產品及提供相關服務。於有關年度已確認的營業額及其他收入如下：

Year ended 31 December	
截至十二月三十一日止年度	
2010	2009
二零一零年	二零零九年
HK\$'000	HK\$'000
千港元	千港元
709,350	479,368
14,260	13,574
723,610	492,942
928	271
25,039	6,424
392	386
1,031	3,398
27,390	10,479
751,000	503,421

附註(i) 該金額指本集團於中國銷售自身開發軟件產品而享有退還增值稅。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 SEGMENT INFORMATION

Management reviews the Group's internal reporting in order to assess performance and allocate resource. Management has determined the operating segments based on the internal reports reviewed by the Board of Directors are used to make strategic decisions. The Group is principally engaged in the EFT-POS terminal solutions business, management considers that the Group operates in one single business segment.

The Group primarily operates in Hong Kong, the PRC (excluding Hong Kong, Macao and Taiwan) and the United States of America ("US"). Management assesses the performance of the Group from a geographic perspective based on the location in which revenues are generated.

Management assesses the performance of the operating segments based on a measure of segment operating profit/(loss).

6 分類資料

管理層審閱本集團內部報告以評估表現並分配資源。管理層根據由董事會所審閱用以作出策略決定的內部報告而釐定業務分類。本集團主要從事EFTPOS終端機解決方案業務，管理層認為本集團經營單一業務分類。

本集團主要於香港、中國(不包括香港、澳門及台灣)及美國(「美國」)經營。管理層從地域角度按產生營業額的位置評估本集團的表現。

管理層根據除稅前分類經營溢利/(虧損)的計量評估經營分類的表現。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 SEGMENT INFORMATION (continued)

An analysis of the Group's revenue and results during the year by segment is as follows:

6 分類資料(續)

於有關年度及本集團按分類劃分的營業額及業績的分析如下：

		Year ended 31 December 2010 截至二零一零年十二月三十一日止年度				
		PRC, other than Hong Kong, Macao and Taiwan	Hong Kong	US	Elimination	Total
		中國(香港、 澳門及 台灣除外)	香港	美國	抵銷	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue from external customers	來自外部客戶的營業額	566,340	153,893	3,377	-	723,610
Inter-segment revenue	分類間營業額	86,219	6,281	-	(92,500)	-
Total revenue	總營業額	652,559	160,174	3,377	(92,500)	723,610
Segmental EBITDA	分類除利息、稅項、折舊及 攤銷前盈利(「EBITDA」)	149,640	42,572	(16,248)	(843)	175,121
Depreciation	折舊	(2,133)	(35)	(440)	-	(2,608)
Amortisation	攤銷	(5)	-	-	-	(5)
Segment operating profit/(loss)	分類經營溢利/(虧損)	147,502	42,537	(16,688)	(843)	172,508
Finance costs	融資成本					-
Profit before income tax	除所得稅前溢利					172,508
Income tax expense	所得稅開支					(27,085)
Profit for the year	年內溢利					145,423

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

6 SEGMENT INFORMATION (continued)

6 分類資料(續)

Year ended 31 December 2009
截至二零零九年十二月三十一日止年度

		PRC, other than Hong Kong, Macao and Taiwan	Hong Kong	US	Elimination	Total
		中國(香港、 澳門及 台灣除外)	香港	美國	抵銷	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue from external customers	來自外部客戶的營業額	405,402	86,033	1,507	–	492,942
Inter-segment revenue	分類間營業額	56,432	1,580	–	(58,012)	–
Total revenue	總營業額	461,834	87,613	1,507	(58,012)	492,942
Segmental EBITDA	分類EBITDA	103,766	6,386	(7,599)	(118)	102,435
Depreciation	折舊	(1,809)	(11)	(98)	–	(1,918)
Amortisation	攤銷	(5)	–	–	–	(5)
Segment operating profit/(loss)	分類經營溢利/(虧損)	101,952	6,375	(7,697)	(118)	100,512
Finance costs	融資成本					(429)
Profit before income tax	除所得稅前溢利					100,083
Income tax expense	所得稅開支					(15,532)
Profit for the year	年內溢利					84,551

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

6 SEGMENT INFORMATION (continued)

The segment assets and liabilities at 31 December 2010 and additions to non-current assets for the year ended 31 December 2010 are as follows:

6 分類資料(續)

於二零一零年十二月三十一日的分類資產及負債以及截至二零一零年十二月三十一日止年度非流動資產的添置如下：

		As at 31 December 2010 於二零一零年十二月三十一日				
		PRC, other than Hong Kong, Macao and Taiwan 中國(香港、 澳門及 台灣除外)	Hong Kong 香港	US 美國	Elimination 抵銷	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment assets	分類資產	678,637	1,857,919	7,958	(1,039,154)	1,505,360
Segment liabilities	分類負債	187,201	40,971	33,812	(43,735)	218,249
		Year ended 31 December 2010 截至二零一零年十二月三十一日止年度				
		PRC, other than Hong Kong, Macao and Taiwan 中國(香港、 澳門及 台灣除外)	Hong Kong 香港	US 美國	Elimination 抵銷	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Additions to non-current assets	非流動資產的添置	3,228	96	1,236	-	4,560

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 SEGMENT INFORMATION (continued)

The segment assets and liabilities at 31 December 2009 and additions to non-current assets for the year ended 31 December 2009 are as follows:

Segment assets	分類資產				
Segment liabilities	分類負債				

6 分類資料 (續)

於二零零九年十二月三十一日的分類資產及負債以及截至二零零九年十二月三十一日止年度非流動資產的添置如下：

As at 31 December 2009
於二零零九年十二月三十一日

	PRC, other than Hong Kong, Macao and Taiwan		US Elimination		Total
	Hong Kong				
	中國(香港、 澳門及 台灣除外)	香港	美國	抵銷	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
Segment assets	485,777	146,144	1,843	(68,057)	565,707
Segment liabilities	143,299	28,267	11,009	(39,929)	142,646

Year ended 31 December 2009
截至二零零九年十二月三十一日止年度

	PRC, other than Hong Kong, Macao and Taiwan		US Elimination		Total
	Hong Kong				
	中國(香港、 澳門及 台灣除外)	香港	美國	抵銷	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
Additions to non-current assets	1,446	17	1,379	-	2,842

Segmental EBITDA represents operating profit before finance costs, income tax expense, depreciation of property, plant and equipment and amortisation of leasehold land. Segment assets consist primarily of property, plant and equipment, leasehold land, inventories, trade and bills receivables, deposits and other receivables, restricted cash and cash at bank and on hand. Segment liabilities consist primarily of trade payables, other payables and accruals.

分類 EBITDA 指扣除融資成本、所得稅開支、物業、廠房及設備折舊以及租賃土地攤銷前的經營溢利。分類資產主要包括物業、廠房及設備、租賃土地、存貨、應收賬款及應收票據、按金及其他應收款項、受限制現金以及銀行及手上現金。分類負債主要包括應付賬款、應計款項、其他應付款項及應計款項。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 SEGMENT INFORMATION (continued)

Additions to non-current assets comprise additions to property, plant and equipment.

The revenues from external parties reported to the directors of consolidated entities are measured in a manner consistent with that in the consolidated income statement.

The Group is mainly domiciled in Hong Kong, the PRC and US.

7 EXPENSES BY NATURE

Expenses included in cost of sales, selling expenses and administrative expenses are analysed as follows:

6 分類資料(續)

非流動資產添置包括對物業、廠房及設備的添置。

呈報予合併實體的董事之外部人士營業額採用與綜合收益表一致的方法計量。

本集團主要以香港、中國及美國為註冊地。

7 按性質劃分的開支

計入銷售成本、銷售開支及行政開支的開支分析如下：

		Year ended 31 December	
		截至十二月三十一日止年度	
		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
Auditors' remuneration	核數師酬金	721	557
Depreciation of property, plant and equipment (Note 15)	物業、廠房及設備折舊(附註15)	2,608	1,918
Amortisation of leasehold land (Note 16)	租賃土地攤銷(附註16)	5	5
Employee benefit expenses (including directors' emoluments) (Note 9)	僱員福利開支(包括董事酬金)(附註9)	68,592	39,981
Costs of inventories sold (Note 18)	售出存貨成本(附註18)	418,005	286,685
Operating lease rentals in respect of buildings	樓宇的經營租賃租金	5,446	3,264
Research and development costs	研發成本	34,899	24,149
Loss on disposal of property, plant and equipment (Note 26(b))	出售物業、廠房及設備的虧損(附註26(b))	84	6
Provision for impairment of trade receivables (Note 19(c))	應收賬款減值撥備(附註19(c))	374	422
Donation	捐款	1,000	-

Notes to the Consolidated Financial Statements

綜合財務報表附註

8 NET FOREIGN EXCHANGE LOSS

The net foreign exchange loss recognised in administrative expenses for the years ended 31 December 2010 amounted to HK\$3,085,000 (2009: HK\$668,000).

9 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

Wages and salaries 工資及薪金
 Social security and pension costs 社會保障及退休金成本

8 外匯淨虧損

截至二零一零年十二月三十一日止年度於行政開支中確認的外匯淨虧損，達3,085,000港元(二零零九年：668,000港元)。

9 僱員福利開支(包括董事酬金)

Year ended 31 December	
截至十二月三十一日止年度	
2010	2009
二零一零年	二零零九年
HK\$'000	HK\$'000
千港元	千港元
62,277	37,013
6,315	2,968
68,592	39,981

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

9 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

(continued)

(a) Directors' emoluments

The Directors' emoluments during 2009 and 2010 are both equivalent to key management compensation.

The remuneration of each executive director of the Company during the year are set out below:

9 僱員福利開支(包括董事酬金)(續)

(a) 董事酬金

於董事酬金相當於主要管理層的補償。

於有關年度，本公司各執行董事的酬金如下：

		Year ended 31 December 2010 截至二零一零年十二月三十一日止年度				
Name of Directors 董事姓名		Fees 袍金 HK\$'000 千港元	Salary 薪金 HK\$'000 千港元	Employer's contribution Discretionary to pension bonus scheme 僱主的退休金 酌情花紅 計劃供款		Total 總額 HK\$'000 千港元
				HK\$'000 千港元	HK\$'000 千港元	
Executive Directors	執行董事					
Nie Guoming	聶國明	32	643	231	5	911
Jiang Hongchun	蔣洪春	29	317	231	8	585
Li Wenjin	李文晉	26	-	-	-	26
		87	960	462	13	1,522
Independent Non-Executive Directors	獨立非執行董事					
(Note (i))	(附註(i))					
Yip Wai Ming	葉偉明	3	-	-	-	3
Wu Min	吳敏	3	-	-	-	3
Man Kwok Kuen, Charles	文國權	3	-	-	-	3
		9	-	-	-	9
		96	960	462	13	1,531

Note: (i) The independent non-executive directors were appointed on 1 December 2010. There was no independent non-executive director in 2009.

附註：(i) 獨立非執行董事於二零一零年十二月一日獲委任。於二零零九年並無獨立非執行董事

Notes to the Consolidated Financial Statements

綜合財務報表附註

9 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

(continued)

(a) Directors' emoluments (continued)

9 僱員福利開支(包括董事酬金)(續)

(a) 董事酬金(續)

Year ended 31 December 2009
截至二零零九年十二月三十一日止年度

Name of Directors 董事姓名	Fees 袍金 HK\$'000 千港元	Salary 薪金 HK\$'000 千港元	Employer's contribution Discretionary to pension bonus scheme 僱主的退休金 計劃供款		Total 總額 HK\$'000 千港元
			酌情花紅 HK\$'000 千港元	計劃供款 HK\$'000 千港元	
Executive Directors 執行董事					
Nie Guoming 聶國明	-	661	-	6	667
Jiang Hongchun 蔣洪春	-	-	-	-	-
Li Wenjin 李文晉	-	-	-	-	-
	-	661	-	6	667

In addition to the directors' emoluments disclosed above, the following directors received emoluments from Hi Sun, part of which was in respect of their services to the Group. No apportionment has been made as the directors consider that it is impracticable to apportion these amounts between their services to the Group and their services to Hi Sun.

除上文披露的董事酬金外，以下董事自高陽收取酬金，部分涉及彼等向本集團提供的服務。董事認為，由於將該等金額在彼等向本集團與高陽提供的服務之間作出分配並不可行，因此並無作出有關分配。

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

9 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

(continued)

(a) Directors' emoluments (continued)

Li Wenjin	李文晉
Nie Guoming	聶國明

During the year ended 31 December 2010, Jiang Hongchun had received HK\$546,000 (2009: HK\$1,106,000), from Hi Sun in relation to his capacity as director and employee of certain subsidiaries of Hi Sun. He has resigned from all such directorships and employment with these companies on or before the listing of the Company on 20 December 2010.

During the year ended 31 December 2010, no directors of the Group waived any emoluments and no emoluments were paid by the Group to any of the directors as an inducement to join or upon joining the Group or as compensation for loss of office (2009: Nil).

There was no arrangement under which the directors agreed to waive any emolument during 2009 and 2010.

9 僱員福利開支(包括董事酬金)(續)

(a) 董事酬金(續)

Year ended 31 December	
截至十二月三十一日止年度	
2010	2009
二零一零年	二零零九年
HK\$'000	HK\$'000
千港元	千港元
2,342	2,392
-	2,000
2,342	4,392

於截至二零一零年十二月三十一日止年度，蔣洪春先生分別就其任職董事及高陽若干附屬公司的僱員自高陽收取546,000港元(二零零九年：1,106,000港元)。彼於二零一零年十二月二十日本公司上市或之前已辭任該等公司的董事及僱員。

於截至二零一零年十二月三十一日止年度，概無本集團董事放棄任何酬金，本集團亦無向任何董事支付酬金作為吸引彼等加入本集團或於彼等加入本集團時的獎勵或離職補償(二零零九年：無)。

於二零零九年及二零一零年，概無董事同意放棄任何酬金的安排。

Notes to the Consolidated Financial Statements

綜合財務報表附註

9 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

(continued)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 December 2010 included one Director (2009: one). The emoluments payable to the remaining four (2009: four) individual during the year are as follows:

Salaries, allowances and benefits in kind	薪金、津貼及實物福利
Pension cost	退休金成本

The emoluments fell within the following band:

Emolument band	酬金組別
Nil to HK\$1,000,000	0港元－1,000,000港元
HK\$1,000,001-HK\$2,000,000	1,000,001港元－2,000,000港元
HK\$2,000,001-HK\$3,000,000	2,000,001港元－3,000,000港元

9 僱員福利開支(包括董事酬金)(續)

(b) 五名最高薪人士(續)

本集團截至二零一零年十二月三十一日止年度五名最高薪人士包括一名董事(二零零九年：一名)。本年度應付餘下四名(二零零九年：四名)人士之酬金載列如下：

Year ended 31 December

截至十二月三十一日止年度

2010	2009
二零一零年	二零零九年
HK\$'000	HK\$'000
千港元	千港元
5,366	4,264
60	12
5,426	4,276

酬金介乎下列組別：

Number of individuals

人數

2010	2009
二零一零年	二零零九年
1	2
2	2
1	—
4	4

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

10 FINANCE COSTS

Interest expenses on bank borrowings 銀行借款利息開支

10 融資成本

Year ended 31 December	
截至十二月三十一日止年度	
2010	2009
二零一零年	二零零九年
HK\$'000	HK\$'000
千港元	千港元

-	429
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11 INCOME TAX EXPENSE

Current income tax	即期所得稅
– PRC enterprise income tax	– 中國企業所得稅
– Hong Kong profits tax	– 香港利得稅
Under provision in prior year	過往年度撥備不足
Income tax expense	所得稅開支

11 所得稅開支

Year ended 31 December	
截至十二月三十一日止年度	
2010	2009
二零一零年	二零零九年
HK\$'000	HK\$'000
千港元	千港元

18,174	14,532
---------------	--------

8,050	1,000
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861	-
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27,085	15,532
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Hong Kong profits tax has been provided at the rate of 16.5% (2009: 16.5%) on the estimated assessable profit for the year ended 31 December 2010.

截至二零一零年十二月三十一日止年度，香港利得稅根據估計應課稅溢利分別按稅率16.5%、(二零零九年：16.5%)作出撥備。

Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

海外溢利的稅款根據年內估計應課稅溢利按本集團經營所在國家現行稅率計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

11 INCOME TAX EXPENSE (continued)

Pax Computer Shenzhen is located in the Shenzhen Special Economic Zone. Pursuant to the Corporate Income Tax Law of the PRC effective from 1 January 2008 (the "CIT Law"), Pax Computer Shenzhen is subject to income tax at rate which will gradually increase from 18% in 2008 to 25% in 2012 over a 5-year transition period unless preferential rate is applicable. Pax Computer Shenzhen was qualified as a High and New Technology Enterprise in 2009 under the EIT Law and is eligible to enjoy a preferential tax rate of 15% for 3 years from 2009. As such, the applicable enterprise income tax rate of Pax Computer Shenzhen was 15% for the years ended 31 December 2009 and 2010 respectively.

Pax Technology, Inc., a subsidiary of the Company in US, was operating at a net loss position and did not have any assessable profit for the year ended 31 December 2010 (2009: Nil).

11 所得稅開支(續)

百富計算機深圳位於深圳經濟特區。根據於二零零八年一月一日生效之中國企業所得稅法(「企業所得稅法」)，百富計算機深圳繳納所得稅的稅率將由二零零八年的18%以五年過渡期逐漸增加至二零一二年的25%，優惠稅率適用者除外。根據中國企業所得稅法，百富計算機深圳於二零零九年屬於高新技術企業，自二零零九年起三年期間合資格享有15%的優惠稅率。因此，截至二零零九年及二零一零年十二月三十一日止年度，百富計算機深圳的適用企業所得稅率為15%。

Pax Technology, Inc. (本公司位於美國的一間附屬公司)於截至二零一零年十二月三十一日止年度錄得虧損淨額，並無任何應課稅溢利(二零零九年：無)。

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

11 INCOME TAX EXPENSE (continued)

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities in the respective jurisdictions as follows:

		Year ended 31 December	
		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
Profit before income tax	除所得稅前溢利	172,508	100,083
Tax calculated at domestic rates applicable to profits of the consolidated entities in the respective jurisdictions	按適用於各個司法權區的綜合實體溢利的國內稅率計算的稅項	26,501	15,107
Income not subject to taxation	毋須納稅的收入	(4,727)	(919)
Expenses not deductible for taxation purposes	就稅務而言不可扣減的開支	1,947	189
Unrecognised tax losses	未確認的稅項虧損	2,503	1,155
Under provision in prior year	上一年度撥備不足	861	—
		27,085	15,532

The weighted average applicable tax rate was 15.7% (2009:15.1%) for the year ended 31 December 2010. The change is mainly caused by a change in the profitability of the Group entities.

12 LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The loss attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$8,397,000.

11 所得稅開支(續)

本集團除所得稅前溢利的稅項與採用適用於各個司法權區的合併實體溢利的加權平均稅率計算的理論金額的差額如下：

		Year ended 31 December	
		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
Profit before income tax	除所得稅前溢利	172,508	100,083
Tax calculated at domestic rates applicable to profits of the consolidated entities in the respective jurisdictions	按適用於各個司法權區的綜合實體溢利的國內稅率計算的稅項	26,501	15,107
Income not subject to taxation	毋須納稅的收入	(4,727)	(919)
Expenses not deductible for taxation purposes	就稅務而言不可扣減的開支	1,947	189
Unrecognised tax losses	未確認的稅項虧損	2,503	1,155
Under provision in prior year	上一年度撥備不足	861	—
		27,085	15,532

截至二零一零年十二月三十一日止年度，加權平均適用稅率為15.7%（二零零九年：15.1%）。稅率變動主要由於集團實體的盈利能力變動所致。

12 本公司權益持有人應佔虧損

本公司權益持有人應佔虧損8,397,000港元乃於本公司的財務報表中列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

13 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

The weighted average number of ordinary shares in issue during the year ended 31 December 2010 used in the basic earnings per share calculation is determined on the assumption that the 740,000,000 shares with par value of HK\$0.1 each issued upon the capitalisation issue and Reorganisation (Note 1.1 and Note 22) had been in issue prior to the incorporation of the Company, which is the same assumption for the basic earnings per share calculation for the year ended 31 December 2009.

13 每股盈利

(a) 基本

每股基本盈利乃按本公司權益持有人應佔本年度溢利除年內已發行普通股加權平均數計算。

計算每股基本盈利所使用的截至二零一零年十二月三十一日止年度已發行普通股的加權平均數目乃假設於資本化發行及重組(附註1.1及22)時發行的每股面值0.1港元之740,000,000股股份已於本公司註冊成立之前發行，有關假設與計算截至二零零九年十二月三十一日止年度之每股基本盈利所用之假設相同。

Year ended 31 December	
截至十二月三十一日止年度	
2010	2009
二零一零年	二零零九年

Profit attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利(千港元)	145,423	84,551
Weighted average number of ordinary shares in issue (thousand shares)	已發行普通股加權平均數(千股)	748,548	740,000
Basic earnings per share (HK\$ per share)	每股基本盈利(每股港元)	0.194	0.114

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

13 EARNINGS PER SHARE (continued)

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary share, the Over-allotment Option. For the Over-allotment Option, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the company's shares for the period from the listing date (20 December 2010) to 31 December 2010 based on the monetary value of the subscription right attached to outstanding Over-allotment Option. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the Over-allotment Option.

Diluted earnings per share for the year ended 31 December 2010 is the same as the basic earnings per share as the conversion of potential ordinary shares in relation to the outstanding Over-allotment Option would have an anti-dilutive effect to the basic earnings per share.

Diluted earnings per share for the year ended 31 December 2009 is the same as the basic earnings per share as there is no potential ordinary shares for the year ended 31 December 2009.

14 DIVIDENDS

During the year, no dividends were declared by the consolidated entities to their then respective shareholders (2009: Nil).

13 每股盈利(續)

(b) 攤薄

每股攤薄盈利的計算方式為假設轉換所有具潛在攤薄效應的普通股以調整已發行普通股的加權平均數。本公司發行一類具潛在攤薄效應的普通股：超額配股權。就超額配股權而言，為釐定可按公平值(按本公司股份於上市日期(二零一零年十二月二十日)至二零一零年十二月三十一日期間的平均市價釐定)購入的股份數目，已根據而尚未行使超額配股權所附帶的認購權貨幣價值作出計算，而計算所得股份數目會與假設因行使超額配股權而發行的股份數目作出比較。

截至二零一零年十二月三十一日止年度之每股攤薄盈利與每股基本盈利相同，此乃因轉換與尚未行使超額配股權有關之潛在普通股將會對每股基本盈利產生反攤薄之影響。

截至二零零九年十二月三十一日止年度之每股攤薄盈利與每股基本盈利相同，此乃因截至二零零九年十二月三十一日止年度並無潛在普通股。

14 股息

於有關年度，合併實體並無向其當時各自的股東宣派股息(二零零九年：無)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

15 PROPERTY, PLANT AND EQUIPMENT

15 物業、廠房及設備

		Buildings	Leasehold improve- ments	Office furniture and equipment 辦公室 傢俱 及設備	Plant and equipment 廠房 及設備	Motor vehicles 汽車	Total
		樓宇	租賃 物業裝修				總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 31 December 2008	於二零零八年十二月三十一日						
Cost	成本	6,819	943	4,194	1,394	1,809	15,159
Accumulated depreciation	累計折舊	(2,001)	(453)	(2,823)	(1,032)	(600)	(6,909)
Net book amount	賬面淨值	4,818	490	1,371	362	1,209	8,250
Year ended 31 December 2009	截至二零零九年 十二月三十一日止年度						
Opening net book amount	期初賬面淨值	4,818	490	1,371	362	1,209	8,250
Additions	添置	-	-	1,952	-	890	2,842
Depreciation (Note 7)	折舊(附註7)	(607)	(189)	(668)	(129)	(325)	(1,918)
Disposals (Note 26(b))	出售(附註26(b))	-	-	(6)	-	-	(6)
Closing net book amount	期末賬面淨值	4,211	301	2,649	233	1,774	9,168
At 31 December 2009	於二零零九年十二月三十一日						
Cost	成本	6,819	943	6,116	1,394	2,699	17,971
Accumulated depreciation	累計折舊	(2,608)	(642)	(3,467)	(1,161)	(925)	(8,803)
Net book amount	賬面淨值	4,211	301	2,649	233	1,774	9,168
Year ended 31 December 2010	截至二零一零年 十二月三十一日止年度						
Opening net book amount	期初賬面淨值	4,211	301	2,649	233	1,774	9,168
Additions	添置	-	-	2,742	342	1,476	4,560
Depreciation (Note 7)	折舊(附註7)	(620)	(192)	(1,085)	(108)	(603)	(2,608)
Disposals (Note 26(b))	出售(附註26(b))	-	-	(33)	-	(284)	(317)
Exchange differences	匯兌差額	153	40	88	18	92	391
Closing net book amount	期末賬面淨值	3,744	149	4,361	485	2,455	11,194
At 31 December 2010	於二零一零年十二月三十一日						
Cost	成本	7,143	988	8,905	1,812	3,704	22,552
Accumulated depreciation	累計折舊	(3,399)	(839)	(4,544)	(1,327)	(1,249)	(11,358)
Net book amount	賬面淨值	3,744	149	4,361	485	2,455	11,194

All depreciation of the Group's property, plant and equipment has been charged to administrative expenses.

本集團物業、廠房及設備的所有折舊已計入行政開支。

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

15 PROPERTY, PLANT AND EQUIPMENT (continued)

The banking facilities granted to the Group have expired before 31 December 2010 which were secured by certain property, plant and equipment of the Group. The Group has not renewed the banking facilities expired. As at 31 December 2010, the release of the property, plant and equipment of the Group with an aggregate net carrying value of HK\$3,893,000 (2009: HK\$4,512,000) from the security for the banking facilities expired was still in process, which has been completed subsequent to 31 December 2010.

16 LEASEHOLD LAND

The Group's interests in leasehold land represent upfront payments for land and their net carrying values are analysed as follows:

Opening net carrying value	期初賬面淨值
Amortisation (Note 7)	攤銷(附註7)
Exchange difference	匯兌差額
Closing net carrying value	期末賬面淨值

All of the Group's leasehold land are located in the PRC and are held on leases of between 10 to 50 years. All amortisation of the Group's leasehold land has been charged to the administrative expenses.

The banking facilities granted to the Group have expired before 31 December 2010 which were secured by leasehold land of the Group. The Group has not renewed the banking facilities expired. As at 31 December 2010, the release of leasehold land of the Group with an aggregate net carrying value of HK\$231,000 (2009: HK\$225,000) from the security for the banking facilities expired was still in process, which has been completed subsequent to 31 December 2010.

15 物業、廠房及設備(續)

本集團以若干物業、廠房及設備作抵押的銀行融資已於二零一零年十二月三十一日到期。本集團未有更新已到期銀行融資。於二零一零年十二月三十一日，本集團總賬面淨值為3,893,000港元(二零零九年：4,512,000港元)的物業、廠房及設備仍未解除已到期銀行融資抵押，於二零一零年十二月三十一日後方解除。

16 租賃土地

本集團於租賃土地的權益指土地一次性付款，其賬面淨值分析如下：

Year ended 31 December 截至十二月三十一日止年度	
2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
225	230
(5)	(5)
11	-
231	225

本集團的租賃土地全部位於中國，租期為10至50年。本集團租賃土地的所有攤銷已計入行政開支。

本集團以租賃土地作抵押的銀行融資已於二零一零年十二月三十一日到期。本集團未有更新已到期銀行融資。於二零一零年十二月三十一日，本集團總賬面淨值為231,000港元(二零零九年：225,000港元)的租賃土地仍未解除已到期銀行融資抵押，於二零一零年十二月三十一日後已解除。

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綜合財務報表附註

17 INVESTMENT IN A SUBSIDIARY

17. 附屬公司之投資

As at 31
December 2010
於二零一零年
十二月三十一日
HK\$'000
千港元

Investment, at cost: 投資，按成本計值：
Unlisted shares 非上市股份 528,103

The following is a list of the principal subsidiaries as at 31 December 2010:

於二零一零年十二月三十一日，主要附屬公司之名單如下：

Name 名稱	Place of incorporation and type of legal entity 註冊成立地點 及法定實體類別	Principal activities and place of operation 主要業務及 營業地點	Particulars of issued and paid up/registered capital 已發行股本/ 註冊資本詳情	Interest held 所持權益
Grand Global International Limited	British Virgin Islands, limited liability company 英屬處女群島，有限公司	Investment holding in Hong Kong 在香港從事投資控股	2 ordinary share of US\$1 each 2股每股面值1美元之普通股	100%#)
Pax Technology Limited 百富科技有限公司	Hong Kong, limited liability company 香港，有限公司	Sales of EFT-POS products and provision of related services in Hong Kong 在香港銷售EFT-POS產品及 提供相關服務	26,250,000 ordinary shares of HK\$1 each, 8,750,000 series A preference shares of HK\$1 each; 8,750,000 series B preference shares of HK\$1 each; 26,250,000股每股面值1港元 之普通股，8,750,000股每 股面值1港元之系列A優先 股；8,750,000股每股面值1 港元之系列B優先股	100%
百富計算機技術(深圳) 有限公司 (Pax Computer Technology (Shenzhen) Co., Ltd)*	PRC, limited liability company 中國，有限公司	Development and sales of EFT-POS products and provision of related services in the PRC 在中國銷售及研發EFT-POS 產品及提供相關服務	HK\$50,000,000 50,000,000港元	100%
Pax Technology, Inc.	US, limited liability company 美國，有限公司	Sales of EFT-POS products in the US 在美國銷售EFT-POS產品及 提供相關服務	US\$1,000 1,000美元	100%

* The English name of Pax Computer Shenzhen represents the best effort by the management of the Group in translating its Chinese name as it does not have an official English name.

* 由於百富計算機技術(深圳)有限公司並無正式的英文名稱，故其英文名稱代表本集團管理層於翻譯中文名稱時所付出的最大努力。

Interest held directly by the Company

本公司直接持有之權益

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

18 INVENTORIES

Raw materials	原材料
Work in progress	在製品
Finished goods	製成品

The cost of inventories included in cost of sales during the year amounted to approximately HK\$418,005,000 (2009: HK\$286,685,000).

No provision for obsolete inventories was made during the year. (2009: Nil).

18 存貨

As at 31 December	
於十二月三十一日	
2010	2009
二零一零年	二零零九年
HK\$'000	HK\$'000
千港元	千港元
51,519	24,271
22,904	15,103
74,097	71,184
148,520	110,558

於本年度，銷售成本中包含的存貨成本約為418,005,000港元(二零零九年：286,685,000港元)。

於本年度，概無就陳舊存貨計提撥備(二零零九年：零)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

19 TRADE AND BILLS RECEIVABLES, DEPOSITS AND OTHER RECEIVABLES

19 應收賬款及應收票據、按金及其他應收款項

		As at 31 December 於十二月三十一日	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Trade receivables (Note (a))	應收賬款(包括應收預扣金額)(附註(a))	215,535	95,554
Less: provision for impairment of receivables (Note (c))	減：應收賬款減值撥備(附註(c))	(1,846)	(2,608)
Trade receivables, net	應收賬款淨額	213,689	92,946
Bills receivables (Note (b))	應收票據(附註(b))	55,353	105,701
Trade and bills receivables	應收賬款及應收票據	269,042	198,647
Deposits and other receivables	按金及其他應收款項	7,001	2,989
Trade and bills receivables, deposits and other receivables	應收賬款及應收票據、按金及其他應收款項	276,043	201,636

The carrying amounts of the Group's trade and bills receivables, deposits and other receivables are denominated in the following currencies:

本集團應收賬款及應收票據、按金及其他應收款項的賬面值乃以下列貨幣計值：

		As at 31 December 於十二月三十一日	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
HK\$	港元	2,858	3,493
RMB	人民幣	249,884	185,194
USD	美元	23,301	12,949
		276,043	201,636

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

19 TRADE AND BILLS RECEIVABLES, DEPOSITS AND OTHER RECEIVABLES (continued)

The fair values of trade and bills receivables, deposits and other receivables approximated their carrying values as at 31 December 2009 and 2010.

(a) Trade receivables

The Group's credit terms to trade debtors range generally from 0 to 180 days. However, credit terms of more than 180 days may be granted to customers on a case-by-case basis upon negotiation. At 31 December 2009 and 2010, the ageing analysis of the trade receivables is as follows:

Up to 90 days	90日以內
91 to 180 days	91至180日
181 to 365 days	181至365日
Over 365 days	365日以上

As at 31 December 2010, the trade receivables included the retention money receivables of HK\$39,480,000 (2009: HK\$12,776,000) with a retention period of three to five years for approximately 2% to 5% of the total contract sum granted to certain number of our customers in the PRC.

19 應收賬款及應收票據、按金及其他應收款項(續)

於二零零九年及二零一零年十二月三十一日，應收賬款及應收票據、按金及其他應收賬款的公平值與其賬面值相若。

(a) 應收賬款

本集團給予貿易債務人的信貸期由零至180日不等。然而，經磋商後可按個別情況向客戶授出超過180日的信貸期。於二零零九年及二零一零年十二月三十一日，應收賬款的賬齡分析如下：

As at 31 December	
於十二月三十一日	
2010	2009
二零一零年	二零零九年
HK\$'000	HK\$'000
千港元	千港元
119,898	61,009
44,268	20,862
31,362	8,960
20,007	4,723
215,535	95,554

於二零一零年十二月三十一日，應收賬款包括應收預扣金額39,480,000港元(二零零九年：12,776,000港元)，預扣期為三至五年，合同總數中約2%至5%乃授予本公司若干名中國客戶。

Notes to the Consolidated Financial Statements

綜合財務報表附註

19 TRADE AND BILLS RECEIVABLES, DEPOSITS AND OTHER RECEIVABLES (continued)

(a) Trade receivables (including retention money receivables) (continued)

The Group's sales are made to several major customers and there is concentration of credit risks. Sales of goods and services to the top five customers constituted approximately 61.2% (2009: 74.3%) of the Group's revenue for the year ended 31 December 2010. They accounted for approximately 80.9% (2009: 82.7%) of the gross trade receivable balances as at 31 December 2010.

Receivables, were neither past due nor impaired amounted to approximately HK\$213,689,000 (2009: HK\$92,946,000) as at 31 December 2010.

As at 31 December 2010, no trade receivables were past due but not impaired (2009: Nil).

19 應收賬款及應收票據、按金及其他應收款項(續)

(a) 應收賬款(包括應收預扣金額)(續)

本集團的銷售乃向數名主要客戶作出且有信貸集中風險。截至二零一零年十二月三十一日止年度，對五大客戶銷售的貨品及提供的服務佔我們營業額約61.2%(二零零九年：74.3%)，而佔於二零一零年十二月三十一日的應收賬款總額約80.9%(二零零九年：82.7%)。

於二零一零年十二月三十一日，既無逾期亦無減值的應收款項(包括應收預扣金額)約213,689,000港元(二零零九年：92,946,000港元)。

於二零一零年十二月三十一日，並無已逾期但未減值的應收款項(二零零九年：無)。

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

19 TRADE AND BILLS RECEIVABLES, DEPOSITS AND OTHER RECEIVABLES (continued)

(b) Bills receivables

The balance represents bank acceptance notes with maturity dates within six months.

The maturity profile of the bills receivables of the Group is as follows:

Up to 90 days	90日以內
91 days to 180 days	91日至180日

(c) Provision for impairment of trade receivables

The movement on the provision for impairment of trade receivables are as follows:

At beginning of the year	於年初		
Provision recognised in the consolidated income statement (Note 7)	於綜合收益表確認的撥備(附註7)		
Receivables written-off during the year as uncollectible	年內因不可收回而撇銷的應收款項		
Exchange differences	匯兌差額		
At end of the year	於年末		

19 應收賬款及應收票據、按金及其他應收款項(續)

(b) 應收票據

該結餘指到期日為六個月以內的銀行承兌票據。

本集團應收票據的到期情況如下：

As at 31 December	
於十二月三十一日	
2010	2009
二零一零年	二零零九年
HK\$'000	HK\$'000
千港元	千港元
24,443	86,504
30,910	19,197
55,353	105,701

(c) 應收賬款減值撥備

應收賬款減值撥備變動如下：

As at 31 December	
於十二月三十一日	
2010	2009
二零一零年	二零零九年
HK\$'000	HK\$'000
千港元	千港元
2,608	2,186
374	422
(1,229)	—
93	—
1,846	2,608

Notes to the Consolidated Financial Statements

綜合財務報表附註

19 TRADE AND BILLS RECEIVABLES, DEPOSITS AND OTHER RECEIVABLES (continued)

(c) Provision for impairment of trade receivables (continued)

The maximum exposure to credit risk at the reporting date is the carrying values of each class of receivables mentioned above. The Group did not hold any collateral as security for these receivables as at 31 December 2010 (2009: Nil).

The other classes within trade and bills receivables, deposits and other receivables do not contain impaired assets.

20 RESTRICTED CASH

Restricted bank deposits

受限制銀行存款

Restricted cash represented bank deposits of the Group which were placed as guarantee deposits for tenders and as securities for sales of goods to customers and were denominated in RMB.

As at 31 December 2010, the effective interest rate on restricted bank deposits were 0.36% (2009: 0.36%) per annum. All restricted cash were kept in the bank accounts opened with banks in the PRC as at 31 December 2009 and 2010, where the remittance of funds is subject to foreign exchange control.

19 應收賬款及應收票據、按金及其他應收款項(續)

(c) 應收賬款減值撥備(續)

於報告日期面臨的最大信貸風險為上述各類應收款項的賬面值。於二零一零年十二月三十一日，本集團並無就該等應收款項持有任何抵押品(二零零九年：無)。

應收賬款及應收票據、按金及其他應收款項的其他類別內並無已減值資產。

20 受限制現金

As at 31 December

於十二月三十一日

2010	2009
二零一零年	二零零九年
HK\$'000	HK\$'000
千港元	千港元
2,846	1,740

受限制現金指貴集團作為投標的擔保按金以及銷貨予客戶的擔保而存放的銀行存款，乃以人民幣計值。

於二零一零年十二月三十一日，受限制銀行存款的實際利率為每年0.36%(二零零九年：0.36%)。於二零零九年及二零一零年十二月三十一日，所有受限制現金存放在中國境內銀行開立的銀行賬戶，而有關資金的付匯受到外匯管制。

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

21 CASH AT BANK AND ON HAND

Cast at bank and on hand 銀行及手上現金
Short-term bank deposits 短期銀行存款

As at 31 December 2010, funds of the Group amounting to HK\$233,899,000 (2009: HK\$166,140,000) were deposited in bank accounts opened with banks in the PRC where the remittance of funds is subject to foreign exchange control.

The effective interest rate per annum on short-term bank deposits of the Group was 0.53% (2009: 0.21%). These deposits have an average maturity of 55 days (2009: 11 days). The carrying amounts of cash at bank and on hand were denominated in the following currencies:

HK\$ 港元
RMB 人民幣
USD 美元
Euro dollar 歐元

21 銀行及手上現金

	Group as at 31 December 本集團 於十二月三十一日 2010 二零一零年 HK\$'000 千港元	Company as at 31 December 本公司 於十二月三十一日 2009 二零零九年 HK\$'000 千港元	Company as at 31 December 本公司 於十二月三十一日 2010 二零一零年 HK\$'000 千港元
Cast at bank and on hand	843,149	203,071	547,082
Short-term bank deposits	223,377	39,309	150,000
	1,066,526	242,380	697,082

於二零一零年十二月三十一日，本集團為數233,899,000港元(二零零九年：166,140,000港元)存放在中國境內銀行開立的銀行賬戶，而有關資金的付匯受到外匯管制。

本集團短期銀行存款的實際年利率為0.53%(二零零九年：0.21%)。該等存款的平均到期日為55日(二零零九年：11日)。銀行及手上現金的賬面值乃分別以下列貨幣計值：

	Group as at 31 December 本集團 於十二月三十一日 2010 二零一零年 HK\$'000 千港元	Company as at 31 December 本公司 於十二月三十一日 2009 二零零九年 HK\$'000 千港元	Company as at 31 December 本公司 於十二月三十一日 2010 二零一零年 HK\$'000 千港元
HK\$	746,713	14,405	697,052
RMB	229,022	162,503	-
USD	89,751	64,432	-
Euro dollar	1,040	1,040	-
	1,066,526	242,380	697,052

Notes to the Consolidated Financial Statements

綜合財務報表附註

21 CASH AT BANK AND ON HAND (continued)

The maximum exposure to credit risk of the Group and the Company as at 31 December 2010 were HK\$1,066,291,000 (2009: HK\$242,143,000) and HK\$697,082,000 respectively.

22 SHARE CAPITAL

(a) Authorised share capital of the Company

Authorised

On 15 February 2010,
date of incorporation
Increase in authorised
share capital

法定

於二零一零年二月十五日
(註冊成立日期)
法定股本增加

Year ended 31 December 2010 截至二零一零年十二月 三十一日止年度	
Number of ordinary shares 普通股數目	Ordinary shares of HK\$0.1 each 每股面值0.1 港元之普通股 HK\$'000 千港元
1,000,000	100
1,999,000,000	199,900
<u>2,000,000,000</u>	<u>200,000</u>

As of the date of incorporation, the initial authorised share capital of the Company was HK\$100,000 divided into 1,000,000 ordinary shares of HK\$0.1 each.

On 4 November 2010, the authorised share capital was increased from HK\$100,000 to HK\$80,000,000 divided into 800,000,000 ordinary shares of HK\$0.1 each in preparation for the Reorganisation.

On 1 December 2010, the authorised share capital was increased from HK\$80,000,000 to HK\$200,000,000 divided into 2,000,000,000 ordinary shares of HK\$0.1 each in preparation for the Global Offering.

於註冊成立日期，本公司的初始法定股本為100,000港元，分為1,000,000股每股面值0.1港元的普通股。

二零一零年十一月四日，為籌備重組，法定股本從100,000港元增加至80,000,000港元，分為800,000,000股每股面值0.1港元的普通股。

於二零一零年十二月一日，為籌備全球發售，法定股本從80,000,000港元增加至200,000,000港元，分為2,000,000,000股每股面值0.1港元的普通股。

21 銀行及手上現金 (續)

於二零一零年十二月三十一日，本集團及本公司最大信貸風險分別為1,066,291,000港元(二零零九年：242,143,000港元)及697,082,000港元。

22 股本

(a) 本公司的法定股本

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

22 SHARE CAPITAL (continued)

(b) Issued share capital of the Company

Issued and fully paid	已發行及繳足
On 15 February 2010, date of incorporation	於二零一零年二月十五日 (註冊成立日期)
Allotment of shares pursuant to the Reorganisation (Note 1.1)	根據重組配發股份(附註1.1)
Share issued under the capitalization issue (i)	根據資本化發行之已發行 股份(i)
Shares issued pursuant to the Global Offering (ii)	根據全球發售 發行股份(ii)

- (i) Pursuant to the written resolution of the sole shareholder passed on 1 December 2010, the directors were authorised to capitalise HK\$49,000,000 standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par 490,000,000 shares of the Company for allotment and issue to holders of shares of the Company on 1 December 2010 to their respective shareholdings in the Company. The shares to be allotted and issued shall rank pari passu with all shares in issue.
- (ii) On 20 December 2010, the Company issued 260,000,000 ordinary shares at HK\$2.88 each pursuant to the Global Offering as disclosed in Note 1.1. The excess of issue price over the par value of the ordinary shares were credited to share premium, after deducted the share issuance cost of HK\$47,699,000.

22 股本(續)

(b) 本公司的已發行股本

Year ended 31 December 2010 截至二零一零年十二月 三十一日止年度	
Number of ordinary shares 普通股數目	Ordinary shares of HK\$0.1 each 每股面值0.1 港元之普通股 HK\$'000 千港元
-	-
250,000,000	25,000
490,000,000	49,000
260,000,000	26,000
<u>1,000,000,000</u>	<u>100,000</u>

- (i) 根據唯一股東於二零一零年十二月一日通過的書面決議案，於二零一零年十二月一日授權董事將本公司股份溢價賬內進賬為數49,000,000港元資本化，用作按面值繳足490,000,000股向本公司股份持有人按彼等各自於本公司的股權比例配發及發行股份。將予配發及發行的股份與所有已發行股份享有同等權益。
- (ii) 於二零一零年十二月二十日，本公司全球發售以每股2.88港元發行260,000,000股普通股(誠如附註1.1所披露)。於扣除股份發行成本47,699,000港元後，發行價超過普通股面值之部分乃計入股份溢價。

Notes to the Consolidated Financial Statements

綜合財務報表附註

22 SHARE CAPITAL (continued)

(c) Over-allotment Option

In connection with the Global Offering, the Company granted the Over-allotment Option to the international underwriters of the Global Offering ("International Underwriters"), exercisable by the global coordinator of the Global Offering or their agent on behalf of the International Underwriters at any time from the listing date of the Company up to (and including) the date which is the 30th day after the last date for the lodging of application forms under the public offer and preferential offer. Pursuant to the Over-allotment Option, the global coordinator or their agent had the right to require the Company to allot and issue up to an aggregate of 47,880,000 additional new shares of the Company, representing in aggregate 15% of the offer shares initially available under the Global Offering and that these shares were issued at the Offer Price.

On 12 January 2011, the Over-allotment Option was partially exercised and the Company issued an aggregate of 37,728,000 additional shares at the Offer Price of HK\$2.88 per share. Gross proceeds in relation to the over-allotment amounted to HK\$108,657,000 was received by the Company on 17 January 2011. The remaining Over-allotment Option not yet exercised was expired on 13 January 2011.

22 股本(續)

(c) 超額配股權

就全球發售而言，本公司向全球發售的國際包銷商(「國際包銷商」)授出超額配股權，可由全球發售的全球協調人或其代理人(代表國際包銷商)於本公司上市日期起至遞交公開發售及優先發售申請表格截止日期起計第30日(包括該日)止期間行使。根據超額配股權，全球協調人或其代理人有權要求本公司額外配發及發行最多合共47,880,000股本公司新股份，合共相當於全球發售項下初步可供認購發售股份的15%，並按發售價發行該等股份。

於二零一一年一月十二日，超額配股權(獲部份行使，而本公司以發售價每股2.88港元發行合共37,728,000股額外股份。本公司於二零一一年一月十七日收取有關超額配股權之所得款項總額為108,657,000港元。餘下未行使之超額配股權於二零一一年一月十三日到期。

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

22 SHARE CAPITAL (continued)

(d) Share option scheme

(i) PAX Share Option Scheme

On 1 December 2010, the board of directors of the Company approved a share option scheme (the "PAX Scheme") for the issuance of in aggregate no more than 10% in nominal amount of the aggregate of shares in issue on the listing date of the Company, representing 100,000,000 shares (subject to the terms of the scheme and the relevant provisions under the Listing Rules).

The PAX Scheme was effective from 1 December 2010 for 10 years and unless otherwise cancelled or amended. Upon to the date of the approval of these consolidated financial statements, no share option was granted under the PAX Scheme.

(ii) Cancellation of share option scheme of a subsidiary

On 27 April 2009, Hi Sun, the former controlling shareholder of the Company, approved the share option scheme for the issuance of such number of ordinary shares in the capital of Pax Technology (the "Pax Technology Share Option Scheme"), a subsidiary of the Company, representing no more than 5% of the total number of shares in issue in the capital of Pax Technology. On 6 December 2010, the board of directors of Pax Technology terminated the Pax Technology Share Option Scheme in accordance with its scheme rules. No option was granted under the Pax Technology Share Option Scheme up to its termination on 6 December 2010.

22 股本(續)

(d) 購股權計劃

(i) 百富購股權計劃

於二零一零年十二月一日，本公司董事會批准一項購股權計劃(「百富購股權計劃」)以發行合共不超過本公司上市日期已發行股份總面值的10%(即100,000,000股股份)(但須按照該計劃之條款及遵守上市規則之有關規定)。

該計劃已於二零一零年十二月一日生效，除非另行撤銷或修訂，否則該計劃將自生效當日起十年期間一直有效。截至本報告日期，並無根據百富僱員獎勵計劃授出購股權。

(ii) 取消附屬公司僱員獎勵計劃

二零零九年四月二十七日，高陽(本公司的前控股股東)批准有關發行佔百富科技有限公司(「百富科技購股權計劃」)(本公司的附屬公司)股本中已發行股份總數不超過5%的百富科技普通股的購股權計劃。於二零一零年十二月六日，百富科技董事會根據計劃規則終止百富科技購股權計劃。截至百富科技股權計劃於二零一零年十二月六日終止前，概無購股權於該計劃下授出。

Notes to the Consolidated Financial Statements

綜合財務報表附註

23 RESERVES

(a) Group

(i) Capital reserves

Capital reserves as of 31 December 2009

The Company was incorporated on 15 February 2010 and the Reorganisation was not completed prior to 31 December 2009. For the purpose of the consolidated financial statements, the capital reserve in the consolidated financial statements represented the paid-in capital of subsidiaries of the Company, after eliminating intra-group investments.

Capital reserve as of 31 December 2010

Capital reserve as of 31 December 2010 represented the difference between (i) the aggregate of the consideration for the acquisitions upon the Reorganisation as detailed in Note 1.1; and (ii) the aggregate of the share capital and share premium of the direct owned subsidiary of the Company.

(ii) Statutory reserves

The subsidiary of the Company in the PRC is required to allocate 10% of the companies' net profit to the statutory reserves fund until such fund reaches 50% of the companies' registered capital. The statutory reserves fund can be utilised, upon approval by the relevant authorities, to offset accumulated losses or to increase its registered capital, provided that such fund is maintained at a minimum of 25% of its registered capital. As at 31 December 2010, retained earnings comprised statutory reserves fund amounting to HK\$26,529,000 (2009: HK\$26,529,000).

23 儲備

(a) 本集團

(i) 資本儲備

於二零零九年十二月三十一日的資本儲備

本公司於二零一零年二月十五日註冊成立，且於二零零九年十二月三十一日前未完成重組。就綜合財務報表而言，於綜合財務報表內的資本儲備指經抵銷集團內公司間投資後，本公司附屬公司的實繳資本。

於二零一零年十二月三十一日的資本儲備

於二零一零年十二月三十一日的資本儲備指下列兩者的差額：(i)於重組時的收購代價總額（詳情見附註1.1）；及(ii)本公司直接擁有之附屬公司的股本及股份溢價總額。

(ii) 法定儲備

本公司於中國的附屬公司須將公司純利的10%分配至法定儲備金，直至該儲備金達至其註冊資本的50%。經有關當局批准後，法定儲備金可用於抵銷累計虧損或增加其註冊資本，惟該儲備金最低須維持於其註冊資本25%的水平。於二零一零年十二月三十一日，保留盈利包括法定儲備金26,529,000港元（二零零九年：26,529,000港元）。

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

23 RESERVES (continued) (b) Company

23 儲備(續) (b) 本公司

		Share premium 股份溢價 HK\$'000 千港元	Accumulated Loss 累計虧損 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Balance as at 15 February 2010 (date of incorporation)	於二零一零年二月十五日(註冊成立日期)的結餘	-	-	-
Loss for the period	期間虧損	-	(8,397)	(8,397)
Allotment of share pursuant to the Reorganisation (Note 1.1)	根據重組配發股份(附註 1.1)	503,103	-	503,103
Share issued under the capitalization issue (Note 22(b)(i))	根據資本化發行之已發行股份(附註 22(b)(i))	(49,000)	-	(49,000)
Shares issued pursuant to the Global Offering (Note 22(b)(ii))	根據全球發售發行股份(附註 22(b)(ii))	675,101	-	675,101
		1,129,204	(8,397)	1,120,807
Balance at 31 December 2010	於二零一零年十二月三十一日的結餘	1,129,204	(8,397)	1,120,807

Notes to the Consolidated Financial Statements

綜合財務報表附註

24 TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

24 應付賬款、其他應付款項及應計款項

		Group As at 31 December 本集團 於十二月三十一日 2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	Company As at 31 December 本公司 於十二月 三十一日 2010 二零一零年 HK\$'000 千港元
Trade payables (Note (a))	應付賬款(附註(a))	143,033	86,912	-
Other payables and accruals	其他應付款項及 應計款項			
Receipt in advance from customers	預先收取客戶款項	17,804	10,138	-
Other tax charge payables	其他應付稅款	6,624	5,455	-
Accrued expenses	應計開支	16,272	20,826	4,378
Others	其他	15,035	4,903	-
		55,735	41,322	4,378
		198,768	128,234	4,378

Note (a): The ageing analysis of trade payables was as follows:

附註(a)：應付賬款的賬齡分析如下：

		As at 31 December 於十二月三十一日	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Up to 90 days	90日以內	134,663	79,190
91 to 180 days	91日至180日	6,434	2,379
181 to 365 days	181日至365日	329	103
Over 365 days	365日以上	1,607	5,240
		143,033	86,912

The average credit period granted by the Group's suppliers ranges from 0 to 180 days.

本集團獲供應商授予的平均信貸期介乎零至180日。

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

25 DEFERRED INCOME TAX

- (i) Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related benefits through future taxable profits is probable. As at 31 December 2010, the Group had unrecognised tax losses of HK\$25,862,000 (2009: HK\$9,173,000), to carry forward against future taxable income. These tax losses have not been recognised due to uncertainty of their future recoverability. The tax losses will expire according to the prevailing tax laws and regulations in the countries in which the Group operates.
- (ii) Cai Shui [2008] Circular 1, which was jointly issued by the Ministry of Finance and the State Administration of Taxation, took effect on 22 February 2008. Under the circular, dividends declared by foreign investment enterprises ("FIEs") to foreign investors out of their cumulative retained earnings as at 31 December 2007 shall be exempt from withholding income tax. For dividends declared out of profit earned after 1 January 2008, withholding income tax will be levied on the foreign investor at a tax rate of 10% unless the foreign investor's jurisdiction of incorporation has a tax treaty with the PRC that provides for a different withholding tax arrangement.

The directors of the Company regards the Group does not expect to pay out dividends arising from FIEs profit earned after 1 January 2008 in the foreseeable future. Accordingly, there was deferred income tax liabilities of HK\$14,994,000 (2009: HK\$8,527,000) that have not been recognised as at 31 December 2010, for the withholding income tax that would be payable on the unremitted earnings of the subsidiaries of the Group.

25 遞延所得稅

- (i) 遞延所得稅資產乃因應相關利益有可能透過日後應課稅溢利變現而就所結轉的稅項虧損作確認。於二零一零年十二月三十一日，本集團的未確認稅項虧損為25,862,000港元(二零零九年：9,173,000港元)，可結轉以抵銷日後應課稅收入。由於日後的回收性不確定，該等稅項虧損未予確認。稅項虧損將根據貴集團經營所在國家當時的法律法規屆滿。
- (ii) 財政部及國家稅務總局聯合發出的財稅[2008]第1號通知於二零零八年二月二十二日生效。根據該通知，外商投資企業(「外資企業」)自其二零零七年十二月三十一日的累計保留盈利向海外投資者宣派的股息將豁免繳納預扣所得稅。自二零零八年一月一日後的溢利中宣派的股息，將按10%的稅率對海外投資者徵收預扣所得稅，除非外國投資者註冊成立的司法權區與中國訂有稅務條約，規定不同的預扣稅安排。

本公司董事認為本集團預期於可預見未來不會就外資企業於二零零八年一月一日之後的溢利付息。因此，於二零一零年十二月三十一日，並無就本集團附屬公司的未匯返盈利而可能須支付的預扣稅確認遞延所得稅負債14,994,000港元(二零零九年：8,527,000港元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

26 CASH GENERATED FROM OPERATIONS

(a) Reconciliation of profit before income tax to cash generated from operations

26 營運所得的現金

(a) 除所得稅前溢利與經營所得現金的對賬

		Year ended 31 December	
		截至十二月三十一日止年度	
		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
Profit before income tax	除所得稅前溢利	172,508	100,083
Adjustment for:	調整：		
Interest income (Note 5)	利息收入(附註5)	(928)	(271)
Finance costs (Note 10)	融資成本(附註10)	–	429
Depreciation of property, plant and equipment (Note 7)	物業、廠房及設備折舊(附註7)	2,608	1,918
Amortisation of leasehold land (Note 7)	租賃土地攤銷(附註7)	5	5
Loss on disposal of property, plant and equipment (Note 7)	出售物業、廠房及設備的虧損(附註7)	84	6
Provision for impairment of trade receivables (Note 19)	應收賬款減值撥備(附註19)	374	422
		174,651	102,592
Changes in working capital:	營運資本變動：		
Trade and bills receivables, deposits and other receivables	應收賬款及應收票據、按金及其他應收款項	(54,542)	60,885
Inventories	存貨	(37,962)	(8,368)
Amount due to/(from) related parties	應付/(應收)關聯方款項	–	(11,748)
Trade payables, other payables and accruals	應付賬款、其他應付賬款及應計款項	58,089	12,188
Cash generated from operations	經營所得現金	140,236	155,549

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

26 CASH GENERATED FROM OPERATIONS

(continued)

(b) In the consolidated cash flow statements, proceeds from sale of property, plant and equipment comprise:

Net book amount (Note 15)	賬面淨值(附註15)
Loss on sale of property, plant and equipment (Note 7)	出售物業、廠房及設備的虧損(附註7)
Proceeds from sale of property, plant and equipment	出售物業、廠房及設備的所得款項

26 營運所得的現金(續)

(b) 合併現金流量表中，出售物業、廠房及設備的所得款項包括：

Year ended 31 December 截至十二月三十一日止年度	
2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
317	6
(84)	(6)
233	-

27 CONTINGENT LIABILITIES

As at 31 December 2009 and 2010, the Group had no contingent liabilities.

27 或然負債

於二零零九年及二零一零年十二月三十一日，本集團並無或然負債。

28 OPERATING LEASE COMMITMENTS

The Group leases certain of its office premises under non-cancellable operating lease agreements. The leases have various terms and renewal rights. As at 31 December 2010, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

28 經營租賃承擔

本集團根據不可撤銷經營租賃協議租賃其若干辦公場所。租賃的租期及續約權各異。於二零一零年十二月三十一日，本集團根據不可撤銷經營租賃的未來最低租金付款總額如下：

As at 31 December 於十二月三十一日			
2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元		
Not later than one year	不超過一年	4,452	2,319
Later than one year and not later than five years	超過一年但不超過五年	2,253	1,361
		6,705	3,680

Notes to the Consolidated Financial Statements

綜合財務報表附註

29 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has, directly or indirectly, the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

The Directors of the Company are of the view that the following companies were related parties that had transactions or balances with the Group during the year:

(a) Transactions with related parties during the year

Save as the related party transactions disclosed in Note 9(b), the following transactions with a related party was undertaken by the Group with this related party during the year.

Rental fees paid to Beijing Hi	向高陽的附屬公司
Sunsray Information Technology Limited ("Sunsray"),	北京高陽聖思園信息技術有限公司（「聖思園」）
a subsidiary of Hi Sun	支付的租金

The directors of the Company have confirmed that the related party transactions set out in the above table will continue. Rental paid to Sunsray were charged at a fixed monthly fee subject to the terms mutually agreed by Sunsray.

In the opinion of the directors of the Company, the above related party transactions were carried out in the normal course of business and at terms mutually negotiated between the Group and Sunsray.

(b) Key management compensation

Details of key management compensation during the year have been disclosed in Note 9.

29 關聯方交易

倘一名人士有能力直接或間接控制其他人士或在其他人士作出財務及經營決策時對其施加重大影響，則該人士被認為是該名其他人士的關聯方。

本公司董事認為，以下公司為於本年度與本集團進行交易或有結餘的關聯方：

(a) 於本年度與關聯方的交易

除附註9(b)所披露的關聯方交易外，下列與關聯方的交易均由本集團於本年度與該關聯方進行。

Year ended 31 December	
截至十二月三十一日止年度	
2010	2009
二零一零年	二零零九年
HK\$'000	HK\$'000
千港元	千港元
489	329

本公司董事已確認上表所載關聯方交易將持續進行。向聖思園支付的租金每月按固定費用收取，並受到聖思園相互協定的條款的規限。

本公司董事認為，上述關聯方交易乃於日常業務過程中按照本集團與聖思園相互協定的條款進行。

(b) 主要管理層酬金

主要管理層於本年度酬金的詳情披露於附註9。

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

30 SUBSEQUENT EVENTS

Save as the exercise of the Over-allotment Option as disclosed in note 22(c), no other event took place subsequent to 31 December 2010.

30 結算日後事項

除附註22(c)所披露之行使超額配股權外，概無事項於二零一零年十二月三十一日後發生。

Four Years Financial Summary 四年財務概要

A summary of the published consolidated results and of the consolidated assets and liabilities of the Group for the last four financial years, as extracted from the audited financial statements and reclassified as appropriate, is set as below:

摘錄自經審核財務報表及按適用情況重新分類的本集團過去四個財政年度已公佈綜合業績及綜合資產與負債概要如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Results	業績				
Revenue	營業額	723,610	492,942	493,589	323,143
Gross profit	毛利	291,870	192,860	190,890	112,520
Operating profit	經營溢利	172,508	100,512	117,601	70,590
Profit for the year attributable to the equity shareholders of the Company	本公司權益持有人應佔年內溢利	145,423	84,551	106,062	64,215
Financial position	財務狀況				
Assets and liabilities	資產及負債				
Total assets	總資產	1,505,360	565,707	490,149	357,639
Total liabilities	總負債	218,249	142,646	151,639	134,441
Capital and reserves	資本及儲備				
Total equity	權益總額	1,287,111	423,061	338,510	223,198



PAX

PAX Global Technology Limited
百富環球科技有限公司*

Website 網址 : www.paxglobal.com.hk

