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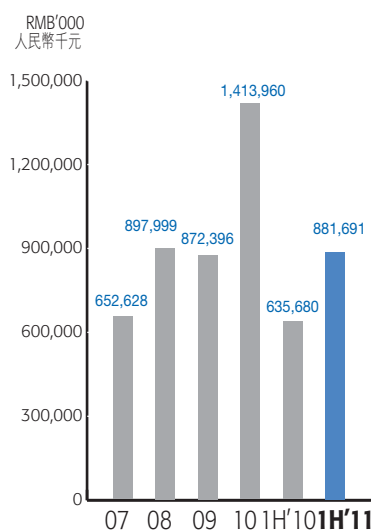
HL Technology Group Limited 泓淋科技集團有限公司  
Interim Report 2011 二零一一年中期報告

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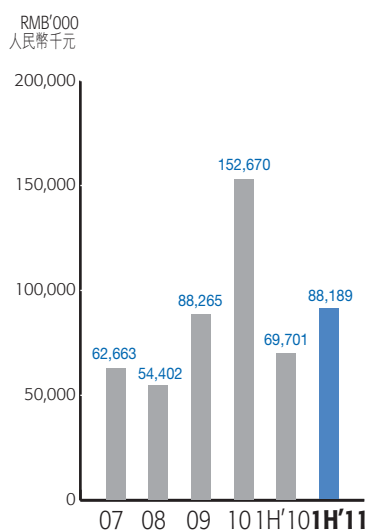
# Financial Summary

## 財務摘要

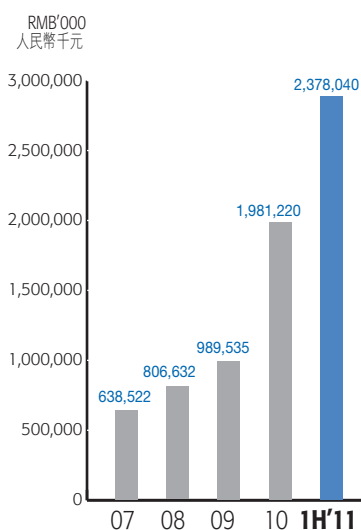
### Revenue 收益



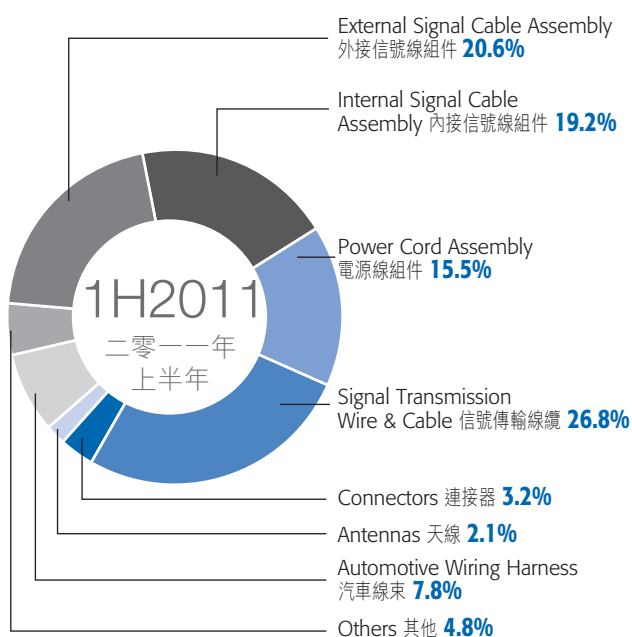
### Profit Attributable to Shareholders 股東應佔溢利



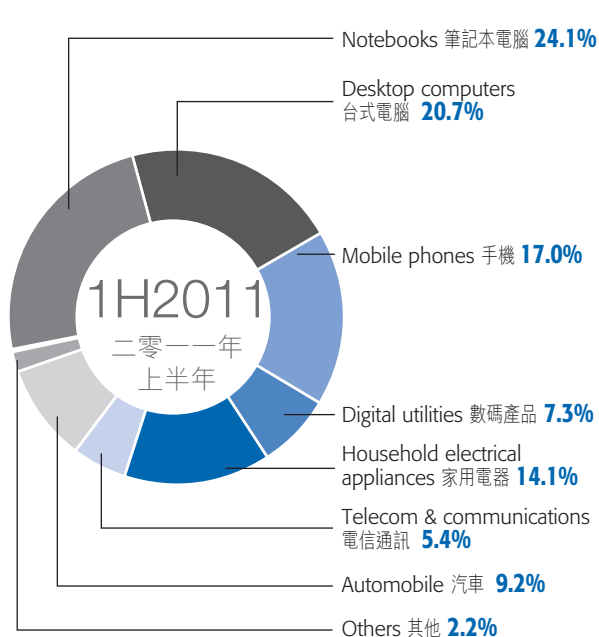
### Total Assets 總資產



### Revenue Breakdown by Product 按產品劃分之收益

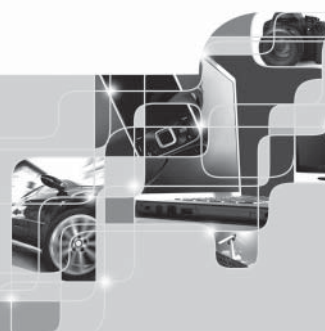


### Revenue Breakdown by Business 按業務劃分之收益



# Financial Summary

## 財務摘要



A summary of results, assets and liabilities, cash flows and key financial ratio information is as follows:

業績、資產與負債、現金流量及主要財務比率資料的概要如下：

		Six months ended 30 June 截至六月三十日止六個月		
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	Change 變動 %
Revenue	收益	<b>881,691</b>	635,680	38.7
Gross profit	毛利	<b>187,932</b>	143,974	30.5
Profit before taxation	除稅前溢利	<b>98,137</b>	78,454	25.1
Profit for the period	期內溢利	<b>90,754</b>	70,201	29.3
Profit attributable to:	以下各方應佔溢利：			
— Owners of the Company	— 本公司擁有人	<b>88,189</b>	69,701	26.5
— Non-controlling interests	— 非控制權益	<b>2,565</b>	500	413.0
Earnings per share — Basic (RMB cents)	每股盈利 — 基本(人民幣分)	<b>12.2</b>	13.3	(8.3)

### SELECTED FINANCIAL RATIOS

For the six months ended 30 June

### 經選定財務比率

截至六月三十日止六個月

		2011 二零一一年	2010 二零一零年
Gross profit margin	邊際毛利	<b>21.3%</b>	22.6%
Net profit margin	邊際純利	<b>10.3%</b>	11.0%
Current ratio (times)	流動比率(倍)	<b>1.3</b>	1.1
Gearing ratio	資本負債比率	<b>35.3%</b>	39.9%
Return on total assets*	總資產回報*	<b>4.2%</b>	6.2%
Return on total equity*	總權益回報*	<b>9.1%</b>	18.4%

\* The above ratios are calculated by using average balances of total assets and total equity.

\* 上述比率乃採用平均總資產和總權益餘額計算得出。

# Financial Summary

## 財務摘要

### ASSETS AND LIABILITIES INFORMATION

### 資產與負債資料表

		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		As at	As at
		30 June	31 December
		於六月	於十二月
		三十日	三十一日
Total assets	資產總值	<b>2,378,040</b>	1,981,220
Total assets less current liabilities	總資產減流動負債	<b>1,068,520</b>	923,471
Total equity	權益總值	<b>1,062,459</b>	923,471
Bank balances (including pledged) and cash equivalent	銀行結餘(包括已抵押)及現金等價物	<b>566,743</b>	585,122
Bank borrowings	銀行借款	<b>839,360</b>	663,106

### CASH FLOWS INFORMATION

### 現金流量資料表

For six months ended 30 June

截至六月三十日止六個月

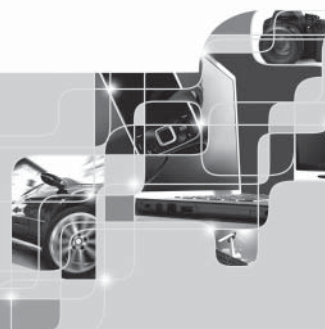
		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
			#
Net cash from (used in) operating activities	經營活動所得(所用)現金淨額	<b>2,561</b>	(144,099)
Net cash used in investing activities	投資活動所用現金淨額	<b>(151,645)</b>	(38,641)
Net cash from financing activities	融資活動所得現金淨額	<b>126,721</b>	184,166

# The financial information was extracted from the Company's prospectus dated 3 November 2010 (the "Prospectus").

# 該財務資料乃摘錄自本公司日期為二零一零年十一月三日的招股章程(「招股章程」)。

# Chairman's Statement

## 主席報告



### BUSINESS REVIEW

The first half of year 2011 was both eventful and successful. We have been diligently utilizing the funds raised from our initial public offering in November 2010 to better position HL Technology on the right track for future success: by building new production bases, expanding production capacity, recruiting necessary talent and positioning ourselves for future growth with the acquisitions of Tianjin Rituo Automotive Electronics Co., Ltd. ("Tianjin Rituo") and Huizhou Daya Bay Heping Telecommunication Co., Ltd. ("Huizhou Daya Bay") as well as our continued innovations and investment in future markets.

Whilst the global 3Cs (computing, communication and consumer) markets face some uncertainties in recent months due to the impact of the March 2011 Japanese earthquake, continued Middle East unrest and weakness in the American and European economies, we have in the first half of 2011, seen an overall increased level of procurement across majority of our product types from our key customers as we continue to increase our market share in most of our target markets despite witnessing on the overall decrease in industry wide procurement amount in the past two months. We believe this is due to our demonstrated set of core competencies, which include (i) our ability to supply one-stop R&D solutions and products, thereby enabling us to meet the ever changing product requirements by our customers and also helping them to reduce overall procurement cost and increase manufacturing efficiency; (ii) strong long-term relationship with our customers, which translate into recurring business; (iii) strategically located production and distribution network and a flat management structure which allow us to meet and respond to customers' needs and demands efficiently and flexibly in a cost efficient manner; and (iv) strong production capability and unique vertically integrated business model that gives us economies of scale and cost advantages which allow us to have the ability to competitively price our products for the benefits of our customers.

Overall, we believe we have become a stronger player in our target markets with our capability for product innovation and commitment to research & development being increasingly recognized by our customers (both existing and new). Whilst we continue to expand our existing markets, we have also been demonstrating our commitment to implement a sustainable strategy for long-term profitable growth by gradually entering into new markets. The main themes of the first half of 2011 could be summarized as below:

### 業務回顧

二零一一年上半年可謂是多事之秋，但仍然收穫頗豐。本集團努力及有責任的使用於二零一零年十一月自首次公開發售募集的資金，為泓淋科技日後長期的發展成功做了更佳部署：包括建立新生產基地、擴充產能、招攬不可或缺的人才及透過收購天津日拓汽車電裝有限公司（「天津日拓」）及惠州大亞灣和平通信電纜有限公司（「惠州大亞灣」）實現進入新市場並為未來增長打好基礎，以及進行持續的產品創新及對未來市場的投資。

雖然，受二零一一年三月日本大地震、中東持續動盪不安及歐美經濟體系疲弱的影響，近幾個月來全球3C市場（計算、通訊及消費）出現若干不明朗因素，儘管過去兩個月行業的整體採購額有所下跌，本集團於二零一一年上半年持續在大部分目標市場成功增加市場份額，而本集團主要客戶向我們採購大多數型號產品的整體水平都有所上升。本集團認為此成績歸功於我們的一系列核心競爭力，包括(i)提供一站式研發解決方案及產品的能力，從而令本集團能夠滿足客戶千變萬化的產品需求，亦幫助客戶降低整體採購成本，增加生產效率；(ii)長期穩定的客戶關係，開拓經常性業務；(iii)戰略性的生產與分銷網絡佈局及精益的管理架構，令本集團在保證成本效益的情況下高效及靈活地滿足並應對客戶需求；及(iv)強勁的生產能力及獨一無二的垂直整合業務模式可達致規模經濟並具備成本優勢，令本集團的產品具備價格優勢，為客戶帶來益處。

總體而言，隨著本集團的產品創新能力及潛心研發能力日益受到本集團現有客戶及新客戶的認可，本集團相信，我們已成為目標市場更強大的參與者。在持續擴充現有市場的同時，本集團一直致力於透過逐步進軍新市場來實施獲得長期盈利增長的持久戰略。二零一一年上半年的主題概述如下：

# Chairman's Statement

## 主席報告

### BUSINESS REVIEW *(Continued)*

#### WINNING MARKET SHARE

By leveraging on our above mentioned core competencies, we continue to gain market share in our key target markets as we witnessed increased level of procurement from our key customers for all of our key products offering. As the global sourcing for wire and cable assembly products continue to shift to China, we believe that we are extremely well-positioned to benefit from such ongoing change in the industry landscape.

#### ENHANCING OUR CUSTOMER BASE

In the first half of 2011, we continue to gain momentum in adding new quality customers and in addition to entering the supply chain of leading Japanese consumer electronics brand such as Canon, Panasonic and Sharp since late 2010, we have made great strides in adding leading international customers in the North American and Chinese markets such as Apple, Dell and Huawei. As at 30 June 2011, our number of customers stood at 193 as compared to 177 as at 31 December 2010, but going forward, in terms of customers, we would continue to focus on quality instead of quantity as we continue to enhance our customer base in order to focus our production capacity on serving strategically more important customers.

#### SECURING FUTURE GROWTH

In order to continue to grow profitably, we have been actively investing in the first half of 2011 in order to better position ourselves for future growth.

#### *Production capacity and manufacturing know-how*

We have expanded production capacity for almost all our product types by adding new production lines and/or procuring additional equipment. To further improve our manufacturing efficiency and yield rate, we are also committed to further increase our level of automation. For products such as internal signal cable assembly, we have managed to gradually reduce the number of direct labour involved whilst increasing the production level by utilizing our internally developed automated production line.

### 業務回顧 *(續)*

#### 贏得市場份額

憑藉上文所述的核心競爭力，本集團在主要目標市場不斷獲得市場份額，其原因是本集團主要客戶採購本集團所供應的全部主要產品的水平有所上升。由於全球線纜組件產品採購源持續向中國遷移，本集團處於非常有利的市場定位，可從行業格局的變化中受益。

#### 提升客戶基礎

於二零一一年上半年，本集團增添新優質客戶的能力日趨強勁，自二零一零年年底起成為日本一流消費電子品牌（如佳能、松下及夏普）的供應商後，本集團在北美及中國市場的領先國際客戶（如蘋果、戴爾及華為）與日俱增。於二零一一年六月三十日，本集團的客戶數目為193，相較二零一零年十二月三十一日為177名。展望未來，由於本集團不斷改善客戶基礎，本集團日後在選擇客戶方面將持續注重品質而非數量，從而將產能重心集中在具有戰略意義的重要客戶身上。

#### 鎖定未來增長

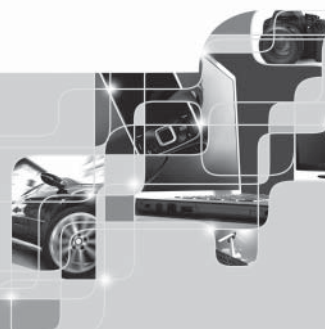
為持續提升盈利能力，於二零一一年上半年，本集團一直積極加大投入，從而為本集團的日後增長奠定基礎。

#### 生產能力及製造工藝

透過增加新生產線及／或採購新設備，本集團已擴張幾乎所有產品類別的產能。為進一步提高生產效率及收益率，本集團亦致力於進一步增加我們的自動化水平。就內接信號電纜組件產品而言，本集團亦努力逐漸減少有關直接勞動力數量，同時透過運用本集團內部研發的自動化生產線提高生產水平。

# Chairman's Statement

## 主席報告



### **BUSINESS REVIEW** *(Continued)*

#### **SECURING FUTURE GROWTH** *(Continued)*

##### ***Production capacity and manufacturing know-how*** *(Continued)*

To further expand our production scale, we are also in the process of establishing new production base in key consumer electronic and communication product manufacturing hubs in China such as Chongqing, Huizhou and Wuhan.

##### ***Acquisition***

We have managed to increase the diversity of our products portfolio and customer base through two important acquisitions: the acquisition of Tianjin Rituo, which marked our entry into the China automotive wiring harness market and the acquisition of Huizhou Daya Bay, which gave our communication cable business access to leading telecommunication equipment operators in China.

##### ***Recruiting and retaining talent***

Recruitment, retention and development of talented people continue to be one of the highest priorities for our Group. With the successful listing of our Group, we have been successful in leveraging our listing status platform and growth potential to attract and retain key talent across various business functions including sales, management and R&D to join our Group in the past six months. We believe that such strengthening of management team will continue to add momentum to our operations and expansion going forward.

### **DEVELOPING FUTURE MARKETS**

Through innovation, we open up new markets to meet the ever increasing demand by end users for signal transmission and connectivity with faster speed, higher definition and larger bandwidth attributes. For example, our internally developed high speed cable MINI-DP can be used for Intel's Thunderbolt I/O port, which is a revolutionary new I/O technology that delivers an amazing 10 gigabits per second. With increasing pace of life and volume of data being transferred, high speed and frequency transmission is an inevitable industry trend with many market applications. We have a dedicated team of engineers and researchers focusing on developing more new high frequency products in this area.

### **業務回顧** *(續)*

#### **鎖定未來增長** *(續)*

##### **生產能力及製造工藝** *(續)*

為進一步擴大本集團的生產規模，本集團亦正在中國的主要消費電子及通信產品製造中心(如重慶、惠州及武漢)建立新的生產基地。

##### **收購事項**

透過兩項重大收購事項，本集團成功增加了產品組合的多樣性及客戶基礎：收購天津日拓標誌著本集團已成功進入中國汽車線束市場，而收購惠州大亞灣令本集團的通訊線纜業務有機會接觸到中國一流的通訊設備營運商。

##### **招聘及挽留人才**

招聘、挽留及培養人才一直為本集團的首要工作之一。隨著本集團成功上市，於過去六個月，本集團成功利用上市地位平台及具備的增長潛力，吸納及挽留各業務的主要人才(包括銷售、管理及研發)加入本集團。本集團相信，管理團隊的壯大將會繼續為本集團的未來業務及拓展帶來動力。

##### **開發未來市場**

透過創新，我們開闢新的市場以滿足終端用戶不斷增加對高速、高頻且具有較強寬帶屬性的信號傳輸及連接技術的需求。例如，本集團內部開發的高速線纜MINI-DP可用於英特爾Thunderbolt I/O端口，這是具有創新性的I/O技術，可令傳輸速度達到每秒10 Gb。由於不斷加快的生活節奏及與日俱增的轉換數據量，高速及高頻傳輸是眾多市場應用中不可避免的行業趨勢。本集團已擁有一支專注於開發更多該領域的高頻新產品的工程師及研究團隊。

# Chairman's Statement

## 主席報告

### BUSINESS REVIEW *(Continued)*

#### DEVELOPING FUTURE MARKETS *(Continued)*

We have also made encouraging progress in new markets such as photovoltaic connectors and specialty power cable as we continue to refine our products offering, establishing new production line and getting the necessary product certification to prepare for formal launch of these products within the next twelve months.

Overall, our investment in research and development amounted to approximately RMB25.2 million for the six months ended 30 June 2011 as compared to approximately RMB12.7 million for the same period last year.

#### OUTLOOK

We remain cautiously optimistic for the second half of 2011 as it is widely expected that the global consumer electronic supply chain will gradually make a full recovery from the impact of the March 2011 Japanese earthquake by the third quarter of 2011. Despite continuing risks, the global economy and 3Cs markets are expected to grow moderately in 2011. At the same time, we will continue to leverage our core competencies to gain market share in our target markets while making the necessary investment and preparation today in order to position ourselves for sustainable future growth. We look forward to your support in achieving this.

Sincerely yours,

**Chi Shaolin**

*Chairman and CEO of HL Technology Group Limited*

16 August 2011

### 業務回顧 *(續)*

#### 開發未來市場 *(續)*

隨著本集團不斷完善其產品種類，本集團在新市場（例如光伏連接器及特種電纜）進行一系列的部署亦取得了令人鼓舞的成績，包括建立新生產線及取得必要的產品認證以準備於未來十二個月正式生產該等產品。

總體而言，本集團於截至二零一一年六月三十日止六個月的研發投資約為人民幣25.2百萬元，而去年同期則約為人民幣12.7百萬元。

#### 前景

由於普遍預期到二零一一年第三季度，全球消費電子供應鏈將從二零一一年三月的日本地震影響中逐步邁向全面復甦，因此本集團仍對二零一一年下半年持審慎樂觀態度。儘管不斷出現各種風險，但預期全球經濟及3C市場將於二零一一年呈現適度增長的態勢。同時，本集團將繼續憑藉其核心競爭力在目標市場贏得市場份額，與此同時，本集團目前正作出必要的投資，並為未來做好準備，從而為其日後的可持續發展奠定基礎。為實現這些目標，本集團期望能獲得各股東的支持。

此致

**遲少林**

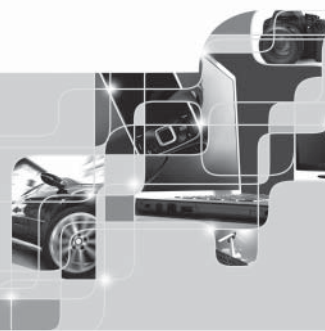
*泓淋科技集團有限公司的主席兼總裁*

二零一一年八月十六日



# Management Discussion & Analysis

## 管理層討論及分析



### BUSINESS REVIEW

#### Overview

We are a leading international “one-stop” provider of signal transmission and connectivity solutions and related products. We design, manufacture and sell a broad and comprehensive range of external and internal signal cable assembly, power cord assembly, connectors, wireless antennas and related products for use mainly in the 3Cs (computing, communication and consumer) industries such as (i) personal computers and notebooks, (ii) LCD and LED TVs, (iii) mobile handsets and (iv) digital cameras. We have leading market share in the global high-end consumer electronics industry for several of our key products including external signal cable assembly, notebook internal signal cable assembly, power cord assembly and signal transmission wire & cable products.

#### Product Types

Our existing products are divided into seven major types: external signal cable assembly, internal signal cable assembly, power cord assembly, wire & cable, connectors, antennas and automotive wiring harness.

#### External Signal Cable Assembly

External signal cable assembly for the consumer electronics market is used for transmitting signals to a display, TV and digital products and is widely used in mobile handsets, digital cameras, DVD players, personal computers, notebooks and tablet computers. Our external signal cable assembly products include five product types, namely, RGB assembly, DVI assembly, HDMI assembly, USB assembly and DC assembly.

### 業務回顧

#### 概述

本公司是領先國際的「一站式」信號傳輸與連接技術解決方案及相關產品的供應商。本公司設計、製造及銷售廣泛全面的外接與內接信號線組件、電源線組件、連接器、無線天線及相關產品，主要應用於3C（計算、通訊及消費）行業，例如(i)個人電腦及手提電腦、(ii)LCD及LED電視、(iii)手機及(iv)數碼相機。本公司的若干主要產品在全球高端消費電子行業擁有領先市場份額，該等產品包括外接信號線組件、筆記本電腦內接信號線組件、電源線組件及信號傳輸線纜產品。

#### 產品類別

本公司現有產品共分為七大類：外接信號線組件、內接信號線組件、電源線組件、線纜、連接器、天線及汽車線束。

#### 外接信號線組件

消費類電子市場的外接信號線組件主要用作向顯示屏、電視及數碼產品傳送信號，並廣泛用於手機、數碼相機、DVD播放機、個人電腦、手提電腦及平板電腦。本集團的外接信號線組件產品包括RGB組件、DVI組件、HDMI組件、USB組件及DC組件五種產品。

# Management Discussion & Analysis

## 管理層討論及分析

### BUSINESS REVIEW *(Continued)*

#### Internal Signal Cable Assembly

Internal signal cable assembly products are signal connecting cables mainly used internally between the main board and LCD monitor in notebooks, mobile handsets and digital cameras and can transmit audio-frequency and video signals. The main product types include LVDS cable assembly and flexible flat cable (FFC) assembly.

#### Power Cord Assembly

Power cord assembly is assembled with power supply connector and power cable and is used to supply electricity to consumer electronic equipment products. It is used widely and is required to be strictly in compliance with the safety rules of various countries.

Our power cord assembly products have received safety certifications in 31 countries and territories including CCC (China), C-UL (US & Canada), BSI (UK), BSMI (Taiwan), KC (Korea), PSE (Japan), SAA (Australia), CE (EU), IRAM (Argentina) and SABS (South Africa) as at the date of this report. Our power cord assembly products are able to satisfy the requirements of customers from across all the major continents of the world. Leveraging on the strong capabilities of research and development, production and product quality assurance, the sales volume and market shares of such products have been continuously increased.

#### Signal Transmission Wire & Cable

Signal transmission wire & cable are the intermediate products to be assembled with connector for the production of the cable assembly products. The main product types include communication cable, consumer electronic cable, automotive cable and power cord.

Our Group adopts a vertically integrated production process, comprising production of plastic materials, drawing of copper, bunching of copper, cabling and braiding. Such vertically integrated business model allows us to highly coordinate research and development and production activities, lower our overheads and production costs, control the product quality and enhance the competitiveness of enterprise.

### 業務回顧(續)

#### 內接信號線組件

內接信號線組件產品乃主要用於內部連接手提電腦、手機及數碼相機的主板與顯示屏的信號連接線纜，可傳送音頻及視頻信號。主要產品類型包括 LVDS 同軸線組件及柔性扁平纜 FFC 組件。

#### 電源線組件

電源線組件由電源連接器與電源線組裝而成，用於向消費類電子設備產品提供電力。其應用廣泛，並須嚴格符合各國安全協定規則。

於本報告日期，本集團的電源線組件已獲得包括 CCC(中國)、C-UL(美國及加拿大)、BSI(英國)、BSMI(台灣)、KC(韓國)、PSE(日本)、SAA(澳洲)、CE(歐盟)、IRAM(阿根廷)、SABS(南非)等31個國家及地區的安全認證。本集團的電源線組件產品可滿足全球各大洲客戶的要求。憑藉強大的研發、生產及品質保證能力，該等產品的銷量及市場份額不斷提升。

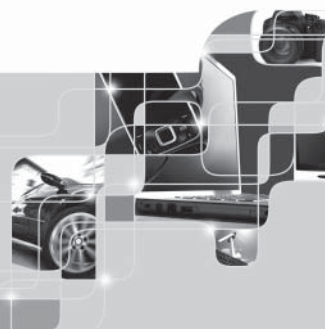
#### 信號傳輸線纜

信號傳輸線纜為與連接器組裝成線纜組件產品的中間產品。主要產品類型包括通訊線纜、消費類電子線纜、汽車線纜及電源線。

本集團採用垂直整合生產工序，涵蓋生產塑膠料、銅杆拉絲、絞銅、集合及編織。此垂直整合業務模式可令本公司高度協調研發及生產活動、降低營運開支及生產成本、控制產品品質及提高企業競爭力。

# Management Discussion & Analysis

## 管理層討論及分析



### BUSINESS REVIEW *(Continued)*

#### Connectors

Connectors are adopted to connect two electronic ports to transmit power or signals, which mainly include board-side connectors and terminal connectors. All of our connectors for external sale are board-side connectors while we use terminal connectors for internal production of our own signal cable assembly with wire & cable. The main board-side connectors produced by the Company include D SUB connectors, DVI connectors, USB connectors and HDMI connectors.

For production of our connectors, we are able to conduct a vertically integrated production process in-house starting from product development, mold design, mold manufacture, metal stamping, plastic injection, automation development and product assembly.

#### Antennas

Our Group mainly produces small wireless antennas, principally used in notebook, computer, router, GPS and mobile handsets. The rapid development of various wireless communication technologies boosts the vigorous growth of antenna market. Antenna is a relatively new product of our Group developed in 2010, which has many applications, such as notebook internal antenna, wireless router antenna, GPS navigation antenna and mobile handsets antenna. The antenna products of our Group are applied in both consumer and communication electronics industries, and marked our ability to extend our “one-stop” solutions to wireless transmission and connection in addition to our wired solutions.

#### Automotive Wiring Harness

Automotive wiring harnesses are compactly bundled wires and data circuits that function as the central nervous system of a vehicle, acting as a conduit for the transmission of signals and electrical power. We made a majority stake acquisition of an automotive wiring harness company in February 2011.

### 業務回顧 *(續)*

#### 連接器

連接器用於連接兩個電子端口以傳送電源或信號，主要分為板端連接器和線端連接器。本集團所有外銷連接器均為板端連接器，而將線端連接器與線纜用於內部生產信號線組件。本公司生產的主要板端連接器包括 D SUB 連接器、DVI 連接器、USB 連接器及 HDMI 連接器等。

本集團連接器可自主完成從產品開發、模具設計、模具製造、五金衝壓、塑料注塑、自動化開發及產品組裝的垂直整合生產工序。

#### 天線

本集團主要生產小型無線天線，其主要用於筆記本、電腦、路由器、GPS 系統及手機。隨着各種無線通訊技術的迅速發展，天線市場得以快速增長。天線為本集團於二零一零年開發的較新產品，具備多種用途，如筆記本電腦內置天線、無線路由器天線、GPS 導航天線及手機天線。本集團的天線產品均應用於消費類及通訊電子行業，標誌著除有線解決方案外，本集團有能力將「一站式」解決方案延伸至無線傳輸與連接。

#### 汽車線束

汽車線束由電線及數據線路密切包裹，作為汽車的中樞神經系統，發揮着傳輸信號及電源的導管作用。本集團於二零一一年二月透過收購一家汽車線束公司的主要股權得以進軍該市場。

# Management Discussion & Analysis

## 管理層討論及分析

### FINANCIAL REVIEW

### 財務回顧

		Six months ended 30 June 截至六月三十日止六個月				
		2011 二零一一年		2010 二零一零年		Change in % 變動 百分比
		Revenue RMB'000 收益 人民幣千元	% of Revenue 佔收益 百分比	Revenue RMB'000 收益 人民幣千元	% of Revenue 佔收益 百分比	
External signal cable assembly	外接信號線組件	<b>181,940</b>	<b>20.6</b>	160,359	25.2	13.5
Internal signal cable assembly	內接信號線組件	<b>169,109</b>	<b>19.2</b>	137,354	21.6	23.1
Power cord assembly	電源線組件	<b>136,434</b>	<b>15.5</b>	112,810	17.8	20.9
Signal transmission wire & cable	信號傳輸線纜	<b>236,449</b>	<b>26.8</b>	153,212	24.1	54.3
Connectors	連接器	<b>28,227</b>	<b>3.2</b>	20,376	3.2	38.5
Antennas	天線	<b>18,943</b>	<b>2.1</b>	3,948	0.6	379.8
Automotive wiring harness	汽車線束	<b>68,953</b>	<b>7.8</b>	—	—	N/A不適用
Others	其他	<b>41,636</b>	<b>4.8</b>	47,621	7.5	-12.6
<b>Total</b>	<b>總計</b>	<b>881,691</b>	<b>100.0</b>	635,680	100.0	38.7

Total revenue increased by approximately RMB246.0 million or approximately 38.7% as compared to the corresponding period in 2010 as we witnessed growth in revenue across all our key product segments. The increase was primarily due to (i) increase in production output to meet the overall increase in customer demand from existing and new customers as we continue to gain market share in our key target markets; (ii) overall increase in selling price especially for segments such as our wire & cable products where copper represent a relatively large proportion in terms of raw materials as we adopt a cost plus pricing method due to the higher average level of copper prices in the first half of 2011 as compared to 2010; and (iii) revenue contribution from new product such as wireless antennas and automotive wiring harness that only begun to have revenue contribution in the fourth quarter of 2010 and beginning of 2011 respectively. However, our overall revenue was also slightly negatively affected by the depreciating US dollar in the first half of 2011.

鑒於本集團所有主要產品分部的收益均錄得增長，故收益總額較二零一零年同期增加約人民幣246.0百萬元或約38.7%。該增加主要由於(i)本集團於主要目標市場的市場份額不斷增加，為滿足現有客戶及新客戶的整體需求上升而提高產量；(ii)二零一一年上半年的銅價平均水平較二零一零年高，因本集團採納成本加成的方法進行定價，故整體售價有所增加，尤其是線纜產品分部(該分部的原材料較大部分為銅)；及(iii)新產品貢獻收益，如無線天線及汽車線束分部，該等分部分別於二零一零年第四季度及二零一一年年初方開始貢獻收益。然而，由於二零一一年上半年美元貶值，本集團總收益亦略微受到不利影響。

# Management Discussion & Analysis

## 管理層討論及分析



### FINANCIAL REVIEW (Continued)

#### External Signal Cable Assembly

### 財務回顧(續)

#### 外接信號線組件

		Six months ended 30 June				
		截至六月三十日止六個月				
		2011		2010		
		二零一一年		二零一零年		
		Revenue	% of	Revenue	% of	Change
		RMB'000	Revenue	RMB'000	Revenue	in %
		收益	佔收益	收益	佔收益	變動
		人民幣千元	百分比	人民幣千元	百分比	百分比
RGB assembly	RGB 組件	<b>88,228</b>	<b>48.5</b>	82,604	51.5	6.8
DVI assembly	DVI 組件	<b>46,306</b>	<b>25.4</b>	40,575	25.3	14.1
HDMI assembly	HDMI 組件	<b>439</b>	<b>0.2</b>	472	0.3	-7.0
USB assembly	USB 組件	<b>36,303</b>	<b>20.0</b>	26,342	16.4	37.8
DC assembly	DC 組件	<b>10,664</b>	<b>5.9</b>	10,366	6.5	2.9
		<b>181,940</b>	<b>100.0</b>	160,359	100.0	13.5

Our external signal cable assembly segment registered an increase in revenue of approximately RMB21.6 million or approximately 13.5% as compared to the corresponding period in 2010, as we witnessed a strong increase in sales of USB assembly of approximately 37.8% primarily due to the contribution of new Japanese customers which we only added towards the end of 2010. In terms of relatively more mature products such as RGB and DVI assembly, we registered an increase of 6.8% and 14.1% respectively as we were able to add some new customers. Such increase in procurement for RGB and DVI assembly was partly driven by a more competitive pricing strategy adopted by us in the first half of 2011.

主要由於本集團於二零一零年年底獲得日本重要新客戶，令USB組件銷售錄得約37.8%的強勁增長，故本集團的外接信號線組件分部較二零一零年同期錄得約人民幣21.6百萬元或約13.5%的收益增長。就RGB及DVI組件等相對較成熟的產品而言，本集團分別錄得6.8%及14.1%的增長，由於本集團獲得若干新客戶所致。有關RGB及DVI組件的採購增加部分受本集團於二零一一年上半年採納更具競爭力的定價策略所帶動。

# Management Discussion & Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

#### Internal Signal Cable Assembly

### 財務回顧(續)

#### 內接信號線組件

		Six months ended 30 June 截至六月三十日止六個月				
		2011 二零一一年		2010 二零一零年		Change in % 變動 百分比
		Revenue RMB'000 收益 人民幣千元	% of Revenue 佔收益 百分比	Revenue RMB'000 收益 人民幣千元	% of Revenue 佔收益 百分比	
LVDS	LVDS	<b>129,016</b>	<b>76.3</b>	114,443	83.3	12.7
Harness	線束	—	—	651	0.5	-100.0
Flexible Flat Cable (FFC)	柔性扁平線 (FFC)	<b>40,093</b>	<b>23.7</b>	22,260	16.2	80.1
		<b>169,109</b>	<b>100.0</b>	137,354	100.0	23.1

Our internal signal cable assembly segment registered an increase in revenue of approximately RMB31.8 million or approximately 23.1% as compared to the corresponding period in 2010 as both of our key products in this segment, LVDS and FFC continued to demonstrate growth.

Revenue for our LVDS segment increased by approximately 12.7% due to gradual increase in production capacity in our Suzhou and Dezhou plants to meet the increase demand from our existing customers and we also added some new customers as we continue to increase our market share. We also only started LVDS assembly production in our newly established Chongqing base in the second quarter of 2011.

Revenue for our FFC segment increased by approximately 80.1% as our FFC products which was only launched in the second half of 2009 continued to gain momentum with our customers. As we increased production capacity significantly since the first half of 2010, we were able to ramp up production to meet the increase in demand from our customers.

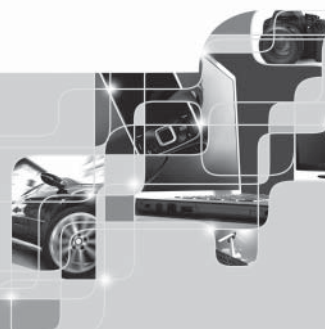
由於本集團內接信號線分部的主要產品LVDS及FFC持續增長，故該分部的收益較二零一零年同期增加約人民幣31.8百萬元或約23.1%。

本集團的LVDS分部收益增加約12.7%，此乃由於本集團的市場份額不斷上升，增加了一些新客戶，以及本集團為滿足現有客戶不斷上升的需求而逐步提高蘇州及德州廠房的產能。本集團於二零一一年第二季開始於新成立的重慶基地生產LVDS組件。

由於本集團於二零零九年下半年新推出的FFC產品一直受客戶歡迎，故本集團FFC分部的收益增加約80.1%。由於本集團自二零一零年上半年起大幅增加產能，故本集團的產量得以提高，從而滿足客戶不斷上升的需求。

# Management Discussion & Analysis

## 管理層討論及分析



### FINANCIAL REVIEW *(Continued)*

#### Power Cord Assembly

Sale of power cord assembly increased by approximately RMB23.6 million or approximately 20.9% mainly driven by increase in sale volume as we continue to increase our market share with increasing order from existing customers. As we strategically seek to increase our market share ahead of ongoing industry landscape change where we believe that in the next few years, increasing proportion of cable jacket for power cord assembly would be manufactured using halogen-free materials instead of conventional plastic materials due to increasing environmental awareness. To better position ourselves to benefit from such trend (and given that we are already capable of producing our own internally generated halogen-free materials), we undertook a more aggressive pricing strategy in the first half of 2011 which resulted in an overall decrease in unit selling price. In addition, in the first half of 2011, in order to improve efficiency at our Weihai plant which is mainly used for the manufacturing of our power cord assembly products, we integrated our wire & cable and power cord assembly business unit in terms of production and management team. During such integration process, we sacrificed certain level of production output and therefore sale, which also negatively impact the profit margin of our power cord assembly segment. Nonetheless, in the first half of 2011, we also managed to win orders from important new customers in this segment including Dell, Sharp and Panasonic.

### 財務回顧 *(續)*

#### 電源線組件

電源線組件的銷售額增加約人民幣23.6百萬元或約20.9%，此主要受到本集團的現有客戶訂單增加令本集團的市場份額持續上升，從而令銷量增加所影響。由於本集團策略性地於行業格局變動前提高市場份額，本集團相信，於未來數年，由於對環保越趨關注，故以無鹵物料而非傳統塑膠物料製造電源線組件的線纜外被的比重將越來越高。為令本集團更能把握此趨勢帶來的利益(加上本集團內部已能夠自主生產無鹵物料)，本集團於二零一一年上半年採取更有競爭力的定價策略，令整體單位售價有所下跌。此外，於二零一一年上半年，為了改善主要用作製造電源線組件產品的威海廠房的效率，本集團於生產及管理團隊方面整合其線纜及電源線組件業務單元。於該整合過程中，本集團選擇放棄若干水平的產量以及有關銷售，而此亦對本集團電源線組件的利潤率構成負面影響。然而，於二零一一年上半年，本集團亦成功在此分部自重要新客戶(包括戴爾、夏普及松下)獲得訂單。

# Management Discussion & Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

#### Signal Transmission Wire & Cable

### 財務回顧(續)

#### 信號傳輸線纜

		Six months ended 30 June 截至六月三十日止六個月				
		2011 二零一一年		2010 二零一零年		Change in % 變動 百分比
		Revenue RMB'000 收益 人民幣千元	% of Revenue 佔收益 百分比	Revenue RMB'000 收益 人民幣千元	% of Revenue 佔收益 百分比	
Communication cable	通訊線纜	<b>48,386</b>	<b>20.5</b>	1,754	1.2	2,658.6
Consumer electronic cable	消費電子線	<b>131,811</b>	<b>55.7</b>	107,869	70.4	22.2
Automotive cable	汽車線纜	<b>11,407</b>	<b>4.8</b>	7,525	4.9	51.6
Power cable	電源線纜	<b>41,272</b>	<b>17.5</b>	28,205	18.4	46.3
Others	其他	<b>3,573</b>	<b>1.5</b>	7,859	5.1	-54.5
		<b>236,449</b>	<b>100.0</b>	153,212	100.0	54.3

Our signal transmission wire & cable segment registered an increase in revenue of approximately RMB83.2 million or approximately 54.3% as compared to the corresponding period in 2010, as in addition to being able to reflect the rising copper prices in our pricing, we also witnessed a strong increase in sales across most of our key wire & cable products. Communication cable increased by approximately 2,658.6% primarily due to the revenue contribution of newly acquired entity, Huizhou Daya Bay from May 2011 onwards and increased procurement volume from our existing customers. For consumer electronics, automotive and power cables we continued to see increase in our market share as we managed to expand production capacity to meet the increased demand. We have also started sale of wire & cable (primarily consumer electronics cable) manufactured using our own internally developed halogen-free materials towards the end of 2010. Of the total revenue of approximately RMB236.4 million for our signal transmission wire & cable segment, approximately RMB27.0 million or approximately 11.4% of revenue for this segment was generated by our halogen-free wire & cable as compared to nil in the first half of 2010.

本集團信號傳輸線纜分部收益較二零一零年同期增加約人民幣83.2百萬元或約54.3%，此乃由於本集團得以將銅價上升反映於定價，加上本集團大部分主要線纜產品的銷售均錄得強勁增長。通信電線增長約2,658.6%，主要由於新收購實體惠州大亞灣自二零一一年五月起貢獻收益，以及本集團現有客戶的採購量上升所致。就消費電子產品、汽車及電源線纜而言，由於本集團能擴充產能以應付需求上升，故本集團的市場份額持續增加。本集團自二零一零年年底起開始銷售以使用內部自行開發的無鹵物料製造的線纜(主要為消費電子線纜)。本集團信號傳輸線纜分部的收益總額為人民幣約236.4百萬元，當中本分部收益約人民幣27.0百萬元或約11.4%來自本集團的無鹵線纜，而二零一零年上半年則為零。



# Management Discussion & Analysis

## 管理層討論及分析



### FINANCIAL REVIEW *(Continued)*

#### Connectors

Our connector segment registered an increase in revenue of approximately RMB7.8 million or approximately 38.5% as compared to the corresponding period in 2010, as our existing customers increased their procurement amount from us and we are also able to increase our average selling price for our connector products.

#### Antennas

Revenue for antennas increased by approximately RMB15.0 million or approximately 379.8% mainly due to that we only started to manufacture and sell wireless antenna products in 2010. We continue to add new customers and have 10 customers as at 30 June 2011.

#### Automotive Wiring Harness

We identified the automotive wiring harness new segment market after we made an acquisition of 55% interest in Tianjin Rituo in February 2011 and currently primarily supplies to six Chinese automobile manufacturers as at 30 June 2011. Revenue attributable to automotive wiring harness segment for the first six months at 2011 amounted to approximately RMB69.0 million or represented approximately 7.8% of the total revenue of the Group for the six months ended 30 June 2011.

### 財務回顧 *(續)*

#### 連接器

本集團的連接器分部收益較二零一零年同期增加約人民幣7.8百萬元或約38.5%，此乃由於本集團現有客戶增加來自本集團的採購金額，且本集團亦能够增加連接器產品的平均售價。

#### 天線

天線的收益增長了約人民幣15.0百萬元，或約379.8%，主要由於本集團僅於二零一零年開始製造及銷售無線天線產品。本集團不斷開發新客戶，且於二零一一年六月三十日擁有10名客戶。

#### 汽車線束

本集團於二零一一年二月收購天津日拓55%權益後確立汽車線束新市場分部，於二零一一年六月三十日，主要向六名中國汽車製造商供貨。於二零一一年首六個月的汽車線束分部收益約為人民幣69.0百萬元，或佔本集團截至二零一一年六月三十日止六個月的收益總額約7.8%。

# Management Discussion & Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

#### Cost of Sales

The following table sets forth a breakdown of our cost of sales for the periods indicated

### 財務回顧(續)

#### 銷售成本

下表載列本集團於所示期間的銷售成本明細

		Six months ended 30 June 截至六月三十日止六個月				
		2011 二零一一年		2010 二零一零年		Change in % 變動 百分比
		% of total Cost of sales 佔總銷售 成本百分比		% of total Cost of sales 佔總銷售 成本百分比		
		RMB'000		RMB'000		
		人民幣千元	成本百分比	人民幣千元	成本百分比	
Raw material costs	原料成本	555,124	80.0	370,503	75.4	49.8
Utilities	公共事業成本	10,768	1.6	9,389	1.9	14.7
Depreciation	折舊	15,066	2.2	12,388	2.5	21.6
Labor costs	勞工成本	70,788	10.2	56,451	11.5	25.4
Outsourcing costs	外包成本	28,678	4.1	29,417	6.0	-2.5
Others	其他	13,335	1.9	13,558	2.7	-1.6
		<b>693,759</b>	<b>100.0</b>	491,706	100.0	41.1

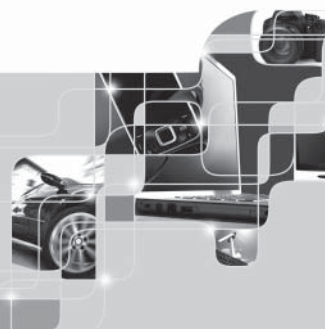
The following table sets forth a breakdown of our raw material costs for the periods indicated

下表載列本集團於所示期間的原材料成本明細

		Six months ended 30 June 截至六月三十日止六個月				
		2011 二零一一年		2010 二零一零年		Change in % 變動 百分比
		% of raw material costs 佔原材料 成本百分比		% of raw material costs 佔原材料 成本百分比		
		RMB'000		RMB'000		
		人民幣千元	成本百分比	人民幣千元	成本百分比	
Copper materials	銅	299,767	54.0	214,521	57.9	39.7
Plastic materials	塑膠	99,922	18.0	53,352	14.4	87.3
Iron materials	鐵	9,992	1.8	8,522	2.3	17.2
Others	其他	145,443	26.2	94,108	25.4	54.5
		<b>555,124</b>	<b>100.0</b>	370,503	100.0	49.8

# Management Discussion & Analysis

## 管理層討論及分析



### FINANCIAL REVIEW *(Continued)*

#### Cost of Sales *(Continued)*

Cost of sales increased by approximately RMB202.1 million, or approximately 41.1%, as compared to the corresponding period in 2010. The increase was primarily due to (i) an increase in raw material costs of approximately 49.8%, mainly as a result of an overall increase in sales volume and the higher raw material prices in the first half of 2011 as compared to 2010. For example, our average purchase prices for copper materials amounting to approximately RMB60,166 per tonne in the first half of 2011, representing an increase of 9.1% from approximately RMB55,160 per tonne in financial year ended 2010. For plastic materials, the increase in cost is primarily due to increased proportion of higher cost halogen-free insulating materials used and increased sales level for internal signal cable assembly and automotive wiring harness products that required more plastic materials for production; (ii) an increase in depreciation of approximately 21.6% as a result of the expansion in production facilities and increased procurement of equipment in line with the expanded business operations; and (iii) an increase in labor costs of approximately 25.4%, mainly as a result of an increase in manufacturing staff (including contract workers and interns) from 7,167 as at 30 June 2010 to 9,126 as at 30 June 2011 and an overall increase in employee salaries in line with general inflation and our planned increase in production level for 2011.

### 財務回顧 *(續)*

#### 銷售成本 *(續)*

銷售成本較二零一零年同期增加約人民幣202.1百萬元或約41.1%，主要是由於(i)原材料成本主要因二零一一年上半年的整體銷量及原材料價格較二零一零年同期為高而增加約49.8%。例如，本集團於二零一一年上半年的銅材料平均採購價約為每噸人民幣60,166元，較截至二零一零年止財政年度約每噸人民幣55,160元增加9.1%。就塑膠而言，成本增加乃主要由於所採用成本較高的無鹵素絕緣材料有所增加及生產需要更多塑膠的內接信號線組件及汽車線束產品的銷售水平增加所致；(ii)為配合業務拓展而擴充生產設施及增加採購設備，令折舊增加約21.6%；及(iii)主要因生產員工(包括合約員工和實習生)自二零一零年六月三十日的7,167名增加至二零一一年六月三十日的9,126名以及整體僱員薪金因應通脹及於二零一一年的計劃生產水平提升而有所增加，令員工成本增加約25.4%。

# Management Discussion & Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

#### Gross Profit and Margins

As a result of the foregoing, our gross profit increased by approximately RMB44.0 million, or approximately 30.5% in the first half of 2011 as compared to the same period in 2010. Our gross profit margin decreased from 22.6% in the first half of 2010 to 21.3% in the same period in 2011. Specifically,

### 財務回顧(續)

#### 毛利及毛利率

基於上述理由，本集團於二零一一年上半年的毛利較二零一零年同期增加約人民幣44.0百萬元或約30.5%。本集團的毛利率自二零一零年上半年的22.6%下跌至二零一一年同期的21.3%。具體為，

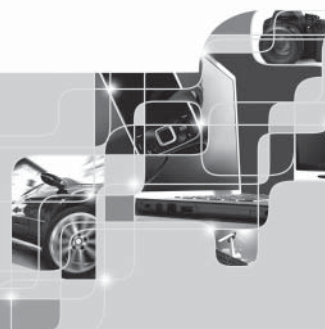
		Six months ended 30 June 截至六月三十日止六個月				
		2011 二零一一年		2010 二零一零年		Change in % 變動 百分比
		Gross profit RMB'000 毛利 人民幣千元	Gross profit margin 毛利率 百分比	Gross profit RMB'000 毛利 人民幣千元	Gross profit margin 毛利率 百分比	
External signal cable assembly	外接信號線組件	<b>36,859</b>	<b>20.3</b>	36,603	22.8	0.7
Internal signal cable assembly	內接信號線組件	<b>48,982</b>	<b>29.0</b>	38,039	27.7	28.8
Power cord assembly	電源線組件	<b>18,555</b>	<b>13.6</b>	19,862	17.6	-6.6
Wire & cable	線纜	<b>48,223</b>	<b>20.4</b>	30,165	19.7	59.9
Connectors	連接器	<b>8,913</b>	<b>31.6</b>	6,242	30.6	42.8
Antennas	天線	<b>4,203</b>	<b>22.2</b>	529	13.4	694.5
Automotive wiring harness	汽車線束	<b>14,042</b>	<b>20.4</b>	—	—	N/A/不適用
Others	其他	<b>8,155</b>	<b>19.6</b>	12,534	26.3	-34.9
<b>Total</b>	<b>總計</b>	<b>187,932</b>	<b>21.3</b>	143,974	22.6	30.5

Whilst we were able to increase our average gross profit margin for several of our key product segments such as our internal signal cable assembly, signal transmission wire & cable and connector product segments due to a combination of factors including increased production scale, enhancement in manufacturing process (for example, we have been successful in gradually reducing the number of labour assigned for our internal cable LVDS and FFC assembly production line and therefore respective direct labour cost due to automated production line installed in 2011 for the production of such assembly) and increased proportion of higher margin products being manufactured and sold, overall gross profit margin still decreased by 1.3% in the first half of 2011 as compared to the same period in 2010.

基於生產規模增加、製造過程的改良(例如，由於本集團於二零一一年安裝全自動生產線以生產有關組件，故本集團已成功逐步減少內接電線LVDS及FFC組件生產線的員工數目，繼而減少各自的直接員工成本)、所製造及銷售的高毛利率產品的比重增加等多種因素，本集團得以提高多個主要產品分部(如內接信號線組件、信號傳輸線纜及連接器產品分部)的平均毛利率，但整體毛利率於二零一一年上半年仍較二零一零年同期下跌1.3%。

# Management Discussion & Analysis

## 管理層討論及分析



### FINANCIAL REVIEW (Continued)

#### Gross Profit and Margins (Continued)

This was mainly because of (i) more aggressive pricing strategy in our external signal cable assembly (particularly RGB and DVI assembly) and power cord assembly segments to capture market share in order to position us for future growth and also as a strategy to enter the supply chain of some customers in order for us to have the ability to cross-sell other products in our comprehensive portfolio with higher profit margin in the future; (ii) the lower 20.4% margin contribution of our newly acquired automotive wiring harness business as compared to the average 22.6% gross profit margin of the Group in the first half of 2010. Nonetheless, since the acquisition in February 2011, we have been implementing a series of restructuring to improve the profitability of our automotive wiring harness business including gradually relocating the more labour intensive manufacturing part of the business to our Dezhou plant to take advantage of the lower labour cost in that area; and (iii) the negative impact of the depreciating US dollar had on our revenue.

#### Other Income, Other Gains and Losses

We have other income and gains of approximately RMB17.4 million which was primarily attributable to (i) interest income of approximately RMB2.0 million we generated on our bank balance which increased significantly as compared to the same period in 2010 due to the funds raised from our initial public offering in November 2010; (ii) government grant of approximately RMB3.7 million as incentives for research and development effort of the Group; (iii) gains on disposal of property, plant and equipment and prepaid lease payments approximately RMB2.0 million; (iv) net foreign exchange gains of approximately RMB6.1 million as we held more US dollar and other foreign currency denominated liabilities than assets to hedge against the impact of depreciating US dollar on our revenue and thus have a net gain in RMB terms on such assets and liabilities mainly due to the depreciation of US dollar against RMB; and (v) excess of approximately RMB4.0 million over the cost of acquiring Huizhou Daya Bay, where the consideration price was below the net asset value.

### 財務回顧(續)

#### 毛利及毛利率(續)

此乃主要由於(i)本集團外接信號線組件(特別是RGB及DVI組件)及電源線組件分部採納更進取的定價策略取得市場份額以為未來增長作好部署,而此亦為進入部分客戶供應鏈的策略,讓本集團日後得以於其全面的產品組合中交叉銷售其他高毛利率的產品;(ii)本集團新收購的汽車線束業務的毛利率為20.4%,較本集團於二零一零年上半年的平均毛利率22.6%為低。然而,自二零一一年二月進行收購以來,本集團已推出一系列重整措施,以改善本集團汽車線束業務的盈利能力,當中包括將業務中員工較多的製造部分遷往德州廠房,以利用當地員工成本較低的優勢;及(iii)美元貶值對本集團收益產生的負面影響。

#### 其他收入、其他收益及虧損

本集團的其他收益約為人民幣17.4百萬元,主要由於(i)由於本集團自二零一零年十一月的首次公開發售籌集到資金,本集團銀行結餘所產生的利息收入約為人民幣2.0百萬元,較二零一零年同期大幅增加;(ii)政府補助金約人民幣3.7百萬元,作為本集團致力於研發的激勵;(iii)出售物業、廠房及設備及預付租賃款項的收益約人民幣2.0百萬元;(iv)本集團持有的以美元或其他外幣計值的負債多於資產,以對沖美元貶值對本集團收益的影響,故外匯收益淨額約為人民幣6.1百萬元,因此,該等資產及負債換算為人民幣則有淨收益,主要由於美元兌人民幣出現貶值;及(v)在代價低於資產淨值時,超逾收購惠州大亞灣成本的部份約為人民幣4.0百萬元。

# Management Discussion & Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

#### Distribution and selling expenses

Distribution and selling expenses increased by approximately RMB9.2 million, or approximately 71.6% as compared to the same period in 2010 primarily as a result of increased level of sales and marketing activities in line with overall increase in revenue, the acquisition of Tianjin Rituo and Huizhou Daya Bay and additional investment we made in strengthening our sales and marketing department. In particular, the increase was due primarily to (i) an increase in transportation expenses of approximately RMB3.0 million or approximately 52.3%, which is generally in line with the increase in revenue and as level of marketing activities increased; (ii) increase in staff cost of approximately RMB3.1 million or approximately 159.4%, primarily due to the establishment of our Taipei office and Chongqing base in September 2010 and March 2011 respectively. As at 30 June 2011, we have 13 and 4 sales staff in Taipei and Chongqing respectively as compared to nil as at 30 June 2010 and the additional number of 27 sales and marketing staff at Tianjin Rituo and Huizhou Daya Bay; and (iii) an increase in entertainment expenses of approximately RMB1.3 million or approximately 57.8%, primarily due to an increase in sales and marketing activities which is generally in line with the increase in our revenue.

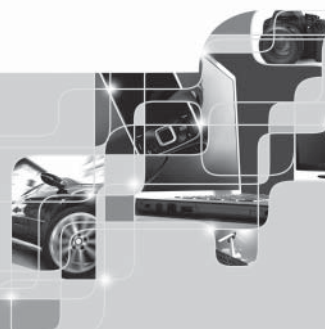
### 財務回顧(續)

#### 分銷及銷售開支

分銷及銷售開支較二零一零年同期增加約人民幣9.2百萬元或約71.6%，主要由於銷售及營銷活動水平隨收益整體增加而增加，收購天津日拓及惠州大亞灣且本集團加大投資，增強銷售及營銷部。尤其是，該增長主要是由於(i)運輸費增加約人民幣3.0百萬元或約52.3%，大致符合收益增加及營銷活動水平增加；(ii)員工成本增加約人民幣3.1百萬元或約159.4% 主要由於本集團於二零一零年九月及二零一一年三月成立台北辦事處及重慶辦事處。於二零一一年六月三十日，本集團於台北及重慶僱有13名及4名銷售人員，而二零一零年六月三十日則為零，且天津日拓及惠州大亞灣的銷售及營銷員工新增人數為27名；及(iii)應酬開支增加約人民幣1.3百萬元或約57.8%，主要由於銷售及營銷活動增加，此大致符合本集團收益的增加。

# Management Discussion & Analysis

## 管理層討論及分析



### FINANCIAL REVIEW (Continued)

#### Administrative and general expenses

Administrative and general expenses increased by approximately RMB19.9 million, or approximately 68.5% as compared to the same period in 2010. This increase was due primarily to (i) an increase in salary expenses of approximately RMB11.0 million or approximately 106.3%, primarily due to an increase in general and administrative personnel as a result of the acquisition of Tianjin Rituo and Huizhou Daya Bay, the establishment of our Taipei office and Chongqing base in September 2010 and March 2011 respectively and also as overall, we recruited additional general and administrative personnel in line with the expansion of our Group. The number of general and administrative personnel was 655 as at 30 June 2011 as compared to 364 as at 30 June 2010; (ii) increase in depreciation expenses and office expenses of approximately RMB1.2 million or approximately 57.3% and approximately RMB1.7 million or approximately 78.5% respectively, mainly as a result of office expansion and additional office related purchase in general as we increased our business scale, the completion of a new office block in the fourth quarter of 2010 at our Changsu, Suzhou facility and the additional depreciation expenses as a result of the acquisition of Tianjin Rituo and Huizhou Daya Bay; (iii) increase in transportation expenses of approximately RMB1.0 million or approximately 35.8%, in line with increased business operations and as a result of the acquisition of Tianjin Rituo and Huizhou Daya Bay; (iv) increase in audit and other professional fees of approximately RMB1.1 million or approximately 101.3%, primarily as we incurred additional professional fees for due diligence purpose for the acquisition of Tianjin Rituo and Huizhou Daya Bay; and (v) increase in rental expenses of approximately RMB1.0 million or approximately 911.6%, primarily as a result of the new Taipei office that was established in September 2010 and also due to the acquisition of Tianjin Rituo and Huizhou Daya Bay.

### 財務回顧(續)

#### 行政及一般開支

行政及一般開支較二零一零年同期增加約人民幣19.9百萬元或約68.5%，該增加主要是由於(i)薪金開支增加約人民幣11.0百萬元或約106.3%，主要由於收購天津日拓及惠州大亞灣、本集團分別於二零一零年九月及於二零一一年三月成立台北辦事處及重慶基地以及亦作為整體而言，本集團為應付擴充而招聘額外一般及行政人員，導致一般及行政人員數目有所增加。一般及行政人員數目於二零一一年六月三十日為655名，而二零一零年六月三十日則為364名；(ii)折舊開支及辦公室開支分別增加約人民幣1.2百萬元或約57.3%，以及約人民幣1.7百萬元或約78.5%，主要是由於因業務規模擴大而擴充辦公室及作出額外辦公室相關的一般採購、本集團蘇州常熟廠區於二零一零年第四季有新辦公大樓落成以及因收購天津日拓及惠州大亞灣產生的額外折舊開支；(iii)運輸費開支增加約人民幣1.0百萬元或約35.8%，符合業務增長，此乃由於收購天津日拓及惠州大亞灣所致；(iv)核數及其他專業費用增加約人民幣1.1百萬元或約101.3%，主要由於收購天津日拓及惠州大亞灣而進行盡職審查所產生額外的專業費用；及(v)租金開支增加約人民幣1.0百萬元或約911.6%，主要由於新台北辦事處於二零一零年九月成立以及收購天津日拓及惠州大亞灣所致。

# Management Discussion & Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

#### Research and Development

Research and development expenses increased by approximately RMB12.5 million, or approximately 97.9%, as compared to the same period in 2010. This increase was due primarily to an increase in salary expenses for research and development personnel increased by approximately RMB4.4 million, or approximately 97.1%, as we increased the number of R&D staff to 274 as at 30 June 2011 as compared to 143 as at 30 June 2010. Research and development is important to the continued growth and development of our Group and as we continue to invest in constant refinement of existing products and development of new products such as high frequency cable, automotive wiring harness, specialty power cord and solar connectors, we will continue to allocate resources as relevant in terms of manpower and capital. Our newly set up Taipei office in September 2010 is also a key R&D center focusing on the research of products such as antenna and connector for the 3Cs markets. As a result of our expanded research and development scope and scale, our use of raw materials also increased by approximately RMB7.0 million, or approximately 157.9%.

#### Finance Costs

Finance costs increased by approximately RMB2.1 million, or approximately 23.2%, as compared to the same period in 2010, due to increase in bank interest expenses as a result of increased bank borrowings in line with the expansion in size and scale of our business operations. In addition, the average PRC interest rate for short term loan for the first six months of 2011 is higher than the average rate for the same period in 2010 and thereby increased the interest cost for our RMB denominated borrowings.

### 財務回顧(續)

#### 研發

研發開支與二零一零年同期比較增加約人民幣12.5百萬元(或約97.9%)。有關增加乃主要由於研發人員數目由二零一零年六月三十日的143名增至二零一一年六月三十日的274名，故研發人員薪金開支上升約人民幣4.4百萬元(或約97.1%)。研發對本集團的持續增長及發展而言十分重要，且由於本集團繼續就定期完善現有產品及發展新產品(例如高頻線、汽車線束產品、特種電源線及太陽能連接器)作出投資，本集團將繼續適當地分配人力及資本資源。本集團於二零一零年九月新成立的台北辦事處亦是主要的研發中心，專注於產品研究，例如3C市場的天線及連接器。由於本集團擴充後的研發範圍及規模，本集團的原材料使用亦增加約人民幣7.0百萬元(或約157.9%)。

#### 融資成本

與二零一零年同期相比，融資成本增加約人民幣2.1百萬元(或約23.2%)，此乃由於銀行利息開支因業務營運規模擴充令銀行借貸增加而有所增加所致。此外，中國二零一一年首六個月短期貸款的平均利率高於二零一零年同期的平均利率，故以人民幣列值的借貸的利息成本有所上升。



# Management Discussion & Analysis

## 管理層討論及分析



### FINANCIAL REVIEW (Continued)

#### Income Tax Expenses

Our income tax expenses reduced by approximately RMB0.87 million, or approximately 10.5%, as compared to the same period in 2010, primarily due to the effect of negative deferred tax of approximately RMB3.7 million in the first six months of 2011. We registered such negative deferred tax because of deductible tax losses carried forward for some of our subsidiaries including the newly acquired Huizhou Daya Bay. Excluding the effect of deferred tax, our PRC enterprise income tax ("EIT") increased by approximately RMB3.3 million, or approximately 41.8% as a result of increase in our profit before taxation. Overall, for the first six months of 2011, our effective tax rate was 7.5% as compared to 10.5% for the same period in 2010.

#### Profit for the Period

As a result of the foregoing, profit for the period increased by approximately RMB20.6 million, or approximately 29.3% as compared to the same period in 2010. Our net profit margin was approximately 10.3% for the six months ended 30 June 2011 as compared to approximately 11.0% for the six months ended 30 June 2010. The slight decrease in net profit margin was primarily due to (i) the acquisition of Tianjin Rituo and Huizhou Daya Bay where both these newly acquired entities only just breakeven in terms of profitability for the first six months of 2011; and (ii) our more aggressive pricing strategy in our external signal cable assembly (particularly RGB and DVI assembly) and power cord assembly segments to capture market share while we continue to invest in strategically expanding production capacity, adding key talent in various business segments and focusing on research & development in order to better position ourselves for long term sustainable growth going forward.

### 財務回顧(續)

#### 所得稅開支

本集團所得稅開支與二零一零年同期相比減少約人民幣0.87百萬元(或約10.5%)，此乃主要由於二零一一年首六個月約人民幣3.7百萬元的遞延稅項負面影響所致。本集團取得有關負遞延稅項乃因為本集團部分附屬公司(包括最近收購的惠州大亞灣)已結轉可扣減稅項虧損。不計及遞延稅項的影響，本集團中國企業所得稅(「企業所得稅」)因除稅前溢利有所上升而增加約人民幣3.3百萬元(或約41.8%)。整體而言，本集團於二零一一年首六個月的實際稅率為7.5%，而二零一零年同期則為10.5%。

#### 期內溢利

鑑於上述原因，期內溢利與二零一零年同期相比增加約人民幣20.6百萬元或約29.3%。截至二零一一年六月三十日止六個月，本集團淨利潤率約為10.3%，而截至二零一零年六月三十日止六個月則約為11.0%。淨利潤率微跌乃主要由於(i)最近收購的兩間實體天津日拓及惠州大亞灣於二零一一年首六個月僅取得收支平衡；及(ii)本集團外接信號線組件(尤其是RGB及DVI組件)及電源線組件分部更為有競爭力的定價策略以爭取市場份額，而本集團繼續對策略性擴充產能、於若干業務分部增加主要專才及專注於研發上作出投資，藉此為鞏固本集團的長遠可持續增長的地位。

# Management Discussion & Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

#### Liquidity and Financial Resources

The Group will continue to implement prudent financial management policy and maintain a reasonable gearing ratio during expansion. As at 30 June 2011, the Group's gearing ratio (measured by total bank borrowings as a percentage of total assets of the Company) was 35.3% (30 June 2010: 39.9%).

As at 30 June 2011, the total bank borrowings of the Group amounted to approximately RMB839.4 million (31 December 2010: approximately RMB663.1 million). Out of this amount, approximately RMB498.7 million was denominated in US dollar and approximately RMB340.7 million in Renminbi. These loans carried interests at floating or fixed rates. All our bank borrowings are short-term loan and of the total bank borrowings of approximately RMB839.4 million, approximately RMB733.0 million was secured loans.

The increase in bank borrowings was mainly attributable to investments in new factories and production facilities in our Weihai and Suzhou base, working capital requirements and also the outstanding borrowing at our two newly acquired entities.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Group did not have outstanding at the close of business on 30 June 2011, any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other material contingent liabilities.

The Directors have confirmed that, there has been no material change in the indebtedness and contingent liabilities of the Company and its subsidiaries since 30 June 2011.

#### Foreign Currency Risk

As certain of our trade and other receivables, trade and other payables and bank borrowings of the Group are denominated in foreign currencies, hence exposure to exchange rate fluctuation arises. The Group had entered into certain foreign exchange forward contracts to mitigate its foreign currency exposure.

### 財務回顧(續)

#### 流動資金及財務資源

本集團將於擴充過程中繼續執行審慎的財務管理政策並維持合理的資本負債比率。於二零一一年六月三十日，本集團的資本負債比率(按總銀行借貸佔本公司總資產的百分比計算)為35.3%(二零一零年六月三十日：39.9%)。

於二零一一年六月三十日，本集團的總銀行借貸達約人民幣839.4百萬元(二零一零年十二月三十一日：人民幣約663.1百萬元)。當中約人民幣498.7百萬元以美元列值及約人民幣340.7百萬元以人民幣列值。該等貸款附帶浮動或固定利息。本集團的全部銀行借貸為短期貸款，於總金額約為人民幣839.4百萬元的銀行借貸中金額約為人民幣733.0百萬元的部分為已抵押貸款。

銀行借貸增加主要由於本集團於威海和蘇州基地的新廠房及生產設施的營運資本需求及新收購兩間實體產生的未償還借貸所致。

除上述或本報告另有披露者及集團內公司間之負債外，於二零一一年六月三十一日營業時間結束時，本公司並無任何已發行及未清償或同意發行之借貸資本、銀行透支、貸款或其他類似債務、承兌負債或承兌信貸、債券、按揭、質押、租購承擔、擔保或其他重大或然負債。

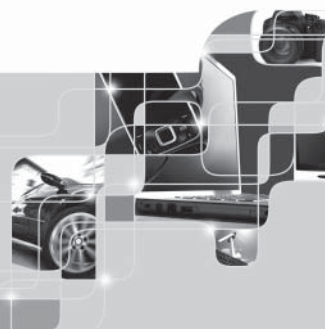
董事已確認，自二零一一年六月三十一日起，本公司及其附屬公司的債務及或然負債概無重大變動。

#### 外幣風險

由於本集團的若干貿易及其他應收款項、貿易及其他應付款項及銀行借貸以外幣列值，故會出現面臨匯率波動的風險。本集團已訂立若干外匯遠期合約，以減低其外幣風險。

# Management Discussion & Analysis

## 管理層討論及分析



### FINANCIAL REVIEW (Continued)

#### Working Capital

Inventory balance as at 30 June 2011 was approximately RMB320.8 million (31 December 2010: approximately RMB178.5 million). The increase in inventory was primarily to cater for expected increased demand for the Group's products in the second half of the 2011 as the global 3Cs industries are expected to gradually make a full recovery from the impact of the March 2011 Japanese earthquake and also as a result of the inventory level at our newly acquired entities, namely Tianjin Rituo and Huizhou Daya Bay. The average turnover days for inventory stood at 66 days compared to 56 days in the corresponding period in 2010.

Trade and bill receivables balance as at 30 June 2011 was approximately RMB709.5 million (31 December 2010: approximately RMB670.0 million). The increase in trade and bill receivables balance was mainly due to our overall increase in revenue and the trade and bill receivables balance attributable to the two acquisitions we made in the first half of 2011. The average turnover days for trade and bill receivables stood at 141 days compared to 123 days in the corresponding period in 2010, primarily due to the relatively longer credit terms of our newly acquired entities, namely Tianjin Rituo and Huizhou Daya Bay. As at 30 June 2011, approximately 86.5% of our trade and bill receivables were due within three months.

Trade and bill payable balance as at 30 June 2011 was approximately RMB359.5 million (31 December 2010: approximately RMB324.2 million). The increase in trade and bill payable balance was generally in line with the increased scale of our business operations in the first six months of 2011. The average turnover days for trade and bill payable remained stable at 89 days as at 30 June 2011 and the corresponding period in 2010.

Our cash conversion cycle for the first six months of 2011 was approximately 118 days.

### 財務回顧(續)

#### 營運資本

於二零一一年六月三十日，存貨結餘約為人民幣320.8百萬元(二零一零年十二月三十一日：約人民幣178.5百萬元)。存貨增加的主要目的為應付由於預期全球3C行業會逐步自二零一一年三月日本地震的影響中全面復甦，以及因存貨水平處於本集團新近收購的實體(即天津日拓及惠州大亞灣)的水平，而預期於二零一一年下半年對本集團產品的需求增加。存貨的平均週轉日數維持在66日，而二零一零年同期則為56日。

於二零一一年六月三十日，貿易應收款及應收票據結餘為人民幣約709.5百萬元(二零一零年十二月三十一日：人民幣約670.0百萬元)。貿易應收款及應收票據結餘增加乃主要由於本集團收益的整體增加及貿易應收款及應收票據結餘歸於本集團於二零一一年上半年作出的兩項收購所致。貿易應收款及應收票據的平均週轉日數維持在141日，而二零一零年同期則為123日，此乃主要由於本集團最近收購的實體(即天津日拓及惠州大亞灣)擁有相對較長的信貸期。於二零一一年六月三十日，約86.5%的貿易應收款及應收票據於三個月內到期。

於二零一一年六月三十日，貿易應付款及應付票據結餘為約人民幣359.5百萬元(二零一零年十二月三十一日：約人民幣324.2百萬元)。貿易應付款及應付票據結餘增加大致上與二零一一年首六個月本集團業務經營規模擴大相符。於二零一一年六月三十日及二零一零年同期，貿易應付款及應付票據的平均週轉日數保持在89日。

二零一一年首六個月的現金兌換週期約為118日。

# Management Discussion & Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

#### Cash Flow

### 財務回顧(續)

#### 現金流量

CASH FLOWS INFORMATION For the six months ended 30 June	現金流量表資料 截至六月三十日止六個月	2011	2010
		二零一一年 RMB'000 人民幣千元	二零一零年 RMB'000 人民幣千元
Net cash from (used in) operating activities	經營活動所得(所用)現金淨額	2,561	(144,099)
Net cash used in investing activities	投資活動所用現金淨額	(151,645)	(38,641)
Net cash from financing activities	融資活動所得現金淨額	126,721	184,166

Net cash used in operating activities for the period ended 30 June 2011 was approximately RMB2.6 million and increased significantly as compared to the same period in 2010, primarily due to relatively faster collection of our trade and bill receivables outstanding as at 31 December 2010. In addition, the improvement is because we have a higher proportion of revenue for the first half of 2011 which was attributable to our customers with relatively shorter credit period such as our Korean customers as compared to the corresponding period in 2010 and as such our accounts receivable collection improved in general.

Net cash used in investing activities for the period ended 30 June 2011 of approximately RMB151.6 million was primarily attributable to the payment for prepaid lease payments and purchase for property, plant and equipment as we increase our business operations and scale.

Net cash from financing activities for the period ended 30 June 2011 of approximately RMB126.7 million was primarily attributable to increase in net borrowings.

截至二零一一年六月三十日止期間，經營活動所用現金淨額約為人民幣2.6百萬元，與二零一零年同期相比大幅上升，此乃主要由於截至二零一零年十二月三十一日未償還的貿易應收款及應收票據的收款效率相對較快所致。此外，有關上升的理由是與二零一零年同期比較，本集團於二零一一年上半年來自如韓國客戶(其信貸期相對較短)的收益比例較高，故本集團能整體上改善應收款項的回收情況。

截至二零一一年六月三十日止期間，投資活動所用現金淨額約人民幣151.6百萬元主要因擴大業務經營及規模而支付預付租賃款項及購買物業、廠房及設備所致。

截至二零一一年六月三十日止期間，融資活動所得現金淨額為約人民幣126.7百萬元，主要來自借款淨額的增加。

# Management Discussion & Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

#### Capital Expenditures

For the period ended 30 June 2011, we incurred total capital expenditures of approximately RMB162.5 million in construction of new factories and office buildings, the purchase of plant and machinery, equipment, computer systems and approximately RMB71.9 million for making acquisitions.

#### Employees

As at 30 June 2011, we have a total of 9,394 full time staff, of which 2,497 were our direct employees (30 June 2010: 1,056) and 6,897 were our contract workers (30 June 2010: 5,121). As at 30 June 2011, we also have 836 part time interns. All our contract workers and part time interns are mainly used for production whereas in terms of our direct employees, the breakdown as at 30 June 2011 is as follows:

### 財務回顧(續)

#### 資本開支

截至二零一一年六月三十日止期間，本集團就興建新廠房及辦公室大樓，以及購買廠房、機器、設備及電腦系統而招致總資本開支約人民幣162.5百萬元及就收購作出投資約人民幣71.9百萬元。

#### 僱員

於二零一一年六月三十日，本集團合共有9,394名全職員工，其中2,497名為本集團直接僱員(二零一零年六月三十日：1,056名)及6,897名為本集團合約員工(二零一零年六月三十日：5,121名)。於二零一一年六月三十日，本集團亦有836名兼職實習員工。所有合約員工及兼職實習員工均主要負責生產，而直接僱員於二零一一年六月三十日的明細如下：

	As at 30 June 2011 於二零一一年 六月三十日	As at 30 June 2010 於二零一零年 六月三十日	
Manufacturing	製造	1,038	305
Sales and marketing	銷售及市場推廣	175	89
General and administration	一般及行政	655	364
Research and development	研發	274	143
Quality control	品質控制	355	155

#### Use of Proceeds Raised from the Global Offering

The net proceeds from the Global Offering, after deducting the relevant costs of the Global Offering, were approximately HKD470.3 million (equivalent to approximately RMB400.7 million). As at 30 June 2011, the Company utilized the proceeds of approximately RMB207.2 million to the Group's new development projects, research and development and working capital. The Directors do not anticipate any changes to its plan on the use of proceeds as stated in the Prospectus dated 3 November 2010.

#### 來自全球發售的所得款項的用途

經扣除全球發售的有關成本後，全球發售所得款項淨額約為470.3百萬港元(相當於約人民幣400.7百萬元)。於二零一一年六月三十日，本公司已將約人民幣207.2百萬元用作本集團新開發項目、研發及營運資本。董事並不預期所得款項用途計劃(誠如日期為二零一零年十一月三日之招股章程所呈列)會出現任何變動。

# Management Discussion & Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (Continued)

#### Use of Proceeds Raised from the Global Offering (Continued)

At present, the utilization of proceeds from the Global Offering is basically the same with the intended use of proceeds as disclosed in the prospectus of the Company dated 3 November 2010. As at 30 June 2011, proceeds used on projects are generally analyzed as follows:

### 財務回顧(續)

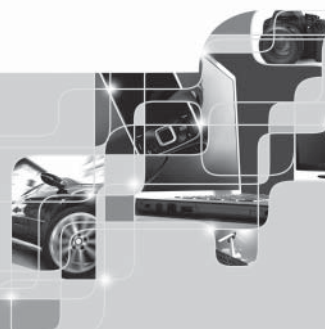
#### 來自全球發售的所得款項的用途(續)

目前，全球發售所得款項的用途基本上與本公司日期為二零一零年十一月三日的招股章程所披露的所得款項擬定用途相同。於二零一一年六月三十日，所得款項用於項目乃大致分析如下：

Projects 項目	Accumulated use of proceeds 累計所得款項用途	
	Estimated amount 預計金額 RMB (million) 人民幣(百萬元)	Accumulated expenses 累計開支 RMB (million) 人民幣(百萬元)
(1) Expanding production capacity of existing products 擴大現有產品的產能	160.3	34.8
(2) Development and production of new products 開發及製造新產品	176.3	108.3
(3) Research and development investment 研發投資	24.0	24.0
(4) General working capital and other general corporate purposes 一般營運資本及其他一般公司用途	40.1	40.1
<b>Total</b>	<b>400.7</b>	<b>207.2</b>

# Management Discussion & Analysis

## 管理層討論及分析



### DISCLOSEABLE TRANSACTION IN RELATION TO CAPITAL INCREASE AGREEMENT

On 21 February 2011 Weihai Honglin Electronic Co., Ltd. (“Weihai Electronic”), a wholly-owned subsidiary of the Company, has entered into the Capital Increase Agreement between Tianjin Rituo, Wang Xiang (the existing shareholder of Tianjin Rituo, who holds as to 70% of Tianjin Rituo before the Agreement) and Wang Weiguo (the existing shareholder of Tianjin Rituo, who holds as to 30% of Tianjin Rituo before the Agreement), pursuant to which Weihai Electronic has agreed to make Capital Contribution of RMB58.60 million (equivalent to approximately HKD69.15 million) in aggregate to Tianjin Rituo, of which, (i) RMB6,111,111 (equivalent to approximately HKD7,211,111) will be used to increase the registered capital of Tianjin Rituo from RMB5.00 million (equivalent to approximately HKD5.90 million) to RMB11,111,111 (equivalent to approximately HKD13,111,111), and (ii) RMB52,488,889 (equivalent to approximately HKD61,936,889) will be treated as capital reserve of Tianjin Rituo. Prior to the Capital Increase, Tianjin Rituo was owned as to 70% and 30% by Wang Xiang and Wang Weiguo respectively, and upon completion of the Capital Increase, Tianjin Rituo will be held as to 31.5% by Wang Xiang, 13.5% by Wang Weiguo and 55.0% by Weihai Electronic.

Tianjin Rituo is principally engaged in the design, research and development, manufacture and sale of automotive wiring harness products catering to automobile industry in the People’s Republic of China (the “PRC”).

### 有關增資協議的須予披露交易

於二零一一年二月二十一日，本公司全資附屬公司威海市泓淋電子有限公司（「威海電子」）已與天津日拓、天津日拓的現有股東王祥（其於該協議前持有天津日拓70%的權益）及天津日拓的現有股東王衛國（其於該協議前持有天津日拓30%的權益）訂立增資協議，據此，威海電子已同意向天津日拓注資合共人民幣58.60百萬元（約相當於69.15百萬港元），其中(i)人民幣6,111,111元（約相當於7,211,111港元）將用於將天津日拓的註冊資本由人民幣5.00百萬元（約相當於5.90百萬港元）增至人民幣11,111,111元（約相當於13,111,111港元），及(ii)人民幣52,488,889元（約相當於61,936,889港元）將被視為天津日拓的資本儲備。於增資進行前，天津日拓由王祥及王衛國分別持有70%及30%之權益，而於增資完成後，天津日拓將由王祥、王衛國及威海電子分別持有31.5%、13.5%及55.0%之權益。

天津日拓主要從事設計、研發、生產及銷售迎合中華人民共和國（「中國」）的汽車行業之汽車線束產品。

## Management Discussion & Analysis

### 管理層討論及分析

#### **DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF 87% OF EQUITY INTEREST IN THE TARGET COMPANY AND CAPITAL INJECTION**

On 4 May 2011, Weihai Electronic, a wholly-owned subsidiary of the Company (as Purchaser) entered into the Acquisition and Capital Injection Agreement with Tian Hong Zheng, Zhou Shao Hua, Yuan Huo You, Wang Jia Zhan and Wu Yue Long (as Vendors), pursuant to which the Vendors agreed to sell and the Purchaser agreed to acquire an aggregate total of 87% equity interest in Huizhou Daya Bay for a total consideration of RMB13.3 million (equivalent to approximately HKD15.8 million) which will be settled entirely by cash funded by internal resources of the Group. Upon the completion of the Acquisition, Yuan Huo You, Zhou Shao Hua and Weihai Electronic also agreed to make capital injection of RMB63.2 million (equivalent to approximately HKD75.2 million) in aggregate to Huizhou Daya Bay in proportion to their respective shareholding in Huizhou Daya Bay immediately after the completion of the Acquisition. Upon the completion of the capital injection, Huizhou Daya Bay would continue to be held as to 87% by Weihai Electronic and 13% in aggregate by Yuan Huo You and Zhou Shao Hua.

Huizhou Daya Bay is principally engaged in the design, research and development, manufacture and sale of communication wire & cable and related products catering to the telecommunication industry in the PRC.

#### **有關收購目標公司87%之股權及注資之須予披露交易**

於二零一一年五月四日，本公司全資附屬公司威海電子(作為買方)已與田洪鎮、周紹華、袁火有、王家沾及武月龍(作為賣方)訂立收購及注資協議，據此，賣方同意出售且買方同意收購惠州大亞灣合共87%的股權，代價總額為人民幣13.3百萬元(相當於約15.8百萬港元)，將以本集團透過內部資源撥付的現金全數支付。待收購事項完成後，袁火有、周紹華及威海電子亦已同意按彼等各自於緊隨收購事項完成後佔惠州大亞灣的股權比例向惠州大亞灣合共注資人民幣63.2百萬元(相當於約75.2百萬港元)。於注資完成後，惠州大亞灣將繼續由威海電子持有87%的權益，並由袁火有及周紹華合共持有13%的權益。

惠州大亞灣主要從事設計、研發、製造及銷售迎合中國通信業需求之通信線纜及相關產品。



# Report of the Directors

## 董事會報告



### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2011, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provision of the SFO) or which were required to be recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as follows:

### 董事及主要行政人員於股份、相關股份及債權證的權益及淡倉

於二零一一年六月三十日，董事及本公司主要行政人員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」）第XV部）股份、相關股份及債權證中所擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉（包括根據該證券及期貨條例之規定視作或視為擁有的權益或淡倉），或記錄於根據證券及期貨條例第352條規定須存置之登記冊內的權益或淡倉，或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益或淡倉如下：

Name of Directors 董事姓名	Capacity 身份	Number of issued ordinary shares held 所持已發行 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Mr. Chi Shaolin <sup>(1)</sup> 遲少林先生 <sup>(1)</sup>	Beneficial owner 實益擁有人	294,283,839 (L)	40.9%
Ms. Xu Yiming <sup>(2)</sup> 徐藝銘女士 <sup>(2)</sup>	Beneficial owner 實益擁有人	17,126,918 (L)	2.4%
Mr. Jiang Taikē <sup>(2)</sup> 蔣太科先生 <sup>(2)</sup>	Beneficial owner 實益擁有人	16,248,857 (L)	2.3%
Mr. Li Jianming <sup>(3)</sup> 李建明先生 <sup>(3)</sup>	Beneficial owner 實益擁有人	1,030,431 (L)	0.1%
Mr. Mao Wanjun <sup>(3)</sup> 毛萬鈞先生 <sup>(3)</sup>	Beneficial owner 實益擁有人	1,486,471 (L)	0.2%

(L): Long position

(L): 好倉

Note 1: Mr. Chi Shaolin is deemed to be interested in 294,283,839 Shares held by Chenlin International Joint Stock Company Limited by virtue of it being wholly-owned by Mr. Chi Shaolin.

附註1：因晨淋國際股份有限公司由遲少林先生全資擁有，故遲少林先生被視為於晨淋國際股份有限公司所持有的294,283,839股股份中擁有權益。

# Report of the Directors

## 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

Note 2: Yongchang Joint Stock Company Limited held a total of 133,849,094 Shares in trust for each of the 40 minority Shareholders, including Ms. Xu Yiming who is interested in 17,126,918 Shares and Mr. Jiang Taike who is interested in 16,248,857 Shares.

Note 3: Hongxin Joint Stock Company Limited held a total of 36,791,039 Shares in trust for each of the 136 employees, including Mr. Li Jianming who is interested in 1,030,431 Shares and Mr. Mao Wanjun who is interested in 1,486,471 Shares.

Save as disclosed above, as at 30 June 2011, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which had been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code.

### DIRECTORS' RIGHT TO ACQUIRE SHARES

Save as disclosed above, at no time during the period was the Company, its holding companies, or any of its subsidiaries a party to any arrangement to enable the Directors and chief executives of the Company (including their spouses and children under 18 years of age) to hold any interest or short positions in the shares, or underlying shares, or debentures of the Company or its associated corporations (with the meaning of Part XV of the SFO).

### SHARE OPTION SCHEME

The Company adopted a Share Option Scheme on 25 October 2010 (the "Share Option Scheme") for the purpose of enabling the Company to grant options to selected eligible participants as incentives or rewards for their contribution to the Group and/or to enable the Group to recruit and retain high caliber employees and attract human resources that are valuable to the Group and any invested entity.

### 董事及主要行政人員於股份、相關股份及債權證的權益及淡倉 (續)

附註2：永昌股份有限公司代40名少數股東(包括持有17,126,918股股份的徐藝銘女士及持有16,248,857股股份的蔣太科先生)以信託形式持有合共133,849,094股股份。

附註3：泓鑫股份有限公司代136名僱員(包括持有1,030,431股股份的李建明先生、持有1,486,471股股份的毛萬鈞先生)以信託形式持有合共36,791,039股股份。

除上文所披露者外，於二零一一年六月三十日，董事或本公司主要行政人員概無於本公司及其相聯法團(定義見證券及期貨條例第XV部)股份、相關股份或債券中擁有或視為擁有已記錄於根據證券及期貨條例第352條規定由本公司存置之登記冊的權益或淡倉，或根據標準守則已知會本公司及聯交所的權益或淡倉。

### 董事購買股份的權利

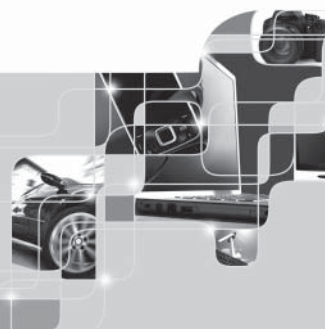
除上文所披露者外，本公司、其控股公司、或其任何附屬公司於期內任何時間概無訂立任何安排致使董事及本公司主要行政人員(包括彼等的配偶及未成年子女)持有本公司或其相聯法團(定義見證券及期貨條例第XV部)任何股份、相關股份或債權證的權益或淡倉。

### 購股權計劃

本公司於二零一零年十月二十五日採納購股權計劃(「購股權計劃」)，目的是令本公司向選定合資格參與人士授出購股權作為彼等對本集團所作貢獻之鼓勵或獎勵，及／或令本集團能聘用及挽留優秀僱員以及吸引對本集團及任何投資實體具有價值的人力資源。

# Report of the Directors

## 董事會報告



### SHARE OPTION SCHEME (Continued)

The maximum number of Share which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the Shares in issued as at the Listing date, i.e. 72,000,000 Shares. No option may be granted to any participant of the Share Option Scheme such that the total number of Shares issued and to be issued upon exercise of the options granted and to be granted to that person in any 12-month period up to the date of the latest grant exceeds 1% of the Company's issued share capital from time to time.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as determined by the Board and not exceeding 10 years from the date of the grant. There is no minimum period for which an option must be held before it can be exercised.

Participants of the Share Option Scheme are required to pay the Company HKD1.00 upon acceptance of the grant on the offer date. The exercise price of the options is determined by the board in its absolute discretion and shall not be less than which ever is the highest of:

- (1) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of the grant, which must be a Business Day;
- (2) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five (5) trading days immediately preceding the date of the grant; and
- (3) the nominal value of a Share.

### 購股權計劃(續)

根據購股權計劃及本集團任何其他計劃將予授出的所有購股權獲行使而可能發行的最高股份總數不得超過上市日期已發行股份總數的10% (即72,000,000股股份)。倘行使向該合資格參與人士授出及將授出的購股權會導致截至最近授出之日止任何十二個月期間內發行及將發行的股份總數超過本公司不時已發行股份的1%，則不得向任何購股權計劃的參與人士授出購股權。

購股權可於董事會所釐定的期間內任何時間按購股權計劃的條款行使，惟不得超過授出當日起計10年。購股權於行使前並無最短持有期限。

購股權的參與人士須於授出日接納購股權時向本公司支付1.00港元。購股權的行使價將由董事會全權酌情釐定，惟不得低於下列最高者：

- (1) 授出購股權當日(必須為營業日)聯交所每日報價表所列的股份收市價；
- (2) 緊接授出購股權當日前五(5)個交易日聯交所每日報價表所列的股份平均收市價；及
- (3) 股份面值。

# Report of the Directors

## 董事會報告

### SHARE OPTION SCHEME (Continued)

The Share Option Scheme shall be valid and effective for a period of 10 years from 15 November 2010 after which no further options will be granted or offered.

There is no options outstanding, granted, exercised, cancelled and lapsed during the six months ended 30 June 2011.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

So far as is known to any Directors or chief executive of the Company, as at 30 June 2011, the persons or corporations (other than Directors or chief executives of the Company) who had interest or short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

### 購股權計劃(續)

購股權計劃將於二零一零年十一月十五日起計10年期間有效，期滿後不得再授出或授予購股權。

於截至二零一一年六月三十日止六個月內，概無購股權未獲行使、已授出、已獲行使、註銷及失效。

### 主要股東於股份、相關股份及債權證的權益及淡倉

就任何董事或本公司主要行政人員所知，於二零一一年六月三十日，於本公司股份及相關股份中擁有權益或淡倉而須根據證券及期貨條例第XV部第2及3分部條文予以披露，或已記錄於根據證券及期貨條例第336條須存置之登記冊內的人士或法團(本公司董事或主要行政人員除外)如下：

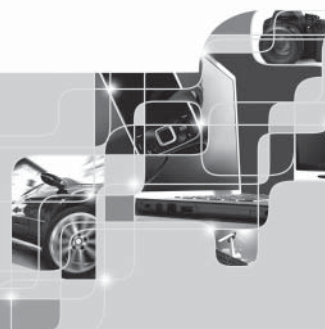
Name of Substantial Shareholders 主要股東姓名	Capacity 身份	Number of issued ordinary shares held 所持已發行普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
Chenlin International Company Limited 晨淋國際有限公司	Security interest in shares of the corporation <sup>(1)</sup> 於法團股份的證券權益 <sup>(1)</sup>	294,283,839 (L)	40.9%
Yongchang Joint Stock Company Limited 永昌股份有限公司	Security interest in shares of the corporation <sup>(2)</sup> 於法團股份的證券權益 <sup>(2)</sup>	133,849,094 (L)	18.6%
Hongxin Joint Stock Company Limited 泓鑫股份有限公司	Security interest in shares of the corporation <sup>(3)</sup> 於法團股份的證券權益 <sup>(3)</sup>	36,791,039 (L)	5.1%

(L): Long position

(L): 好倉

# Report of the Directors

## 董事會報告



### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES *(Continued)*

Notes:

- (1) Chenlin International Company Limited held 40.9% interest in the Company, which entire issue share capital is owned by Mr. Chi Shaolin.
- (2) Yongchang Joint Stock Company Limited held 18.6% interest in the Company in trust for 40 minority shareholders, including Mr. Jiang Taike, executive Director, Ms. Xu Yiming, non-executive Director, and who are interested in 16,248,857 Shares and 17,126,918 Shares, respectively.
- (3) Hongxin Joint Stock held 5.1% interest in our Company in trust for 136 employee shareholders, including two Directors, namely Mr. Li Jianming who is interested in 1,030,431 Shares and Mr. Mao Wanjun who is interested in 1,486,471 Shares.

Save as disclosed above, as at 30 June 2011, the Directors are not aware of any other person or corporation (other than Directors or chief executives of the Company) having an interest or short position in the shares, underlying shares and debentures of the Company which would require to be recorded in the register to be kept by the Company under section 336 of the SFO.

### INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2011 (during the six months period ended 30 June 2010: Nil).

### 主要股東於股份、相關股份及債權證的權益及淡倉 *(續)*

附註：

- (1) 晨淋國際有限公司持有本公司40.9%權益，而本公司全部已發行股本則由遲少林先生所擁有。
- (2) 永昌股份有限公司代40名少數股東(包括持有16,248,857股股份的執行董事蔣太科先生及持有17,126,918股股份的非執行董事徐藝銘女士)以信託形式持有本公司18.6%權益。
- (3) 泓鑫股份有限公司代136名僱員股東(包括二位董事，即持有1,030,431股股份的李建明先生和持有1,486,471股股份的毛萬鈞先生)以信託形式持有本公司5.1%權益。

除上文所披露者外，於二零一一年六月三十日，董事並不知悉有任何其他人士或法團(董事或本公司主要行政人員除外)於本公司股份、相關股份或債權證中擁有而記錄於本公司按證券及期貨條例第336條須置存之登記冊內的權益或淡倉。

### 中期股息

董事會並不建議於截至二零一一年六月三十日止六個月派付任何中期股息(截至二零一零年六月三十日止六個月：無)。

# Report of the Directors

## 董事會報告

### DISCLOSURE OF INFORMATION ON DIRECTORS

Pursuant to rule 13.51B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), the changes of information on Directors are as follows:

With effect from 1 July 2011, Mr. Li Jianming (“Mr. Li”), an executive Director and chief financial officer of the Company, has been promoted to become the joint vice chief executive officer of the Company and has resigned as chief financial officer of the Company. Mr. Li remains as an executive director of the Company.

### RETIREMENT OF DIRECTORS

Mr. Tseng Chih-ming (“Mr. Tseng”), Mr. Sui Shikai (“Mr. Sui”), Mr. Du Li (“Mr. Du”) and Mr. Wu Kezhong (“Mr. Wu”), directors of the Company, ceased to be the Directors upon their retirements from the Board at the conclusion of the annual general meeting held on 28 April 2011 in accordance with the articles of association of the Company. Mr. Tseng and Mr. Sui would like to devote more time to focus on their other duties relating to the operations of the Company and its subsidiaries, while Mr. Du and Mr. Wu would like to devote more time to pursue their other business interests, therefore they have not put themselves up for re-election.

The Board would like to take this opportunity to express its appreciation for the valuable contribution of Mr. Tseng, Mr. Sui, Mr. Du and Mr. Wu during their tenures of office as the Directors.

### 董事資料之披露

根據香港聯合交易所有限公司證券上市規則（「上市規則」）第13.51B條，董事資料之變動如下：

本公司執行董事及財務總監李健明先生（「李先生」）晉升為本公司副總裁，自二零一一年七月一日起生效，彼已辭任本公司財務總監一職。李先生仍為本公司執行董事。

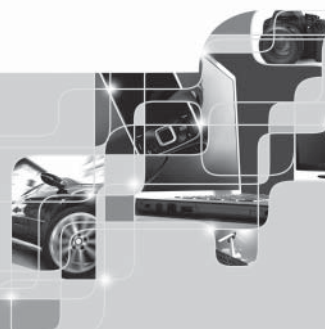
### 董事之退任

根據本公司組織章程細則，本公司董事曾志銘先生（「曾先生」）、隋世凱先生（「隋先生」）、杜力先生（「杜先生」）及吳克忠先生（「吳先生」）退任，自二零一一年四月二十八日股東週年大會結束時起不再為董事。曾先生及隋先生欲投放更多時間專注於有關本公司及其附屬公司業務的其他職務，而杜先生及吳先生則欲投放更多時間發展其他業務，故彼等並無重選連任。

董事會欲借此機會對曾先生、隋先生、杜先生及吳先生於彼等作為本公司董事的任期內作出的寶貴貢獻致謝。

# Corporate Governance

## 企業管治



### CORPORATE GOVERNANCE PRACTICES

The Directors recognize the importance of incorporating the elements of good corporate governance into the management structures and internal control procedures of the Group so as to achieve effective accountability to the shareholders of the Company as a whole. The Board strived to uphold good corporate governance and adopt sound corporate governance practices continuously in the interest of shareholders of the Company to enhance the overall performance of the Company. The principles and the code provisions of the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 to the Listing Rules have been adopted by the Group. The Company has also complied with the CG Code since the listing of the shares of the Company on the Main Board of the Stock Exchange on 16 November 2010 and throughout the six months ended 30 June 2011 except for the following deviation.

According to the code provision A.2.1 of the CG Code, the roles of the chairman and the chief executive officer should be separated and should not be performed by the same individual. The Group does not at present separate the roles of the chairman and chief executive officer. For the six months ended 30 June 2011, Mr. Chi Shaolin is both the chairman of the Board and the chief executive officer of the Group. The Board considers that vesting the roles of chairman and chief executive officer in the same individual is beneficial to the business prospects and management of the Group. The Board will review the need of appointing suitable candidate to assume the role of the chief executive officer when necessary.

### MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors (the “Model Code”) as set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. On specific enquiries made, all Directors confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding Directors' securities transactions during the six months ended 30 June 2011.

### 企業管治常規

董事認同，為達致向本公司整體股東的有效問責，在本集團管理架構及內部監控程序引進良好的企業管治元素非常重要。董事會一直努力貫徹良好企業管治，並繼續以本公司股東利益為依據，採用健全的企業管治常規，以提高本公司的整體表現。本集團已採納上市規則附錄十四所載之企業管治常規守則（「企業管治守則」）的原則及守則條文。本公司自二零一零年十一月十六日及截至二零一一年六月三十日止六個月本公司股份在聯交所主板上市以來亦一直遵守企業管治守則，惟以下偏離除外。

根據企業管治守則的守則條文第A.2.1條，主席及行政總裁的角色應區分，不應由同一人擔任。目前，本集團尚未區分主席及行政總裁角色。於截至二零一一年六月三十日止六個月，遲少林先生兼任本集團之董事會主席及行政總裁。董事會認為，主席及行政總裁職位由同一人兼任有利於本集團的業務前景及管理。董事會將於必要時檢討委派合適人選出任行政總裁的需要。

### 董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之董事進行證券交易的標準守則（「標準守則」），作為董事進行證券交易的行為準則。於作出具體查詢後，全體董事已確認彼等於截至二零一一年六月三十日止六個月內一直遵守標準守則所載的規定標準及有關董事進行證券交易的操守準則。

# Corporate Governance

## 企業管治

### AUDIT COMMITTEE

The primary responsibilities of the Audit Committee are to make recommendation to the Board on the appointment and removal of external auditors, review the financial statements and material advice in respect of financial reporting, and overseeing the internal control procedures of the Company. The Audit Committee consists of three members, namely, Mr. Shu Wa Tung, Laurence, Mr. Song Lizhong and Ms. Zheng Lin, all of whom are independent non-executive Directors. Mr. Shu Wa Tung, Laurence currently serves as the chairman of the Audit Committee. The Audit Committee has adopted the terms of reference which are in line with the CG Code.

During the period under review, the Audit Committee has convened two meetings with both attendance of 100%. The Audit Committee has reviewed the Group's unaudited financial statements for the six months period ended 30 June 2011, reviewed the internal control system and its execution.

### REVIEW OF ACCOUNTS

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed auditing, internal controls, and financial reporting matters including the review of the unaudited interim financial statements for the six months ended 30 June 2011. The external auditor, Deloitte Touche Tohmatsu, has reviewed the consolidated interim financial statements for the six months ended 30 June 2011 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Equity" issued by the Hong Kong Institute of Certified Public Accountants.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2011, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

### 審核委員會

審核委員會的主要職責乃就委聘及辭退外聘核數師向董事會作出推薦建議、審閱財務報表及有關財務報告的重要意見，以及監控本公司的內部監控程序。審核委員會目前由三名成員組成，包括舒華東先生、宋立眾先生及鄭琳女士（三名成員均為獨立非執行董事），而舒華東先生目前擔任審核委員會主席。審核委員會已採納與企業管治守則所載條文一致的職權範圍。

於回顧期間，審核委員會已召開二次會議，出席率均達100%。審核委員會已審閱本集團截至二零一一年六月三十日止六個月的未經審核財務報表，審閱內部監控制度及其執行情況。

### 賬目審閱

審核委員會已審閱本集團所採納之會計原則及慣例，並討論審核、內部監控及財務申報事宜，當中包括審閱截至二零一一年六月三十日止六個月之未經審核中期財務報表。外聘核數師德勤•關黃陳方會計師行已根據香港會計師公會頒佈之香港審閱委聘准則第2410號「由實體獨立核數師審閱中期財務資料」審閱截至二零一一年六月三十日止六個月之中期綜合財務報表。

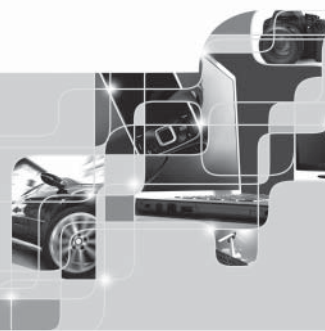
### 購買、出售或贖回本公司的上市證券

於截至二零一一年六月三十日止六個月，本公司或其任何附屬公司概無購買、出售或購回本公司的任何上市證券。



# Report on Review of Interim Financial Information

## 中期財務資料的審閱報告



### TO THE BOARD OF DIRECTORS OF HL TECHNOLOGY GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

## INTRODUCTION

We have reviewed the interim financial information set out on pages 43 to 93, which comprises the condensed consolidated statement of financial position of HL Technology Group Limited (the “Company”) and its subsidiaries as of 30 June 2011 and the related condensed consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended and certain explanatory notes. The Main Board Listing Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and the International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

### 致泓淋科技集團有限公司董事會

(於開曼群島註冊成立的有限公司)

## 引言

本核數師已審閱載於第43至93之中期財務資料。此中期財務資料包括泓淋科技集團有限公司(貴公司)及其附屬公司於二零一一年六月三十日之簡明綜合財務狀況表與截至該日止六個月期間之相關簡明綜合全面收益表、簡明綜合權益變動表、簡明綜合現金流量表及若干解釋性附註。香港聯合交易所有限公司主板證券上市規則規定，就中期財務資料編製之報告必須符合當中有關條文以及國際會計準則理事會頒佈之國際會計準則(「國際會計準則」)第34號「中期財務報告」。本公司董事負責根據國際會計準則第34號編製及呈報此中期財務資料。本核數師之責任是根據審閱對該中期財務資料作出結論，並按照委聘之協定條款僅向作為實體之閣下報告結論，且並無其他目的。本核數師不會就本報告之內容向任何其他人士負上或承擔任何責任。

## 審閱範圍

本核數師已根據香港會計師公會頒佈之香港審閱委聘準則第2410號「由實體獨立核數師審閱中期財務資料」進行審閱。審閱中期財務資料包括主要向負責財務和會計事務之人員作出查詢，並應用分析性和其他審閱程序。審閱範圍遠少於根據香港核數準則進行審核之範圍，故不能令本核數師保證本核數師將知悉在審核中可能發現之所有重大事項。因此，本核數師不會發表審核意見。

# Report on Review of Interim Financial Information

## 中期財務資料的審閱報告

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

**Deloitte Touche Tohmatsu**

*Certified Public Accountants*

Hong Kong

16 August 2011

### 結論

按照本核數師之審閱，本核數師並無發現任何事項，令本核數師相信中期財務資料在各重大方面未有根據國際會計準則第34號編製。

**德勤•關黃陳方會計師行**

*執業會計師*

香港

二零一一年八月十六日

# Condensed Consolidated Statement of Comprehensive Income

## 簡明綜合全面收益表

For the six months ended 30 June 2011

截至二零一一年六月三十日止六個月

		NOTES 附註	Six months ended 30 June 截至六月三十日止六個月	
			2011 二零一一年 RMB'000 人民幣千元 (unaudited) (未經審核)	2010 二零一零年 RMB'000 人民幣千元 (audited) (經審核)
Revenue	收益	3	<b>881,691</b>	635,680
Cost of sales	銷售成本		<b>(693,759)</b>	(491,706)
Gross profit	毛利		<b>187,932</b>	143,974
Other income, other gains and losses	其他收入、其他收益及虧損	4	<b>17,398</b>	(1,958)
Distribution and selling expenses	分銷及銷售開支		<b>(22,061)</b>	(12,859)
Administrative and general expenses	行政及一般開支		<b>(48,933)</b>	(29,039)
Research and development expenses	研發開支		<b>(25,201)</b>	(12,735)
Finance costs	融資成本	5	<b>(10,998)</b>	(8,929)
Profit before taxation	除稅前溢利	6	<b>98,137</b>	78,454
Income tax expenses	所得稅開支	7	<b>(7,383)</b>	(8,253)
Profit for the period	期內溢利		<b>90,754</b>	70,201
<i>Other comprehensive income, net of income tax</i>	<i>其他全面收益，扣除所得稅</i>			
Exchange difference on translating of foreign operations	換算外國業務之滙兌差額		<b>(111)</b>	—
Total comprehensive income for the period	期內全面收益總額		<b>90,643</b>	70,201

# Condensed Consolidated Statement of Comprehensive Income

## 簡明綜合全面收益表

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

		NOTES 附註	Six months ended 30 June 截至六月三十日止六個月	
			2011 二零一一年 RMB'000 人民幣千元 (unaudited) (未經審核)	2010 二零一零年 RMB'000 人民幣千元 (audited) (經審核)
Profit attributable to:	以下各方應佔溢利：			
— Owners of the Company	— 本公司擁有人		<b>88,189</b>	69,701
— Non-controlling interests	— 非控股權益		<b>2,565</b>	500
			<b>90,754</b>	70,201
Total comprehensive income attributable to:	以下各方應佔全面收益總額：			
— Owners of the Company	— 本公司擁有人		<b>88,078</b>	69,701
— Non-controlling interests	— 非控股權益		<b>2,565</b>	500
			<b>90,643</b>	70,201
Earnings per share	每股盈利			
— Basic (RMB cents)	— 基本 (人民幣分)	9	<b>12.2</b>	13.3

# Condensed Consolidated Statement of Financial Position

## 簡明綜合財務狀況表

As at 30 June 2011  
於二零一一年六月三十日



		NOTES 附註	As at 30 June 2011 於二零一一年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2010 於二零一零年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment	物業、廠房及設備	10	587,888	448,875
Prepaid lease payments	預付租賃款項		47,815	30,108
Intangible assets	無形資產	11	35,849	9,672
Goodwill	商譽	12	7,052	—
Deferred tax assets	遞延稅項資產	13	6,161	2,716
			<b>684,765</b>	491,371
CURRENT ASSETS		流動資產		
Inventories	存貨		320,843	178,541
Trade and other receivables	貿易及其他應收款項	14	804,971	725,544
Prepaid lease payments	預付租賃款項		718	642
Pledged bank deposits	已抵押銀行存款	15	428,698	424,714
Bank balances and cash	銀行結餘及現金		138,045	160,408
			<b>1,693,275</b>	1,489,849
CURRENT LIABILITIES		流動負債		
Trade and other payables	貿易及其他應付款項	16	457,820	384,569
Other financial liabilities	其他金融負債	17	3,284	1,879
Income tax liabilities	所得稅負債		9,056	8,195
Bank borrowings	銀行借貸	18	839,360	663,106
			<b>1,309,520</b>	1,057,749
NET CURRENT ASSETS	流動資產淨額		<b>383,755</b>	432,100
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		<b>1,068,520</b>	923,471

# Condensed Consolidated Statement of Financial Position

## 簡明綜合財務狀況表

As at 30 June 2011

於二零一一年六月三十日

		NOTES 附註	As at 30 June 2011 於二零一一年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2010 於二零一零年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	19	97,401	97,401
Reserves	儲備		904,139	812,487
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,001,540	909,888
Non-controlling interests	非控股權益		60,919	13,583
<b>TOTAL EQUITY</b>	<b>總權益</b>		<b>1,062,459</b>	923,471
NON-CURRENT LIABILITY	非流動負債			
Deferred tax liabilities	遞延稅項負債	13	6,061	—
			6,061	—
			<b>1,068,520</b>	923,471

# Condensed Consolidated Statement of Changes in Equity

## 簡明綜合權益變動表

For the six months ended 30 June 2011

截至二零一一年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital	Share premium	Special reserve	Share awards reserve	Other reserve	Statutory surplus reserve	Foreign currency translation reserve	Retained profits	Total	Non-controlling interests	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
				(note (a) below) (下文附註(a))			(note (b) below) (下文附註(b))					
As at 1 January 2010 (audited)	於二零一零年一月一日 (經審核)	60,943	33,236	74,394	(16,186)	4,466	33,045	—	126,660	316,558	10,392	326,950
Profit for the period	期內溢利	—	—	—	—	—	—	—	69,701	69,701	500	70,201
Other comprehensive income for the period	期內其他全面收益	—	—	—	—	—	—	—	—	—	—	—
Total comprehensive income for the period	期內全面收益總額	—	—	—	—	—	—	—	69,701	69,701	500	70,201
Capital contribution from owners of the Company	本公司擁有人之注資	1,951	32,189	—	—	—	—	—	—	34,140	—	34,140
Capital contribution from non-controlling interests of subsidiaries	附屬公司非控股權益注資	—	—	—	—	—	—	—	—	—	840	840
Recognition of equity-settled share-based payments (note 20)	確認以權益結算的股份支付的款項 (附註20)	—	—	—	3,573	—	—	—	—	3,573	—	3,573
As at 30 June 2010 (audited)	於二零一零年六月三十日 (經審核)	62,894	65,425	74,394	(12,613)	4,466	33,045	—	196,361	423,972	11,732	435,704
As at 1 January 2011 (audited)	於二零一一年一月一日 (經審核)	97,401	429,549	74,394	(9,039)	4,466	44,224	742	268,151	909,888	13,583	923,471
Profit for the period	期內溢利	—	—	—	—	—	—	—	88,189	88,189	2,565	90,754
Other comprehensive income for the period	期內其他全面收益	—	—	—	—	—	—	(111)	—	(111)	—	(111)
Total comprehensive income for the period	期內全面收益總額	—	—	—	—	—	—	(111)	88,189	88,078	2,565	90,643
Recognition of equity-settled share-based payments (note 20)	確認以權益結算的股份支付的款項 (附註20)	—	—	—	3,574	—	—	—	—	3,574	—	3,574
Non-controlling interests arising from business combinations	業務合併所產生的非控股權益	—	—	—	—	—	—	—	—	—	44,771	44,771
As at 30 June 2011 (unaudited)	於二零一一年六月三十日 (未經審核)	97,401	429,549	74,394	(5,465)	4,466	44,224	631	356,340	1,001,540	60,919	1,062,459

Notes:

**(a) Special reserve**

Special reserve of the Group represents the difference between the nominal amount of the shares issued by the Company and the aggregate amount of paid-in capital of the subsidiaries acquired pursuant to the group reorganization of the Company in 2008.

**(b) Statutory surplus reserve**

As stipulated by the relevant laws and regulations for enterprises in the People's Republic of China (the "PRC"), the Company's PRC subsidiaries are required to maintain a statutory surplus reserve fund which is non-distributable. The appropriations to such reserve are made out of net profit after taxation of the statutory financial statements of the relevant PRC subsidiaries. The statutory surplus reserve fund can be used to make up prior year losses, if any, and can be applied in conversion into capital by means of capitalization issue.

附註:

**(a) 特別儲備**

本集團的特別儲備指本公司所發行股份的面值與根據本公司於二零零八年進行的集團重組所收購附屬公司實繳資本總金額的差額。

**(b) 法定盈餘儲備**

中華人民共和國(「中國」)企業的相關法律及法規規定，本公司中國附屬公司須保存不可分派的法定盈餘儲備基金。該等儲備的撥款來自中國相關附屬公司法定財務報表的除稅後純利。法定盈餘儲備基金可用於彌補過往年度虧損(如有)，並可以資本化發行的方式轉換為資本。

# Condensed Consolidated Statement of Cash Flows

## 簡明綜合現金流量表

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

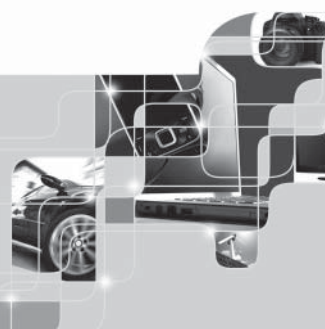
		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 RMB'000 人民幣千元 (unaudited) (未經審核)	2010 二零一零年 RMB'000 人民幣千元 (audited) (經審核)
OPERATING ACTIVITIES	經營活動		
Profit before taxation	除稅前溢利	98,137	78,454
Adjustments for:	就下列各項之調整：		
Finance costs	融資成本	10,998	8,929
Interest income	利息收入	(1,963)	(138)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	22,493	17,964
Amortization of intangible assets	無形資產攤銷	1,873	575
Release of prepaid lease payments	預付租賃款項解除	332	161
(Gains) losses on disposals of property, plant and equipment	出售物業、廠房及設備 (收益) 虧損	(1,851)	75
(Gains) losses on disposals of prepaid lease payments	出售預付租賃款項 (收益) 虧損	(175)	—
Changes in fair values of derivative financial instruments	衍生金融工具公平值變動	446	1,752
Allowance for trade and other receivables — net	貿易及其他應收款項備抵 — 淨值	13	478
Exchange gains relating to bank borrowings	有關銀行借貸的滙兌收益	(12,231)	(870)
Recognition of share-based payments (note 20)	已確認以股份支付的款項 (附註20)	3,574	3,573
Excess over the cost of business combination, provisional, relating to Huizhou Daya Bay Acquisition (note 21 (b))	超過惠州大亞灣收購事項業務 合併成本的部份 (暫時) (附註21(b))	(4,036)	—
Operating cash flows before movements in working capital	營運資金變動前之經營 現金流量	117,610	110,953
Decrease (increase) in trade and other receivables	貿易及其他應收款項減少 (增加)	68,124	(169,412)
Increase in inventories	存貨增加	(92,966)	(69,712)
(Decrease) increase in trade and other payables	貿易及其他應付款項 (減少) 增加	(64,738)	1,377
Settlement of derivative financial instruments	衍生金融工具結算	(1,851)	(2,324)
Cash generated from (used in) operations	經營所得 (所用) 現金	26,179	(129,118)
Income taxes paid	已付所得稅	(10,270)	(6,017)
Interest paid	已付利息	(13,348)	(8,964)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	經營活動所得 (所用) 現金淨額	2,561	(144,099)



# Condensed Consolidated Statement of Cash Flows

## 簡明綜合現金流量表

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月



		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 RMB'000 人民幣千元 (unaudited) (未經審核)	2010 二零一零年 RMB'000 人民幣千元 (audited) (經審核)
INVESTING ACTIVITIES	投資活動		
Purchase of property, plant and equipment	購買物業、廠房及設備	(148,303)	(40,340)
Purchase of land use rights	購買土地使用權	(18,839)	(11,487)
Net cash outflow in respect of Huizhou Daya Bay Acquisition (note 21 (b))	關於惠州大亞灣收購的現金流出 淨額(附註21(b))	(8,033)	—
Placement of pledged bank deposits	已抵押銀行存款存放	(47,743)	(49,148)
Release of pledged bank deposits	已抵押銀行存款解除	43,759	51,573
Purchase of intangible assets	購買無形資產	(1,940)	(3,385)
Proceeds on disposals of property, plant and equipment and prepaid lease payments	出售物業、廠房及設備所得款項 及預付租賃款項	20,741	14,008
Net cash inflow in respect of Tianjin Rituo Acquisition (note 21 (a))	關於天津日拓收購事項的現金流入 淨額(附註21(a))	6,750	—
Interest received	已收利息	1,963	138
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資活動所用的現金淨額</b>	<b>(151,645)</b>	<b>(38,641)</b>
FINANCING ACTIVITIES	融資活動		
New borrowings raised	所募集的新借貸	564,029	452,883
Repayments of borrowings	償還借貸	(437,308)	(303,697)
Capital contribution from owners of the Company	本公司擁有人的注資	—	34,140
Capital contribution of subsidiaries	附屬公司的注資	—	840
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>融資活動所得現金淨額</b>	<b>126,721</b>	<b>184,166</b>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)增加 淨值	(22,363)	1,426
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	期初現金及現金等價物	160,408	73,744
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD, represented by bank balances and cash	期末現金及現金等價物， (以銀行結餘及現金列示)	138,045	75,170

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 1. GENERAL

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and with the International Accounting Standard 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (“IASB”).

The condensed consolidated financial statements of the Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are presented in Renminbi (“RMB”), the currency of the primary economic environment in which the principal subsidiaries of the Company operate (the functional currency of the Company and the principal subsidiaries).

The Group is mainly engaged in the manufacture and sales of signal cable assembly, power cord assembly, wire & cable products and connectors.

The shares of the Company have been listed on the Main Board of the Stock Exchange since 16 November 2010 (the “Listing”).

### 2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments which are measured at fair value.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2011 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2010.

### 1. 一般資料

簡明綜合財務報表乃根據香港聯合交易所有限公司(「聯交所」)證券上市規則附錄十六的適用的披露規定及國際會計準則理事會(「國際會計準則理事會」)頒佈的國際會計準則第34號「中期財務報告」而編製。

本公司及其附屬公司(以下統稱為「本集團」)的簡明綜合財務報表以人民幣(「人民幣」)呈列。人民幣為本公司主要附屬公司經營所在主要經濟環境的貨幣(及本公司及其主要附屬公司的功能貨幣)。

本集團主要從事信號線組件、電源線組件、線纜產品及連接器的製造及銷售。

本公司股份自二零一零年十一月十六日起於聯交所主板上市(「上市」)。

### 2. 主要會計政策

簡明綜合財務報表按歷史成本編製(惟若干財務工具以公平值計量除外)。

截至二零一一年六月三十日止六個月之簡明綜合財務報表所採用的會計政策及計算方法與編製本集團截至二零一零年十二月三十一日止年度財務報表所採用的會計政策一致。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

In the current interim period, the Group has applied, for the first time, the following new or revised standards, amendments and interpretations (the “New or Revised IFRSs”) issued by the IASB:

IFRSs (Amendments)	Improvements to IFRSs 2010
IAS 24 (Revised)	Related Party Disclosures
IAS 32 (Amendments)	Classification of Rights Issues
IFRIC 14 (Amendments)	Prepayments of a Minimum Funding Requirement
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

The application of the above New or Revised IFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

## 2. 主要會計政策 (續)

於本中期期間，本集團首次採納了下列由國際會計準則理事會頒佈的新訂或經修訂準則、修訂本及詮釋（「新訂或經修訂國際財務報告準則」）。

國際財務報告準則 (修訂本)	二零一零年國際財務 報告準則之改進
國際會計準則第24號 (經修訂)	關連人士披露
國際會計準則第32號 (修訂本)	供股的分類
國際財務報告詮釋 委員會第14號 (修訂本)	最低資本要求預付款
國際財務報告詮釋 委員會第19號	以權益工具抵銷 金融負債

於本中期期間應用以上新訂或經修訂國際財務報告準則，並無對該等簡明綜合財務報表內呈報之有關款項及／或該等簡明綜合財務報表所載的披露事項構成重大影響。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

The Group has not early adopted new or revised standards and amendments that have been issued but are not yet effective. The following new or revised standards and amendments have been issued after the date of the consolidated financial statements for the year ended 31 December 2010 were authorized for issuance and are not yet effective:

IFRS 10	Consolidated Financial Statements <sup>1</sup>
IFRS 11	Joint Arrangements <sup>1</sup>
IFRS 12	Disclosure of Interests in Other Entities <sup>1</sup>
IFRS 13	Fair Value Measurement <sup>1</sup>
IAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income <sup>2</sup>
IAS 19 (Revised 2011)	Employee Benefits <sup>1</sup>
IAS 27 (Revised 2011)	Separate Financial Statements <sup>1</sup>
IAS 28 (Revised 2011)	Investments in Associates and Joint Ventures <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2013

<sup>2</sup> Effective for annual periods beginning on or after 1 July 2012

The directors of the Company anticipate that the application of the new or revised standards and amendments will have no material impact on the results and the financial position of the Group.

### 2. 主要會計政策 (續)

本集團並無提早採納下列已頒佈但尚未生效之新訂或經修訂準則及修訂本。下列於截至二零一零年十二月三十一日止年度綜合財務報表獲授權頒佈後頒佈但尚未生效之新訂或經修訂準則：

國際財務報告準則第10號	綜合財務報表 <sup>1</sup>
國際財務報告準則第11號	聯合安排 <sup>1</sup>
國際財務報告準則第12號	披露於其他實體的權益 <sup>1</sup>
國際財務報告準則第13號	公平值計量 <sup>1</sup>
國際會計準則第1號(修訂本)	呈列其他全面收入項目的呈列 <sup>2</sup>
國際會計準則第19號 (二零一一年經修訂)	僱員福利 <sup>1</sup>
國際會計準則第27號 (二零一一年經修訂)	獨立財務報表 <sup>1</sup>
國際會計準則第28號 (二零一一年經修訂)	於聯營公司及合營企業的投資 <sup>1</sup>

<sup>1</sup> 於二零一三年一月一日或之後開始的年度期間生效。

<sup>2</sup> 於二零一二年七月一日或之後開始的年度期間生效。

本公司董事預計應用該等新訂或經修訂準則以及修訂本將不會對本集團的業績及財務狀況產生重大影響。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月



### 3. REVENUE AND SEGMENT INFORMATION

#### (a) Revenue

Revenue represents the net amounts received and receivable for sales of goods sold to customers during the period under review.

#### (b) Segment information

The Group's chief operating decision maker (the "CODM") has been identified as the chief executive officer of the Company who reviews the business based on the following reportable segments organized by products:

- External signal cable assembly
- Internal signal cable assembly
- Power cord assembly
- Signal transmission wire & cable
- Connectors
- Antennas
- Automotive wiring harness (note below)
- Other products

*Note:* During the six months ended 30 June 2011, a new reportable segment in respect of automotive wiring harness was identified upon the acquisition of 天津日拓汽車電裝有限公司 (Tianjin Rituo Automotive Electronic Co., Ltd., "Tianjin Rituo") (as disclosed in note 21(a)).

### 3. 收益及分部資料

#### (a) 收益

收益指於回顧期內售予客戶的銷售貨品之已收及應收淨額。

#### (b) 分部資料

本集團主要經營決策人(「主要經營決策人」)確認為本公司行政總裁，其根據下列按產品劃分的可報告分部查核業務：

- 外接信號線組件
- 內接信號線組件
- 電源線組件
- 信號傳輸線纜
- 連接器
- 天線
- 汽車線束(下文附註)
- 其他產品

*附註：*截至二零一一年六月三十日止六個月內，有關汽車線束的新可報告分部乃於收購天津日拓汽車電裝有限公司(「天津日拓」)後確認(附註21(a)披露)。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 3. REVENUE AND SEGMENT INFORMATION (Continued)

#### (b) Segment information (Continued)

The above segments have been identified on the basis of internal management reports prepared and regularly reviewed by the CODM when making decisions about allocating resources and assessing performance of the Group.

#### Information about reportable segment revenues and results

The following table sets forth a breakdown of the Group's revenue and results by reportable segments during the period under review:

		External signal cable assembly 外接信號 線組件 RMB'000 人民幣千元	Internal signal cable assembly 內接 信號線組件 RMB'000 人民幣千元	Power cord assembly 電源 線組件 RMB'000 人民幣千元	Signal transmission wire & cable 信號 傳輸線纜 RMB'000 人民幣千元	Connectors 連接器 RMB'000 人民幣千元	Antennas 天線 RMB'000 人民幣千元	Automotive wiring harness 汽車線束 RMB'000 人民幣千元	Other products 其他產品 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Six months ended 30 June 2011 (unaudited)	截至二零一一年 六月三十日 止六個月 (未經審核)									
Segment revenue	分部收益	181,940	169,109	136,434	236,449	28,227	18,943	68,953	41,636	881,691
Segment results	分部業績	36,859	48,982	18,555	48,223	8,913	4,203	14,042	8,155	187,932
Six months ended 30 June 2010 (audited)	截至二零一零年 六月三十日止 六個月(經審核)									
Segment revenue	分部收益	160,359	137,354	112,810	153,212	20,376	3,948	—	47,621	635,680
Segment results	分部業績	36,603	38,039	19,862	30,165	6,242	529	—	12,534	143,974

Note: Subsequent to 31 December 2010, an additional segment of antennas was reported to the CODM for review. Segment information for the prior period has been restated to conform with the presentation of the internal management report for the six months ended 30 June 2010.

### 3. 收益及分部資料(續)

#### (b) 分部資料(續)

上述分部與供本公司行政總裁作出有關本集團資源分配及評估表現決策時定期審閱而編製的內部管理報告的基準一致。

#### 可報告分部收益及業績的資料

下表列示本集團根據回顧期內按可報告分部劃分的收益及業績明細：

附註：於二零一零年十二月三十一日後，一個額外的天線分部已呈報予主要經營決策人以供審核。過往期間的分部資料已經重列以保持與截至二零一零年六月三十日止六個月呈列的內部管理報告一致。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月



### 3. REVENUE AND SEGMENT INFORMATION *(Continued)*

#### (b) Segment information *(Continued)*

##### **Information about reportable segment revenues and results** *(Continued)*

Revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the period under review.

The segment results represent segment revenue less segment cost of sales determined on a standard cost basis, which represents the internally generated financial information regularly reviewed by the chief operating decision maker. However, the other gains and losses, distribution and selling expenses, administrative and general expenses, research and development expenses and finance costs are not entirely allocated to each reportable segment.

### 3. 收益及分部資料 *(續)*

#### (b) 分部資料 *(續)*

##### **可報告分部收益及業績的資料** *(續)*

以上呈報的收益來自外界客戶的收益。於回顧期內概無任何分部間銷售。

分部業績指分部收益減按標準成本基準釐定的分部銷售成本，為主要經營決策人定期審閱的內部財務資料。然而，其他收益及虧損、分銷及銷售開支、行政及一般開支、研發開支、融資成本並非全部分配至各可報告分部。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 3. REVENUE AND SEGMENT INFORMATION (Continued)

#### (b) Segment information (Continued)

##### Information about reportable segment revenues and results (Continued)

The reportable segment results are reconciled to profit after taxation of the Group as follows:

### 3. 收益及分部資料(續)

#### (b) 分部資料(續)

##### 可報告分部收益及業績的資料(續)

可報告分部業績與本集團的除稅後溢利對賬如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 RMB'000 人民幣千元 (unaudited) (未經審核)	2010 二零一零年 RMB'000 人民幣千元 (audited) (經審核)
Reportable segment results	可報告分部業績	<b>187,932</b>	143,974
Unallocated income and expenses:	未分配收入及開支：		
— Other income, other gains and losses	— 其他收入、其他收益及虧損	<b>17,398</b>	(1,958)
— Distribution and selling expenses	— 分銷及銷售開支	<b>(22,061)</b>	(12,859)
— Administrative and general expenses	— 行政及一般開支	<b>(48,933)</b>	(29,039)
— Research and development expenses	— 研發開支	<b>(25,201)</b>	(12,735)
— Finance costs	— 融資成本	<b>(10,998)</b>	(8,929)
Profit before taxation	除稅前溢利	<b>98,137</b>	78,454
Income tax expenses	所得稅開支	<b>(7,383)</b>	(8,253)
Profit for the period	期內溢利	<b>90,754</b>	70,201



# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月



### 3. REVENUE AND SEGMENT INFORMATION (Continued)

#### (b) Segment information (Continued)

##### Information about major customers

The following table sets forth a breakdown of the Group's major customers individually accounted for over 10% of the Group's total revenue from the external signal cable assembly, internal signal cable assembly, power cord assembly, connectors, antennas, automotive wiring harness and other products segments during the period under review.

### 3. 收益及分部資料(續)

#### (b) 分部資料(續)

##### 主要客戶資料

下表列示本集團於回顧期內個別佔其總收益(來自外接信號線組件、內接信號線組件、電源線組件、連接器、天線、汽車線束及其他產品分部)10%以上的主要客戶分析：

		Six months ended 30 June	
		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
— Customer A	— 客戶甲	107,904	N/A/不適用*
— Customer B	— 客戶乙	106,943	82,393

\* Less than 10% of the Group's total revenue.

\* 少於本集團總收益的10%。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
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### 4. OTHER INCOME, OTHER GAINS AND LOSSES

### 4. 其他收入、其他收益及虧損

		Six months ended 30 June	
		截至六月三十日止六個月	
		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Net foreign exchange gains (losses)	滙兌收益 (虧損)	6,130	(1,208)
Government grants (note bellow)	政府補助 (下文附註)	3,689	939
Interest income	利息收入	1,963	138
Gains (losses) on disposals of property, plant and equipment	出售物業、廠房及設備的收益 (虧損)	1,851	(75)
Gains (losses) on disposals of prepaid lease payments	出售預付租賃款項的收益 (虧損)	175	—
Changes in fair value of derivative financial instruments	衍生金融工具公平值變動	(446)	(1,752)
Excess over the cost of a business combination, provisional (note 21(b))	超逾業務合併成本的部份 (暫時) (附註21(b))	4,036	—
		<b>17,398</b>	<b>(1,958)</b>

Note: The government grants mainly represent non-recurring government subsidies received from the local government as incentives for business and technological development of the Group. There are no unfulfilled conditions or other contingencies attaching to such government grants nor asset related. The grants were recognised in profit or loss in the current period as the related costs were incurred for which the grants were intended to compensate during the period under review.

附註：政府補助主要指已收取當地政府作為本集團業務及技術開發獎勵的政府補助。政府補助或相關資產並無附帶任何尚未履行的條件或其他或然事項。該等補助於本期損益表內確認為於回顧期內擬補償補助而產生的有關成本。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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### 5. FINANCE COSTS

### 5. 融資成本

		Six months ended 30 June	
		截至六月三十日止六個月	
		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Interest on borrowings wholly repayable within five years	須於五年內悉數償還的 借貸利息	<b>13,348</b>	8,964
Less: Amount capitalized in respect of cost of qualified assets	減：有關合資格資產成本的 資本化金額	<b>(2,350)</b>	(35)
		<b>10,998</b>	8,929

Borrowing costs capitalized during the six months ended 30 June 2011 arose on the general borrowing pool and are calculated by applying capitalization rates ranging from 5.21% to 6.11% per annum (six months period ended 30 June 2010: 5.16% per annum) to expenditure on qualifying assets.

截至二零一一年六月三十日止六個月之資本化借貸成本乃於一般借貸中產生，並就合資格資產開支應用資本化年利率介乎5.21%至6.11%（截至二零一零年六月三十日止六個月：年利率5.16%）計算得出。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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截至二零一一年六月三十日止六個月

### 6. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging (crediting):

### 6. 除稅前溢利

除稅前溢利已扣除(計入)以下各項：

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 RMB'000 人民幣千元 (unaudited) (未經審核)	2010 二零一零年 RMB'000 人民幣千元 (audited) (經審核)
Staff costs (including directors' emoluments): 員工成本 (包括董事薪酬)：			
— Salaries and other benefits	— 薪金及其他福利	102,148	68,534
— Retirement benefit scheme contributions	— 退休福利計劃供款	4,056	2,483
— Share-based payments (note 20)	— 以股份支付的款項 (附註20)	3,574	3,573
		<b>109,778</b>	74,590
Depreciation and amortization: 折舊及攤銷：			
— Property, plant and equipment	— 物業、廠房及設備	22,493	17,964
— Intangible assets	— 無形資產	1,873	575
		<b>24,366</b>	18,539
Release of prepaid lease payments	預付租賃款項解除	332	161
Cost of inventories recognized as an expense included in:			
— Cost of sales	— 銷售成本	693,759	491,706
— Research and development expenses	— 研發開支	11,369	4,409
		<b>705,128</b>	496,115
Allowance for (reversal of) doubtful debts relating to:			
— Trade receivables	— 貿易應收款項	13	536
— Other receivables	— 其他應收款項	—	(58)
		<b>13</b>	478

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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### 7. INCOME TAX EXPENSES

### 7. 所得稅開支

		Six months ended 30 June	
		截至六月三十日止六個月	
		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
<b>Current tax</b>	<b>即期稅項</b>		
— PRC Enterprise Income Tax ("EIT")	— 中國企業所得稅 (「企業所得稅」)	<b>11,810</b>	10,115
— Overprovision of EIT in prior periods	— 過往期間企業所得稅 超額撥備	<b>(679)</b>	(2,267)
		<b>11,131</b>	7,848
<b>Deferred tax</b>	<b>遞延稅項</b>		
— Current period	— 本期	<b>(3,748)</b>	405
		<b>7,383</b>	8,253

No provision for Hong Kong Profits Tax has been made as the Group did not have any assessable profit arising in Hong Kong during the period under review.

The statutory tax rate of 泓淋科技有限公司 (Honglin Technology Co., Ltd.#), a subsidiary established in Taiwan on 21 July 2010, was 17%. No provision for Taiwan income tax has been made as this subsidiary did not have any taxable income for the period under review.

The statutory tax rate of Hongxin International Limited ("Hongxin International"), a subsidiary incorporated in Hong Kong on 22 February 2010, was 16.5% (six months ended 30 June 2010: 16.5%). No provision for Hong Kong Profits Tax has been made as Hongxin International did not have any assessable income for the period under review.

因本集團於回顧期間在香港並未產生應課稅溢利，故並無就香港利得稅作出撥備。

泓淋科技有限公司(一間於二零一零年七月二十一日在台灣成立的附屬公司)的法定稅率為17%。由於該附屬公司於回顧期間概無任何應課稅收入，故未就台灣所得稅作出任何撥備。

Hongxin International Limited(「Hongxin International」)(一間於二零一零年二月二十二日在香港成立的附屬公司)的法定稅率為16.5%(截至二零一零年六月三十日止六個月：16.5%)。由於Hongxin International於回顧期間概無任何應課稅收入，故未作出任何香港利得稅撥備。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 7. INCOME TAX EXPENSES (Continued)

The applicable income tax rates of the Company's PRC subsidiaries for the period under review are as follows:

### 7. 所得稅開支(續)

於回顧期內本公司中國附屬公司的適用所得稅率如下：

Name of the subsidiary	附屬公司名稱	Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 % 百分比	2010 二零一零年 % 百分比
威海市泓淋電子有限公司 (Weihai Honglin Electronic Co., Ltd.#, "Weihai Electronic")	威海市泓淋電子有限公司 (「威海電子」)	15.0	15.0
威海市泓淋電纜電纜有限公司 (Weihai Honglin Wire & Cable Co., Ltd.#, "Weihai Cable")	威海市泓淋電纜電纜有限公司 (「威海電纜」)	15.0	15.0
常熟泓淋電子有限公司 (Changshu Honglin Electronic Co., Ltd.#)	常熟泓淋電子有限公司	12.5	12.5
常熟泓淋電纜電纜有限公司 (Changshu Honglin Wire & Cable Co., Ltd.#)	常熟泓淋電纜電纜有限公司	12.5	12.5
常熟泓淋連接技術有限公司 (Changshu Honglin Connecting-Technology Co., Ltd.#)	常熟泓淋連接技術有限公司	12.5	12.5
德州泓淋電子有限公司 (Dezhou Honglin Electronic Co., Ltd.#)	德州泓淋電子有限公司	12.5	12.5
武漢市泓淋電子有限公司 (Wuhan Honglin Electronic Co., Ltd.#)	武漢市泓淋電子有限公司	12.0	11.0
常熟華銳精密電子有限公司 (Changshu Huarui Precision Electronics Co., Ltd.#)	常熟華銳精密電子有限公司	25.0	25.0
深圳市泓淋通訊科技有限公司 (Shenzhen Honglin Communication Technology Co., Ltd.#)	深圳市泓淋通訊科技 有限公司	25.0	25.0
重慶市泓淋科技有限公司 (Chongqing Honglin Technology Co., Ltd.#)	重慶市泓淋科技有限公司	25.0	N/A/不適用
惠州市泓淋通訊科技有限公司 (Huizhou Honglin Communication Technology Co., Ltd.#)	惠州市泓淋通訊科技 有限公司	25.0	N/A/不適用
Tianjin Rituo	天津日拓	25.0	N/A/不適用
惠州大亞灣和平通信電纜有限公司 (Huizhou Daya Bay Heping Telecommunication Co., Ltd.#, "Huizhou Daya Bay")	惠州大亞灣和平通信電纜 有限公司 (「惠州大亞灣」)	25.0	N/A/不適用
武漢市泓淋科技有限公司 (Wuhan Honglin Technology Co., Ltd.#)	武漢市泓淋科技有限公司	25.0	N/A/不適用

# The English names are for identification purpose only.

# 英文名稱僅供識別

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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### 7. INCOME TAX EXPENSES (Continued)

The tax charge can be reconciled to the profit per the condensed consolidated statement of comprehensive income as follows:

### 7. 所得稅開支(續)

稅項開支與簡明綜合全面收益表的溢利對賬如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 RMB'000 人民幣千元 (unaudited) (未經審核)	2010 二零一零年 RMB'000 人民幣千元 (audited) (經審核)
Profit before taxation	除稅前溢利	<b>98,137</b>	78,454
Tax at PRC EIT rate of 25% (note (a) below)	按25%之中國企業所得稅 稅率計算的稅項 (見下文附註(a))	<b>24,534</b>	19,614
Overprovision for PRC EIT in respect of prior periods	過往期間中國企業所得稅 超額撥備	<b>(679)</b>	(2,267)
Tax effect of expenses not deductible for tax purpose	就稅項而言不可扣減開支 的稅務影響	<b>312</b>	411
Effect of tax concessionary rates for the Group	於本集團稅務優惠的影響	<b>(16,375)</b>	(8,590)
Tax effect of concession deductions relating to research and development expenses	與研發開支有關的優惠減免 的稅務影響	<b>(409)</b>	(915)
		<b>7,383</b>	8,253

**Notes:**

- a. The PRC EIT rate of 25% represents the statutory tax rate of which the Group's operations conducted substantially in the PRC throughout the period under review.
- b. In accordance with the PRC tax circular (Guoshuihan [2008]112) effective from 1 January 2008, PRC withholding income tax at the rate of 10% is applicable to dividends payable by the Company's PRC operating subsidiaries based on their profits generated from 2008 onwards to their "non-resident" investors who do not have an establishment or place of business in the PRC.

As at 30 June 2011, the aggregate amount of temporary differences associated with the undistributed earnings of the PRC subsidiaries of approximately RMB277 million (31 December 2010: RMB194 million) for which deferred tax liabilities have not been recognized. No liability has been recognized in respect of these temporary differences because the Group is in a position to control the timing of the reversal of the temporary differences and the Company, the shareholder of these PRC subsidiaries, has resolved that, the profits from their operations for the year ending 31 December 2011 will be retained and not be distributed. Therefore, it is probable that such differences will not reverse or subject to withholding income tax in the foreseeable future.

**附註：**

- a. 25%的中國企業所得稅稅率為本集團於回顧期內在中國大部分業務的法定稅率。
- b. 根據中國稅務通知(國稅函[2008]112號)，自二零零八年一月一日起生效，在中國境內未設立機構或營業場所的「非居民」投資者的股息(將由本公司中國營運附屬公司按二零零八年之後所得溢利為基準支付)須按10%的稅率繳付中國預扣所得稅。

於二零一一年六月三十日，與中國附屬公司未分派溢利(並無就其確認遞延稅項負債)相關的暫時差額總額約為人民幣277百萬元(二零一零年十二月三十一日：人民幣194百萬元)。本集團並無就該等暫時差額確認任何負債，此乃因為本集團現時正控制該暫時差額的收回進度，且本公司(該等中國附屬公司的股東)已決議，保留截至二零一一年十二月三十一日止年度的經營溢利且不予分派。因此，該等差額很可能於可見未來無法收回或毋須繳納預提所得稅。

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## 簡明綜合財務報表附註

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### 8. DIVIDENDS

No dividend has been paid or proposed by the Company during the six months ended 30 June 2011, nor has any dividend been proposed since the end of the reporting period (six months ended 30 June 2010: Nil).

### 9. EARNINGS PER SHARE

The calculation of the basic earnings per share for the six months ended 30 June 2011 is based on the profit attributable to owners of the Company for the six months ended 30 June 2011 and on the weighted average of 720,000,000 shares (six months ended 30 June 2010: 525,387,184 shares) in issue during the six months ended 30 June 2011.

The weighted average number of shares for the purpose of calculating the basic earnings per share for the six months ended 30 June 2010 has been determined as if the effect of the five-for-one share subdivision and the capitalization issue in 2010 have been adjusted retrospectively.

There were no potential dilutive shares in existence during the period under review and therefore, no diluted earnings per share amounts have been presented.

### 10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2011, the Group had additions of property, plant and equipment relating to Tianjin Rituo Acquisition and Huizhou Daya Bay Acquisition (as defined in note 21) amounting to RMB8,957,000 (note 21 (a)) and RMB38,769,000 (note 21 (b)), respectively.

In addition, during the six months ended 30 June 2011, the Group spent RMB143,672,000 (six months ended 30 June 2010: RMB48,334,000) on the acquisition of property, plant and equipment to upgrade its manufacturing capabilities.

### 8. 股息

於截至二零一一年六月三十日止六個月，本公司概無派付或建議派付股息，自報告期末起亦無擬派付任何股息(截至二零一零年六月三十日止六個月：無)。

### 9. 每股盈利

截至二零一一年六月三十日止六個月的每股基本盈利乃根據截至二零一一年六月三十日止六個月本公司擁有人應佔溢利及截至二零一一年六月三十日止六個月720,000,000股(截至二零一零年六月三十日止六個月：525,387,184股)已發行股份的加權平均數計算。

釐定用作計算截至二零一零年六月三十日止六個月每股基本盈利的股份加權平均數，乃假設於二零一零年的每一股股份拆細為5股的股份拆細及資本化發行的影響已追溯調整。

於回顧期內並無潛在攤薄股份，故此並無呈列每股攤薄盈利的金額。

### 10. 物業、廠房及設備

於截至二零一一年六月三十日止六個月，本集團有關天津日拓收購及惠州大亞灣收購事項(定義見附註21)的物業、廠房及設備添置分別為人民幣8,957,000元(附註21(a))及人民幣38,769,000元(附註21(b))。

此外，於截至二零一一年六月三十日止六個月，為提高產能，本集團收購物業、廠房及設備花費人民幣143,672,000元(截至二零一零年六月三十日止六個月：人民幣48,334,000元)。



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### 10. PROPERTY, PLANT AND EQUIPMENT (Continued)

During the six months ended 30 June 2011, the Group disposed of certain plant and machinery with a carrying amount of RMB29,892,000 for sale proceeds of RMB31,743,000, resulting in a profit on disposal of RMB1,851,000 (six months ended 30 June 2010: carrying amount of RMB12,986,000, sale proceeds of RMB12,911,000 and resulting in a loss on disposal of RMB75,000).

### 11. INTANGIBLE ASSETS

During the six months ended 30 June 2011, the Group had additions of intangible assets arising from Tianjin Rituo Acquisition and Huizhou Daya Bay Acquisition amounting to RMB23,280,000 (note 21 (a)) and RMB2,830,000 (note 21 (b)), respectively, determined on a provisional basis.

In addition, during the six months ended 30 June 2011, the Group spent RMB1,940,000 (six months ended 30 June 2010: RMB3,385,000) on the acquisition of intangible assets.

### 12. GOODWILL

The amount represented goodwill arising from the Tianjin Rituo Acquisition during the six months ended 30 June 2011, determined on a provisional basis, and details of which are set out in note 21 (a). The directors of the Company consider that the estimated value in use of the cash generating units to which goodwill has been allocated is higher than their carrying value and accordingly, no impairment of goodwill was provided for the six months ended 30 June 2011.

### 10. 物業、廠房及設備 (續)

於截至二零一一年六月三十日止六個月，本集團出售若干廠房及機器，其賬面值為人民幣29,892,000元，出售所得款項為人民幣31,743,000元，產生出售溢利為人民幣1,851,000元（截至二零一零年六月三十日止六個月：賬面值為人民幣12,986,000元，出售所得款項為人民幣12,911,000元，產生出售虧損為人民幣75,000元）。

### 11. 無形資產

於截至二零一一年六月三十日止六個月，本集團按暫時基準收購天津日拓及惠州大亞灣而產生添置的無形資產分別達人民幣23,280,000元（附註21(a)）及人民幣2,830,000元（附註21(b)）。

此外，於截至二零一一年六月三十日止六個月，本集團於收購無形資產花費人民幣1,940,000元（截至二零一零年六月三十日止六個月：人民幣3,385,000元）。

### 12. 商譽

按暫時基準釐定的該金額指於截至二零一一年六月三十日止六個月期間自天津日拓收購事項而產生的商譽，有關詳情乃載於附註21(a)。本公司董事認為估計獲分配商譽的現金產生單位的使用價值高於其賬面值，因此於截至二零一一年六月三十日止六個月並無商譽減值撥備。



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### 14. TRADE AND OTHER RECEIVABLES

### 14. 貿易及其他應收款項

		Notes	As at 30 June 2011 於 二零一一年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2010 於 二零一零年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
		附註		
Trade receivables	貿易應收款項	a	<b>612,702</b>	534,258
Less: Allowance for doubtful debts	減：呆賬撥備		<b>(1,321)</b>	(1,308)
Bills receivable	應收票據	b	<b>611,381</b>	532,950
Advance to suppliers	墊款予供應商		<b>98,166</b>	137,069
Value added tax recoverables	可退回增值稅		<b>56,180</b>	33,848
Deposits and prepayments	按金及預付款項		<b>4,160</b>	7,445
Consideration receivables from disposals of property, plant and equipment	出售物業、廠房及設備的應收代價		<b>14,955</b>	11,981
Advances to third parties	墊款予第三方		<b>11,901</b>	—
Advances to staff	墊款予員工		—	10
Other receivables	其他應收款項：		<b>1,199</b>	1,271
			<b>7,029</b>	970
			<b>804,971</b>	725,544

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 14. TRADE AND OTHER RECEIVABLES

(Continued)

Notes:

#### (a) Trade receivables

The Group's trade receivables at the end of each reporting period comprise amounts receivable from the sales of goods during the reporting periods.

The Group generally allows a credit period ranging from 60 days to 180 days to its trade customers. The aged analysis of the Group's trade receivables (net of allowance for doubtful debts) presented based on the invoice date as at the end of the reporting period are as follows:

		As at 30 June 2011 於 二零一一年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2010 於 二零一零年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within 3 months	三個月內	562,353	477,577
Over 3 months but within 6 months	三個月至六個月	49,028	54,001
Over 6 months but within 1 year	六個月至一年	—	1,372
		<b>611,381</b>	<b>532,950</b>

#### (b) Bills receivable

The aged analysis of the Group's bills receivable presented based on the issue date as at the end of the reporting period are as follows:

		As at 30 June 2011 於 二零一一年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2010 於 二零一零年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within 3 months	三個月內	51,572	48,277
Over 3 months but within 6 months	三個月至六個月	46,594	88,792
		<b>98,166</b>	<b>137,069</b>

### 14. 貿易及其他應收款項(續)

附註：

#### (a) 貿易應收款項

本集團於各報告期末的貿易應收款項包括報告期內銷售貨物的應收款項。

本集團一般給予貿易客戶介乎60日至180日的信貸期。於報告期末，本集團根據發票日期呈列的貿易應收款項(已扣除呆賬撥備)的賬齡分析如下：

#### (b) 應收票據

於報告期末，根據出具日期呈列的本集團應收票據賬齡分析如下：

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月



### 15. PLEDGED BANK DEPOSITS

As at 30 June 2011, the Group's pledged bank deposits carry fixed interest rates ranging from 0.36% to 3.25% per annum (31 December 2010: 0.36% to 2.25% per annum).

The Group's pledged bank deposits were pledged as securities for the Group's short-term bank borrowings, bills payable and the letter of credit.

### 15. 已抵押銀行存款

於二零一一年六月三十日，本集團已抵押銀行存款的固定年利率介乎0.36%至3.25%（二零一零年十二月三十一日：年利率介乎0.36%至2.25%）。

本集團已抵押銀行存款已抵押作本集團短期銀行借貸、應付票據及信用證擔保。

### 16. TRADE AND OTHER PAYABLES

### 16. 貿易及其他應付款項

		Notes 附註	As at 30 June 2011 於 二零一一年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2010 於 二零一零年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Trade payables	貿易應付款項	a	310,133	204,386
Bills payable	應付票據	b	49,416	119,789
Receipts in advance from customers	預收客戶款項		1,620	2,299
Other tax payables	其他應付稅款		4,519	4,075
Payables for acquisition of property, plant and equipment	收購物業、廠房及設備 的應付款項		23,608	30,589
Payrolls and staff cost payables	應付工資及員工成本		17,129	12,054
Accrued expenses	應計開支		8,675	6,787
Other payables	其他應付款項：		42,720	4,590
			<b>457,820</b>	384,569

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 16. TRADE AND OTHER PAYABLES

(Continued)

Notes:

**(a) Trade payables**

The Group's trade payables principally comprise amounts outstanding for trade purchases. Payment terms with suppliers are mainly on credit within 90 days from the time when the goods are received.

The aged analysis of the Group's trade payables presented based on the invoice date as at the end of the reporting period are as follows:

		As at 30 June 2011 於 二零一一年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2010 於 二零一零年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within 3 months	三個月內	288,563	191,276
Over 3 months but within 1 year	三個月至一年	20,824	12,437
Over 1 year but within 2 years	一年至兩年	552	310
Over 2 years	超過兩年	194	363
		<b>310,133</b>	<b>204,386</b>

**(b) Bills payable**

The aged analysis of the Group's bills payable presented based on the issue date as at the end of the reporting period are as follows:

		As at 30 June 2011 於 二零一一年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2010 於 二零一零年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within 3 months	三個月內	33,500	57,389
Over 3 months but within 6 months	三至六個月	15,916	62,400
		<b>49,416</b>	<b>119,789</b>

### 16. 貿易及其他應付款項(續)

附註：

**(a) 貿易應付款項**

本集團的貿易應付款項主要包括貿易採購的未償還款項。與供應商的支付條款主要為信貸形式，信貸期為收取貨品時起計90日內。

於報告期末，本集團按發票日期呈列的貿易應付款項的賬齡分析如下：

**(b) 應付票據**

於報告期末，本集團按出具日期呈列的應付票據賬齡分析如下：

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月



### 17. OTHER FINANCIAL LIABILITIES

### 17. 其他金融負債

	Notes 附註	As at 30 June 2011 於 二零一一年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2010 於 二零一零年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Foreign exchange forward contracts	a	3,284	1,674
Commodity derivative contracts	b	—	205
		<b>3,284</b>	<b>1,879</b>

Notes:

**(a) Foreign exchange forward contracts**

At the end of the reporting period, the Group had the following foreign exchange forward contracts with certain established commercial bank in the PRC to mitigate its foreign currency exposure:

Notional amount	Maturity	Exchange rates
As at 30 June 2011		
Sell RMB7,400,000	14 September 2011	US\$1:RMB6.518
Sell RMB6,277,000	26 October 2011	US\$1:RMB6.580
Sell RMB323,888,000	7 December 2011	US\$1:RMB6.509
As at 31 December 2010		
Sell RMB1,215,000	7 January 2011	US\$1:RMB6.800
Sell RMB1,054,000	25 March 2011	US\$1:RMB6.805
Sell RMB6,277,000	26 October 2011	US\$1:RMB6.580
Sell RMB323,888,000	7 December 2011	US\$1:RMB6.509

As at 30 June 2011, the fair value of the Group's foreign exchange forward contracts classified as a financial liability amounting to RMB3,284,000 (31 December 2010: RMB1,674,000), is measured using quoted forward exchange rates matching maturities of the contracts at the end of the reporting period.

附註：

**(a) 外匯遠期合約**

於報告期末，本集團擁有與若干中國知名商業銀行簽署的以下外匯合約以減輕其外匯風險：

面值	到期日	匯率
於二零一一年六月三十日		
賣出人民幣7,400,000元	二零一一年九月十四日	1美元兌人民幣6.518
賣出人民幣6,277,000元	二零一一年十月二十六日	1美元兌人民幣6.580
賣出人民幣323,888,000元	二零一一年十二月七日	1美元兌人民幣6.509
於二零一零年十二月三十一日		
賣出人民幣1,215,000元	二零一一年一月七日	1美元兌人民幣6.800
賣出人民幣1,054,000元	二零一一年三月二十五日	1美元兌人民幣6.805
賣出人民幣6,277,000元	二零一一年十月二十六日	1美元兌人民幣6.580
賣出人民幣323,888,000元	二零一一年十二月七日	1美元兌人民幣6.509

於二零一一年六月三十日，本集團的外匯遠期合約的公平值分類為金融負債，金額為人民幣3,284,000元(二零一零年十二月三十一日：人民幣1,674,000元)，於報告期末乃使用所報遠期匯率(符合合約到期日)而計量。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 17. OTHER FINANCIAL LIABILITIES

(Continued)

Notes: (Continued)

#### (b) Commodity derivative contracts

The Group uses commodity derivative contracts (standard copper forward contracts in London Metal Exchange) to manage its exposure against copper price fluctuations. This arrangement is designated to address significant fluctuations in the price of copper concentrate and copper related products which move in line with the price of copper. However, this arrangement is not considered as an effective hedge and is not accounted for under hedge accounting according to the Group's accounting policies.

Details of the contract value and the related terms are summarized as follows:

### 17. 其他金融負債(續)

附註：(續)

#### (b) 商品衍生合約

本集團使用商品衍生合約(倫敦金屬交易所標準銅遠期合約)以管理因銅價波動而面對的風險。此安排是為管理隨著銅價波動而可能引起的銅精礦及銅相關產品價格重大波動的風險。然而，根據本集團的會計政策，此安排不會視為實際對沖且不會根據對沖會計處理入賬。

合約價值及相關條款詳情概述如下：

		As at 30 June 2011 於 二零一一年 六月三十日 (unaudited) (未經審核)	As at 31 December 2010 於 二零一零年 十二月三十一日 (audited) (經審核)
Commodity derivative sale contracts:	商品衍生銷售合約：		
— Volume (tons)	— 量 (噸)	N/A 不適用	50
— Executed contract value (RMB'000)	— 已執行的合約價值 (人民幣千元)	N/A 不適用	2,980
— Fair value of derivative financial liabilities (RMB'000)	— 衍生金融負債公平值 (人民幣千元)	N/A 不適用	205
— Contract maturity date	— 合約到期日	N/A 不適用	March 2011 二零一一年三月



# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
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### 18. BANK BORROWINGS

### 18. 銀行借款

		As at 30 June 2011 於 二零一一年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2010 於 二零一零年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Bank borrowings, due within one year:	銀行借貸（一年內到期）：		
— Secured	— 已擔保	<b>732,999</b>	602,903
— Unsecured	— 未擔保	<b>106,361</b>	60,203
		<b>839,360</b>	663,106
The exposure of bank borrowings:	銀行借貸風險：		
— Fixed interest rates borrowings	— 固定利率借貸	<b>340,651</b>	621,619
— Variable interest rates borrowings	— 浮動利率借貸	<b>498,709</b>	41,487
		<b>839,360</b>	663,106

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

本集團銀行借款的實際利率（亦等於合約利率）範圍如下：

		As at 30 June 2011 於 二零一一年 六月三十日 % per annum 年利率 %	As at 31 December 2010 於 二零一零年 十二月三十一日 % per annum 年利率 %
Effective interest rates:	實際利率：		
Fixed interest rates borrowings	固定利率借貸	<b>2.58%–7.02%</b>	0.32%–6.48%
Variable interest rates borrowings	浮動利率借貸	<b>2.62%–7.63%</b>	2.82%–5.59%

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
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### 19. SHARE CAPITAL

### 19. 股本

		Number of shares 股份數目	Share capital 股本 US\$'000 千美元
Ordinary shares <i>Authorized</i> As at 1 January 2010 (USD0.10 each)	普通股 法定 於二零一零年一月一日 (每股0.10美元)	500,000,000	50,000
Subdivision of shares on 25 October 2010	於二零一零年十月二十五日 股份拆細	2,000,000,000	—
As at 31 December 2010 and 30 June 2011 (USD0.02 each)	於二零一零年十二月三十一日 及二零一一年六月三十日 (每股0.02美元)	2,500,000,000	50,000

		Number of shares 股份數目	Share capital 股本 US\$'000 千美元	RMB'000 人民幣千元
<i>Issued and fully paid</i> As at 1 January 2010 (USD0.10 each)	已發行及繳足 於二零一零年一月一日 (每股0.10美元)	89,317,490	8,931	60,943
Issue of shares on 8 June 2010	於二零一零年六月八日 發行股份	2,857,422	286	1,951
Subdivision of shares on 25 October 2010	於二零一零年十月二十五日 股份拆細	368,699,648	—	—
Issue of shares on capitalization issue	於資本化發行時發行股份	79,125,440	1,583	10,588
Issue of shares on listing	於上市時發行股份	180,000,000	3,600	23,919
As at 31 December 2010 and 30 June 2011 (USD0.02 each)	於二零一零年十二月三十一日 及二零一一年六月三十日 (每股0.02美元)	720,000,000	14,400	97,401

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## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
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### 20. EMPLOYEE SHARE SCHEME

On 30 September 2008, an employees' share scheme (the "Employee Share Scheme") was adopted by the Company. Pursuant to the Employee Share Scheme, on 8 October 2008, Chenlin International Joint Stock Company Limited (a company was owned by 遲少林, Mr. Chi Shaolin, "Chi Shaolin") transferred a total of 6,280,000 ordinary shares of the Company (the "Employee Shares") to Hongxin Joint Stock Company Limited in respect of 136 employees of the Group, including certain directors of the Company (the "Employee Shareholders") in recognition of their contributions to the growth of the Group at a consideration of RMB6.37 each, of which RMB2.37 each was paid for by each of the Employee Shareholders with their own funds and RMB4.00 each was paid for by Weihai Electronic and Weihai Cable, respectively, as bonus and subsidy to Employee Shareholders.

### 20. 僱員股份計劃

於二零零八年九月三十日，本公司採納僱員股份計劃(「僱員股份計劃」)。根據僱員股份計劃，於二零零八年十月八日，晨淋國際股份有限公司(遲少林先生(「遲少林」)所擁有的公司)就本集團136位僱員(包括若干本公司董事，(「僱員股東」))將總計6,280,000股本公司普通股(「僱員股份」)以代價每股人民幣6.37元轉讓予泓鑫股份有限公司。鑒於彼等對本集團發展的貢獻，各僱員股東自行支付每股人民幣2.37元，而另外每股人民幣4.00元分別由威海電子及威海電線支付，作為僱員股東的花紅及補貼。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
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### 20. EMPLOYEE SHARE SCHEME

(Continued)

Details of the movements of the outstanding number of share option balances as at the end of the reporting period are as follows:

		Number of outstanding share options balances 未償還結餘的購股權數目	
		Directors 董事	Employees 僱員
As at 1 January 2010 (audited)	於二零一零年一月一日 (經審核)	594,785	5,685,215
Granted during the period	期內授出	10,113	—
Forfeited during the period	期內沒收	—	(10,113)
As at 30 June 2010 (audited)	於二零一零年六月三十日 (經審核)	604,898	5,675,102
Share subdivision	股份拆細	2,419,592	22,700,408
Capitalization issue	資本化發行	519,301	4,871,621
As at 31 December 2010 (audited)	於二零一零年十二月三十一日 (經審核)	3,543,791	33,247,131
Transfer (note below)	轉讓 (見下文附註)	(1,026,889)	1,026,889
As at 30 June 2011 (unaudited)	於二零一一年六月三十日 (未經審核)	2,516,902	34,274,020

Note: During the six months ended 30 June 2011, a director of the Company retired from the Board but remains as an employee of the Group resulting in the transfer of 1,026,889 directors' share options to employees' share options.

During the six months ended 30 June 2011, the Group recognized share-based payments of RMB3,574,000 (six months ended 30 June 2010: RMB3,573,000) in relation to the Employee Shares.

### 20. 僱員股份計劃

(續)

於報告期末，未償還結餘的購股權數目變動詳情如下：

附註：於截至二零一一年六月三十日止六個月，仍為本集團僱員的辭任董事導致轉讓1,026,889份董事購股權至僱員購股權。

於截至二零一一年六月三十日止六個月，本集團確認與僱員股份有關的以股份支付的款項為人民幣3,574,000元(截至二零一零年六月三十日止六個月：人民幣3,573,000元)。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月



### 21. ACQUISITION OF SUBSIDIARIES

During the six months ended 30 June 2011, the Group made the following acquisitions:

**(a) Acquisition of 55% equity interest in Tianjin Rituo (the “Tianjin Rituo Acquisition”)**

***Acquisition of 55% equity interest in Tianjin Rituo***

On 21 February 2011, Weihai Electronic, a wholly-owned subsidiary of the Company, entered into a capital increase agreement (the “Tianjin Rituo Capital Increase Agreement”) with two independent third parties, 王祥 (Mr. Wang Xiang, “Wang Xiang”) and 王衛國 (Mr. Wang Weiguo, “Wang Weiguo”) (collectively referred to as the “Tianjin Rituo Sellers”) and pursuant to which Weihai Electronic made a capital contribution of RMB58.60 million to Tianjin Rituo, a company established in the PRC which is principally engaged in the design, research and development, manufacture and sale of automotive wiring harness products. Subsequently, Tianjin Rituo was owned as to 55.0% by Weihai Electronic, 31.5% by Wang Xiang and 13.5% by Wang Weiguo, respectively. The Tianjin Rituo Acquisition has been accounted for using the acquisition method.

### 21. 收購附屬公司

於截至二零一一年六月三十日止六個月，本集團作出以下收購：

**(a) 收購天津日拓55%權益(「天津日拓收購事項」)**

***收購天津日拓55%權益***

於二零一一年二月二十一日，本公司全資擁有附屬公司威海電子與兩名獨立第三方(王祥先生(「王祥」)及王衛國先生(「王衛國」))(統稱「天津日拓賣方」)訂立增資協議(「天津日拓增資協議」)，據此威海電子已向天津日拓(一間在中國成立，主要從事汽車線束產品的設計、研發、製造及銷售的公司)出資人民幣58.60百萬元。因此，天津日拓分別由威海電子、王祥及王衛國擁有55.0%、31.5%及13.5%的權益。天津日拓收購事項已按收購法入賬。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 21. ACQUISITION OF SUBSIDIARIES

(Continued)

#### (a) Acquisition of 55% equity interest in Tianjin Rituo (the “Tianjin Rituo Acquisition”) (Continued)

As set out in the Tianjin Rituo Capital Increase Agreement, the capital contribution to Tianjin Rituo is subject to adjustment and the details are as follows:

- i. The Tianjin Rituo Sellers, provided guarantee to Weihai Electronic that the aggregate amount of the audited net profit after tax of Tianjin Rituo for the two years ending 31 December 2012 (the “Actual Profit”) will not be less than RMB40.00 million (the “Target Profit”). If the Actual Profit is less than the Target Profit, the Tianjin Rituo Sellers shall pay Weihai Electronic 34.4% of the difference between the Actual Profit and the Target Profit, and Weihai Electronic will have to contribute such sum back into Tianjin Rituo through increasing the registered capital of Tianjin Rituo, while the Tianjin Rituo Sellers will proportionally contribute capital to Tianjin Rituo according to the sum that Weihai Electronic contributed; or

### 21. 收購附屬公司

(續)

#### (a) 收購天津日拓55%權益(「天津日拓收購事項」)(續)

誠如天津日拓增資協議所載，向天津日拓注資可予調整及詳情如下：

- i. 天津日拓賣方向威海電子保證，截至二零一二年十二月三十一日止兩個年度，天津日拓的經審核除稅後純利(「實際溢利」)總金額將不少於人民幣40.00百萬元(「目標溢利」)。倘實際溢利少於目標溢利，天津日拓賣方應向威海電子支付實際溢利與保證溢利差額的34.4%，且威海電子須透過增加天津日拓的註冊資本向天津日拓注入該項資金，同時天津日拓賣方將根據威海電子所出資金額按相應比例向天津日拓注資；或

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月



### 21. ACQUISITION OF SUBSIDIARIES

(Continued)

#### (a) Acquisition of 55% equity interest in Tianjin Rituo (the “Tianjin Rituo Acquisition”) (Continued)

- ii. On the other hand, if the Actual Profit is higher than the Target Profit, Weihai Electronic shall pay the Tianjin Rituo Sellers 28.1% of the difference between Target Profit and the Actual Profit, which is capped at RMB22.50 million. Subsequently, the Tianjin Rituo Sellers will have to contribute such sum back into Tianjin Rituo through increasing the registered capital of Tianjin Rituo while Weihai Electronic will proportionally contribute capital to Tianjin Rituo according to the sum that the Tianjin Rituo Sellers contributed.

The above arrangement is hereinafter referred to as the “Consideration Adjustment”.

In the opinion of the directors of the Company, the fair value of the Consideration Adjustment, determined on a provisional basis, is insignificant at initial recognition and as at 30 June 2011 and accordingly, no value has been recognized in the condensed statement of financial position.

### 21. 收購附屬公司

(續)

#### (a) 收購天津日拓55%權益(「天津日拓收購事項」)(續)

- ii. 另一方面，倘實際溢利高於目標溢利，威海電子應向天津日拓賣方支付保證溢利與實際溢利差額的28.1%，上限為人民幣22.50百萬元。因此，天津日拓賣方須透過增加天津日拓的註冊資本向天津日拓注入該項資金，同時威海電子將根據天津日拓賣方各自的出資比例向天津日拓注資。

上述安排以下統稱為「代價調整」。

本公司董事認為，代價調整的公平值(按暫時基準釐定)於首次確認時並不重大，因此於二零一一年六月三十日的簡明財務狀況表中並無確認價值。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 21. ACQUISITION OF SUBSIDIARIES

(Continued)

#### (a) Acquisition of 55% equity interest Tianjin Rituo (the “Tianjin Rituo Acquisition”) (Continued)

##### Assets and liabilities recognized at the date of acquisition of Tianjin Rituo (provisional)

Details of assets and liabilities recognized at the date of acquisition of Tianjin Rituo, including Weihai Electronic capital injection of RMB58.60 million to Tianjin Rituo, determined on a provisional basis, are as follows:

### 21. 收購附屬公司

(續)

#### (a) 收購天津日拓55%權益(「天津日拓收購事項」)(續)

##### 於收購天津日拓當日確認的資產及負債(暫時)

於收購天津日拓當期確認的資產及負債(包括威海電子向天津日拓注資人民幣58.60百萬元，按暫時基準釐定)詳情如下：

		RMB'000 人民幣千元 (unaudited) (未經審核)
Property, plant and equipment	物業、廠房及設備	8,957
Intangible assets	無形資產	23,280
Inventories	存貨	28,601
Trade and other receivables	貿易及其他應收款項	63,741
Bank balances and cash	銀行結餘及現金	65,350
Trade and other payables	貿易及其他應付款項	(81,547)
Bank borrowings	銀行借貸	(8,502)
Deferred taxation liabilities	遞延稅項負債	(6,156)
		93,724

The receivables acquired, which principally comprised trade receivables, with a fair value of RMB63,741,000, approximated to their gross contractual amounts. There is no contracted amount considered uncollectable.

已收取的應收款項主要包含公平值為人民幣63,741,000元的貿易應收款項，約等於彼等的合約總金額。概無已訂約金額被視為不可收回。



# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月



### 21. ACQUISITION OF SUBSIDIARIES

(Continued)

#### (a) Acquisition of 55% equity interest Tianjin Rituo (the “Tianjin Rituo Acquisition”) (Continued)

##### Non-controlling interest of Tianjin Rituo

The 45% non-controlling interest in Tianjin Rituo recognized at the acquisition date was measured by reference to the proportionate share of provisional amounts of net assets of Tianjin Rituo of RMB93,724,000 (including Weihai Electronic capital injection of RMB58.60 million to Tianjin Rituo) amounting to RMB42,176,000.

##### Goodwill arising on acquisition

	RMB'000 人民幣千元 (unaudited) (未經審核)
Weihai Electronic capital injection to Tianjin Rituo	58,600
Add: Non-controlling interests (provisional)	42,176
Less: Recognized amount of identified net assets acquired, including Weihai Electronic capital injection of RMB58.60 million to Tianjin Rituo (provisional)	(93,724)
<b>Goodwill arising on acquisition (provisional)</b>	<b>7,052</b>

Goodwill arose on the acquisition of Tianjin Rituo because the acquisition included the assembled workforce of Tianjin Rituo. This asset could not be separately recognized from goodwill because they are not capable of being separated from the Group and sold, transferred, licensed, rented or exchanged, either individually or together with any related contracts. The goodwill is not expected to be deductible for tax purpose.

### 21. 收購附屬公司

(續)

#### (a) 收購天津日拓55%權益(「天津日拓收購事項」)(續)

##### 天津日拓的非控股權益

於收購日期確認的天津日拓45%的非控股權益乃參照天津日拓淨資產臨時金額人民幣93,724,000元(包括威海電子向天津日拓注資人民幣58.60百萬元)的分佔比例計算，達到人民幣42,176,000元。

##### 收購產生的商譽

收購天津日拓中產生商譽乃由於收購天津日拓包括收購其組裝勞動力。該資產不能與商譽分開確認，由於彼等不能與本集團分開及個別或連同與任何相關合約出售、轉讓、特許使用、出租或交換。就稅務而言商譽預期將不可扣減。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 21. ACQUISITION OF SUBSIDIARIES

(Continued)

#### (a) Acquisition of 55% equity interest Tianjin Rituo (the “Tianjin Rituo Acquisition”) (Continued)

*Net cash outflow arising on acquisition*

### 21. 收購附屬公司

(續)

#### (a) 收購天津日拓55%權益(「天津日拓收購事項」)(續)

*收購產生的現金流出淨額*

	RMB'000 人民幣千元 (unaudited) (未經審核)
Net cash inflow arising from the Tianjin Rituo Acquisition:	
— Cash and cash equivalent balances acquired	65,350
— Less: Cash contributed by Weihai Electronic (note below)	(58,600)
	6,750

Note: Weihai Electronic made a capital injection of RMB58.60 million to Tianjin Rituo which is not considered as a cash outflow of the Group.

附註：威海電子向天津日拓注資人民幣58.60百萬元，該金額不被視為本集團的現金流出。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月



### 21. ACQUISITION OF SUBSIDIARIES

(Continued)

#### (a) Acquisition of 55% equity interest Tianjin Rituo (the “Tianjin Rituo Acquisition”) (Continued)

##### *Impact of acquisition on the result of the Group*

Included in the revenue and profit for the six months ended 30 June 2011 are RMB50,510,000 and RMB2,613,000, respectively attributable to Tianjin Rituo.

Had the acquisition of Tianjin Rituo been effected on 1 January 2011, the revenue and profit of the Group for the six months ended 30 June 2011 would have been RMB900,134,000 and RMB90,174,000, respectively.

The proforma information is for illustrative purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2011, nor is intended to be a projection of future results. In determining the ‘pro-forma’ revenue and profit of the Group had Tianjin Rituo been acquired on 1 January 2011, the directors calculated depreciation and amortization of plant and equipment and intangible assets based on the recognized provisional amounts of plant and equipment and intangible assets at the date of acquisition.

The fair values of the identifiable assets and liabilities of Tianjin Rituo and the goodwill arising on the Tianjin Rituo Acquisition have been determined on a provisional basis and are subject to change pending finalization of the valuation.

### 21. 收購附屬公司

(續)

#### (a) 收購天津日拓55%權益(「天津日拓收購事項」)(續)

##### *收購事項對本集團業績的影響*

截至二零一一年六月三十日止六個月，天津日拓應估計入收益及溢利的款項分別為人民幣50,510,000元及人民幣2,613,000元。

倘天津日拓收購事項於二零一一年一月一日生效，則截至二零一一年六月三十日止六個月本集團獲得的收益及溢利將分別為人民幣900,134,000元及人民幣90,174,000元。

備考資料僅供說明，而且即使收購於二零一一年一月一日完成，備考資料亦非一定為本集團將實際達到的收益及經營業績指標，亦無意作為未來業績的預測。為釐定本集團的「備考」收益及溢利(倘已於二零一一年一月一日收購天津日拓)，董事根據於收購日期廠房、設備及無形資產的已確認暫時金額計算廠房、設備及無形資產的折舊及攤銷。

天津日拓可識別資產與負債的公平值以及天津日拓收購事項產生的商譽已按暫時基準予以釐定並於估值落實前可能出現變動。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 21. ACQUISITION OF SUBSIDIARIES

(Continued)

#### (b) Acquisition of 87% equity interest in Huizhou Daya Bay and the capital injection to Huizhou Daya Bay (the “Huizhou Daya Bay Acquisition”)

##### *Acquisition of 87% equity interest in Huizhou Daya Bay and the capital injection to Huizhou Daya Bay*

On 4 May 2011, Weihai Electronic entered into the acquisition and capital injection agreements (the “Huizhou Daya Bay Acquisition and Capital Injection Agreements”) with certain independent third parties, including 田洪鎮 (Mr. Tian Hongzhen), 周紹華 (Mr. Zhou Shaohua, “Zhou Shaohua”), 袁火有 (Mr. Yuan Huoyou, “Yuan Huoyou”), 王家沾 (Mr. Wang Jiazhan) and 武月龍 (Mr. Wu Yuelong) (hereinafter collectively referred to as the “Huizhou Daya Bay Vendors”) and pursuant to which, Weihai Electronic acquired an aggregate of 87% equity interest in Huizhou Daya Bay from the Huizhou Daya Bay Vendors for a total consideration of approximately RMB13.30 million, which was paid during the six months ended 30 June 2011. Huizhou Daya Bay is a company established in the PRC which is principally engaged in the designs, develops, manufactures and sells a comprehensive range of products including external and internal signal cable assembly, signal transmission wire & cable, power cord assembly, connectors and wireless antennas. Upon the completion of the acquisition, Huizhou Daya Bay was owned as to 87.0% by Weihai Electronic, 5.0% by Zhou Shaohua and 8.0% by Yuan Huoyou, respectively. The Huizhou Daya Bay Acquisition has been accounted for using acquisition method.

### 21. 收購附屬公司

(續)

#### (b) 收購惠州大亞灣87%權益及向惠州大亞灣注資(「惠州大亞灣收購」)

##### *收購惠州大亞灣87%權益及向惠州大亞灣注資*

於二零一一年五月四日，威海電子與若干獨立第三方，包括田洪鎮先生、周紹華先生(「周紹華」)、袁火有先生(「袁火有」)、王家沾先生及武月龍先生(以下統稱為「惠州大亞灣賣方」)訂立收購及注資協議(「惠州大亞灣收購及注資協議」)，據此，威海電子已以總代價約人民幣13.30百萬元(已於截至二零一一年六月三十日止六個月內支付)向惠州大亞灣賣方收購惠州大亞灣共計87%的權益。惠州大亞灣是一家在中國成立的公司，主要從事設計、開發、製造及銷售各種產品，包括外接及內接信號線組件、信號傳輸線纜、電源線組件、連接器及無線天線。待收購完成後，惠州大亞灣分別由威海電子、周紹華及袁火有擁有87.0%、5.0%及8.0%的權益。惠州大亞灣收購已採用收購法入賬。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月



### 21. ACQUISITION OF SUBSIDIARIES

(Continued)

**(b) Acquisition of 87% equity interest in Huizhou Daya Bay and the capital injection to Huizhou Daya Bay (the “Huizhou Daya Bay Acquisition”)**

(Continued)

**Acquisition of 87% equity interest in Huizhou Daya Bay and the capital injection to Huizhou Daya Bay**

(Continued)

In addition, Weihai Electronic, Yuan Huoyou and Zhou Shaohua agreed to make capital injection of an aggregate amount of RMB63.20 million to Huizhou Daya Bay. However, up to 30 June 2011, Weihai Electronic, Yuan Huo You and Zhou Shao Hua have not yet made such capital injection to Huizhou Daya Bay.

### 21. 收購附屬公司

(續)

**(b) 收購惠州大亞灣87%權益及向惠州大亞灣注資(「惠州大亞灣收購」)(續)**

**收購惠州大亞灣87%權益及向惠州大亞灣注資(續)**

此外，威海電子、袁火有及周紹華已同意向惠州大亞灣注資合計人民幣63.20百萬元。然而，直至二零一一年六月三十日，威海電子、袁火有及周紹華仍未向惠州大亞灣注資。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
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### 21. ACQUISITION OF SUBSIDIARIES

(Continued)

#### (b) Acquisition of 87% equity interest in Huizhou Daya Bay and the capital injection to Huizhou Daya Bay (the “Huizhou Daya Bay Acquisition”)

(Continued)

#### Assets and liabilities recognized at the date of acquisition of Huizhou Daya Bay (provisional)

Details of assets and liabilities recognized at the date of acquisition of Huizhou Daya Bay, determined on a provisional basis, are as follows:

		RMB'000 人民幣千元 (unaudited) (未經審核)
Property, plant and equipment	物業、廠房及設備	38,769
Intangible assets	無形資產	2,830
Inventories	存貨	20,735
Trade and other receivables	貿易及其他應收款項	72,453
Bank balances and cash	銀行結餘及現金	5,295
Trade and other payables	貿易及其他應付款項	(66,653)
Bank borrowings	銀行借貸	(53,262)
Deferred taxation liabilities	遞延稅項負債	(208)
		19,959

The receivables acquired, which principally comprised trade receivables, with a fair value of RMB72,453,000, approximated to their gross contractual amounts. There is no contracted amount considered uncollectable.

#### Non-controlling interest of Huizhou Daya Bay

The 87% non-controlling interest in Huizhou Daya Bay provisional at the acquisition date was measured by reference to the proportionate share of recognized amounts of net assets of Huizhou Daya Bay of RMB19,959,000 amounting to RMB2,595,000.

### 21. 收購附屬公司

(續)

#### (b) 收購惠州大亞灣87%權益及向惠州大亞灣注資(「惠州大亞灣收購」)(續)

#### 於收購惠州大亞灣日期確認的資產及負債(暫時)

於收購惠州大亞灣日期確認的資產及負債(按暫時基準釐定)詳情如下：

已收取的應收款項主要包括公平值為人民幣72,453,000元的貿易應收款項，與彼等的合約總額相若。並無已訂約款項被視為不可收回。

#### 惠州大亞灣的非控股權益

於收購日期惠州大亞灣87%的非控股權益為人民幣2,595,000元(暫時)乃參照惠州大亞灣已確認資產淨額人民幣19,959,000元的分佔比例計算。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月



### 21. ACQUISITION OF SUBSIDIARIES

(Continued)

#### (b) Acquisition of 87% equity interest in Huizhou Daya Bay and the capital injection to Huizhou Daya Bay (the “Huizhou Daya Bay Acquisition”)

(Continued)

**Excess over the cost of a business combination of Huizhou Daya Bay (provisional)**

### 21. 收購附屬公司

(續)

#### (b) 收購惠州大亞灣87%權益及向惠州大亞灣注資(「惠州大亞灣收購」)(續)

**超逾惠州大亞灣業務合併成本的部分(暫時)**

		RMB'000 人民幣千元 (unaudited) (未經審核)
Consideration transferred	轉讓代價	13,328
Add: Non-controlling interests (provisional)	加：非控股權益（暫時）	2,595
Less: Recognized amount of identified net assets acquired (provisional)	減：所收購可識別資產淨值的已確認金額（暫時）	(19,959)
<b>Excess over the cost of business combination of Huizhou Daya Bay (provisional)</b>	<b>超逾惠州大亞灣業務合併成本的部分（暫時）</b>	<b>(4,036)</b>

In view of Weihai Electronic is able to provide more capital funds to Huizhou Daya Bay in financing Huizhou Daya Bay's capital and operating expenditures to further grow its business and accordingly, Huizhou Daya Bay Vendors agreed to dispose of their interests in Huizhou Daya Bay at a consideration price at below the net assets of Huizhou Daya Bay. In the opinion of the directors, it is a bargain purchase resulting in an excess over the cost of business combination of Huizhou Daya Bay of RMB4,036,000.

鑒於威海電子有能力向惠州大亞灣提供更多資本資金，為其進一步發展業務所需的資本及經營開支融資，故惠州大亞灣賣方同意按低於惠州大亞灣資產淨值的代價出售彼等於惠州大亞灣的資產。董事認為，超逾惠州大亞灣業務合併成本的人民幣4,036,000元乃因溢價收購而產生。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 21. ACQUISITION OF SUBSIDIARIES

(Continued)

#### (b) Acquisition of 87% equity interest in Huizhou Daya Bay and the capital injection to Huizhou Daya Bay (the “Huizhou Daya Bay Acquisition”)

(Continued)

#### Net cash outflow arising on acquisition

	RMB'000 人民幣千元 (unaudited) (未經審核)
Consideration paid in cash	13,328
Less: Cash and cash equivalent balances acquired	(5,295)
	8,033

#### Impact of acquisition on the result of the Group

Included in the revenue and profit for the six months ended 30 June 2011 are RMB38,600,000 and RMB2,472,000, respectively attributable to Huizhou Daya Bay.

Had the acquisition of Huizhou Daya Bay been effected on 1 January 2011, the revenue and profit of the Group for the six months ended 30 June 2011 would have been RMB938,726,000 and RMB88,821,000, respectively.

### 21. 收購附屬公司

(續)

#### (b) 收購惠州大亞灣87%權益及向惠州大亞灣注資(「惠州大亞灣收購」)(續)

#### 收購產生的現金流出淨額

	RMB'000 人民幣千元 (unaudited) (未經審核)
已支付現金代價	13,328
減：所收購的現金及現金等價物結餘	(5,295)
	8,033

#### 收購對本集團業績的影響

計入惠州大亞灣應佔截至二零一一年六月三十日止六個月的收益及溢利分別為人民幣38,600,000元及人民幣2,472,000元。

倘惠州大亞灣的收購於二零一一年一月一日生效，則截至二零一一年六月三十日止六個月本集團的收益及溢利將分別為人民幣938,726,000元及人民幣88,821,000元。



# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 21. ACQUISITION OF SUBSIDIARIES

(Continued)

#### (b) Acquisition of 87% equity interest in Huizhou Daya Bay and the capital injection to Huizhou Daya Bay (the “Huizhou Daya Bay Acquisition”)

(Continued)

##### **Impact of acquisition on the result of the Group** (Continued)

The proforma information is for illustrative purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2011, nor is intended to be a projection of future results. In determining the ‘pro-forma’ revenue and profit of the Group had Huizhou Daya Bay been acquired on 1 January 2011, the directors calculated depreciation and amortization of plant and equipment and intangible assets based on the recognized provisional amounts of plant and equipment and intangible assets at the date of acquisition.

The fair values of identifiable assets and liabilities of Huizhou Daya Bay and the bargain purchase arising on the Huizhou Daya Bay Acquisition have been determined on a provisional basis and are subject to change pending finalization of the valuation.

### 21. 收購附屬公司

(續)

#### (b) 收購惠州大亞灣87%權益及向惠州大亞灣注資(「惠州大亞灣收購」)(續)

##### **收購對本集團業績的影響**(續)

備考資料僅供說明，而且即使收購於二零一一年一月一日完成，資料亦非一定為本集團已實際達到的收益及經營業績指標，亦無意作為未來業績的預測。為釐定於二零一一年一月一日收購惠州大亞灣本集團的「備考」收益及溢利，董事已根據於收購日期廠房、設備及無形資產的已確認暫時金額計算出廠房、設備及無形資產的折舊及攤銷。

惠州大亞灣的可識別資產及負債的公平值及惠州大亞灣收購事項所產生的收購議價乃按暫時基準釐定及待落實估值後可予變動。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 22. RELATED PARTY TRANSACTIONS

#### (a) Related parties of the Group:

The directors of the Company consider that the following entities are related parties of the Group:

Name of related party 關連人士名稱	Relationship with the Company 與本公司關係
Chi Shaolin 遲少林	The director of the Company 本公司董事
遲忠民 (遲忠民先生, 「遲忠民」) (Mr. Chi Zhongmin, “Chi Zhongmin”)	The brother of Chi Shaolin 遲少林的兄弟
楊馥蔚 (楊馥蔚女士, 「楊馥蔚」) (Ms. Yang Fuwei, “Yang Fuwei”)	The spouse of Chi Shaolin 遲少林的配偶
威海裕順榮塑料有限公司 (「威海裕順榮」) (Weihai Yushunrong Plastics Co., Ltd.#, “Weihai Yushunrong”)	An entity controlled by Chi Zhongmin 由遲忠民控股的實體
威海大榮合成材料有限公司 (「威海大榮」) (Weihai Darong Compound Material Co., Ltd.#, “Weihai Darong”)	An entity controlled by Chi Zhongmin 由遲忠民控股的實體

# The English names are for identification purpose only.

### 22. 關連人士交易

#### (a) 本集團的關連人士：

本公司董事認為以下實體為本集團  
關連人士：

# 英文名稱僅供識別。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月



### 22. RELATED PARTY TRANSACTIONS

(Continued)

#### (b) Significant related party transactions

- i. The Group has significant transactions with the following related parties during the six months ended 30 June 2011 and 30 June 2010:

### 22. 關連人士交易

(續)

#### (b) 重大關連人士交易

- i. 於截至二零一一年六月三十日及二零一零年六月三十日止六個月，本集團與下列關連人士有重大交易：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Purchase of raw materials from:	自以下公司購買原		
	材料：		
— Weihai Yushunrong	— 威海裕順榮	—	2,026
Sales of property, plant and equipment and land use right to:	出售物業、廠房及		
	設備及土地		
	使用權予：		
— Weihai Darong	— 威海大榮	—	5,170

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月

### 22. RELATED PARTY TRANSACTIONS

(Continued)

#### (c) Compensation of key management personnel:

The remuneration of directors and other members of key management during the six months ended 30 June 2011 and 30 June 2010 were as follows:

### 22. 關連人士交易

(續)

#### (c) 主要管理人員的薪酬：

於截至二零一一年六月三十日及二零一零六月三十日止六個月，董事及其他主要管理層其他人員的薪酬如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 RMB'000 人民幣千元 (unaudited) (未經審核)	2010 二零一零年 RMB'000 人民幣千元 (audited) (經審核)
Salaries and other benefits	工資及其他福利	2,530	1,109
Retirement benefit scheme contributions	退休福利計劃供款	73	33
Share-based payments	以股份支付的款項	656	634
		<b>3,259</b>	1,776

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2011  
截至二零一一年六月三十日止六個月



### 23. CAPITAL COMMITMENTS

At the end of the reporting period, the Group had the following outstanding capital commitments:

### 23. 資本承擔

於報告期末，本集團未償還資本承擔如下：

		As at 30 June 2011 於 二零一一年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2010 於 二零一零年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Capital expenditure in respect of acquisition of property, plant and equipment:	有關收購物業、廠房及設備的資本開支：		
— contracted for but not provided in the consolidated financial statements	— 已簽約但並未於綜合財務報表中撥備	66,979	43,571
— authorized but not contracted for	— 已授權但未簽約	—	12,901
		<b>66,979</b>	56,472

# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Chi Shaolin (*Chairman and Chief Executive Officer*)  
Mr. Jiang Taike  
Mr. Li Jianming  
Mr. Mao Wanjun  
Mr. Kang Jin Won

#### Non-executive Directors

Ms. Xu Yiming

#### Independent non-executive Directors

Mr. Shu Wa Tung, Laurence  
Mr. Song Lizhong  
Ms. Zheng Lin

### AUDIT COMMITTEE

Mr. Shu Wa Tung, Laurence (*Chairman*)  
Mr. Song Lizhong  
Ms. Zheng Lin

### COMPENSATION AND BENEFITS COMMITTEE

Ms. Zheng Lin (*Chairman*)  
Mr. Shu Wa Tung, Laurence  
Ms. Xu Yiming

### NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

Mr. Chi Shaolin (*Chairman*)  
Mr. Shu Wa Tung, Laurence  
Mr. Song Lizhong

### COMPANY SECRETARY

Ms. Ho Wing Yan, *ACIS, ACS(PE)*

### 董事會

#### 執行董事

遲少林先生 (*主席兼行政總裁*)  
蔣太科先生  
李建明先生  
毛萬鈞先生  
姜振遠先生

#### 非執行董事

徐藝銘女士

#### 獨立非執行董事

舒華東先生  
宋立眾先生  
鄭琳女士

#### 審核委員會

舒華東先生 (*主席*)  
宋立眾先生  
鄭琳女士

#### 薪酬及福利委員會

鄭琳女士 (*主席*)  
舒華東先生  
徐藝銘女士

#### 提名及企業管治委員會

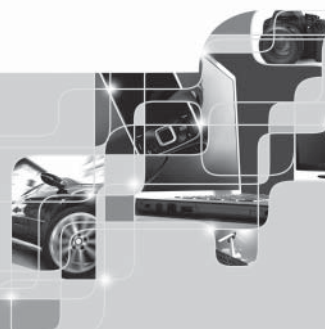
遲少林先生 (*主席*)  
舒華東先生  
宋立眾先生

#### 公司秘書

何詠欣女士 · *ACIS, ACS(PE)*

# Corporate Information

## 公司資料



### AUTHORISED REPRESENTATIVES

Mr. Li Jianming  
Ms. Ho Wing Yan, *ACIS, ACS(PE)*

### REGISTERED OFFICE

Offshore Incorporations (Cayman) Limited  
Corporation Scotia Centre, 4th Floor  
P.O. Box 2804, George Town  
Grand Cayman KY1-1112  
Cayman Islands

### HEADQUARTER

Pudong Road, Economic and  
Technological Development Zone  
Weihai  
Shandong Province  
PRC

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1805, Admiralty Centre Tower Two  
18 Harcourt Road  
Admiralty  
Hong Kong

### PRINCIPAL BANKERS

Bank of China (Weihai Branch)  
Agricultural Bank of China (Weihai Branch)  
China Everbright Bank (Changshu Sub-branch)

### LEGAL ADVISER

Orrick, Herrington & Sutcliffe (as to Hong Kong law)  
Deheng Law Firm (as to PRC law)

### COMPLIANCE ADVISER

Piper Jaffray Asia Limited

### 授權代表

李建明先生  
何詠欣女士 · *ACIS, ACS(PE)*

### 註冊辦事處

Offshore Incorporations (Cayman) Limited  
Corporation Scotia Centre, 4th Floor  
P.O. Box 2804, George Town  
Grand Cayman KY1-1112  
Cayman Islands

### 總部

中國  
山東省  
威海市  
經濟技術開發區  
浦東路

### 香港主要營業地點

香港  
金鐘  
夏慤道18號  
海富中心2座1805室

### 主要往來銀行

中國銀行(威海分行)  
中國農業銀行(威海分行)  
中國光大銀行(常熟支行)

### 法律顧問

香港法律：奧睿律師事務所  
中國法律：德衡律師事務所

### 合規顧問

派杰亞洲有限公司

# Corporate Information

## 公司資料

### AUDITOR

Deloitte Touche Tohmatsu

### SHARE REGISTRAR

**Hong Kong Branch Share Registrar and  
Transfer Office**

Computershare Hong Kong Investor Services Limited

### LISTING EXCHANGE INFORMATION

#### Place of Listing

Main Board, The Stock Exchange of Hong Kong Limited

### STOCK CODE

1087

### COMPANY WEBSITE

[www.hong-lin.com.cn](http://www.hong-lin.com.cn)

### 核數師

德勤•關黃陳方會計師行

### 股份登記處

香港股份過戶登記分處

香港中央證券登記有限公司

### 交易所上市資料

#### 上市地點

香港聯合交易所有限公司主板

### 股份代號

1087

### 公司網站

[www.hong-lin.com.cn](http://www.hong-lin.com.cn)