



JF Household Furnishings Limited
捷豐家居用品有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股票編號:776



Annual Report **2011** 年報

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FINANCIAL HIGHLIGHTS

	2007 HK\$	2008 HK\$	2009 HK\$	2010 HK\$	2011 HK\$
Results					
Revenue	353,755,842	403,056,696	368,474,160	438,243,822	401,798,257
Profit attributable to owners of the Company	27,656,969	22,805,673	21,504,073	18,372,980	18,252,678
Assets and Liabilities					
Total assets	231,706,985	271,867,371	279,792,346	485,931,337	197,774,990
Total liabilities	115,376,003	129,991,671	95,091,695	273,010,403	149,262,560
Equity attributable to owners of the Company	116,330,982	141,875,700	184,700,651	212,920,934	48,512,430
Earnings per share					
Basic	0.16	0.13	0.12	0.09	0.08
Diluted	0.16	0.13	0.11	0.08	0.08

財務摘要

	二零零七年 港元	二零零八年 港元	二零零九年 港元	二零一零年 港元	二零一一年 港元
業績					
收益	353,755,842	403,056,696	368,474,160	438,243,822	401,798,257
本公司擁有人應佔溢利	27,656,969	22,805,673	21,504,073	18,372,980	18,252,678
資產及負債					
總資產	231,706,985	271,867,371	279,792,346	485,931,337	197,774,990
總負債	115,376,003	129,991,671	95,091,695	273,010,403	149,262,560
本公司擁有人應佔權益	116,330,982	141,875,700	184,700,651	212,920,934	48,512,430
每股盈利					
基本	0.16	0.13	0.12	0.09	0.08
攤薄	0.16	0.13	0.11	0.08	0.08

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Yan Siu Wai (*Chairman*) (*Resigned on 16 August 2011*)
Mr. Leung Kwok Yin
Mr. Bao Jisheng (*Resigned on 16 August 2011*)
Ms. Zhang Qian (*Chairman*) (*Appointed on 16 August 2011*)
Mr. He Xianmei (*Appointed on 16 August 2011*)
Mr. Niu Jinsheng (*Appointed on 16 August 2011*)
Mr. Leung Kwok Pong (*Appointed on 30 September 2011*)

Non-Executive Director

Mr. Kwan Kai Cheong (*Resigned on 16 August 2011*)

Independent Non-Executive Directors

Mr. Yu Hon Wing Allan (*Resigned on 16 August 2011*)
Mr. Garry Alides Willinge (*Resigned on 16 August 2011*)
Mr. Chu Kwok Man (*Resigned on 16 August 2011*)
Dr. Liu Yongping (*Appointed on 16 August 2011*)
Mr. Wu Chi Keung (*Appointed on 16 August 2011*)
Mr. Wang Siyong (*Appointed on 16 August 2011*)

COMPANY SECRETARY

Mr. Cheung Wai Tak (CPA(US), CPA)

AUTHORISED REPRESENTATIVES

Ms. Zhang Qian (*Appointed on 16 August 2011*)
Mr. Cheung Wai Tak (CPA(US), CPA)
Mr. Yan Siu Wai (*Resigned on 16 August 2011*)

COMPLIANCE OFFICER

Ms. Zhang Qian (*Appointed on 16 August 2011*)
Mr. Yan Siu Wai (*Resigned on 16 August 2011*)

AUDIT COMMITTEE

Mr. Wu Chi Keung (*Chairman*) (*Appointed on 16 August 2011*)
Dr. Liu Yongping (*Appointed on 16 August 2011*)
Mr. Wang Siyong (*Appointed on 16 August 2011*)
Mr. Yu Hon Wing Allan (*Chairman*)
(*Resigned on 16 August 2011*)
Mr. Garry Alides Willinge (*Resigned on 16 August 2011*)
Mr. Chu Kwok Man (*Resigned on 16 August 2011*)
Mr. Kwan Kai Cheong (*Resigned on 16 August 2011*)

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P. O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

15th Floor, EIB Tower
4-6 Morrison Hill Road
Wanchai, Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Bank of Bermuda (Cayman) Limited
PO Box 513, 2nd Floor, Strathvale House
North Church Street, George Town
Grand Cayman KY1-1106, Cayman Islands

PRINCIPAL BANKERS

The Hong Kong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

Bank of China
No. 58 South Shun Shui Road
Yuyao, Zhejiang, PRC

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

AUDITORS

RSM Nelson Wheeler
29th Floor
Caroline Centre
Lee Gardens Two
28 Yun Ping Road
Hong Kong

LEGAL ADVISERS

Tracy Ong & Co.
3908A, 39th Floor
Jardine House
1 Connaught Place
Central
Hong Kong

STOCK CODE

776

WEBSITE OF THE COMPANY

www.jffurnishings.com

董事會

執行董事

甄兆威先生(主席)(於二零一一年八月十六日辭任)
梁國賢先生
鮑繼聲先生(於二零一一年八月十六日辭任)
張謙女士(主席)(於二零一一年八月十六日獲委任)
何顯梅先生(於二零一一年八月十六日獲委任)
牛進生先生(於二零一一年八月十六日獲委任)
梁國邦先生(於二零一一年九月三十日獲委任)

非執行董事

關啟昌先生(於二零一一年八月十六日辭任)

獨立非執行董事

俞漢榮先生(於二零一一年八月十六日辭任)
Garry Alides Willinge先生(於二零一一年八月十六日辭任)
朱國民先生(於二零一一年八月十六日辭任)
劉勇平博士(於二零一一年八月十六日獲委任)
胡志強先生(於二零一一年八月十六日獲委任)
王斯勇先生(於二零一一年八月十六日獲委任)

公司秘書

張偉德先生(CPA(US), CPA)

授權代表

張謙女士(於二零一一年八月十六日獲委任)
張偉德先生(CPA(US), CPA)
甄兆威先生(於二零一一年八月十六日辭任)

監察主任

張謙女士(於二零一一年八月十六日獲委任)
甄兆威先生(於二零一一年八月十六日辭任)

審核委員會

胡志強先生(主席)(於二零一一年八月十六日獲委任)
劉勇平博士(於二零一一年八月十六日獲委任)
王斯勇先生(於二零一一年八月十六日獲委任)
俞漢榮先生(主席)(於二零一一年八月十六日辭任)
Garry Alides Willinge先生(於二零一一年八月十六日辭任)
朱國民先生(於二零一一年八月十六日辭任)
關啟昌先生(於二零一一年八月十六日辭任)

註冊地址

Cricket Square, Hutchins Drive
P. O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

香港總辦事處及主要營業地點

香港灣仔
摩理臣山道4-6號
經信商業大廈15樓

開曼群島主要股份過戶登記處

Bank of Bermuda (Cayman) Limited
PO Box 513, 2nd Floor, Strathvale House
North Church Street, George Town
Grand Cayman KY1-1106, Cayman Islands

主要往來銀行

香港上海滙豐銀行有限公司
香港
皇后大道中1號

中國銀行
中國浙江省餘姚市
舜水南路58號

香港股份過戶登記分處

卓佳證券登記有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

核數師

中瑞岳華(香港)會計師事務所
香港
恩平道28號
利園二期
嘉蘭中心
29樓

法律顧問

王珮玲律師事務所
香港
中環
康樂廣場1號
怡和大廈
39樓3908A室

股份代號

776

公司網址

www.jffurnishings.com

CHAIRMAN'S STATEMENT

TO OUR SHAREHOLDERS

On behalf of the board ("Board") of directors ("Directors") of JF Household Furnishings Limited ("Company"), I am pleased to present the annual report of the Company and its subsidiaries (collectively, the "Group") and its audited financial results for the financial year ended 31 December 2011.

With the worldwide economy facing many uncertainties because of the European debt crisis during 2011, I am pleased to report to all the shareholders that the Group's businesses continued to deliver a reasonable profit for the shareholders in 2011. For the fiscal year ended 31 December 2011, the Group's turnover decreased by approximately 8.3% to approximately HK\$401.8 million. The decrease in turnover was mainly due to the decrease of turnover for the timber division, as the Group sold the timber business in June 2011.

In 2011, the Group's profit attributable to shareholders was approximately HK\$18.3 million, representing a decrease of approximately 0.7% as compared to that of 2010. The decrease was mainly due to a one off gain of approximately HK\$12.2 million from the disposal of former subsidiaries of the Company, offset by lower total gross profit of approximately HK\$13.1 million from both the stainless steel division and the timber division.

BUSINESS REVIEW

Year 2011 was a year of restructuring for the Group. As the European debt crisis deepened and the European economy continued to worsen during the year, the Group sold its timber business in June 2011 as it would have taken a longer time for the timber business to ride out its learning curve period and became profitable. After the sale of the timber business, the Group was able to pay a special dividend of HK\$0.75998 per share to reward shareholders for their support.

During the year, stainless steel prices continued to rise and labour supply continued to be tight, and the Group had to manage its stainless steel business with caution. At the same time, the PRC currency, the Renminbi ("RMB") appreciated by approximately 4.7%, all of which exerted pressure on the gross margin of the Group.

The Group was successful in completing a private placement of around HK\$29.95 million in March 2012, which increased the Group's working capital base.

OUTLOOK AND FUTURE PROSPECTS

When the year turn into 2012, the worldwide economy appeared to stabilize as the European Union was able to solve the Greek debt crisis for the year. The management of the Group is beginning to look for investment opportunities to diversify its business base.

It is anticipated that manufacturers in the PRC will continue to face difficulties, as the PRC Government turn their focus from export to domestic consumption. However, the Group expects the stainless steel business to deliver stable results, as the management of the Group will strive to control costs and increase sales volume.

APPRECIATION

On behalf of the Board, I would like to express our sincere appreciation to all our investors, customers, partners and shareholders for their ongoing support to the Group. I would also like to thank my colleagues and staff for their invaluable contributions throughout the year.

Zhang Qian

Chairman

Hong Kong, 28 March 2012

致股東

本人謹代表捷豐家居用品有限公司(「本公司」)董事(「董事」)會(「董事會」)，欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一一年十二月三十一日止財政年度的年度報告及經審核財務業績。

儘管於二零一一年，歐債危機令世界經濟面臨眾多不明朗因素，惟本人欣然向全體股東報告，本集團之業務於二零一一年得以持續為股東創造合理的利潤。於截至二零一一年十二月三十一日止財政年度，本集團之營業額約為401,800,000港元，下降約8.3%。營業額下降主要是由於本集團於二零一一年六月出售木製傢俱業務，故木製傢俱部門營業額有所減少。

於二零一一年，本集團的股東應佔溢利約為18,300,000港元，較二零一零年下降約0.7%。該下降主要是由於出售本公司前附屬公司取得的一次性收益約12,200,000港元，被來自不銹鋼部門及木製傢俱部門的總毛利下降約13,100,000港元所抵銷。

業務回顧

二零一一年，本集團進行重組。隨著歐債危機日益嚴重，歐洲經濟於年內持續惡化，因木製傢俱業務須更長時間以獲得更多經驗來進一步提高效率並產生盈利能力，故本集團於二零一一年六月份出售其木製傢俱業務。出售木製傢俱業務後，本集團派付特別股息每股0.75998港元，以答謝股東的大力支持。

年內，不銹鋼價格持續攀升，而勞動力供應依然緊張，因此本集團以審慎的態度管理其不銹鋼業務。與此同時，中國的貨幣人民幣(「人民幣」)升值約4.7%，上述因素均為本集團的毛利帶來壓力。

由於本集團於二零一二年三月成功完成私人配售約29,950,000港元，本集團之營運資金基礎得到提升。

展望及未來前景

進入二零一二年，鑒於歐盟已於年內解決希臘債務危機，世界經濟恢復平穩，故本集團之管理層開始物色投資機會，以擴展其業務基礎。

由於中國政府將重心從出口向內需轉移，預期中國製造業將繼續面臨挑戰。然而，憑藉本集團管理層就控制成本及提升銷量所作的不懈努力，本集團預期不銹鋼業務將可保持穩定業績。

致謝

本人謹代表董事會衷心感謝所有投資者、客戶、合作夥伴及股東對本集團一如既往的支持，以及各董事同仁及全體員工於過去一年對本集團作出的寶貴貢獻。

張謙

主席

香港，二零一二年三月二十八日

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS OF OPERATIONS

For the fiscal year ended 31 December 2011, the Group reported a turnover of approximately HK\$401.8 million from continuing and discontinued operations, representing a decrease of approximately 8.3% from that of the fiscal year of 2010. The decrease in turnover came mainly from timber division which had been disposed by the Group in June 2011. Turnover for the timber division decreased from approximately HK\$127.6 million for the year ended 31 December 2010 to approximately HK\$60.5 million for the period from 1 January 2011 to 10 June 2011, as the Group completed the disposal of the timber business on 10 June 2011. For stainless steel division, turnover went up around 9.9%, from approximately HK\$310.7 million in 2010 to approximately HK\$341.3 million in 2011 as the management continued to use its best efforts in the midst of great uncertainty in worldwide economy.

Overall gross profit margin from continuing and discontinued operations dropped from 13.8% in the year 2010 to 11.8% in 2011, mainly due to the drop in the gross profit margin of the stainless steel division.

Gross profit margin for the stainless steel division dropped from 16.7% in 2010 to 13.3% in 2011 as the division suffered from higher stainless steel prices, higher RMB exchange rate, and higher labour costs.

Gross profit margin for the timber division dropped from 6.7% in 2010 to 3.1% in 2011, as the division was still in the trial production for the Board on Frame products.

Total expenses from continuing and discontinued operations (including distribution and administration expenses) dropped slightly from approximately HK\$26.8 million in 2010 to approximately HK\$26.5 million in 2011.

Distribution costs from continuing and discontinued operations dropped slightly from approximately HK\$2.2 million in 2010 to around HK\$2.1 million in 2011 as the timber division was sold in June 2011.

Administrative expenses from continuing and discontinued operations dropped slightly from approximately HK\$24.6 million in 2010 to approximately HK\$24.4 million in 2011.

Interest costs from continuing and discontinued operations rose significantly from approximately HK\$3.9 million in 2010 to approximately HK\$5.9 million in 2011, as the average bank borrowings increased from approximately HK\$100.4 million to approximately HK\$131.8 million, as the Group reduce the reserves from approximately HK\$210.7 million at 31 December 2010 to approximately HK\$46.3 million at 31 December 2011 due to the payment of a special dividend amounting to approximately HK\$170 million during the middle of the year.

Income tax expenses increased from continuing and discontinued operations from approximately HK\$11.4 million in 2010 to approximately HK\$12.3 million in 2011, as the withholding tax on dividend increased.

Net profit from continuing and discontinued operations in 2011 was approximately HK\$18.3 million, representing a decrease of approximately 0.7% as compared to that of 2010. The decrease was mainly due to a one off gain of approximately HK\$12.2 million from the disposal of former subsidiaries of the Company, offset by lower total gross profit of approximately HK\$13.1 million from both the stainless steel division and the timber division.

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING AND TREASURY POLICY

The Group's overall financial position improved significantly as the Group sold its timber business and reduced its bank borrowing significantly.

As at 31 December 2011, the Group had cash and bank balances of approximately HK\$19.5 million (2010: approximately HK\$32.6 million) and net current assets of approximately HK\$31.6 million which was approximately HK\$14.2 million higher than approximately HK\$17.4 million recorded in 2010, as bank borrowings dropped significantly from approximately HK\$160 million as at 31 December 2010 to approximately HK\$72 million as at 31 December 2011 after the disposal of the timber division.

As at 31 December 2011, the Group had current liabilities of approximately HK\$147.5 million, which was significantly lower than the closing balance for 2010 of approximately HK\$271.8 million. The significant decrease is mainly due to the disposal of the timber division which reduced our borrowing requirement significantly.

BANK LOANS AND OTHER BORROWINGS

Particulars of bank borrowings and charges on the Group's assets are set out in note 25 to the financial statements.

經營業績

截至二零一一年十二月三十一日止財政年度，本集團錄得來自持續及已終止經營業務之營業額約401,800,000港元，較二零一零年財政年度下降約8.3%。營業額下降主要由於本集團於二零一一年六月出售木製家具部門所致。由於本集團於二零一一年六月十日完成出售木製家具業務，於二零一一年一月一日至二零一一年六月十日期間，木製家具部門營業額從截至二零一零年十二月三十一日止年度約127,600,000港元下降至約60,500,000港元。不銹鋼部門方面，憑藉管理層在全球經濟存在巨大不明朗情況下仍然不懈之努力，營業額於二零一一年從二零一零年之約310,700,000港元增長約9.9%至約341,300,000港元。

來自持續及已終止經營業務的整體邊際毛利率由二零一零年的13.8%下跌至二零一一年的11.8%，主要是由於不銹鋼部門的邊際毛利率有所下降。

不銹鋼部門的邊際毛利率從二零一零年的16.7%下滑至二零一一年的13.3%，原因是該部門受到不銹鋼價格上升、人民幣匯率升值及勞工成本增加所致。

木製家具部門的邊際毛利率從二零一零年的6.7%下降至二零一一年的3.1%，原因是「蜂窩板」產品於仍處於試產階段。

來自持續及已終止經營業務的總開支(包括分銷及行政開支)由二零一零年的約26,800,000港元輕微下降至二零一一年的約26,500,000港元。

由於本集團於二零一一年六月出售木製家具部門，故來自持續及已終止經營業務的分銷成本從二零一零年的約2,200,000港元輕微下跌至二零一一年約2,100,000港元。

來自持續及已終止經營業務的行政開支從二零一零年的約24,600,000港元輕微下跌至二零一一年約24,400,000港元。

由於本集團於年中支付特別股息約170,000,000港元，故儲備從於二零一零年十二月三十一日的約210,700,000港元減少至於二零一一年十二月三十一日的約46,300,000港元，平均銀行借貸由約100,400,000港元增至約131,800,000港元，令來自持續及已終止經營業務的利息開支從二零一零年約3,900,000港元大幅上升至二零一一年的約5,900,000港元。

來自持續及已終止經營業務的所得稅開支從二零一零年約11,400,000港元上升至二零一一年的約12,300,000港元，主要由於股息預扣稅上升所致。

二零一一年，來自持續及已終止經營業務的淨溢利約為18,300,000港元，較二零一零年下滑約0.7%。淨溢利減少主要是由於出售本公司前附屬公司取得的一次性收益約12,200,000港元，被來自不銹鋼部門及木製家具部門的總毛利下降約13,100,000港元所抵銷。

流動資金、財務資源及融資及財務政策

隨著本集團出售其木製家具業務及大幅削減銀行借貸，本集團的整體財務狀況得到極大改善。

於二零一一年十二月三十一日，本集團擁有現金及銀行結餘約19,500,000港元(二零一零年：約32,600,000港元)，淨流動資產約31,600,000港元，較二零一零年之約17,400,000港元高出約14,200,000港元，原因是出售木製家具部門後，銀行借貸從二零一零年十二月三十一日的約160,000,000港元大幅減少至二零一一年十二月三十一日的約72,000,000港元。

於二零一一年十二月三十一日，本集團擁有流動負債約147,500,000港元，大幅低於二零一零年之年終結餘約271,800,000港元。流動負債水平大幅下降主要是由於出售木製家具部門令我們的借貸需求大幅降低所致。

銀行貸款及其他借貸

銀行借貸及本集團資產抵押之詳情載於財務報表附註25。

MANAGEMENT DISCUSSION AND ANALYSIS

GEARING RATIO

The Group's gearing ratio, which was derived from the total bank borrowings to total assets, increased to 36.4% in 2011 from 32.9% in 2010, as the Group's total assets dropped from approximately HK\$486 million in 2010 to approximately HK\$198 million in 2011.

FUTURE PLANS FOR MATERIAL INVESTMENTS

On 22 March 2012, the Group had signed a Memorandum of Understanding ("MOU"), pursuant to which Fast Mind Corporation Limited ("Fast Mind"), a wholly-owned subsidiary of the Company, intends to acquire 65% of the equity interest of 江陰市炙能光熱科技有限公司 (transliterated as Jiangyin Zhineng Guangre Technology Company Limited), which is principally engaged in the design, production and sale of solar thermal equipment. Further details of the MOU had been disclosed in an announcement (the "Announcement") of the Company dated 22 March 2012.

Save as disclosed in this report, the Group had no other material acquisition or capital expenditure plan as of 31 December 2011.

CONTINGENT LIABILITIES

As at 31 December 2011, the Group did not have any significant contingent liabilities (2010: Nil).

SUBSEQUENT EVENTS

On 5 March 2012, the Group successfully completed a private placement of 15,600,000 shares of the Company at the placing price of HK\$1.92 per share, which raised a gross proceeds of around HK\$29.95 million and increased the Group's working capital base. Further details of the placing agreement in relation to the placing had been disclosed in an announcement of the Company dated 16 February 2012.

On 22 March 2012, Fast Mind, a wholly-owned subsidiary of the Company, and three independent third parties (the "Vendors") entered into the non-legally binding MOU, pursuant to which (i) Fast Mind intends to acquire (the "Proposed Acquisition") and the Vendors intend to sell 65% of the equity interest in 江陰市炙能光熱科技有限公司 (transliterated as Jiangyin Zhineng Guangre Technology Company Limited) (the "Target Company"); and (ii) subject to the due diligence on 北京天兆聚核科技發展有限公司 (transliterated as Beijing Tian Zhao Ju He Technology Development Company Limited) (the "Beijing Company"), Fast Mind intends to acquire the Beijing Company. Prior to the completion of the Proposed Acquisition, the Target Company will acquire 80% of the equity interest in 深圳市微沃新能源技術有限公司 (transliterated as Shenzhen Weiwo New Energy Technology Company Limited) ("Shenzhen Weiwo") and 95% of the equity interest in 青島聯訊天兆太陽能光熱發電科技有限公司 (transliterated as Qingdao Lianxun Tianzhao Solar Thermal Power Technology Company Limited) ("Qingdao Lianxun" and together with Shenzhen Weiwo, the "Potential Subsidiaries"). The Target Company and the Potential Subsidiaries are principally engaged in the design, production and sale of solar thermal equipment. Details of the MOU had been disclosed in the Announcement.

Save as disclosed in this report, no other subsequent events occurred after 31 December 2011 which may have significant effects on the assets and liabilities of future operations of the Group.

FOREIGN EXCHANGE EXPOSURE

All transactions of the Group are denominated in RMB, Hong Kong dollars or US dollars. As RMB may continue to fluctuate in the foreseeable future, the Group will maintain a sizable portion of its borrowings in Hong Kong dollars, which form a natural hedge with the Group's sales denominated in US dollars.

資產負債比率

本集團的資產負債比率(以銀行借貸總額與資產總值之比率計算)從二零一零年的32.9%增加至二零一一年的36.4%，原因是本集團的資產總值從二零一零年的約486,000,000港元減少至二零一一年的約198,000,000港元。

重大投資的未來計劃

於二零一二年三月二十二日，本集團訂立諒解備忘錄(「諒解備忘錄」)，據此，本公司的全資附屬公司本迅有限公司(「本迅」)有意收購江陰市炙能光熱科技有限公司(主要從事太陽能熱電設備的設計、生產與銷售)的65%股權。諒解備忘錄之進一步詳情已於本公司於二零一二年三月二十二日刊發的公告(「公告」)中披露。

除本報告中所披露者外，於二零一一年十二月三十一日，本集團並無任何其他重大收購或資本開支計劃。

或然負債

於二零一一年十二月三十一日，本集團並無任何重大或然負債(二零一零：無)。

結算日後事項

於二零一二年三月五日，本集團成功以配售價每股1.92港元完成私人配售15,600,000股本公司股份，藉此獲得約29,950,000港元之所得款項總額，此舉令本集團之營運資金基礎得到提升。與配售有關之配售協議詳情已於本公司於二零一二年二月十六日刊發的公告中披露。

於二零一二年三月二十二日，本公司的全資附屬公司本迅與三名獨立第三方(「賣方」)訂立無法律約束力的諒解備忘錄，據此(i)本迅有意收購(「建議收購事項」)及賣方有意出售江陰市炙能光熱科技有限公司(「目標公司」)的65%股權；及(ii)待完成對北京天兆聚核科技發展有限公司(「北京公司」)進行的盡職審查後，本迅計劃收購北京公司。於完成建議收購事項前，目標公司將收購深圳市微沃新能源技術有限公司(「深圳微沃」)的80%股權及青島聯訊天兆太陽能光熱發電科技有限公司(「青島聯訊」)，連同深圳微沃，稱為「潛在附屬公司」)的95%股權。目標公司及潛在附屬公司主要從事太陽能熱電設備的設計、生產與銷售。諒解備忘錄之進一步詳情已於公告中披露。

除本報告中所披露者外，二零一一年十二月三十一日之後並無發生其他可能對本集團未來營運的資產及負債產生重大影響的事件。

外匯風險

本集團的所有交易均以人民幣、港元或美元列值。鑒於人民幣於可預見的將來可能持續波動，本集團將維持較大比例的港元借貸，以和本集團以美元列值的銷售額自然對沖。

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2011, the Group employed approximately 660 staff in the PRC and Hong Kong, representing an decrease of approximately 400 staff from 31 December 2010, as the Group sold its timber business lines during the year under review. The Group's remuneration to employees, including Directors' emoluments, increased by approximately HK\$2.6 million to approximately HK\$37.0 million for the fiscal year of 2011.

The Group reviews employee remuneration annually and rewards its employee with reference to the length of services and performance. The Group also has the liberty to grant share options and bonuses to employees of the Group at the discretion of the Directors based on the financial performance of the Group.

CAPITAL STRUCTURE

Since the listing of the Company's shares on the Growth Enterprise Market ("GEM") of the Stock Exchange on 13 October 2005, there has been no change in the capital structure of the Company. The share capital of the Company comprises only ordinary shares.

COMPETING INTEREST

None of the Directors or their respective associates (as defined in the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules")), had any interests in any business which compete or may compete with the Company or any other conflicts of interest which any such person may have with the Company.

僱員及薪酬政策

於二零一一年十二月三十一日，由於本集團於回顧年度內出售木製家具業務，本集團於中國及香港僱用約660名員工，較二零一零年十二月三十一日減少約400名。在二零一一年財政年度，本集團的僱員薪酬(包括董事酬金)增加約2,600,000港元至約37,000,000港元。

本集團按僱員服務年期及表現每年審核僱員薪酬及給予獎金。本集團亦根據本集團的財務表現由董事酌情決定向本集團僱員授出購股權及花紅。

資本結構

自本公司股份於二零零五年十月十三日於聯交所創業板(「創業板」)上市以來，本公司的資本結構並無變動。本公司股本只由普通股組成。

競爭權益

概無董事或彼等各自的聯繫人(定義見聯交所證券上市規則(「上市規則」))於對本公司業務構成或可能構成競爭的任何業務中擁有任何權益，或與本公司構成任何其他利益衝突。

DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Ms. Zhang Qian, aged 42, graduated from Master Graduate Classes, Management College of the Harbin Institute of Technology. In 1997, Ms. Zhang worked with the Department of Public Offering Supervision of the China Securities Regulatory Commission and was primarily responsible for reviewing the application documents submitted by the companies for their A shares listing. During the period from 1998 to 2005, Ms. Zhang was appointed as deputy general manager or general manager of investment banking department in several well-known securities companies in China and was mainly in charge of the sponsor works for A shares listing of domestic enterprises in China. During the period from 2005 to 2007, Ms. Zhang as a director of a mining company in China, was principally responsible for mineral resource development, acquisition and integration. During the period from 2007 to 2011, Ms. Zhang worked for a local financial group in Hong Kong and was appointed as associate director, vice president and chief representative of Beijing representative office.

Ms. Zhang has entered into a service contract with the Company for a term of three years, which shall be automatically extended for another one year upon expiration of the term of the service contract unless terminated by either party to the service contract, which requires not less than three month's length of notice. Ms. Zhang will receive a Director's fee of HK\$800,000 per annum which is determined with reference to her duties and responsibilities with the Company, the Company's performance and the prevailing market situation. Pursuant to the terms of the service contract, Ms. Zhang may receive bonus payment from the Company at the absolute discretion of the Board. Ms. Zhang is the chairman of the nomination committee of the Company.

Mr. He Xianmei, aged 48, graduated from Jiangxi Metallurgy College (now known as Jiangxi University of Science and Technology) with a bachelor degree in Engineering in 1983 and graduated from University of Science and Technology Beijing with a master degree in Engineering in 1989. From January 1989 to April 1993, Mr. He worked with the Chinese Ministry of Metallurgical Industry (原中國冶金工業部) and was responsible for national management of metallurgical and mining safety. Since May 1993, Mr. He has been engaged in international trading. In 1995, Mr. He was awarded the qualification as a senior engineer by the Chinese Ministry of Metallurgical Industry (原中國冶金工業部).

Mr. He has entered into a service contract with the Company for a term of three years for his service as an executive Director, which shall be automatically extended for another one year upon expiration of the term of the service contract unless terminated by either party to the service contract, which requires not less than three month's length of notice. Mr. He will receive a Director's fee of HK\$600,000 per annum which is determined with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation. Pursuant to the terms of the service contract, Mr. He may receive bonus payment from the Company at the absolute discretion of the Board.

Mr. Niu Jinsheng, aged 49, graduated from Chengdu College of Geology (now known as Chengdu University of Technology) with a bachelor degree in Engineering in 1984. Since graduation, Mr. Niu had been actively involved in applied mining research. Mr. Niu acted as the vice president of Guangdong Applied Mining Research Institute (廣東省礦產應用研究所) in the People's Republic of China ("PRC") from 1994 to 1999 and the president of Guangdong Applied Mining Research Institute (廣東省礦產應用研究所#) in the PRC from 1999 to 2003. Since 2004, Mr. Niu has been the deputy general manager and chief engineer in Guangdong Geology and Mineral Products Company Limited. Mr. Niu has over seventeen-year experience in management.

Mr. Niu has entered into a service contract with the Company for a term of three years for his service as an executive Director, which shall be automatically extended for another one year upon expiration of the term of the service contract unless terminated by either party to the service contract, which requires not less than three month's length of notice. Mr. Niu will receive a Director's fee of HK\$400,000 per annum which is determined with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation. Pursuant to the terms of the service contract, Mr. Niu may receive bonus payment from the Company at the absolute discretion of the Board.

Mr. Leung Kwok Yin, aged 59, is one of the co-founders of the Group. Mr. Leung Kwok Yin is responsible for product development, materials sourcing and marketing of the Group. He graduated from Hong Kong Polytechnic University (formerly known as the Hong Kong Polytechnic) in 1975 with a technician diploma in electrical engineering. Mr. Leung Kwok Yin has built substantial manufacturing and distribution experiences in the PRC. Mr. Leung Kwok Yin is also a director of all of the subsidiaries of the Company, namely JF Household Furnishings (Asia) Ltd., Keylink Technology Limited, JF Household Furnishings (Macau) Holdings Ltd., JF Household Furnishings Macao Commercial Offshore Limited, JF A.C.R. Equipment Supplies (Ningbo) Co., Ltd. and Ningbo JF Metal Products Co., Ltd.. Mr. Leung Kwok Yin is also a director and controlling shareholder of Multistack International Limited, a company listed on the Australian Stock Exchange.

執行董事

張謙女士，42歲，哈爾濱工業大學管理學院碩士研究生畢業。於一九九七年，張女士曾於中國證券監督管理委員會發行監管部任職，主要負責審閱申請A股上市之公司提交的申請文件。於一九九八年至二零零五年期間，張女士曾獲委任為中國多間知名證券公司的投資銀行部副總經理或總經理，主要負責中國國內企業A股上市的保薦工作。於二零零五年至二零零七年期間，張女士擔任中國一家礦業公司的董事，主要負責礦山資源的開發、收購及整合。於二零零七年至二零一一年期間，張女士於香港本地一家金融集團任職聯席董事、副總裁及北京代表處的首席代表。

張女士已與本公司簽訂一份服務合約，任期為三年，該服務合約於任期屆滿後自動續約一年，惟任何一方發出不少於三個月之通知終止服務合約則除外。張女士將獲得每年800,000港元的董事袍金，該薪酬乃經參考其於本公司的職責及責任、本公司的表現以及當前市況而釐定。根據服務合約的條款，張女士可從本公司獲得董事會全權酌情釐定的花紅。張女士為本公司提名委員會主席。

何顯梅先生，48歲，於一九八三年畢業於江西冶金學院(現稱為江西理工大學)，並取得工學學士學位，其後於一九八九年畢業於北京科技大學，並取得工學碩士學位。於一九八九年一月至一九九三年四月期間，何先生曾於原中國冶金工業部任職，負責全國的冶金礦山安全管理。自一九九三年五月起，何先生一直從事國際貿易。於一九九五年，何先生榮獲原中國冶金工業部授予高級工程師資格。

何先生已與本公司簽訂一份服務合約，彼擔任執行董事的任期為三年，該服務合約於任期屆滿後自動續約一年，惟任何一方發出不少於三個月之通知終止服務合約則除外。何先生將獲得每年600,000港元的董事袍金，該薪酬乃經參考其於本公司的職責及責任、本公司的表現以及當前市況而釐定。根據服務合約的條款，何先生可從本公司獲得董事會全權酌情釐定的花紅。

牛進生先生，49歲，於一九八四年畢業於成都地質學院(現稱為成都理工大學)，並取得工學學士學位。自畢業以後，牛先生一直積極參與礦產應用研究。於一九九四年至一九九九年期間，牛先生擔任於中華人民共和國(「中國」)的廣東省礦產應用研究所副所長，並於一九九九年至二零零三年期間擔任中國廣東省礦產應用研究所所長。自二零零四年起，牛先生一直擔任廣東省地質礦產公司的副總經理及首席工程師。牛先生於管理方面擁有逾十七年經驗。

牛先生已與本公司簽訂一份服務合約，彼擔任執行董事的任期為三年，該服務合約於任期屆滿後自動續約一年，惟任何一方發出不少於三個月之通知終止服務合約則除外。牛先生將獲得每年400,000港元的董事袍金，該薪酬乃經參考其於本公司的職責及責任、本公司的表現以及當前市況而釐定。根據服務合約的條款，牛先生可從本公司獲得董事會全權酌情釐定的花紅。

梁國賢先生，59歲，本集團聯合創辦人之一。梁國賢先生負責本集團產品開發、物料採購及市場推廣。彼於一九七五年於香港理工大學(前稱香港理工學院)畢業，取得電機工程技術文憑。梁國賢先生在中國進行製造及分銷方面積累豐富經驗。梁國賢先生亦為本公司所有附屬公司之董事，即捷豐家居用品(亞洲)有限公司、機靈科技有限公司、捷豐家居用品(澳門)控股有限公司、捷豐家居用品澳門離岸商業服務有限公司、寧波捷豐家居用品有限公司以及寧波捷豐金屬製品有限公司。此外，梁國賢先生為於澳洲證券交易所上市之公司Multistack International Limited的董事及控股股東。

DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS *(Cont'd)*

The Company and Mr. Leung Kwok Yin entered into a service agreement on 8 September 2005 in relation to Mr. Leung Kwok Yin's appointment as an executive Director for an initial term of 3 years commenced from 8 September 2005 and expired on 7 September 2008 which term is renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term of their appointment, unless terminated by not less than 6 months' notice in writing served by either party at the end of the initial term or at any time thereafter. Pursuant to the service agreement, Mr. Leung Kwok Yin is entitled to receive a salary of HK\$18,000 per month and a discretionary annual bonus. The salary of Mr. Leung Kwok Yin is determined with reference to his experience and responsibilities.

Mr. Leung Kwok Pong, aged 45, obtained a Diploma of Advanced Securities Markets Analysis from the Chinese University of Hong Kong in 1996 and a Master of Business Administration from the University of Liverpool in 2010. Mr. Leung Kwok Pong was previously a financial consultant of Bank Vontobel Ag in Zurich and had been appointed as Vice President of Sun Hung Kai Financial for three years. Mr. Leung Kwok Pong is experienced in the financial market and had been specialized in asset management. He is a Chartered Wealth Manager and a member of the International Academy of Financial Management.

Mr. Leung Kwok Pong has entered into an appointment letter with the Company for a term of one year commencing from 30 September 2011 and expiring on 29 September 2012, which shall be automatically extended monthly upon expiration of the term of appointment letter until being terminated by one month's prior notice in writing served by either party to the appointment letter. Mr. Leung Kwok Pong will receive an annual remuneration of HK\$24,000 which is determined with reference to the experience of Mr. Leung Kwok Pong. Pursuant to the terms of the appointment letter, Mr. Leung Kwok Pong may receive bonus payment from the Company at the absolute discretion of the Board.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Liu Yongping, aged 56, graduated from the University of London in 1987 with a master's degree in law. In 1994, Dr. Liu graduated from the University of Oxford and earned his doctorate in philosophy. At present, Dr. Liu is a practicing solicitor in Hong Kong and a consultant of a firm of solicitors in Hong Kong. Dr. Liu has profound knowledge in the laws of the PRC, Hong Kong and England. Since 1994, Dr. Liu has embarked in areas on listing application for PRC based companies in Hong Kong and work on merger and acquisition. Dr. Liu is acquainted with matters concerning the Listing Rules. Dr. Liu was appointed as independent non-executive director of Yue Da Mining Holdings Limited, a company listed on the Stock Exchange (stock code: 629) on 15 June 2010.

Dr. Liu has entered into a letter of appointment with the Company for a term of three years for his service as an independent non-executive Director unless terminated by either party to the appointment letter, which requires not less than three month's length of notice. Dr. Liu will receive a Director's fee of HK\$100,000 per annum which is determined with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation. Dr. Liu is the chairman of the remuneration committee and a member of the audit committee and nomination committee of the Company.

Mr. Wu Chi Keung, aged 55, graduated from Hong Kong Polytechnic (now known as Hong Kong Polytechnic University) in 1980 with a higher diploma in accountancy. Mr. Wu is an associate of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants in the United Kingdom. Mr. Wu has more than 30 years of experience mainly in financial audit. Mr. Wu was a partner of Deloitte Touche Tohmatsu when he resigned in December 2008. Mr. Wu is currently an independent non-executive director of China Medical System Holdings Limited (stock code: 867), Jinchuan Group International Resources Co. Ltd (stock code: 2362), Zhong Fa Zhan Holdings Limited (formerly known as Nobel Jewelry Holdings Limited) (stock code: 475), China Renji Medical Group Limited (stock code: 648) and Greater China Professional Services Limited (stock code: 8193), all of which are companies listed on the Stock Exchange.

Mr. Wu has entered into a letter of appointment with the Company for a term of three years for his service as an independent non-executive Director unless terminated by either party to the appointment letter, which requires not less than three month's length of notice. Mr. Wu will receive a Director's fee of HK\$120,000 per annum which is determined with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation. Mr. Wu is the chairman of the audit committee and a member of the remuneration committee of the Company.

Mr. Wang Siyong, aged 53, graduated from Central South Institution of Mining and Metallurgy (now known as Central South University) with a bachelor degree in Engineering in 1984. From July 1984 to October 1993, Mr. Wang worked with the Chinese Ministry of Metallurgical Industry (原中國冶金工業部) and was engaged in metallurgy industry management work. From November 1993 to September 2004, Mr. Wang worked with Sinosteel Corporation. Since October 2004, Mr. Wang worked with China Iron & Steel Research Institute Group. In 1995, Mr. Wang was awarded the qualification as a senior engineer by the Chinese Ministry of Metallurgical Industry (原中國冶金工業部).

執行董事(續)

本公司與梁國賢先生於二零零五年九月八日簽訂一份服務協議，自二零零五年九月八日開始委任梁國賢先生為執行董事，初始任期為3年，並於二零零八年九月七日屆滿，協議自當時任期屆滿日期起翌日自動續約一年，惟任何一方於初始任期結束或其後任何時間向對方發出不少於6個月之書面通知終止則除外。根據服務協議，梁國賢先生可獲得每月18,000港元的薪金及酌情年終花紅。梁國賢先生的薪酬乃根據其資歷及職責釐定。

梁國邦先生，45歲，一九九六年獲香港中文大學頒發證券市場分析高級文憑，並於二零一零年獲利物浦大學頒授商業管理碩士學位。梁國邦先生之前曾是蘇黎世Vontobel Ag銀行的財務顧問，並曾於新鴻基金融集團擔任副總裁三年。梁國邦先生富有金融市場的經驗，並專長於資產管理。彼為特許財富經理及國際財務管理學會會員。

梁國邦先生已與本公司簽訂了委任函，任期為一年，自二零一一年九月三十日起至二零一二年九月二十九日止，該委任函於任期屆滿後按月自動續期，直至委任函任何一方事先發出一個月之書面通知終止。梁國邦先生將獲得每年24,000港元的酬金，該酬金乃經參考梁國邦先生的經驗而釐定。根據委任函的條款，梁國邦先生可自本公司獲得董事會全權酌情釐定的花紅。

獨立非執行董事

劉勇平博士，56歲，於一九八七年畢業於倫敦大學，獲頒法學碩士學位。於一九九四年，劉博士畢業於牛津大學，獲頒哲學博士學位。劉博士現為香港執業律師及一間香港律師事務所的顧問。劉博士對於中國、香港及英國三地法律都有深入研究。自一九九四年起，劉博士開始從事有關中國公司於香港申請上市，以及合併及收購的工作。劉博士對上市規則相關事宜相當熟識。劉博士於二零一零年六月十五日獲委任為聯交所上市公司悅達礦業控股有限公司(股份代號：629)的獨立非執行董事。

劉博士已與本公司簽訂一份委任函件，彼擔任獨立非執行董事的任期為三年，惟委任函件任何一方發出不少於三個月之通知終止則除外。劉博士將獲得每年100,000港元的董事袍金，該薪酬乃經參考其於本公司的職責及責任、本公司的表現以及當前市況而釐定。劉博士為本公司薪酬委員會主席以及審核委員會和提名委員會成員。

胡志強先生，55歲，於一九八零年畢業於香港理工學院(現為香港理工大學)，獲會計學高級文憑。胡先生為香港會計師公會會員及英國特許公認會計師公會資深會員。胡先生擁有逾30年主要為財務審計方面的經驗。胡先生曾為德勤•關黃陳方會計師行合夥人，於二零零八年十二月辭任。胡先生現為康哲藥業控股有限公司(股份代號：867)、金川集團國際資源有限公司(股份代號：2362)、中發展控股有限公司(前名為億鑽珠寶控股有限公司)(股份代號：475)、中國仁濟醫療集團有限公司(股份代號：648)及漢華專業服務有限公司(股份代號：8193)之獨立非執行董事，該等公司全部為聯交所上市公司。

胡先生已與本公司簽訂一份委任函件，彼擔任獨立非執行董事的任期為三年，惟委任函件任何一方發出不少於三個月之通知終止則除外。胡先生將獲得每年120,000港元的董事袍金，該薪酬乃經參考其於本公司的職責及責任、本公司的表現以及當前市況而釐定。胡先生為本公司審核委員會主席及薪酬委員會成員。

王斯勇先生，53歲，於一九八四年畢業於中南礦冶學院(現稱為中南大學)，獲頒工學學士學位。於一九八四年七月至一九九三年十月期間，王先生曾任職於原中國冶金工業部，從事冶金行業管理工作。於一九九三年十一月至二零零四年九月期間，王先生曾任職於中國中鋼集團公司。自二零零四年十月起，王先生任職於中國鋼研科技集團有限公司。於一九九五年，王先生榮獲原中國冶金工業部授予高級工程師資格。

DIRECTORS AND SENIOR MANAGEMENT

INDEPENDENT NON-EXECUTIVE DIRECTORS *(Cont'd)*

Mr. Wang has entered into a letter of appointment with the Company for a term of three years for his service as an independent non-executive Director unless terminated by either party to the appointment letter, which requires not less than three month's length of notice. Mr. Wang will receive a Director's fee of HK\$100,000 per annum which is determined with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation. Mr. Wang is a member of the audit committee, the remuneration committee and the nomination committee of the Company.

SENIOR MANAGEMENT

Mr. Bao Xiangqian, aged 46, joined the Group in January 1999 and was promoted to be the general manager of Ningbo JF Furniture Co. Ltd. in November 2007. Mr. Bao has been appointed the general manager of the Group with effect from 20 April 2009, following the resignation of Mr. Bao Jisheng. He is in charge of the Group's marketing activities and correspondences with overseas customers. Mr. Bao graduated from East China University of Technical Engineering in 1988 with a bachelor degree major in Scientific English. He has been engaged in international trading for 16 years. Mr. Bao obtained a Master of Business Administration from the University of Canberra, Australia in July 2005. Mr. Bao is the son of Mr. Bao Jisheng, a former Director and a key management of the Company.

Mr. Wang Shengkang, aged 70, joined the Group in June 2002 and was promoted to the position of deputy general manager in November 2004. Mr. Wang is responsible for the personnel and daily administrative operations of the Group. He has been engaged in corporate administration for over 20 years.

Mr. Zheng Yao, aged 51, joined the Group in December 2007 and was appointed as the deputy general manager of JF A.C.R. Equipment Supplies (Ningbo) Co., Ltd. Mr. Zheng was responsible for the administration and management of the factory. Mr. Zheng graduated from Zhejiang Radio & TV University in 1986 majoring in industrial accounting. Mr. Zheng is a qualified accountant and a member of The Chinese Institute of Certified Public Accountants in the PRC. Mr. Zheng has over 20 years of experience in business management. Prior to joining the Group in December 2007, Mr. Zheng worked for Shuaikang Group Co., Ltd. as deputy general manager.

Mr. Cheung Wai Tak, aged 59, joined the Group as the financial controller in May 2005 and has been working in the finance and accounting field for over 20 years. Mr. Cheung is a Certified Public Accountant in California of the United States of America and is a member of the Hong Kong Institute of Certified Public Accountants. He graduated with an MBA degree from the University of California at Berkeley, the United States in 1981.

獨立非執行董事(續)

王先生已與本公司簽訂一份委任函件，彼擔任獨立非執行董事的任期為三年，惟委任函件任何一方發出不少於三個月之通知終止除外。王先生將獲得每年100,000港元的董事袍金，該薪酬乃經參考其於本公司的職責及責任、本公司的表現以及當前市況而釐定。王先生為本公司審核委員會、薪酬委員會及提名委員會成員。

高級管理層

鮑向前先生，46歲，於一九九九年一月加入本集團，於二零零七年十一月晉陞為寧波捷豐現代家具有限公司之總經理。鮑繼聲先生辭任後，鮑先生自二零零九年四月二十日起獲委任為本集團總經理。彼負責本集團的市場推廣活動及與海外客戶聯繫。鮑先生於一九八八年畢業於華東理工大學，取得學士學位，主修科學英文。彼已從事國際貿易達16年。鮑先生於二零零五年七月取得澳洲坎培拉大學的工商管理碩士學位。鮑先生為本公司前任董事兼主要管理層鮑繼聲先生之子。

王勝康先生，70歲，二零零二年六月加入本集團，並於二零零四年十一月晉陞為副總經理。王先生負責本集團人事及日常行政工作。他從事企業行政工作已逾20年。

鄭耀先生，51歲，二零零七年十二月加入本集團，並獲委任為寧波捷豐家居用品有限公司常務副總經理。鄭先生負責工廠的行政管理工作。鄭先生於一九八六年畢業於浙江廣播電視大學，主修工業會計。鄭先生已取得專業會計師資格，並為中國註冊會計師協會會員。鄭先生從事企業管理逾20年。於二零零七年十二月加入本集團前，鄭先生曾擔任帥康集團有限公司副總經理。

張偉德先生，59歲，於二零零五年五月加入本集團出任財務總監，並已於財務會計業工作逾20年。張先生為美國加州執業會計師，並為香港會計師公會會員。彼於一九八一年於美國加州柏克萊大學畢業，取得工商管理碩士學位。

REPORT OF THE DIRECTORS

The Directors are pleased to present their report together with the audited financial statements of JF Household Furnishings Limited (“the Company”) and its subsidiaries (collectively the “Group”) for the year ended 31 December 2011.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 19 January 2005 under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. During the year under review, the Group was principally engaged in the manufacture and sale of (i) furnishings, home products and accessories primarily used in kitchens and bathrooms with stainless steel as raw materials and (ii) wooden panel furniture. The Group disposed the timber division and discontinued the wooden panel furniture operation in June 2011. Turnover represents invoiced value of goods sold, net of value-added tax, and after allowance for goods returned and trade discounts.

An analysis of the turnover from the principal activities during the financial year is set out in note 6 to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group’s sales and purchases attributable to the major customers and suppliers respectively during the financial year is as follows:

	Percentage of the Group’s total Sales/Purchases
The largest customer	97.3%
Five largest customers in aggregate	98.9%
The largest supplier	22.4%
Five largest suppliers in aggregate	49.7%

None of the Directors or any of their associates or any shareholders of the Company (who or which to the knowledge of the Directors own more than 5.0% of the share capital of the Company) has any beneficial interest in any of the Group’s five largest customers and five largest suppliers.

DIVIDEND

The Directors do not recommend payment of any final dividend for the year ended 31 December 2011.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment are set out in note 16 to the financial statements.

DISTRIBUTABLE RESERVES

At 31 December 2011, the Company’s reserves available for cash distribution amounted to approximately HK\$61.3 million. Under the Companies Law (Revised) of the Cayman Islands, the share premium of the Company is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business. The share premium may also be distributed in the form of fully paid bonus shares.

SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in note 27 to the financial statements. Shares were issued during the year pursuant to the exercise of certain share options during the year.

董事欣然提呈捷豐家居用品有限公司(「本公司」)及其附屬公司(統稱「本集團」)的董事會報告及截至二零一一年十二月三十一日止年度的經審核財務報表。

本公司於二零零五年一月十九日根據開曼群島公司法第22章(一九六一年第3條法律，經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。

主要業務

本公司為投資控股公司。於回顧年度內，本集團主要從事製造及銷售(i)主要用於廚房及浴室，以不銹鋼作為原材料的家俱、家居用品及配件以及(ii)木製家俱。於二零一一年六月，本集團出售木製家俱部門並終止木製家俱業務經營。營業額指扣除增值稅及退貨備抵和貿易折扣後售出貨品的發票值。

主要業務於本財政年度的營業額分析載於財務報表附註6。

主要客戶及供應商

於本財政年度內，主要客戶及供應商分別佔本集團銷售及採購額的資料如下：

	佔本集團銷售／ 採購總額百分比
最大客戶	97.3%
五大客戶合計	98.9%
最大供應商	22.4%
五大供應商合計	49.7%

就董事所知，概無董事、彼等的聯繫人或本公司的任何股東(就董事所知擁有超過5.0%本公司股本者)擁有本集團任何五大客戶及五大供應商的實益權益。

股息

董事並不建議派付截至二零一一年十二月三十一日止年度末期股息。

物業、廠房及設備

物業、廠房及設備的變動詳情載於財務報表附註16。

可供分派儲備

於二零一一年十二月三十一日，本公司可供現金分派之儲備約為61,300,000港元。根據開曼群島公司法(經修訂)，本公司之股份溢價可分派予本公司股東，惟本公司須於緊隨建議派發股息日之後仍有能力償還在日常業務過程中到期之債務。股份溢價亦可以繳足紅利股份的形式分派。

股本

年內，本公司股本變動詳情載於財務報表附註27。年內，股份乃根據本年度若干購股權之行使而發行。

REPORT OF THE DIRECTORS

DIRECTORS

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

Executive Directors

Mr. Yan Siu Wai (*Chairman*) (*Resigned on 16 August 2011*)
Mr. Leung Kwok Yin
Mr. Bao Jisheng (*Resigned on 16 August 2011*)
Ms. Zhang Qian (*Chairman*) (*Appointed on 16 August 2011*)
Mr. He Xianmei (*Appointed on 16 August 2011*)
Mr. Niu Jinsheng (*Appointed on 16 August 2011*)
Mr. Leung Kwok Pong (*Appointed on 30 September 2011*)

Non-Executive Director

Mr. Kwan Kai Cheong (*Resigned on 16 August 2011*)

Independent Non-Executive Directors

Mr. Yu Hon Wing Allan (*Resigned on 16 August 2011*)
Mr. Garry Alides Willinge (*Resigned on 16 August 2011*)
Mr. Chu Kwok Man (*Resigned on 16 August 2011*)
Dr. Liu Yongping (*Appointed on 16 August 2011*)
Mr. Wu Chi Keung (*Appointed on 16 August 2011*)
Mr. Wang Siyong (*Appointed on 16 August 2011*)

DIRECTORS' SERVICE CONTRACTS

On 8 September 2005, Mr. Leung Kwok Yin, an executive director, entered into a service agreement with the Company for an initial term of three years commenced from 8 September 2005 and expired on 7 September 2008 which term is renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term of their appointment, unless terminated by not less than 6 months' notice in writing served by either party at the end of the initial term or at any time thereafter. Mr. Leung Kwok Yin is committed by the service agreement to devote himself exclusively and diligently to the business and interests of the Group and to keep the Board promptly and fully informed of his conduct of business affairs, among other commitments. Mr. Leung Kwok Yin is also entitled to a bonus depending on the profit of the Group attributable to shareholders of the Company. The bonus shall be determined by the Board but in any case the aggregate amount payable for each financial year to Mr. Leung Kwok Yin shall not exceed 10% of such profit.

On 16 August 2011, Mr. Yan Siu Wai, Mr. Bao Jisheng, Mr. Kwan Kai Cheong, Mr. Yu Hon Wing Allan, Mr. Garry Alides Willinge and Mr. Chu Kwok Man, the former directors, resigned from their directorship. On the same day, Ms. Zhang Qian, Mr. He Xianmei and Mr. Niu Jinsheng were appointed executive directors of the Company, while Dr. Liu Yongping, Mr. Wu Chi Keung and Mr. Wang Siyong were appointed independent non-executive directors of the Company.

Each of Ms. Zhang Qian, Mr. He Xianmei and Mr. Niu Jinsheng had entered into a service contract with the Company for a term of three years commenced from 16 August 2011, which shall be automatically extended for another one year upon expiration of the term unless terminated by not less than three month's notice by either party. Each of them is committed to devote herself/himself exclusively and diligently to the business, interests and activities of the Group. Each of them may receive bonus payment from the Company at the absolute discretion of the Board.

Each of Dr. Liu Yongping, Mr. Wu Chi Keung and Mr. Wang Siyong was appointed by the Company as an independent non-executive directors for a term of three years commenced from 16 August 2011 unless terminated by not less than three month's notice in writing by either party.

On 30 September 2011, Mr. Leung Kwok Pong was appointed by an appointment letter an executive directors of the Company for a term of one year expiring on 29 September 2012, which shall be automatically extended monthly upon expiration of the term until being terminated by one month's prior notice in writing served by either party. He is committed under the appointment letter to serve the Company with such executive and management responsibilities and duties with regard to the operations of the Group and the development and expansion of its business as required and to keep the Board promptly and fully at all times informed of all matters relating to or in connection with the performance and exercise of his duties and powers. Mr. Leung Kwok Pong may receive bonus payment from the Company at the absolute discretion of the Board.

董事

於本財政年度及直至本報告刊發日期止的董事如下：

執行董事

甄兆威先生(主席)(於二零一一年八月十六日辭任)
梁國賢先生
鮑繼聲先生(於二零一一年八月十六日辭任)
張謙女士(主席)(於二零一一年八月十六日獲委任)
何顯梅先生(於二零一一年八月十六日獲委任)
牛進生先生(於二零一一年八月十六日獲委任)
梁國邦先生(於二零一一年九月三十日獲委任)

非執行董事

關啟昌先生(於二零一一年八月十六日辭任)

獨立非執行董事

俞漢榮先生(於二零一一年八月十六日辭任)
Garry Alides Willinge先生(於二零一一年八月十六日辭任)
朱國民先生(於二零一一年八月十六日辭任)
劉勇平博士(於二零一一年八月十六日獲委任)
胡志強先生(於二零一一年八月十六日獲委任)
王斯勇先生(於二零一一年八月十六日獲委任)

董事之服務合約

於二零零五年九月八日，執行董事梁國賢先生與本公司訂立初步為期三年的服務協議，自二零零五年九月八日生效，於二零零八年九月七日期滿，並可自當時的委任年期到期後翌日起自動連續續任，每次任期一年，除非一方於初始任期結束時或此後任何時間發出不少於六個月的書面通知予以終止。梁國賢先生根據服務協議，承諾專注於本集團的業務及為本集團之利益勤勉工作，並及時及全面通知董事會其商務事務之執行情況(包括其他承諾)。梁國賢先生亦視乎本公司股東應佔本集團的溢利享有花紅。花紅須由董事會決定，但於任何情況下每個財政年度應付梁國賢先生的總額不得超過上述溢利10%。

於二零一一年八月十六日，前任董事甄兆威先生、鮑繼聲先生、關啟昌先生、俞漢榮先生、Garry Alides Willinge先生及朱國民先生辭去董事職務。同日，張謙女士、何顯梅先生及牛進生先生獲委任為本公司執行董事，而劉勇平博士、胡志強先生及王斯勇先生獲委任為本公司獨立非執行董事。

張謙女士、何顯梅先生及牛進生先生均與本公司訂立初步為期三年的服務合約，自二零一一年八月十六日起為期三年，並可自任期到期後自動續任一年，除非一方於發出不少於三個月的通知予以終止。彼等均承諾專注於本集團的業務及為本集團之利益勤勉工作。彼等均可各自自本公司獲得董事會全權酌情釐定的花紅。

劉勇平博士、胡志強先生及王斯勇先生獲委任為本公司獨立非執行董事，自二零一一年八月十六日起為期三年，除非一方於發出不少於三個月的書面通知予以終止。

於二零一一年九月三十日，梁國邦先生受委任函件委任為本公司執行董事，任期為期一年，至二零一二年九月二十九日期滿，並可自任期到期後按月自動連續續任，直至一方於發出不少於一個月的書面通知予以終止為止。彼根據其委任函件，承諾按本公司之要求就本集團之業務經營及業務發展及擴張履行行政及管理責任及職責，並及時及全面通知董事會與其表現以及職責及權力之行使相關之情況之所有事宜。梁國邦先生可自本公司獲得董事會全權酌情釐定的花紅。

REPORT OF THE DIRECTORS

DIRECTORS' SERVICE CONTRACTS *(Cont'd)*

The Company has received from each of Mr. Wang Siyong, Mr. Wu Chi Keung and Dr. Liu Yongping, a written confirmation confirming his independence as an independent non-executive director pursuant to Rule 3.13 of the Listing Rules. Based on such written confirmations, the Company considers all of the independent non-executive director to be independent.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURE OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 31 December 2011, none of the Directors and the chief executives of the Company nor each of their respective associates (as defined under the Listing Rules), had or was deemed to have any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO") which (a) were required, to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of the Part XV of the SFO (including interests and short positions which the Directors were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

As at 31 December 2011, none of the Directors have options to subscribe for shares in the Company.

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2011, the following substantial shareholders had interests or short positions in the shares or the underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO. Other than the interests disclosed below, the Directors were not aware of any other persons who had interests or short positions in the shares or the underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Name of Substantial Shareholders	Number of Shares interested in	Capacity	Approximate Percentage of the total issued capital of the Company
Bounty Wealth Limited (Note 1)	167,711,000	Beneficial owner	74.98%
Mr. Cheong Jose Vai Chi (Note 1)	167,711,000	Interest through a controlled corporation	74.98%
太陽國際財務有限公司 (Note 2)	167,711,000	Security interest	74.98%
Eminent Crest Holdings Limited (Note 3)	167,711,000	Interest through a controlled corporation	74.98%
Chau Cheok Wa (Note 3)	167,711,000	Interest through a controlled corporation	74.98%
Peak Stand Holdings Limited (Note 4)	167,711,000	Interest through a controlled corporation	74.98%
Cheng Ting Kong (Note 4)	167,711,000	Interest through a controlled corporation	74.98%

董事之服務合約(續)

本公司已收到王斯勇先生、胡志強先生及劉勇平博士根據上市規則第3.13條規定各自發出的書面確認，確認彼等作為獨立非執行董事的獨立性。基於該等書面確認，本公司認為全體獨立非執行董事均為獨立人士。

董事於本公司或其相聯法團的股份、相關股份及債券中的權益及淡倉

於二零一一年十二月三十一日，概無本公司董事及主要行政人員及彼等各自之聯繫人(定義見上市規則)於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債券中擁有或被視為擁有任何(a)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及淡倉(包括根據證券及期貨條例有關條文董事被當作擁有或被視為擁有的權益及淡倉)；或(b)根據證券及期貨條例第352條規定須記錄於該條例所指登記冊的權益及淡倉；或(c)根據上市規則所載之上市公司董事進行證券交易之標準守則須知會本公司及聯交所的任何權益或淡倉。

於二零一一年十二月三十一日，概無董事擁有可認購本公司股份之購股權。

主要股東

於二零一一年十二月三十一日，下列主要股東於本公司股份或相關股份中擁有記錄於根據證券及期貨條例第336條規定存置之登記冊之權益或淡倉。除下文所披露的權益外，董事並不知悉任何其他人士在本公司股份或相關股份中持有記錄於根據證券及期貨條例第336條規定存置之登記冊之權益或淡倉：

主要股東名稱	持有股份數目	身份	佔本公司 已發行股本 總數的 概約百分比
Bounty Wealth Limited(附註1)	167,711,000	實益擁有人	74.98%
張偉志先生(附註1)	167,711,000	受控法團之權益	74.98%
太陽國際財務有限公司(附註2)	167,711,000	保證權益	74.98%
Eminent Crest Holdings Limited(附註3)	167,711,000	受控法團之權益	74.98%
周焯華(附註3)	167,711,000	受控法團之權益	74.98%
Peak Stand Holdings Limited(附註4)	167,711,000	受控法團之權益	74.98%
鄭丁港(附註4)	167,711,000	受控法團之權益	74.98%

REPORT OF THE DIRECTORS

SUBSTANTIAL SHAREHOLDERS (Cont'd)

Notes:

1. Bounty Wealth Limited is wholly-owned by Mr. Cheong Jose Vai Chi, and Mr. Cheong Jose Vai Chi is therefore deemed to be interested in the shares and underlying shares of the Company held by Bounty Wealth Limited under the SFO.
2. According to the record in the register kept under section 336 of the SFO, 太陽國際財務有限公司 has a security interest in 167,711,000 shares of the Company since 21 September 2011.
3. According to the record in the register kept under section 336 of the SFO, 太陽國際財務有限公司 is owned as to 47.5% by Eminent Crest Holdings Limited, which entire issued share capital is owned by Chau Cheek Wa. Eminent Crest Holdings Limited and Chau Cheek Wa are therefore deemed to be interested in 167,711,000 shares of the Company which 太陽國際財務有限公司 has a security interest in under the SFO of the Company.
4. According to the record in the register kept under section 336 of the SFO, 太陽國際財務有限公司 is owned as to 47.5% by Peak Stand Holdings Limited, which entire issued share capital is owned by Cheng Ting Kong. Peak Stand Holdings Limited and Cheng Ting Kong are therefore deemed to be interested in 167,711,000 shares of the Company which 太陽國際財務有限公司 has a security interest in under the SFO of the Company.

SHARE OPTIONS

By written resolutions passed on 8 September 2005, the then shareholders of the Company approved and adopted a share option scheme entitling the Board to grant share options at its discretion before the listing of the Shares on GEM (the "Pre-IPO Share Option Scheme"), and conditionally adopted a post-IPO share option scheme (the "Post-IPO Share Option Scheme"). By an ordinary resolution passed on 26 November 2008, the then shareholders of the Company approved (i) the adoption of a new share option scheme ("New Share Option Scheme"), and (ii) the termination of the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme. Pursuant to the terms of the Pre-IPO Share Option Scheme, the share options previously granted under the Pre-IPO Share Option Scheme but not yet exercised will remain valid and exercisable in accordance with the provisions of the Pre-IPO Share Option Scheme and the terms of issue of such options.

Details of the share options granted pursuant to the New Share Option Scheme and exercised as at 31 December 2011 as follows:

	Share options held as at 1 January 2011	Share options granted during the year ended 31 December 2011	Share options exercised during the year ended 31 December 2011	Share options held as at 31 December 2011	Exercise price (HK\$)
(A) Employees	1,000,000	—	(1,000,000)	—	0.90
(B) Directors	—	—	—	—	—
	1,000,000	—	(1,000,000)	—	

SHARE OPTION SCHEME

No options granted under the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme are still outstanding. Save as disclosed above, no other options have been granted under the New Share Option Scheme since its adoption on 26 November 2008.

DIRECTORS' INTERESTS IN CONTRACTS

No contract of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year under review or any time during the year under review save and except for the transactions disclosed as connected and/or related party transactions in accordance with the requirements of the Listing Rules and accounting principles generally accepted in Hong Kong.

主要股東(續)

附註：

1. Bounty Wealth Limited由張偉志先生全資擁有，因此，張偉志先生被視為根據證券及期貨條例於Bounty Wealth Limited持有之本公司股份及相關股份中擁有權益。
2. 根據證券及期貨條例第336條規定存置之登記冊之紀錄，自二零一一年九月二十一日起，太陽國際財務有限公司於本公司的167,711,000股股份中擁有保證權益。
3. 根據證券及期貨條例第336條規定存置之登記冊之紀錄，太陽國際財務有限公司由Eminent Crest Holdings Limited擁有47.5%權益，而Eminent Crest Holdings Limited之全部已發行股本由周焯華擁有。因此，Eminent Crest Holdings Limited及周焯華被視為於太陽國際財務有限公司根據證券及期貨條例擁有本公司保證權益的本公司167,711,000股股份中擁有權益。
4. 根據證券及期貨條例第336條規定存置之登記冊之紀錄，太陽國際財務有限公司由Peak Stand Holdings Limited擁有47.5%權益，而Peak Stand Holdings Limited之全部已發行股本由鄭丁港擁有。因此，Peak Stand Holdings Limited及鄭丁港被視為於太陽國際財務有限公司根據證券及期貨條例擁有本公司保證權益的本公司167,711,000股股份中擁有權益。

購股權

根據於二零零五年九月八日通過的書面決議案，本公司當時的股東批准及採納一項購股權計劃，賦予董事會權力可於股份在創業板上市前酌情授出購股權(「首次公開招股前購股權計劃」)，並有條件地採納首次公開招股後購股權計劃(「首次公開招股後購股權計劃」)。根據二零零八年十一月二十六日通過之一項普通決議案，本公司當時的股東批准(i)採納新購股權計劃(「新購股權計劃」)，及(ii)終止首次公開招股前購股權計劃及首次公開招股後購股權計劃。根據首次公開招股前購股權計劃之條款，此前根據首次公開招股前購股權計劃授出但尚未行使之購股權將仍然有效，並可根據首次公開招股前購股權計劃之條文以及發行該等購股權之條款行使。

有關根據新購股權計劃授出及於二零一一年十二月三十一日已行使的購股權的詳情如下：

	於二零一一年 一月一日 持有的購股權	於截至 二零一一年 十二月三十一日 止年度內已經 授出的購股權	於截至 二零一一年 十二月三十一日 止年度內已經 行使的購股權	於二零一一年 十二月三十一日 持有的購股權	行使價 (港元)
(A) 僱員	1,000,000	—	(1,000,000)	—	0.90
(B) 董事	—	—	—	—	—
	1,000,000	—	(1,000,000)	—	

購股權計劃

概無根據首次公開招股前購股權計劃及首次公開招股後購股權計劃授出之購股權仍未行使。除以上披露者外，自二零零八年十一月二十六日採納新購股權計劃起概無根據該計劃授出任何其他購股權。

董事於合約的權益

除根據上市規則及香港公認會計原則之要求披露為關連及／或關聯方交易之交易外，董事概無於本公司或其任何附屬公司所訂立之於回顧年度結束或回顧年度內任何時間存續之重大合約中直接或間接擁有重大權益。

REPORT OF THE DIRECTORS

PURCHASE, SALE OR REDEMPTION OF SHARES

Since the listing of the Company's shares on GEM on 13 October 2005, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

CONNECTED TRANSACTION

Reference is made to the joint announcement of the Company dated 3 March 2011 and the circular to the shareholders dated 13 May 2011. JF Household Furnishings (Asia) Ltd., ("JF Asia"), a wholly-owned subsidiary of the Company, had entered into a disposal agreement and a supplemental disposal agreement on 29 January 2011 and 11 May 2011 respectively with First Priority Inc. ("First Priority"), to dispose ("Disposal") 100 ordinary shares of US\$1.00 each in the issued share capital of JF Household Furnishings (BVI) Ltd., a former wholly-owned subsidiary of the Company which in turn hold 100% equity interest in Ningbo JF Furniture Co, Ltd., at the disposal consideration of HK\$102,060,703, which subsequently adjusted to HK\$100,576,477. The Disposal was completed on 10 June 2011. As First Priority was owned as to 33% and 45% by Mr. Yan Siu Wai and Mr. Bao Jisheng, the then executive directors of the Company, and as to 22% by Mr. Leung Kwok Yin, an executive director of the Company, First Priority was regarded as a connected person under the Listing Rules, and the above transaction constituted a connected transaction of the Company under the Listing Rules.

BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans of the Group as at 31 December 2011 are set out in note 25 to the financial statements.

RETIREMENT SCHEMES

The Group maintains a mandatory provident fund ("MPF Scheme") for all qualifying employees in Hong Kong. The Group's and employee's contributions to the MPF Scheme are based on 5% of the relevant income of the relevant employee (up to a cap of monthly relevant income of HK\$20,000) and in accordance with the requirements of the Mandatory Provident Fund Schemes Ordinance and related regulations.

Pursuant to the relevant labour rules and regulations in the PRC, the Group participates in defined contribution retirement benefit schemes ("Schemes") organised by the relevant local government authorities in Yuyao, the PRC whereby the Group is required to make contributions to the Schemes at the rate of 20% of the eligible employees' salaries. The local government authorities are responsible for the entire pension obligations payable to retired employees.

AUDITORS

A resolution to re-appoint the retiring auditors, RSM Nelson Wheeler, will be proposed at the forthcoming annual general meeting. There has been no change of the Company's auditors since its incorporation.

購買、銷售或贖回股份

自本公司的股份於二零零五年十月十三日在創業板上市起，本公司或其任何附屬公司概無購買、銷售或贖回本公司的任何股份。

關連交易

茲提述本公司於二零一一年三月三日刊發之聯合公告及於二零一一年五月十三日刊發之致股東之通函。本公司之全資附屬公司捷豐家居用品(亞洲)有限公司(「捷豐亞洲」)與First Priority Inc.(「First Priority」)分別於二零一一年一月二十九日及二零一一年五月十一日訂立一項出售協議及補充出售協議，以出售(「出售事項」)本公司之前全資附屬公司捷豐家居用品(維爾京群島)有限公司(持有寧波捷豐現代傢俱有限公司之全部股本權益)已發行股本中100股每股面值1.00美元之普通股，出售代價為102,060,703港元，隨後調整為100,576,477港元。出售事項於二零一一年六月十日完成。由於First Priority由本公司當時之執行董事甄兆威先生及鮑繼聲先生分別持有33%及45%，並由本公司之執行董事梁國賢先生持有22%，故First Priority根據上市規則被視為關連人士，且上述交易根據上市規則構成本公司之關連交易。

銀行貸款及其他借貸

本集團於二零一一年十二月三十一日的銀行貸款詳情載於財務報表附註25。

退休金計劃

本集團為其全體香港合資格僱員設立強制性公積金計劃(「強積金計劃」)。本集團及僱員對強積金計劃之供款乃按照強制性公積金計劃條例及相關規例的要求，根據相關僱員之相關收入(每月相關收入上限為20,000港元)的5%計算。

根據中國有關勞工條例及規定，本集團參與了由中國餘姚當地政府機構管理的定額供款退休福利計劃(「計劃」)，據此，本集團須按合資格僱員薪金的20%向該計劃供款。地方政府負責向退休僱員全數發放退休金。

核數師

一項有關重新委任退任核數師中瑞岳華(香港)會計師事務所之決議案將於應屆股東週年大會上提出。自本公司註冊成立以來，本公司並無更換核數師。

CORPORATE GOVERNANCE REPORT

CODE OF BEST PRACTICE

The Group is committed to ensuring high standards of corporate governance and business practices. The Group has complied throughout the period from 1 January 2011 to 31 December 2011 with the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules. The Board will continue to commit itself to achieving a high quality of corporate governance.

DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted a code of conduct regarding Directors' securities transactions as set out in Appendix 10 of the Listing Rules. Having made specific enquiry, all Directors have fully complied with the required standard set out in Appendix 10 of the Listing Rules for the year ended 31 December 2011.

BOARD OF DIRECTORS

As at 31 December 2011, the Board comprised of eight members, namely the Chairman and four other executive directors and three non-executive directors who are independent as defined in the Listing Rules (the biographies of the Directors are set out on page 12).

The Board oversees the Group's strategic development and the overall management of the Group. The Board also monitors the financial performance and internal controls of the Group. The Board members have a broad access to business documents and information about the Group. Two Board committees, namely, the audit committee and the remuneration committee have been established to oversee particular aspects of the Group's affairs. The Board established the nomination committee on 28 March 2012. The Board meets regularly to review the financial and operating performance of the Group and to approve future plans and development.

Six Board meetings were held in 2011 and the attendance rate was as follows:

Name of directors	Numbers of meetings	Attended	Attendance rate
Mr. Yan Siu Wai (Chairman) (Resigned on 16 August 2011)	4/5		80%
Mr. Leung Kwok Yin	5/6		83%
Mr. Yu Hon Wing Allan (Resigned on 16 August 2011)	5/5		100%
Mr. Kwan Kai Cheong (Resigned on 16 August 2011)	5/5		100%
Mr. Garry Alides Willinge (Resigned on 16 August 2011)	5/5		100%
Mr. Chu Kwok Man (Resigned on 16 August 2011)	5/5		100%
Mr. Bao Jisheng (Resigned on 16 August 2011)	4/5		80%
Ms. Zhang Qian (Chairman) (Appointed on 16 August 2011)	1/1		100%
Mr. He Xianmei (Appointed on 16 August 2011)	1/1		100%
Mr. Niu Jinsheng (Appointed on 16 August 2011)	1/1		100%
Dr. Liu Yongping (Appointed on 16 August 2011)	1/1		100%
Mr. Wu Chi Keung (Appointed on 16 August 2011)	1/1		100%
Mr. Wang Siyong (Appointed on 16 August 2011)	1/1		100%
Mr. Leung Kwok Pong (Appointed on 30 September 2011)	0/0		0%

The Chairman and executive Directors also held informal meetings with independent non-executive Directors for the advices on the well being and the long term development of the Group.

All Directors and Board committees have recourse to external legal counsel and other professionals for independent advice at the Group's expense if they require it.

最佳常規守則

本集團致力維持良好的企業管治及業務常規。於二零一一年一月一日至二零一一年十二月三十一日期間內，本集團已遵守上市規則附錄十四之企業管治常規守則所載守則條文，董事會將繼續致力達致高質素的企業管治。

董事進行證券交易

本集團已採納載於上市規則附錄十有關董事進行證券交易的標準守則。在向所有董事作出具體查詢後，彼等於截至二零一一年十二月三十一日止年度已經完全遵守載於上市規則附錄十的規定準則。

董事會

於二零一一年十二月三十一日，董事會由八名成員組成，包括主席、四名其他執行董事及三名獨立非執行董事(定義見上市規則)，董事之個人資料載於第12頁。

董事會監管本集團的策略發展及整體管理。董事會亦監管本集團的財務表現及內部控制。董事會成員可廣泛查閱本集團的業務文件及資料。兩個董事會委員會(即審核委員會及薪酬委員會)乃為了監察本集團在有關方面的事務而成立。於二零一二年三月二十八日，董事會成立提名委員會。董事會定期召開會議，審核本集團的財務及營運表現，以及通過日後的發展策略。

於二零一一年已舉行六次董事會會議，出席率如下：

董事姓名	已出席會議次數	出席率
甄兆威先生(主席)(於二零一一年八月十六日辭任)	4/5	80%
梁國賢先生	5/6	83%
俞漢榮先生(於二零一一年八月十六日辭任)	5/5	100%
關啟昌先生(於二零一一年八月十六日辭任)	5/5	100%
Garry Alides Willinge先生(於二零一一年八月十六日辭任)	5/5	100%
朱國民先生(於二零一一年八月十六日辭任)	5/5	100%
鮑繼聲先生(於二零一一年八月十六日辭任)	4/5	80%
張謙女士(主席)(於二零一一年八月十六日獲委任)	1/1	100%
何顯梅先生(於二零一一年八月十六日獲委任)	1/1	100%
牛進生先生(於二零一一年八月十六日獲委任)	1/1	100%
劉勇平博士(於二零一一年八月十六日獲委任)	1/1	100%
胡志強先生(於二零一一年八月十六日獲委任)	1/1	100%
王斯勇先生(於二零一一年八月十六日獲委任)	1/1	100%
梁國邦先生(於二零一一年九月三十日獲委任)	0/0	0%

主席及執行董事亦與獨立非執行董事舉行非正式會議，以便獲得有關本集團的利益及長遠發展的意見。

所有董事及董事會委員會均可在有需要時尋求外部法律顧問及其他專業顧問之獨立意見，費用由本集團承擔。

CORPORATE GOVERNANCE REPORT

ROLE OF CHAIRMAN AND GENERAL MANAGER

During the year under review, Mr. Yan Siu Wai was the Chairman until his resignation on 16 August 2011. Ms. Zhang Qian was appointed Chairman on 16 August 2011, which details had been disclosed in an announcement of the Company dated 16 August 2011. Mr. Bao Xiangqian was the General Manager of the Group.

There is segregation of duties between the Chairman's responsibility for leadership and management of the Board and the Company's strategy, and the General Manager's responsibility to implement the Company's strategy.

The Chairman of the Board is responsible for leading the Board in establishing corporate directions and monitoring the implementation of the corporate strategies and plans for the long term development of the Group and to create value for shareholders.

The General Manager is responsible for managing the operation of the Group's businesses, proposing strategies to the Board, preparing plans and forecast and the implementation of plans and policies adopted by the Board.

AUDIT COMMITTEE

The Company has established the audit committee with written terms of reference in accordance with the Listing Rules. The primary duties of the audit committee are to review the Company's interim and annual reports and accounts and to provide advice and comments thereon to the Board. The audit committee is also responsible for reviewing internal control procedures of the Group.

During the year under review, the audit committee comprised of the three independent non-executive directors, namely, Mr. Yu Hon Wing, Allan (Chairman), Mr. Garry Alides Willinge, Mr. Chu Kwok Man and one non-executive director, Mr. Kwan Kai Cheong, who had resigned from their directorship on 16 August 2011. Mr. Wu Chi Keung (Chairman), Dr. Liu Yongping and Mr. Wang Siyong were appointed as members of the audit committee with effect from 16 August 2011. The committee members possess diversified industry experience and the Chairman, Mr. Wu Chi Keung, is an expert on financial and auditing matters. The audit committee met two times in the year under review. During 2011, the audit committee considered the external auditors' projected audit fees, discussed with the external auditors their independence and the nature and scope of the audit; reviewed the interim and annual financial statements; and reviewed the external auditors' management letter and management's response. As a result, they recommended the Board to adopt the interim report and annual report for 2011.

REMUNERATION COMMITTEE

The remuneration committee was set up to review the remuneration policies and to approve the salary and bonus of the executive Directors and certain key executives, to review the remuneration policy of the Group and to approve the granting of options. One meeting was held in 2011. During the year under review, the remuneration committee comprised of three independent non-executive directors, namely, Mr. Yu Hon Wing Allan (Chairman), Mr. Garry Alides Willinge and Mr. Chu Kwok Man, and one non-executive director, Mr. Kwan Kai Cheong, who had resigned from their directorship on 16 August 2011. Dr. Liu Yongping (Chairman), Mr. Wu Chi Keung and Mr. Wang Siyong, the three independent non-executive directors, were appointed as members of the remuneration committee on 16 August 2011.

Directors' emoluments and retirement benefits are disclosed on pages 71 to 73.

NOMINATION COMMITTEE

The Company set up the nomination committee on 28 March 2012, which is primarily responsible to consider and recommend to the Board suitably qualified persons to become the member of the Board and is also responsible for reviewing the structure, size and composition of the Board on a regular basis and as required. Members of the nomination committee comprised of Ms. Zhang Qian, Chairman and an executive director and two independent non-executive directors, Dr. Liu Yongping and Mr. Wang Siyong.

During the financial year, no meeting was held by the nomination committee as the nomination committee was formed after the financial year.

主席及總經理的角色

於回顧年內，甄兆威先生為主席，直至其於二零一一年八月十六日辭任。張謙女士於二零一一年八月十六日獲委任為主席，有關詳情已於本公司日期為二零一一年八月十六日之公告中披露。本集團總經理由鮑向前先生擔任。

主席及總經理的職責已清楚劃分，主席肩負領導之責及管理董事會及制訂本公司的策略，而總經理則負責執行本公司的策略。

董事會主席負責領導董事會確立公司的發展方向，並監督企業策略、有關本集團長遠發展計劃的實施及為股東創造價值。

總經理負責管理本集團業務的營運、向董事會提呈策略、編製計劃及預測，以及實行董事會採納的計劃及政策。

審核委員會

本公司已成立審核委員會，並根據上市規則以書面形式釐定其職權範圍。審核委員會的主要職責為審閱本公司的中期及年度報告與賬目，並就此向董事會提供意見及建議。審核委員會亦負責審閱本集團的內部監控程序。

於回顧年度內，審核委員會由三名獨立非執行董事，即俞漢榮先生(主席)、Garry Alides Willinge先生、朱國民先生，以及一名非執行董事關啟昌先生組成，彼等已於二零一一年八月十六日辭去董事職務。胡志強先生(主席)、劉勇平博士及王斯勇先生獲委任為審核委員會成員，自二零一一年八月十六日起生效。審核委員會成員具有不同行業的豐富經驗，而主席胡志強先生亦屬財務及審核工作之專家。審核委員會於回顧年度已召開兩次會議。於二零一一年，審核委員會已審核外部核數師之預計核數酬金，並與外部核數師審議其獨立性、核數之性質及範圍；審閱中期及年度財務報表、外界核數師致管理層之函件以及管理層之回覆。因此，彼等建議董事會接納二零一一年之中期報告及年度報告。

薪酬委員會

薪酬委員會的成立旨在審核薪酬政策及審批執行董事及部份主要行政人員之薪金及花紅，並審核本集團之薪酬政策及審批購股權的授予。二零一一年已舉行一次會議。於回顧年度，薪酬委員會由三名獨立非執行董事，即俞漢榮先生(主席)、Garry Alides Willinge先生、朱國民先生，以及一名非執行董事關啟昌先生組成，彼等已於二零一一年八月十六日辭去董事職務。三名獨立非執行董事劉勇平博士(主席)、胡志強先生及王斯勇先生於二零一一年八月十六日獲委任為薪酬委員會成員。

董事酬金及退休福利於第71頁至第73頁披露。

提名委員會

本公司於二零一二年三月二十八日成立提名委員會，提名委員會主要負責考慮及向董事會推薦合適的合資格人士擔任董事會成員，以及負責定期及在有需要時審閱董事會的架構、規模及組成。提名委員會的成員包括主席兼執行董事張謙女士及兩名獨立非執行董事劉勇平博士及王斯勇先生。

由於提名委員會乃於財政年度後成立，故提名委員會並無於財政年度內舉行任何會議。

CORPORATE GOVERNANCE REPORT

AUDITOR'S REMUNERATION

During the year ended 31 December 2011, the remuneration paid and payable to the auditors of the Company, RSM Nelson Wheeler, for the provision of the Group's audit services and non-audit services were HK\$550,000 and HK\$782,500 respectively.

RELATED PARTY TRANSACTIONS

The related party transactions are set out in note 35 to the financial statements.

By order of the Board
Zhang Qian
Chairman

Hong Kong, 28 March 2012

核數師酬金

於截至二零一一年十二月三十一日止年度，就為本集團提供審計服務及非審計服務已付及應付本公司核數師中瑞岳華(香港)會計師事務所之酬金分別為550,000港元及782,500港元。

關聯人士交易

關聯人士交易載於財務報表附註35。

承董事會命
主席
張謙

香港，二零一二年三月二十八日

INDEPENDENT AUDITOR'S REPORT

RSM Nelson Wheeler

中瑞岳華(香港)會計師事務所

Certified Public Accountants

TO THE SHAREHOLDERS OF

JF HOUSEHOLD FURNISHINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of JF Household Furnishings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 36 to 104, which comprise the consolidated statement of financial position as at 31 December 2011, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 December 2011, and of the Group's results and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

RSM Nelson Wheeler

Certified Public Accountants

Hong Kong

28 March 2012

RSM Nelson Wheeler

中瑞岳華(香港)會計師事務所

Certified Public Accountants

致捷豐家居用品有限公司全體股東

(於開曼群島註冊成立之有限公司)

吾等已審核第36至104頁所載捷豐家居用品有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零一一年十二月三十一日之綜合財務狀況表、截至該日止年度之綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量報表，以及主要會計政策概要及其他說明資料。

董事就綜合財務報表之責任

貴公司董事須遵照香港會計師公會頒佈之《香港財務報告準則》及《香港公司條例》之披露規定，負責編製及真實兼公平地呈列綜合財務報表及落實其認為編製綜合財務報表所必要的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師之責任

吾等之責任是根據審核之結果，對此等綜合財務報表作出意見，並僅向全體股東報告，除此以外，別無其他用途。吾等概不就本報告之內容向任何其他人士負責或承擔責任。吾等之審核工作按照香港會計師公會頒佈之香港審計準則進行。該等準則要求吾等遵守操守規定，計劃及進行審核以合理確定此等綜合財務報表是否沒有重大之錯誤陳述。

審核範圍包括進行程序以取得與綜合財務報表所載數額及披露事項有關之審核憑證。選取之程序須視乎核數師之判斷，包括評估綜合財務報表之重大錯誤陳述(不論其由欺詐或錯誤引起)之風險。在作出該等風險評估時，核數師將考慮與公司編製及真實兼公平地呈列綜合財務報表有關之內部監控，以為不同情況設計適當審核程序，但並非旨在就公司內部監控是否有效表達意見。審核範圍亦包括評估所用會計政策之恰當性及董事所作之會計估計之合理性，並就綜合財務報表之整體呈列方式作出評估。

吾等相信，吾等所取得之審核憑證就為審核意見提供基礎而言屬充分恰當。

意見

吾等認為，綜合財務報表根據香港財務報告準則足以真實兼公平地顯示 貴集團於二零一一年十二月三十一日之財務狀況及 貴集團截至該日止年度之業績及現金流量，並按照香港公司條例之披露規定妥為編製。

中瑞岳華(香港)會計師事務所

執業會計師

香港

二零一二年三月二十八日

CONSOLIDATED INCOME STATEMENT

綜合收益表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		Note 附註	2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元 (Restated) (經重列)
CONTINUING OPERATIONS	持續經營業務			
REVENUE	收益	6	341,282,154	310,669,826
Cost of goods sold	貨品銷售成本		(296,379,737)	(260,718,855)
Gross profit	毛利		44,902,417	49,950,971
Other income	其他收入	7	2,284,126	370,259
Distribution costs	分銷成本		(1,939,732)	(1,774,998)
Administrative expenses	行政開支		(17,968,304)	(14,503,647)
Other operating expenses	其他經營開支		(21,822)	(45,912)
PROFIT FROM OPERATIONS	經營溢利		27,256,685	33,996,673
Finance costs	融資成本	10	(3,804,933)	(1,648,032)
PROFIT BEFORE TAX	除稅前溢利		23,451,752	32,348,641
Income tax expense	所得稅開支	11(a)	(8,547,723)	(9,691,748)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	持續經營業務之年內溢利		14,904,029	22,656,893
DISCONTINUED OPERATIONS	已終止經營業務			
PROFIT/(LOSS) FOR THE YEAR FROM DISCONTINUED OPERATIONS	已終止經營業務之年內溢利/(虧損)	12	3,348,649	(4,283,913)
PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人之年內應佔溢利	13	18,252,678	18,372,980
EARNINGS PER SHARE	每股盈利			
From continuing and discontinued operations	來自持續及已終止經營業務			
— basic	— 基本	15	0.08	0.09
— diluted	— 攤薄		0.08	0.08
From continuing operations	來自持續經營業務			
— basic	— 基本		0.07	0.11
— diluted	— 攤薄		0.07	0.10

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Profit for the year	年內溢利	18,252,678	18,372,980
Other comprehensive income:	其他全面收益：		
Exchange differences on translating foreign operations	換算海外業務而產生之匯兌差異	3,348,875	9,615,303
Exchange differences reclassified to profit or loss on disposal of subsidiaries	於出售附屬公司重新分類至損益之匯兌差異	(16,910,891)	—
Other comprehensive income for the year, net of tax	年內除稅後其他全面收益	(13,562,016)	9,615,303
Total comprehensive income for the year attributable to owners of the Company	本公司擁有人年內應佔全面收益總額	4,690,662	27,988,283

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2011 於二零一一年十二月三十一日

		Note 附註	2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	18,621,605	194,727,430
Available-for-sale financial assets	可供出售金融資產	17	—	2,000,000
			18,621,605	196,727,430
Current assets	流動資產			
Inventories	存貨	18	98,638,467	128,915,041
Trade and bills receivables	應收貿易賬款及應收票據	19	30,439,962	67,517,484
Due from related companies	應收關聯公司款項	20	5,033,734	—
Deposits, other receivables and prepayments	按金、其他應收款項及預付款項		12,817,063	27,700,073
Restricted cash and bank balances	受限制現金及銀行結餘	21	1,069,594	21,339,517
Cash and bank balances	現金及銀行結餘	21	19,522,388	32,572,820
			167,521,208	278,044,935
Non-current assets held for sale	持作出售非流動資產	22	11,632,177	11,158,972
			179,153,385	289,203,907
Current liabilities	流動負債			
Trade and bills payables	應付貿易賬款及應付票據	23	36,392,511	72,433,233
Other payables and accruals	其他應付款項及應計項目	24	34,559,594	30,011,390
Current tax liabilities	即期稅項負債		4,688,641	9,333,650
Bank borrowings	銀行借款	25	71,905,845	160,008,863
			147,546,591	271,787,136
NET CURRENT ASSETS	淨流動資產		31,606,794	17,416,771
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		50,228,399	214,144,201
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	26	1,715,969	1,223,267
NET ASSETS	淨資產		48,512,430	212,920,934
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	27	2,236,890	2,226,890
Reserves	儲備		46,275,540	210,694,044
TOTAL EQUITY	總權益		48,512,430	212,920,934

Approved by the Board of Directors on 28 March 2012

董事會已於二零一二年三月二十八日批准

Zhang Qian
張謙
Director
董事

He Xianmei
何顯梅
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		Note	Reserves 儲備							Retained profits	Total
			Share capital	Share premium	Merger reserve	Foreign currency translation reserve	Capital reserve	General reserve	Share-based payments reserve		
		附註	股本	股份溢價	合併儲備	外幣匯兌儲備	資本儲備	一般儲備	以股份支付款項儲備	保留溢利	總值
			HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
			港元	港元	港元	港元	港元	港元	港元	港元	港元
At 1 January 2010	於二零一零年一月一日		2,088,540	55,954,541	7,358,082	18,493,109	946,832	20,207,926	1,689,613	77,962,008	184,700,651
Total comprehensive income for the year	年內全面收益總額		—	—	—	9,615,303	—	—	—	18,372,980	27,988,283
Shares issued on exercise of share options	行使購股權時發行的股份	27(i)	138,350	12,000,808	—	—	—	—	(1,405,958)	—	10,733,200
Share options forfeited	已作廢之購股權		—	—	—	—	—	—	(66,655)	66,655	—
Dividend paid	已付股息		—	—	—	—	—	—	—	(10,501,200)	(10,501,200)
Transfers of general reserve	轉撥一般儲備		—	—	—	—	—	2,966,754	—	(2,966,754)	—
Changes in equity for the year	年內權益變動		138,350	12,000,808	—	9,615,303	—	2,966,754	(1,472,613)	4,971,681	28,220,283
At 31 December 2010	於二零一零年十二月三十一日		2,226,890	67,955,349	7,358,082	28,108,412	946,832	23,174,680	217,000	82,933,689	212,920,934
Representing:	代表:										
At 31 December 2010 after proposed final dividend	於二零一零年十二月三十一日，建議派付末期股息後									82,933,689	
Proposed final dividend	建議末期股息	14								—	
										82,933,689	
At 1 January 2011	於二零一一年一月一日		2,226,890	67,955,349	7,358,082	28,108,412	946,832	23,174,680	217,000	82,933,689	212,920,934
Total comprehensive income for the year	年內全面收益總額		—	—	—	(13,562,016)	—	—	—	18,252,678	4,690,662
Shares issued on exercise of share options	行使購股權時發行的股份	27(ii)	10,000	1,107,000	—	—	—	—	(217,000)	—	900,000
Transfers of share premium	轉撥股份溢價	31(d)	—	(67,955,349)	—	—	—	—	—	67,955,349	—
Dividend paid	已付股息		—	—	—	—	—	—	—	(169,999,166)	(169,999,166)
Disposal of subsidiaries	出售附屬公司		—	—	—	—	—	(1,641,960)	—	1,641,960	—
Transfers of general reserve	轉撥一般儲備		—	—	—	—	—	2,010,090	—	(2,010,090)	—
Changes in equity for the year	年內權益變動		10,000	(66,848,349)	—	(13,562,016)	—	368,130	(217,000)	(84,159,269)	(164,408,504)
At 31 December 2011	於二零一一年十二月三十一日		2,236,890	1,107,000	7,358,082	14,546,396	946,832	23,542,810	—	(1,225,580)	48,512,430
Representing:	代表:										
At 31 December 2011 after proposed final dividend	於二零一一年十二月三十一日，建議派付末期股息後									(1,225,580)	
Proposed final dividend	建議末期股息	14								—	
										(1,225,580)	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

Note:

- (a) The merger reserve represents the difference between the nominal value of the share capital issued by the Company in exchange for the nominal value of the share capital and share premium of its subsidiaries arising from group reorganisation on 8 September 2005 ("Corporate Reorganisation").
- (b) The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note3(b) to the financial statements.
- (c) This represents the transfer from retained profits to capital reserve as a result of the write off of certain trade payables by 寧波捷豐家居用品有限公司 (JF A.C.R. Equipment Supplies (Ningbo) Co., Ltd.) ("JF Ningbo"), a subsidiary of the Company. Pursuant to the People's Republic of China ("PRC") accounting principles and financial regulations, any gains arising from debt restructuring which represent the difference between the final settlement and the carrying value of the debt concerned are directly reflected in capital reserve and therefore not distributable. Accordingly, a transfer has been made from retained profits to capital reserve. The capital reserve can only be used to increase capital of this subsidiary.
- (d) The general reserve is set up by way of appropriation from the profit after tax in accordance with the relevant laws and regulations in the PRC. The rate of appropriation to the general reserve is subject to the decision of the board of directors of PRC subsidiaries, but the minimum appropriation rate is 10% of the profit after tax for each year, until when the accumulated balance reaches 50% of its registered capital. Pursuant to the relevant laws and regulations of the PRC, if approvals are obtained from the relevant government authorities, the general reserve can be used in setting off accumulated losses or to increase the capital of this subsidiary.

附註：

- (a) 合併儲備指於二零零五年九月八日進行集團重組(「公司重組」)時產生的本公司已發行股本面值交換其附屬公司之股本及股份溢價面值之差額。
- (b) 外幣匯兌儲備包括換算海外業務財務報表而產生的所有外匯差額。該儲備乃按載於財務報表附註3(b)之會計政策處理。
- (c) 資本儲備指因註銷本公司附屬公司寧波捷豐家居用品有限公司(「寧波捷豐」)的若干應付貿易款項，自保留溢利轉撥至資本儲備。根據中華人民共和國(「中國」)會計原則及財務規條，因重組債務而產生的任何收益指最後結算與債務賬面值的差額，有關差額直接反映於資本儲備因此不可供分派。故此從保留溢利轉撥至資本儲備。資本儲備僅可用作增加此附屬公司之資本。
- (d) 一般儲備乃按有關的中國法律及規條由除稅後溢利撥付而成。撥付予一般儲備的比例由中國附屬公司之董事會釐定，惟最低撥付比例為每年除稅後溢利的10%，直至累計結餘達其註冊資本的50%。根據中國的有關法律及規條，倘取得有關政府當局的批准，一般儲備可用作抵銷累計虧損或增加此附屬公司之資本。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量報表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

	Note 附註	2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動的現金流量		
Profit before tax	除稅前溢利	30,594,389	29,758,734
Adjustments for:	經調整：		
Gain on disposal of subsidiaries	出售附屬公司收益	(12,227,897)	—
Depreciation	折舊	4,687,165	7,042,837
Finance costs	融資成本	5,848,911	3,910,680
Interest income	利息收入	(654,370)	(193,820)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(146)	(64,059)
Write-off of property, plant and equipment	物業、廠房及設備撇銷	—	164,854
Allowance for inventories	存貨撥備	—	862,177
Operating profit before working capital changes	營運資金變動前之經營溢利	28,248,052	41,481,403
Increase in inventories	存貨增加	(8,603,630)	(44,063,560)
Decrease/(increase) in trade and bills receivables	應收貿易賬款及應收票據減少／(增加)	5,967,416	(34,487,241)
Increase in deposits, other receivables and prepayments	按金、其他應收款項及預付款項增加	(23,841,586)	(18,527,801)
(Decrease)/increase in trade and bills payables	應付貿易賬款及應付票據(減少)／增加	(5,601,239)	43,281,152
Increase in other payables and accruals	其他應付款項及應計項目增加	71,581,183	20,855,501
Cash generated from operations	經營產生的現金	67,750,196	8,539,454
Income taxes paid	已付所得稅	(14,214,946)	(8,340,524)
Net cash generated from operating activities	經營業務產生的現金淨額	53,535,250	198,930
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動的現金流量		
Purchase of property, plant and equipment	購買物業、廠房及設備	(15,932,226)	(90,263,117)
Decrease/(increase) in restricted cash and bank balances	受限制現金及銀行結餘減少／(增加)	20,269,923	(19,137,531)
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	85,425,966	—
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	86,043	107,147
Increase in due from related companies	應收關聯公司款項增加	(2,933,731)	—
Decrease in available-for-sale financial assets	可供出售金融資產減少	2,000,000	—
Interest received	已收利息	654,370	193,820
Net cash generated from/(used in) investing activities	投資活動產生／(所用)的現金淨額	89,570,345	(109,099,681)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量報表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

	Note 附註	2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動的現金流量		
Proceeds from issue of shares	發行股份所得款項	900,000	10,733,200
Inception of new bank loans	新借銀行貸款	357,209,626	331,718,189
Repayment of bank loans	償還銀行貸款	(339,178,435)	(216,025,394)
Dividends paid	已付股息	(169,999,166)	(10,501,200)
Interest paid	已付利息	(5,848,911)	(3,910,680)
Net cash (used in)/generated from financing activities	融資活動(所用)/產生的現金淨額	(156,916,886)	112,014,115
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值物的淨(減少)/增加	(13,811,291)	3,113,364
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外匯匯率變動的影響	41,869	6,124,431
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於一月一日的現金及現金等值物	32,572,820	23,335,025
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	於十二月三十一日的現金及現金等值物	18,803,398	32,572,820
ANALYSIS OF CASH AND CASH EQUIVALENTS	現金及現金等值物分析		
Cash and bank balances	現金及銀行結餘	19,522,388	32,572,820
Bank overdrafts	銀行透支	(718,990)	—
		18,803,398	32,572,820

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The address of its principal place of business is 15th floor, EIB Tower, 4-6 Morrison Hill Road, Wanchai, Hong Kong. The Company's shares were previously listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the listing of which were subsequently transferred to the Main Board of the Stock Exchange on 10 September 2008.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 32 to the financial statements.

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are relevant to its operations and effective for its accounting year beginning on 1 January 2011. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards ("HKAS"); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current year and prior years except as stated below.

(a) Related Party Disclosures

HKAS 24 (Revised) "Related Party Disclosures" revises the definition of a related party and provides a partial exemption of disclosing related party transactions for government-related entities.

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

- (A) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Company; or
 - (iii) is a member of the key management personnel of the Company or of a parent of the Company.

1. 一般資料

本公司根據開曼群島公司法於開曼群島註冊成立為一家獲豁免有限公司，其註冊地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands，主要營業地點位於香港灣仔摩利臣山道4-6號經信商業大廈15樓。本公司之股份之前於香港聯合交易所有限公司（「聯交所」）創業板上市，其後於二零零八年九月十日轉往聯交所主板上市。

本公司為投資控股公司。本公司各附屬公司的主要業務列載於財務報表附註32。

2. 新訂及經修訂香港財務報告準則的採用

於本年度，本集團已採用經香港會計師公會（「香港會計師公會」）頒佈的所有與本集團營運有關，於二零一一年一月一日開始的本會計年度生效之新訂及經修訂香港財務報告準則（「香港財務報告準則」）。此等財務報告準則包括香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋。採用此等新訂及經修訂香港財務報告準則並未導致本集團之會計政策、本集團財務報表之呈列及本年度和過往年度的呈報金額發生重大變化，惟下文所述者除外。

(a) 關聯人士披露

香港會計準則第24號（經修訂）「關聯人士披露」修訂關聯人士之定義，並就披露政府相關實體之關聯人士交易提供部份豁免。

關聯人士為與本集團有關聯之個人或實體。

- (A) 倘屬以下人士，則該人士或該人士之近親與本集團有關聯：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本公司或本公司母公司之主要管理層成員。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

(a) Related Party Disclosures (Cont'd)

(B) An entity is related to the Group (reporting entity) if any of the following conditions applies:

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (A).
- (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

HKAS 24 (Revised) has been applied retrospectively and did not result in any significant changes in the consolidated amounts disclosed in the financial statements.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

2. 新訂及經修訂香港財務報告準則的採用(續)

(a) 關聯人士披露(續)

(B) 倘符合下列任何條件，則該實體與本集團(報告實體)有關聯：

- (i) 該實體與本公司屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關聯)。
- (ii) 一間實體為另一實體之聯營公司或合營企業(或另一實體為集團旗下成員公司之聯營公司或合營企業之成員公司)。
- (iii) 兩間實體均為同一第三方之合營企業。
- (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
- (v) 實體為本集團或與本集團有關聯之實體就僱員利益設立之離職福利計劃。倘本集團本身屬有關計劃，提供資助之僱主亦與本集團有關聯。
- (vi) 實體受(A)內所識別人士控制或共同控制。
- (vii) (A)(i)內所識別人士對實體有重大影響力或屬該實體(或該實體之母公司)之主要管理層成員。

香港會計準則第24號(經修訂)已追溯應用，且並無導致對財務報表所披露之綜合數額有任何重大變動。

本集團並無應用已頒佈但尚未生效之新香港財務報告準則。本集團已開始評估該等新香港財務報告準則之影響，惟目前尚未能說明該等新香港財務報告準則會否對其經營業績及財務狀況造成重大影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with HKFRSs issued by the HKICPA, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the directors to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these financial statements, are disclosed in note 4 to the financial statements.

The significant accounting policies applied in the preparation of these financial statements are set out below.

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has control.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

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

3. 主要會計政策

本財務報表乃根據香港會計師公會頒佈之香港財務報告準則、香港公認的會計原則及聯交所證券上市規則和香港公司條例要求之適用披露規定而編製。

本財務報表乃按歷史成本慣例編製。

編製符合香港財務報告準則的財務報表，須使用若干主要假設和估計，亦需要董事在採用會計政策的過程中行使其判斷。涉及重要判斷的內容及對本財務報表產生重要作用之假設和估計的內容於財務報表附註4中披露。

編製本財務報表所採用之主要會計政策如下。

(a) 綜合賬目

綜合財務報表包括本公司及其附屬公司截至十二月三十一日止的財務報表。附屬公司為本集團對其擁有控制權之實體。控制權指監管該實體財務及經營政策，從而自其業務取得利益之權力。在評估本集團是否擁有控制權時，會考慮現時可行使或轉換之潛在投票權的存在及影響。

附屬公司自其控制權轉移予本集團之日起全部綜合入賬，並於控制權終止當日停止綜合入賬。

出售附屬公司而導致失去控制權之盈虧乃指 (i) 出售代價公平值連同於該附屬公司任何保留投資公平值與 (ii) 本公司應佔該附屬公司資產淨值連同與該附屬公司有關之任何剩餘商譽以及任何相關累計匯兌儲備兩者間差額。

集團內公司間交易、交易所產生的結餘及未變現收益予以抵銷。未變現虧損亦予以抵銷，除非交易有證據顯示所轉讓資產出現減值。本公司對附屬公司之會計政策在必要情況下已予修訂，以確保與本集團所採納之政策一致。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(b) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

(iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

3. 主要會計政策(續)

(b) 外幣兌換

(i) 功能及呈列貨幣

本集團各實體之財務報表所包括之項目，乃按該實體經營所在之主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表以港元(本公司之功能和呈列貨幣)呈列。

(ii) 各實體財務報表之交易及結餘

外幣交易於首次確認時按交易日之現行匯率兌換為功能貨幣。以外幣列值之貨幣性資產和負債均按各報告期結束時之匯率兌換。按此兌換政策產生的盈虧在損益表內確認。

以公平值計量的外幣非貨幣性項目按照釐定公平值當日的匯率兌換。

倘非貨幣性項目的盈虧於其他全面收益確認，則該盈虧之匯兌部份亦會於其他全面收益中確認。倘非貨幣性項目的盈虧於損益確認，則該盈虧之匯兌部份會於損益中確認。

(iii) 綜合賬目的兌換

本集團所有實體如持有與本公司呈列貨幣不同之功能貨幣，其業績及財務狀況均按以下方式兌換為本公司的呈列貨幣：

- 各財務狀況表呈列之資產與負債均按該財務狀況表日期之收市匯率兌換；

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(b) Foreign currency translation (Cont'd)

(iii) Translation on consolidation (Cont'd)

- Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

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

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal useful lives are as follows:

Leasehold land	The shorter of the lease terms and 50 years
Buildings	20 years
Plant and machinery	10 years
Furniture, fixtures and equipment	2-5 years
Motor vehicles	5 years

3. 主要會計政策(續)

(b) 外幣兌換(續)

(iii) 綜合賬目的兌換(續)

- 各收益表之收入和支出均按照平均匯率兌換(若此平均匯率未能合理反映各交易日匯率所帶來之累計影響,在此情況下,收入和支出則按照交易日之匯率兌換);及
- 所有匯兌差額均於外幣匯兌儲備中確認。

在綜合賬目時,兌換於海外公司投資淨額和借貸產生之匯兌差額於外幣匯兌儲備中確認。當出售海外業務時,此部份匯兌差額將於綜合損益中確認為出售盈虧之一部份。

(c) 物業、廠房及設備

物業、廠房及設備以成本值減累計折舊及減值虧損列賬。

其後的成本計入資產賬面值內,或僅當與該項目相關之未來經濟利益很可能流入本集團且該項目成本能可靠計量時,可被確認為一項獨立資產(如適用)。其他的所有維修及保養費用均於其產生期間於損益確認。

物業、廠房及設備乃以直線法於估計可使用年內按足以撇銷其成本減其剩餘價值之比率計算折舊。主要可使用年期如下:

租賃土地	租期或50年 (以較短者為準)
建築物	20年
廠房及機械	10年
傢俬、裝置及設備	2-5年
車輛	5年

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(c) Property, plant and equipment (Cont'd)

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

Construction in progress represents buildings under construction and plant and machinery pending installation, and is stated at cost less impairment losses. Depreciation begins when the relevant assets are available for use.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

(d) Leases

(i) Operating leases

Leases that do not substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as operating leases. Lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

(ii) Finance leases

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. At the commencement of the lease term, a finance lease is capitalised at the lower of the fair value of the leased asset and the present value of the minimum lease payments, each determined at the inception of the lease.

The corresponding liability to the lessor is included in the statement of financial position as finance lease payable. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Assets under finance leases are depreciated the same as owned assets.

3. 主要會計政策(續)

(c) 物業、廠房及設備(續)

剩餘價值、可使用年期及折舊方法將於每個報告期結束時予以檢討及調整(如適用)。

在建工程指在建建築物及待安裝的廠房和機械，以成本值減減值虧損列賬。相關資產於可供使用時開始折舊。

出售物業、廠房及設備之盈虧指出售相關資產所得款項淨額與其賬面值之差額，於損益中確認。

(d) 租賃

(i) 經營租賃

資產擁有權的所有風險及回報並無絕大部份轉讓予本集團的租賃列作經營租賃。租賃付款(經扣除自出租方獲得之所有優惠)於租賃期內以直線法確認為開支。

(ii) 融資租賃

資產擁有權的所有風險及回報絕大部份轉讓予本集團的租賃列作融資租賃。租賃期開始後，融資租賃乃以租賃開始時釐定之租賃資產之公平值或最低租賃付款之現值(以較低者為準)進行資本化。

出租人之相應債務於財務狀況表中列作應付融資租賃款項。租賃付款按比例分配於財務費用及削減未付債務。財務費用在各租期內分攤，以得出一個債務結餘之定期利率。

融資租賃之資產按與自有資產相同之基準計算折舊。

3. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(e) Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

(f) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(g) Discontinued operations

A discontinued operation is a component of the Group, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale in accordance with HKFRS 5, if earlier. It also occurs when the operation is abandoned.

When an operation is classified as discontinued, a single amount is presented in the income statement, which comprises:

- The post-tax profit or loss of the discontinued operations; and
- The post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group constituting the discontinued operations.

3. 主要會計政策(續)

(e) 研究與發展支出

研究活動的支出於產生期間確認為開支。

(f) 存貨

存貨以成本值及可變現淨值兩者間之較低者呈列。成本乃基於加權平均數釐定。製成品及在製品成本包括原材料、直接勞工及適當比例的所有生產間接開支及分判承包費用(如適用)。可變現淨值為日常業務過程中的估計銷售價格減估計完成成本值及估計促成銷售所需的成本值。

(g) 已終止經營業務

已終止經營業務是本集團之一部分，其營運及現金流量可與本集團其他業務清楚區分，且為一項按業務或地區劃分之獨立主要業務，或作為出售一項按業務或地區劃分之獨立主要業務之單一統籌計劃之一部份。

倘業務被出售或於此之前根據香港財務報告準則第5號符合列為待售項目之標準，則分類為已終止經營業務。於廢止業務時，有關業務亦會分類為已終止經營業務。

倘若業務分類為已終止經營，則會於收益表呈列單一數額，當中包括：

- 已終止經營業務之除稅後溢利或虧損；及
- 就構成已終止經營業務之資產或出售組合，計量公平值減出售成本或於出售時確認之除稅後損益。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(h) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

(i) Investments

Investments are recognised and derecognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus directly attributable transaction costs.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets not classified as trade and other receivables, or financial assets at fair value through profit or loss. Available-for-sale financial assets are subsequently measured at fair value. Gains or losses arising from changes in fair value of these investments are recognised in other comprehensive income, until the investments are disposed of or there is objective evidence that the investments are impaired, at which time the cumulative gains or losses previously recognised in other comprehensive income are recognised in profit or loss.

3. 主要會計政策(續)

(h) 確認及解除確認金融工具

倘本集團成為工具合約條文的一方，則金融資產及金融負債於財務狀況表中確認。

當從資產收取現金流的合約權利屆滿時，或本集團將資產所有權所有風險與回報的絕大部份轉讓時，或本集團並無將資產所有權所有風險與回報的絕大部份轉讓或保留，但亦未保留對資產的控制權時，金融資產將被解除確認。於解除確認金融資產時，資產的賬面值與所收代價與已在其他全面收益中確認的累積損益之總和兩者的差額將於損益確認。

當相關合約中規定的責任解除、取消或屆滿時，金融負債將解除確認。解除確認的金融負債的賬面值與已付代價間的差額將於損益確認。

(i) 投資

倘投資買賣是根據合約進行，而其條款規定該投資須於有關市場設定的時限內交付，則該投資按交易日期基準確認及解除確認，並初步以公平值加直接應佔交易成本計量。

可供出售金融資產

可供出售金融資產指並未分類為應收貿易賬款及其他應收款項或以公平值計入損益之金融資產之非衍生金融資產。可供出售金融資產其後按公平值計量。由此等投資之公平值變動而產生的盈虧於其他全面收益確認，直至有關投資被出售或有客觀證據顯示該投資已減值時，過往於其他全面收益內確認之累計盈虧於損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(i) Investments (Cont'd)

Available-for-sale financial assets (Cont'd)

Impairment losses recognised in profit or loss for equity investments classified as available-for-sale financial assets are not subsequently reversed through profit or loss. Impairment losses recognised in profit or loss for debt instruments classified as available-for-sale financial assets are subsequently reversed and recognised in profit or loss if an increase in the fair value of the instruments can be objectively related to an event occurring after the recognition of the impairment loss.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted instruments, they are measured at cost less any identified impairment losses at the end of each reporting period.

(j) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the receivables' carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition. The amount of the allowance is recognised in profit or loss.

Impairment losses are reversed in subsequent periods and recognised in profit or loss when an increase in the receivables' recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the receivables at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

3. 主要會計政策 (續)

(i) 投資 (續)

可供出售金融資產 (續)

分類為可供出售金融資產之權益投資於損益確認減值虧損後不會自損益撥回。分類為可供出售金融資產之債務工具於損益確認減值虧損後，倘該工具公平值之增加可客觀地與在確認減值虧損後發生之事件相關時，則有關減值虧損可被撥回並於損益中確認。

該等並無活躍市場之市價報價，而其公平值未能可靠計量的可供出售權益投資及與該等權益投資有關並須以交付該等無報價工具結算之衍生工具，於各個報告期末以成本扣除任何已識別減值虧損計量。

(j) 應收貿易賬款及其他應收款項

應收貿易賬款及其他應收款項指並非於活躍市場報價，具有固定或可釐定付款之非衍生金融資產，初步按公平值確認，其後使用實際利率法按攤銷成本減減值撥備計量。倘有客觀證據顯示本集團將不能根據應收款項的原有條款收取所有到期金額，將會就應收貿易賬款及其他應收款項作出減值撥備。撥備金額乃應收款項的賬面值與估計未來現金流量的現值之差額，按初步確認時使用的實際利率貼現。撥備金額於損益中確認入賬。

當應收賬款之可收回金額增加可客觀地與於確認減值後發生之事件有關時，則減值虧損會於隨後期間撥回並於損益內確認，惟該應收賬款於撥回減值當日之賬面值不得超過假設未確認減值時之攤銷成本。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(k) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

(l) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the assets are available for immediate sale in their present condition. The Group has committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of the assets' previous carrying amount and fair value less costs to sell.

(m) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below:

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

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

3. 主要會計政策 (續)

(k) 現金及現金等值物

就現金流量報表而言，現金及現金等值物指銀行存款及手頭現金，銀行及其他金融機構的活期存款及短期高流動性投資（可隨時轉換為已知數額的現金且價值變動的風險不高）。現金及現金等值物亦包括須於要求時償還及屬於本集團現金管理組成部份的銀行透支。

(l) 持作出售之非動資產

倘若非流動資產的賬面值主要透過銷售交易而非持續使用而收回，該非流動資產則將分類為持作出售之非流動資產。是項條件僅於銷售極可能達成而該資產可於現況下即時出售時方算符合。本集團必須對出售作出承諾，而出售預期應可於分類日期起計一年內合資格確認為已完成出售。

分類為持作出售之非流動資產乃按該資產過往的賬面值及公平值減出售成本兩者的較低者計量。

(m) 金融負債及權益工具

金融負債及權益工具按所訂立的合約安排內容及香港財務報告準則有關金融負債及權益工具的定義分類。權益工具為本集團在扣除所有債務後的資產中證明擁有剩餘權益的任何合約。就特定金融負債及權益工具所採納的會計政策載列如下：

借貸

借貸最初乃按公平值扣除所產生的交易成本確認入賬，其後以實際利率法按攤銷成本計量。

除非本集團有無條件權利延遲清償負債至報告期後至少十二個月，否則借貸分類為流動負債。

3. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(m) Financial liabilities and equity instruments

(Cont'd)

Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(n) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

Revenue from the sales of manufactured goods is recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.

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

(o) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

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

3. 主要會計政策(續)

(m) 金融負債及權益工具(續)

應付貿易賬款及其他應付款項

應付貿易賬款及其他應付款項最初按其公平值列賬，其後以實際利率法按攤銷成本計量，惟倘折現影響並不重大，則以成本值列賬。

權益工具

由本公司發行的權益工具按已收取所得款項扣除直接發行成本入賬。

(n) 收益確認

收益按所收取或應收取代價之公平值計量，並當經濟利益很可能流入本集團且收益數額能可靠計量時予以確認。

製成品之銷售收入在擁有權之大部份風險及回報轉移時確認，通常亦即為貨品付運及所有權轉讓予客戶時。

利息收入按時間比例基準使用實際利率法確認。

(o) 僱員福利

(i) 僱員可享假期

僱員可享年假及長期服務假期在僱員應該享有時確認。本集團為截至報告期結束時僱員已提供之服務而產生之年假及長期服務假期之估計負債作出撥備。

僱員可享病假及產假在僱員正式休假時予以確認。

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For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(o) Employee benefits (Cont'd)

(ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

(iii) Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(p) Share-based payments

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

(q) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

3. 主要會計政策(續)

(o) 僱員福利(續)

(ii) 退休金責任

本集團向界定供款退休計劃供款，所有僱員均可參與。本集團與僱員之計劃供款按員工基本薪金之百分比計算。在損益內支銷之退休福利計劃成本指本集團應向基金支付之供款。

(iii) 合約終止補償

合約終止補償只會在本集團根據正式、具體，且不大可能撤回的計劃終止僱員合約或根據該計劃自願遣散僱員而終止合約並作出補償時確認。

(p) 以股份支付款項

本集團向若干僱員發放按權益結算以股份支付之款項。按權益結算以股份支付之款項於授出日期按權益工具之公平值(不包括非市場歸屬條件之影響)計量。按權益結算以股份支付之計款項在授出日釐定之公平值將依據本集團對最終歸屬之股份所作估計，並對非市場歸屬條件之影響作出調整後，以直線法於歸屬期內列作開支。

(q) 借貸成本

借貸成本直接與收購、建造或生產合資格資產有關，而該資產須於一段長時間後方可用於其擬定用途或銷售，則此部份借貸成本均撥充為該等資產之成本的一部份，直至該等資產已大致可作擬定用途或可供出售時為止。在等待將特定借貸款項用在合資格資產上之前，將特定借貸款項作暫時性投資所賺取的投資收入，會用作扣減適合作資本化的借貸成本。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(q) Borrowing costs (Cont'd)

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

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

(r) Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants relating to income are deferred and recognised in profit or loss over the period to match them with the costs they are intended to compensate.

(s) Taxation

Income tax represents the sum of the current tax and deferred tax.

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

3. 主要會計政策(續)

(q) 借貸成本(續)

對於一般性借款用於獲取合資格資產，其借貸成本中可用於資本化的數額乃透過該項資產之支出所採用之資本化比率而釐定。資本化比率為適用於本集團期內未償還借貸之借貸成本的加權平均數，惟為獲取合資格資產而特別作出的借貸除外。

所有其他借貸成本值在產生期間於損益內確認。

(r) 政府津貼

政府津貼於有合理保證本集團將遵守有關附帶條件及有關津貼將可獲取時予以確認。

為補償有關成本而收取與收入相關之政府補貼，會按遞延法於有關成本記帳之期間內於損益配對確認。

(s) 稅項

所得稅指本年稅項及遞延稅項之總額。

本年應付稅項乃按本年度應課稅溢利計算。應課稅溢利不包括其他年度之應課稅或可扣稅之收入或開支項目，亦不包括免稅或不可扣稅之項目，故與損益確認的溢利不同。本集團本年稅項之負債乃使用於報告期結束前已實行或實質已實行之稅率計算。

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財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(s) Taxation (Cont'd)

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3. 主要會計政策(續)

(s) 稅項(續)

遞延稅項乃按財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基間之差異確認。遞延稅項負債一般按所有應課稅之暫時性差異予以確認，並於應課稅溢利有可能用作抵銷可扣稅暫時差額、未動用稅項虧損或未動用稅務抵免之情況下，確認遞延稅項資產。若暫時性差異乃因商譽或首次確認一項既不影響應課稅溢利亦不影響會計溢利之交易(業務合併除外)中之其他資產及負債而產生，則不予確認有關資產及負債。

遞延稅項負債乃按於附屬公司之投資而引致之應課稅暫時性差異而確認，惟若本集團可控制暫時性差額之回撥及暫時性差額可能於可見將來無法回撥之情況除外。

遞延稅項資產之賬面值會於每個報告期結束時覆核，倘不再可能有足夠應課稅溢利可用於收回全部或部份資產，遞延稅項資產則會予以扣減。

遞延稅項按預計於負債償還或資產變現期間所採用之稅率計算，所採用之稅率為於報告期結束前已實行或實質實行之稅率。遞延稅項於損益內確認，惟遞延稅項與於其他全面收入內確認或直接計入權益的項目有關的情況下，亦會於其他全面收入或直接於權益內確認。

當有可合法執行權利許可將本年稅項資產與本年稅項負債互相抵銷，及當其涉及同一稅項機關徵收之所得稅，而本集團計劃以淨額基準處理其本年稅項資產及負債時，則遞延稅項資產可與遞延稅項負債互相抵銷。

3. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(t) Related parties

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

- (A) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Company or of a parent of the Company.
- (B) An entity is related to the Group (reporting entity) if any of the following conditions applies:
- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (A).
 - (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

3. 主要會計政策(續)

(t) 關聯人士

關聯人士為與本集團有關聯的人士或實體。

- (A) 倘屬以下人士，則該人士或該人士之近親與本集團有關聯：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本公司或本公司母公司之主要管理層成員。
- (B) 倘符合下列任何條件，則該實體與本集團(報告實體)有關聯：
- (i) 該實體與本公司屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關聯)。
 - (ii) 一間實體為另一實體之聯營公司或合營企(或另一實體為成員公司集團旗下成員公司之聯營公司或合營企業)。
 - (iii) 兩間實體均為同一第三方之合營企業。
 - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
 - (v) 實體為本集團或與本集團有關聯之實體就僱員利益設立之離職福利計劃。倘本集團本身屬有關計劃，提供資助之僱主亦與本集團有關聯。
 - (vi) 實體受(A)內所識別人士控制或共同控制。
 - (vii) (A)(i)內所識別人士對實體有重大影響力或屬該實體(或該實體之母公司)之主要管理層人員。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(u) Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets except inventories, investments and receivables to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3. 主要會計政策(續)

(u) 資產減值

於各報告期結束時，本集團會審閱其有形及無形資產之賬面值(存貨、投資及應收賬款除外)，以釐定是否有任何情況顯示該等資產已出現減值虧損。倘出現任何該等情況，則會估計資產之可收回金額，以釐定減值虧損之程度。如未能對個別資產之可收回金額作出估計，則本集團會評估該資產所屬現金產生單位之可收回金額。

可收回金額乃公平值減出售成本與使用價值兩者中之較高者。於評估使用價值時，以估計未來現金流量按反映市場現時對貨幣時間價值及資產特定風險之評估之稅前折現率折現至其現值。

倘估計資產或現金產生單位之可收回金額低於其賬面值，則資產或現金產生單位之賬面值將撇減至其可收回金額。減值虧損即時於損益中確認，除非有關資產乃以重估金額列賬，在該情況下減值虧損將視為重估之減值。

倘減值虧損於其後回撥，資產或現金產生單位之賬面值將增加至重新估計之可收回金額，惟增加後之賬面值不得超過於以往年度並無就資產或現金產生單位確認減值虧損而原有之賬面值(扣除攤銷或折舊)。減值虧損之回撥即時於損益中確認，除非有關資產乃以重估金額列賬，在該情況下減值虧損之回撥將視為重估之增值。

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For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(v) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

(w) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

3. 主要會計政策(續)

(v) 撥備及或然負債

當本集團因過去的事件負有現有的法律或推定責任，而在履行責任的過程中，很有可能須要付出經濟利益並能作出可靠的估計時，則對該等在時間或金額上未確定的負債作出撥備。當金錢時間價值影響重大時，撥備則以預計履行責任時所需支出之現值列賬。

如付出經濟利益的機會不大，或所涉及的金額未能可靠地估計時，除非付出經濟利益的可能性極微，否則該等責任會以或然負債披露。如責任的存在取決於一件或多件事件將來發生與否時，除非付出經濟利益的可能性極微，否則該等可能的責任亦會以或然負債披露。

(w) 報告期後事項

為本集團於報告期結束後之狀況提供額外資料或顯示持續經營假設並不合適之報告期後事項，為調整事項並反映於財務報表內。不屬於調整事項之報告期後事項若屬重大則在財務報表附註內作出披露。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

(a) Property, plant and equipment and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

(b) Impairment loss for bad and doubtful debts

The Group makes impairment loss for bad and doubtful debts based on assessments of the recoverability of the trade and other receivables, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debt expenses in the year in which such estimate has been changed.

(c) Allowance for slow-moving inventories

Allowance for slow-moving inventories is made based on the ageing and estimated net realisable value of inventories. The assessment of the allowance amount involves judgement and estimates. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance charge/write-back in the period in which such estimate has been changed.

4. 估計不明朗因素之主要來源

於報告期結束時對未來及其他估計不明朗因素之主要來源的主要假設，對下個財政年度內的資產及負債的賬面值造成重大調整之重大風險在下文討論。

(a) 物業、廠房及設備及折舊

本集團就其物業、廠房及設備釐定估計可用年期、剩餘價值及相關折舊開支。此項估計乃根據具有類似性質及功能之物業、廠房及設備的實際可使用年期及剩餘價值之過往經驗作出。倘可用年期及剩餘價值與先前估計有別，則本集團會修訂折舊開支，或撇銷或撇減已棄用或出售的技術性陳舊或非策略性資產。

(b) 壞賬及呆賬減值虧損

本集團根據貿易及其他應收賬款的可收回性評估，包括每一借貸人之現時信譽及過往收款歷史記錄作出壞賬及呆賬減值虧損。若事件或情況變化顯示無法收取結餘則產生減值。識別壞賬及呆賬需要作出判斷及評估。倘若實際結果與最初估計存在差異，則有關差額將影響於該估計改變之年度的貿易及其他應收賬款之賬面值以及呆賬開支。

(c) 滯銷存貨撥備

滯銷存貨撥備乃按存貨的賬齡及估計可變現淨值計提。撥備金額的評估需要作出判斷及估計。若未來實際情況有別於最初估計，則有關差額將於有關估計已改變的期間內影響存貨及撥備開支／回撥的賬面值。

5. FINANCIAL RISK MANAGEMENT

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

(a) Foreign currency risk

The Group has certain exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in Hong Kong dollars ("HKD"), United States dollars ("USD") and Renminbi ("RMB"). The Group entered into foreign currency forward contracts to mitigate the foreign currency risk arising from sales of goods denominated in USD during the year. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

At 31 December 2011, if the USD had weakened 5 per cent against the RMB with all other variables held constant, consolidated profit after tax for the year would have been approximately HK\$79,000 lower (2010: HK\$1,008,000), arising mainly as a result of the net foreign exchange loss on cash and bank balances, receivables, payables and bank borrowings denominated in USD. If the USD had strengthened 5 per cent against the RMB with all other variables held constant, consolidated profit after tax for the year would have been approximately HK\$79,000 higher (2010: HK\$1,008,000), arising mainly as a result of the net foreign exchange gain on cash and bank balances, receivables, payables and bank borrowings denominated in USD.

At 31 December 2011, if the EUR had weakened 10 per cent against the HKD with all other variables held constant, consolidated profit after tax for the year would have been approximately HK\$Nil higher (2010: HK\$1,722,000), arising mainly as a result of the net foreign exchange gain on bank and cash balances, payables and bank borrowings denominated in EUR. If the EUR had strengthened 10 per cent against the HKD with all other variables held constant, consolidated profit after tax for the year would have been approximately HK\$Nil lower (2010: HK\$1,722,000), arising mainly as a result of the net foreign exchange loss on bank and cash balances, payables and bank borrowings denominated in EUR.

5. 財務風險管理

本集團之經營活動令其須承受眾多不同之財務風險：外匯風險、信用風險、流動資金風險及利率風險。本集團之整體風險管理計劃主要針對金融市場之不可預測性，旨在將對本集團之財務表現之潛在不利影響減至最低。

(a) 外匯風險

由於本集團之大部份業務交易、資產及負債主要以港元「港元」、美元「美元」及人民幣「人民幣」計值，故需承受若干外匯風險。本集團訂立外匯期貨合約，以減少年內以美元計值之貨物銷售所產生的外幣風險。目前，本集團並無對外匯交易、資產及負債採取外匯對沖政策。本集團將緊密監察其外匯風險，並將考慮於需要時對沖重大外匯風險。

於二零一一年十二月三十一日，若美元兌人民幣匯率下跌5%，其他所有變數維持不變，主要由於以美元計值之現金及銀行結餘、應收款項、應付款項及銀行借款之匯兌虧損淨值，年內綜合除稅後溢利將下降約79,000港元(二零一零年：1,008,000港元)。若美元兌人民幣匯率上升5%，其他所有變數維持不變，主要由於以美元計值之現金及銀行結餘、應收款項、應付款項及銀行借款之匯兌收益淨值，年內綜合除稅後溢利將增加約79,000港元(二零一零年：1,008,000港元)。

於二零一一年十二月三十一日，若歐元兌港元匯率下跌10%，其他所有變數維持不變，年內綜合除稅後溢利將增加約零港元(二零一零年：1,722,000港元)，主要來自以歐元計值之銀行及現金結餘、應付款項及銀行貸款造成之匯兌收益淨值。若歐元兌港元匯率上升10%，其他所有變數維持不變，主要由於以歐元計值之銀行及現金結餘、應付款項及銀行借款造成之匯兌虧損淨值，年內綜合除稅後溢利將減少約零港元(二零一零年：1,722,000港元)。

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For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (Cont'd)

(b) Credit risk

The carrying amount of the cash and bank balances and trade, bills and other receivables and investments included in the statement of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

It has policies in place to ensure that sales are made to customers with an appropriate credit history.

The credit risk on cash and bank balances, bills receivables and investments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has significant concentration of credit risk to its trade receivables as the Group's largest customer contributed over 98% (2010: 98%) of the turnover for the year and shared over 99% (2010: 99%) of the trade receivables at the end of the reporting period. The Group has policies and procedures to monitor the collection of the trade receivables to limit the exposure to non-recoverable of the receivables and there is no recent history of default for the Group's largest customer.

(c) Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements, its compliance with lending covenants and its relationship with its bankers to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

5. 財務風險管理(續)

(b) 信用風險

本集團載於財務狀況表內的現金及銀行結餘以及應收貿易賬款、應收票據及其他應收款項及投資，其賬面值代表本集團所承載與其金融資產有關的最大信用風險。

本集團定有政策，確保向擁有適當信用歷史的客戶進行銷售。

現金及銀行結餘、應收票據以及投資的信用風險有限，原因為對方主要為國際信貸評級機構給予高信用評級的銀行。

本集團應收貿易賬款的信用風險高度集中，原因是本集團的最大客戶於年內佔營業額逾98%(二零一零年：98%)及於報告期結束時佔應收貿易賬款逾99%(二零一零年：99%)。本集團已設定政策及程序監察應收貿易賬款之追收，以限制就應收款項不可收回部份的風險。近期，本集團最大客戶並無違約之情況出現。

(c) 流動資金風險

本集團的政策為定期監控流動資金要求、其遵守貸款契約情況及與其銀行的關係，以確保其維持充足現金儲備、隨時可變現的有市證券及由主要金融機構提供足夠的承諾融資，以滿足其短期及長期的流動資金需要。

以下附表顯示於報告期結束時本集團餘下的合約到期期間，並計及未折算現金流量(包括以合約利率或(如浮動)根據於報告期末當時的利率計算的利息支付)及本集團需要支付的最早日期。

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5. FINANCIAL RISK MANAGEMENT (Cont'd)

(c) Liquidity risk (Cont'd)

Specifically, for bank loans which contain a repayment on demand clause which can be exercised at the bank's sole discretion, the analysis shows the cash outflow based on the earliest period in which the entity can be required to pay, that is if the lenders were to invoke their unconditional rights to call the loans with immediate effect. The maturity analysis for other bank loans is prepared based on the scheduled repayment dates.

5. 財務風險管理(續)

(c) 流動資金風險(續)

尤其是帶有銀行可絕對酌情行使要求時償還條款的銀行貸款，該分析顯示倘貸款人行使其權利立即無條件收回貸款，實體可能須償還款項的最早期間的現金流出。其他銀行貸款的到期日分析乃按照協定還款日期編製。

		2011 二零一一年					
		Maturity Analysis – Undiscounted cash outflows 到期日分析 – 未折算現金流出					
		On demand	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total undiscounted cash outflows
		按要求	一年以內	一至兩年間	二至五年間	五年以上	未折算現金流出總值
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
Trade and bills payables	應付貿易賬款及應付票據	—	36,392,511	—	—	—	36,392,511
Other payables and accruals	其他應付款項及應計項目	—	34,559,594	—	—	—	34,559,594
Bank loans subject to a repayment on demand clause	帶有按要求償還條款的銀行貸款	11,479,299	—	—	—	—	11,479,299
Other bank loans	其他銀行貸款	—	60,893,590	—	—	—	60,893,590
		11,479,299	131,845,695	—	—	—	143,324,994

		2010 二零一零年					
		Maturity Analysis – Undiscounted cash outflows 到期日分析 – 未折算現金流出					
		On demand	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total undiscounted cash outflows
		按要求	一年以內	一至兩年間	二至五年間	五年以上	未折算現金流出總值
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
Trade and bills payables	應付貿易賬款及應付票據	—	72,433,233	—	—	—	72,433,233
Other payables and accruals	其他應付款項及應計項目	—	30,011,390	—	—	—	30,011,390
Bank loans subject to a repayment on demand clause	帶有按要求償還條款的銀行貸款	89,226,006	—	—	—	—	89,226,006
Other bank loans	其他銀行貸款	—	71,915,695	—	—	—	71,915,695
		89,226,006	174,360,318	—	—	—	263,586,324

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5. FINANCIAL RISK MANAGEMENT (Cont'd)

(c) Liquidity risk (Cont'd)

The table that follows summarises the maturity analysis of bank loans with a repayment on demand clause based on agreed scheduled repayments set out in the loan agreements. The amounts include interest payments computed using contractual rates. As a result, these amounts were greater than the amounts disclosed in the "on demand" time band in the maturity analysis contained in the above. Taking into account the Group's financial position, the directors do not consider that it is probable that the bank will exercise its discretion to demand immediate repayment. The directors believe that such bank loans will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

Maturity Analysis — Bank loans subject to a repayment on demand clause based on scheduled repayments

到期日分析 — 根據協定還款日期而償還的帶有按要求償還條款的銀行貸款

	On demand	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total undiscounted cash outflows
	按要求	一年以內	一至兩年間	二至五年間	五年以上	未折算現金流出總值
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元
31 December 2011 二零一一年十二月三十一日	—	11,558,629	—	—	—	11,558,629
31 December 2010 二零一零年十二月三十一日	—	75,675,679	4,615,734	10,306,253	—	90,597,666

(d) Interest rate risk

The Group's exposure to cash flow interest rate risk arises from its bank deposits and bank borrowings. These deposits and borrowings bear interests at variable rates varied with the then prevailing market condition.

Bank loans of approximately HK\$17,618,000 (2010: HK\$39,411,000) are arranged at fixed interest rates and expose the Group to fair value interest rates risk. Other bank borrowings are arranged at floating rates, thus exposing the Group to cash flow interest rate risk.

5. 財務風險管理(續)

(c) 流動資金風險(續)

下表概列帶有按要求償還條款的銀行貸款根據貸款協議所載之協定還款時間表作出之到期日分析。有關金額包括運用合約利率計算之利息付款。因此，此等金額高於上列到期日分析中「按要求」時間一樣中披露之金額。計及本集團之財務狀況，董事並不認為銀行將行使要求即時還款的酌情權。董事相信，有關銀行貸款將會根據貸款協議所載之協定還款日期而償還。

(d) 利率風險

本集團之現金流量利率風險來自其銀行存款及銀行借貸。該等存款及借貸跟隨當時之市場狀況按不同利率計息。

銀行貸款約為17,618,000港元(二零一零年：39,411,000港元)以固定息率計息，故本集團乃面臨公平值利率風險。其他銀行借貸乃按浮動息率計息，故本集團須承受現金流量利率風險。

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5. FINANCIAL RISK MANAGEMENT (Cont'd)

(d) Interest rate risk (Cont'd)

At 31 December 2011, if interest rates at that date had been 100 basis points lower with all other variables held constant, consolidated profit after tax for the year would have been approximately HK\$356,000 (2010: HK\$711,000) higher, arising mainly as a result of the net effect of lower interest expense on bank borrowings and lower interest income on bank deposits. If interest rates had been 100 basis points higher, with all other variables held constant, consolidated profit after tax for the year would have been approximately HK\$356,000 (2010: HK\$711,000) lower, arising mainly as a result of the net effect of higher interest expense on bank borrowings and higher interest income on bank deposits.

(e) Categories of financial instruments at 31 December

5. 財務風險管理(續)

(d) 利率風險(續)

於二零一一年十二月三十一日，倘當日之利率下降100點子，其他所有變數保持不變，由於銀行借款利息開支淨額減少及銀行存款的利息收入減少，年內綜合除稅後溢利將上升約356,000港元(二零一零年：711,000港元)。倘利率上升100點子，其他所有變數保持不變，由於銀行借款利息開支淨額增加及銀行存款的利息收入增加，年內綜合除稅後溢利將減少約356,000港元(二零一零年：711,000港元)。

(e) 於十二月三十一日之金融工具分類

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Financial assets:	金融資產：		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等值物)	63,439,439	138,234,284
Available-for-sale financial assets	可供出售金融資產	—	2,000,000
Financial liabilities:	金融負債：		
Financial liabilities at amortised cost	按攤銷成本計量之金融負債	142,857,950	262,453,486

(f) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

(f) 公平值

本集團計入綜合財務狀況表的金融資產及金融負債之賬面值與其各自的公平值相若。

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6. REVENUE

The Group's revenue represented the net invoiced value of goods sold to customers, after allowances for trade discounts and returns.

6. 收益

本集團之收益乃指扣減貿易折扣及退貨後，售予客戶之貨品之發票淨值。

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Sales of goods	貨品銷售	401,798,257	438,243,822
Representing:	以下各項應佔：		
Continuing operations	持續經營業務	341,282,154	310,669,826
Discontinued operations (note 12)	已終止經營業務(附註12)	60,516,103	127,573,996
		401,798,257	438,243,822

7. OTHER INCOME

7. 其他收入

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Government grants	政府津貼	840,752	363,975
Interest income	利息收入	654,370	193,820
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	146	64,059
Write back of trade payables	應付貿易款項回撥	191,115	91,466
Others	其他	53,641	190,652
Net exchange gain	淨匯兌收益	1,084,323	—
Rental income	租金收入	587,477	—
		3,411,824	903,972
Representing:	以下各項應佔：		
Continuing operations	持續經營業務	2,284,126	370,259
Discontinued operations (note 12)	已終止經營業務(附註12)	1,127,698	533,713
		3,411,824	903,972

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8. SEGMENT INFORMATION

The Group has two reportable segments as follows:

Stainless steel furnishings	—	manufacture and sale of stainless steel furnishings and home products
Wooden furnishings	—	manufacture and sale of wooden panel furniture (discontinued operations)

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The accounting policies of the operating segments are the same as those described in note 3 to the financial statements. Segment results do not include gain on disposal of subsidiaries, unallocated finance costs and corporate income and expenses. Segment assets do not include available-for-sale financial assets and unallocated corporate assets.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

Information about reportable segment revenue, results and assets:

8. 分類資料

本集團之兩個可申報分類如下：

不銹鋼傢俱	—	製造及銷售不銹鋼傢俱及家居用品
木製傢俱	—	製造及銷售木製傢俱 (已終止經營業務)

本集團之可申報分類為供應不同產品及服務之策略性業務單位。由於各分類需要不同技術及市場推廣策略，故各可申報分類均被獨立管理。

經營分類之會計政策與財務報表附註3所述者相同。分類業績並不包括出售附屬公司收益、未分配融資成本以及企業收入及開支。分類資產並不包括可供出售金融資產及未分配企業資產。

本集團將分類間銷售及轉讓當作向第三方進行之銷售或轉讓(即按目前市價進行者)入賬。

有關可申報分類收益、業績及資產之資料：

		(Discontinued operations)		
		Stainless steel furnishings	Wooden furnishings	Total
		不銹鋼傢俱	木製傢俱	總計
		HK\$	HK\$	HK\$
		港元	港元	港元
Year ended 31 December 2011	截至二零一一年十二月三十一日止年度			
Revenue from external customers	來自外部客戶之收益	341,282,154	60,516,103	401,798,257
Intersegment revenue	分類間收益	—	—	—
Segment results	分類業績	25,262,420	(4,351,340)	20,911,080
Interest revenue	利息收益	580,109	20,092	600,201
Interest expense	利息開支	3,804,933	2,029,876	5,834,809
Depreciation	折舊	2,459,924	2,221,683	4,681,607
Income tax expense	所得稅開支	6,506,955	29,028	6,535,983
Additions to segment non-current assets	添置分類非流動資產	1,231,750	14,671,962	15,903,712
As at 31 December 2011	於二零一一年十二月三十一日			
Segment assets	分類資產	182,248,319	—	182,248,319

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8. SEGMENT INFORMATION (Cont'd)

Information about reportable segment revenue, results and assets: (Cont'd)

8. 分類資料(續)

有關可申報分類收益、業績及資產之資料：(續)

		Stainless steel furnishings 不銹鋼傢俱	(Discontinued operations) Wooden furnishings (已終止經營業務) 木製傢俱	Total 總計
		HK\$ 港元	HK\$ 港元	HK\$ 港元
Year ended 31 December 2010	截至二零一零年十二月三十一日 止年度			
Revenue from external customers	來自外部客戶之收益	310,669,826	127,573,996	438,243,822
Intersegment revenue	分類間收益	32,630	—	32,630
Segment results	分類業績	32,484,428	(4,491,133)	27,993,295
Interest revenue	利息收益	30,058	54,695	84,753
Interest expense	利息開支	1,648,032	1,677,877	3,325,909
Depreciation	折舊	2,188,828	4,852,109	7,040,937
Income tax expense	所得稅開支	9,691,748	1,694,006	11,385,754
Additions to segment non-current assets	添置分類 非流動資產	3,453,758	86,804,550	90,258,308
As at 31 December 2010	於二零一零年十二月三十一日			
Segment assets	分類資產	209,120,306	266,686,298	475,806,604

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8. SEGMENT INFORMATION (Cont'd)

Reconciliations of reportable segment revenue, results and assets:

8. 分類資料(續)

可申報分類收益、業績及資產之對賬：

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元 (Restated) (經重列)
Revenue	收益		
Total revenue of reportable segments	可申報分類之總收益	401,798,257	438,276,452
Elimination of intersegment revenue	抵銷分類間收益	—	(32,630)
Elimination of discontinued operations	抵銷已終止經營業務	(60,516,103)	(127,573,996)
		341,282,154	310,669,826
Consolidated revenue	綜合收益		
Results	業績		
Total results of reportable segments	可申報分類之總業績	20,911,080	27,993,295
Gain on disposal of subsidiaries	出售附屬公司收益	12,227,897	—
Unallocated finance costs	未分配融資成本	(14,102)	(584,771)
Unallocated corporate income	未分配企業收入	141,535	157,300
Unallocated corporate expenses	未分配企業開支	(15,013,732)	(9,192,844)
Elimination of discontinued operations	抵銷已終止經營業務	(3,348,649)	4,283,913
		14,904,029	22,656,893
Consolidated profit for the year from continuing operations	來自持續經營業務之年內綜合溢利		
Assets	資產		
Total assets of reportable segments	可申報分類之總資產	182,248,319	475,806,604
Available-for-sale financial assets	可供出售金融資產	—	2,000,000
Unallocated corporate assets	未分配企業資產	15,526,671	8,124,733
		197,774,990	485,931,337
Consolidated total assets	綜合總資產		

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8. SEGMENT INFORMATION (Cont'd)

Geographical information:

Geographical information about the Group's revenues from external customers and non-current assets other than available-for-sale financial assets are as follows:

		Revenue 收益		Non-current assets 非流動資產	
		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元 (Restated) (經重列)	2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Hong Kong	香港	337,650,153	361,706,078	24,570	—
PRC except Hong Kong	中國(不包括香港)	64,148,104	76,537,744	18,597,035	194,727,430
Discontinued operations	已終止經營業務	(60,516,103)	(127,573,996)	—	—
Total	總計	341,282,154	310,669,826	18,621,605	194,727,430

In presenting the geographical information, revenue is based on the locations of the customers.

8. 分類資料(續)

地區資料：

有關本集團來自外部客戶之收益及可供出售金融資產以外之非流動資產之地區資料如下：

於呈列地區資料時，收益乃按客戶所在地區計算。

Revenue from major customer:

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Stainless steel furnishings segment Customer A	不銹鋼傢俱分類 客戶A	330,254,577	303,290,244
Wooden furnishings segment (discontinued operations) Customer A	木製傢俱分類 (已終止經營業務) 客戶A	60,516,103	127,127,846

來自主要客戶之收益：

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9. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

Details of emoluments of the directors of the Company disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance are as follows:

For the year ended 31 December 2011

9. 董事酬金及五位最高薪酬人士

根據上市規則及香港公司條例第161條，本公司董事之酬金詳情披露如下：

截至二零一一年十二月三十一日止年度

Name of director 董事姓名	Fees 袍金 HK\$ 港元	Ex-gratia payments (note (e)) 特惠款項 (附註 (e)) HK\$ 港元	Salaries, allowances and benefits in kind 薪金、津貼及 實物利益 HK\$ 港元	Discretionary bonuses 酌情花紅 HK\$ 港元	Retirement benefits scheme contributions 退休福利 計劃供款 HK\$ 港元	Total emoluments 酬金總額 HK\$ 港元
Executive directors 執行董事						
Ms. Zhang Qian (Note (a)) 張謙女士(附註(a))	—	—	301,073	—	5,000	306,073
Mr. He Xianmei (Note (a)) 何顯梅先生(附註(a))	—	—	225,806	—	—	225,806
Mr. Niu Jinsheng (Note (a)) 牛進生先生(附註(a))	—	—	150,536	—	—	150,536
Mr. Leung Kwok Pong (Note (b)) 梁國邦先生 (附註(b))	—	—	6,000	—	—	6,000
Mr. Leung Kwok Yin 梁國賢先生	—	—	216,000	134,000	12,000	362,000
Mr. Yan Siu Wai (Note (c)) 甄兆威先生(附註(c))	—	—	255,000	88,750	7,500	351,250
Mr. Bao Jisheng (Note (c)) 鮑繼聲先生(附註(c))	—	—	435,000	283,750	—	718,750
Independent non-executive directors 獨立非執行 董事						
Dr. Liu Yongping (Note (a)) 劉勇平博士(附註(a))	37,500	—	—	—	—	37,500
Mr. Wu Chi Keung (Note (a)) 胡志強先生(附註(a))	45,000	—	—	—	—	45,000
Mr. Wang Siyong (Note (a)) 王斯勇先生(附註(a))	37,500	—	—	—	—	37,500
Mr. Garry Alides Willinge (Note (d)) Garry Alides Willinge先生 (附註(d))	62,367	37,633	—	—	—	100,000
Mr. Yu Hon Wing, Allan (Note (d)) 俞漢榮先生 (附註(d))	37,419	22,581	—	—	—	60,000
Mr. Chu Kwok Man (Note (d)) 朱國民先生 (附註(d))	37,419	22,581	—	—	—	60,000
Non-executive director 非執行董事						
Mr. Kwan Kai Cheong (Note (d)) 關啟昌先生 (附註(d))	62,367	37,633	—	—	—	100,000
Total 總額	319,572	120,428	1,589,415	506,500	24,500	2,560,415

Note:

- (a) Appointed on 16 August 2011.
(b) Appointed on 30 September 2011.

附註：

- (a) 於二零一一年八月十六日獲委任。
(b) 於二零一一年九月三十日獲委任。

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9. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (Cont'd)

For the year ended 31 December 2011 (Cont'd)

Note: (Cont'd)

- (c) Resigned on 16 August 2011 and became key management of the Group since then.
- (d) Resigned on 16 August 2011.
- (e) On 16 August 2011, the board of directors of the Company resolved that in appreciation and recognition of the contribution by Mr. Kwan Kai Cheong, the former non-executive director of the Company, Mr. Yu Hon Wing Allan, Mr. Garry Alides Willinge and Mr. Chu Kwok Man, the former independent non-executive directors of the Company (collectively the "Former Directors") to the Company during their appointment, the Company would pay an ex-gratia payment to the Former Directors calculated with reference to the amount of annual director's fee according to the appointment letters entered into between the Company and each of the Former Directors payable for the period from the date of their resignation (i.e. 16 August 2011) to 31 December 2011.

For the year ended 31 December 2010

Name of director

董事姓名

Executive directors

Mr. Yan Siu Wai
Mr. Leung Kwok Yin
Mr. Bao Jisheng

執行董事

甄兆威先生
梁國賢先生
鮑繼聲先生

Independent non-executive directors

Mr. Garry Alides Willinge
Mr. Yu Hon Wing, Allan
Mr. Chu Kwok Man

獨立非執行董事

Garry Alides Willinge先生
俞漢榮先生
朱國民先生

Non-executive director

Mr. Kwan Kai Cheong

非執行董事

關啟昌先生

Total

總額

9. 董事酬金及五位最高薪酬人士(續)

截至二零一一年十二月三十一日止年度(續)

附註：(續)

- (c) 於二零一一年八月十六日辭任，隨後成為本集團之主要管理人員。
- (d) 於二零一一年八月十六日辭任。
- (e) 於二零一一年八月十六日，本公司董事會議決，為表彰本公司前非執行董事關啟昌先生、本公司前獨立非執行董事俞漢榮先生、Garry Alides Willinge先生及朱國民先生(統稱「前董事」)於任期內對本公司所作的貢獻，本公司將向前董事支付特惠款項，該特惠款項乃參考本公司與各名前董事訂立之委任函列明於彼等退任之日(即二零一一年八月十六日)至二零一一年十二月三十一日期間應付之年度董事袍金計算。

截至二零一零年十二月三十一日止年度

Name of director	Fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement benefits scheme contributions	Total emoluments
董事姓名	袍金	薪金、津貼及實物利益	酌情花紅	退休福利計劃供款	酬金總額
	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元
Executive directors					
Mr. Yan Siu Wai	—	408,000	142,000	12,000	562,000
Mr. Leung Kwok Yin	—	216,000	134,000	12,000	362,000
Mr. Bao Jisheng	—	720,380	481,715	—	1,202,095
Independent non-executive directors					
Mr. Garry Alides Willinge	100,000	—	—	—	100,000
Mr. Yu Hon Wing, Allan	60,000	—	—	—	60,000
Mr. Chu Kwok Man	60,000	—	—	—	60,000
Non-executive director					
Mr. Kwan Kai Cheong	100,000	—	—	—	100,000
Total	320,000	1,344,380	757,715	24,000	2,446,095

There was no arrangement under which a director waived or agreed to waive any emoluments during the year (2010: HK\$Nil).

年內，董事概無根據任何安排放棄或同意放棄領取酬金(二零一零年：零港元)。

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For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

9. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (Cont'd)

The five highest paid individuals in the Group for the year ended 31 December 2011 included four (2010: three) directors, two of them were resigned on 16 August 2011 and became key management of the Group since then, details of whose emoluments are disclosed above. Details of the emoluments of the remaining one (2010: two) highest paid individuals and the emoluments of the two resigned directors after become the key management of the Group for the year ended 31 December 2011, which fell within the "HK\$Nil to HK\$1,000,000" band, are as follows:

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物利益	1,418,998	682,100
Discretionary bonuses	酌情花紅	264,359	241,400
Retirement benefits scheme contributions	退休福利計劃供款	28,055	24,168
		1,711,412	947,668

During the year, no emoluments were paid or payable by the Group to any of the directors or the five highest paid individuals as an inducement to join, or upon joining the Group, or as compensation for loss of office (2010: HK\$Nil).

10. FINANCE COSTS

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Interest on bank loans and overdrafts	銀行貸款及透支利息	5,848,911	3,910,680
Representing:	以下各項應佔：		
Continuing operations	持續經營業務	3,804,933	1,648,032
Discontinued operations (note 12)	已終止經營業務(附註12)	2,043,978	2,262,648
		5,848,911	3,910,680

9. 董事酬金及五位最高薪酬人士(續)

本集團於截至二零一一年十二月三十一日止年度的五位最高薪酬人士包括四位(二零一零年：三位)董事，其中兩位於二零一一年八月十六日辭任，並自當時起成為本集團之主要管理人員，彼等的酬金詳情載於上文。其餘一位(二零一零年：兩位)最高薪酬人士及兩位辭任董事成為本集團之主要管理人員之後於截至二零一一年十二月三十一日止年度的酬金介乎「零港元至1,000,000港元」之間，詳情如下：

年內，本集團概無向任何董事或五位最高薪酬人士支付或應支付酬金作為加入本集團或加入本集團後的獎賞或作為離職補償(二零一零年：零港元)。

10. 融資成本

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11. INCOME TAX EXPENSE

- (a) Taxation included in the consolidated income statement represents:

Current tax — PRC enterprise income tax 本年稅項 — 中國企業所得稅
Deferred tax — Withholding tax on dividend 遞延稅項 — 股息預扣稅
— PRC (note 26) — 中國(附註26)

Representing:

Continuing operations

Discontinued operations (note 12)

以下各項應佔：

持續經營業務

已終止經營業務(附註12)

No provision for Hong Kong Profits Tax is required since the Group has no assessable profit for the year (2010: HK\$Nil).

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

Pursuant to the New PRC enterprise income tax law, which is passed by the Tenth National People's Congress on 16 March 2007 and effective from 1 January 2008, the enterprise income tax has various changes. It includes the unification of the enterprise income tax rate for domestic and foreign enterprises at 25%; cancellation of existing tax holiday available to export-oriented enterprises; and enforcement of commencement of the tax holiday ("Enforcement of Tax Holiday") on 1 January 2008 for those Foreign Investment Enterprise which have not commenced their tax holiday due to ongoing tax losses since their commencement of businesses.

寧波捷豐金屬製品有限公司 (Ningbo JF Metal Products Co., Ltd.) ("JF Metal"), a subsidiary of the Company operating in Zhejiang Province, the PRC, is entitled to a two-year exemption from enterprise income tax starting from its first profit-making year followed by a 50% reduction for the subsequent three years. Pursuant to the Enforcement of Tax Holiday, tax holiday for JF Metal commenced on 1 January 2008. Hence, JF Metal is subject to the PRC enterprise income tax rate of 12.5% in the current year (2010: 12.5%).

11. 所得稅開支

- (a) 載入綜合收益表的稅項如下：

	2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Current tax — PRC enterprise income tax	6,535,983	9,942,293
Deferred tax — Withholding tax on dividend — PRC (note 26)	5,805,728	1,443,461
	12,341,711	11,385,754
Representing:		
Continuing operations	8,547,723	9,691,748
Discontinued operations (note 12)	3,793,988	1,694,006
	12,341,711	11,385,754

由於本集團於年內並無應課稅溢利(二零一零年：零港元)，故無須就香港利得稅作出撥備。

其他地區應課稅溢利之稅項開支乃採用本集團經營所在國家當前稅率根據現行的相關法例、詮釋及慣例計算。

根據第十屆全國人民代表大會於二零零七年三月十六日通過及於二零零八年一月一日起生效之新中國企業所得稅法，企業所得稅出現多項變動。新稅法包括將內資及外資企業的企業所得稅稅率統一為25%，取消出口型企業現時享有之稅務優惠期，以及就因自開業以來持續錄得營業稅務虧損而尚未開始其稅務優惠期的外商投資企業，該稅務優惠期必須於二零零八年一月一日開始(「稅務優惠期的實施」)。

本公司於中國浙江省經營之附屬公司寧波捷豐金屬製品有限公司(「捷豐金屬」)自其首個獲利年度起兩年獲豁免企業所得稅，並於其後三年獲寬減50%稅項。根據稅務優惠期的實施，捷豐金屬的稅務優惠期於二零零八年一月一日開始。因此，捷豐金屬於本年度按12.5%之稅率繳納中國企業所得稅(二零一零年：12.5%)。

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11. INCOME TAX EXPENSE (Cont'd)

- (a) Taxation included in the consolidated income statement represents: (Cont'd)

寧波捷豐現代家具有限公司 (Ningbo JF Furniture Co., Ltd.) ("JF Furniture"), a former subsidiary of the Company operating in Zhejiang Province, the PRC, which had been disposed by the Group during the year (note 12), was entitled to a two-year exemption from enterprise income tax starting from its first profit-making year followed by a 50% reduction for the subsequent three years. Pursuant to the Enforcement of Tax Holiday, tax holiday for JF Furniture commenced on 1 January 2008. Hence, JF Furniture was subject to the PRC enterprise income tax rate of 12.5% for the period from 1 January 2011 to the disposal date (2010: 12.5%).

The relevant tax holiday for the other operating PRC subsidiary of the Company, JF Ningbo, had expired. Hence, JF Ningbo is subject to the PRC enterprise income tax rate of 25% (2010: 25%).

- (b) The reconciliation between the income tax expense and the product of profit before tax multiplied by the PRC enterprise income tax rate is as follows:

11. 所得稅開支(續)

- (a) 載入綜合收益表的稅項如下：(續)

本公司於中國浙江省經營之前附屬公司寧波捷豐現代家具有限公司(「捷豐家具」)已於年內被本集團出售(附註12)，該公司自其首個獲利年度起兩年獲豁免企業所得稅，並於其後三年獲寬減50%稅項。根據稅務優惠期的實施，捷豐家具的稅務優惠期於二零零八年一月一日開始。因此，捷豐家具於二零一一年一月一日至出售日期期間按12.5%之所得稅稅率繳納中國企業所得稅(二零一零年：12.5%)。

本公司於中國經營之另一間附屬公司寧波捷豐之相關稅務優惠期已經屆滿。因此，寧波捷豐按25%(二零一零年：25%)之稅率繳納中國企業所得稅。

- (b) 所得稅開支與除稅前溢利乘中國企業所得稅稅率之乘積對賬如下：

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Profit before tax	除稅前溢利	30,594,389	29,758,734
Tax at PRC enterprise income tax rate of 25%	按中國企業所得稅稅率25%計稅	7,648,597	7,439,684
Tax effect of income that is not taxable	不用課稅收入的稅務影響	(19,280,846)	(26,267,332)
Tax effect of expenses that are not deductible	不可扣稅開支的稅務影響	19,094,794	28,986,739
Tax effect of unrecognised temporary difference	未確認暫時性差異的稅務影響	—	(18,348)
Tax effect of income tax on concession	特許權所得稅的稅務影響	(226,166)	(447,760)
Tax effect of unrecognised tax losses	未確認稅項虧損的稅務影響	—	160,499
Effect of different tax rates of subsidiaries	附屬公司不同稅率的影響	(700,396)	88,811
Tax effect of withholding tax on dividend	股息預扣稅的稅務影響	5,805,728	1,443,461
Income tax expense	所得稅開支	12,341,711	11,385,754
Representing:	以下各項應佔：		
Continuing operations	持續經營業務	8,547,723	9,691,748
Discontinued operations (note 12)	已終止經營業務(附註12)	3,793,988	1,694,006
		12,341,711	11,385,754

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12. DISCONTINUED OPERATIONS

Pursuant to an agreement dated 29 January 2011 and a supplemental agreement dated 11 May 2011 both entered into between a subsidiary of the Company, JF Household Furnishings (Asia) Ltd. ("JF Asia") and a connected person of the Company, First Priority Inc., which is owned by Mr. Leung Kwok Yin, an executive director of the Company, and Mr. Yan Siu Wai and Mr. Bao Jisheng, the former executive directors of the Company, JF Asia disposed of 100% interest in two wholly-owned subsidiaries, JF Household Furnishings (BVI) Ltd. ("JF BVI") and JF Furniture.

JF BVI and JF Furniture were engaged in investment holding and the manufacturing and sales of wooden panel furniture respectively during the year. The disposal was completed on 10 June 2011 and the Group discontinued its manufacturing and sales of wooden furnishings and home products business from 10 June 2011.

The profit/(loss) for the year from the discontinued operations is analysed as follows:

12. 已終止經營業務

根據本公司的附屬公司捷豐家居用品(亞洲)有限公司(「捷豐亞洲」)與本公司之關連人士First Priority Inc.(由本公司執行董事梁國賢先生及本公司前執行董事甄兆威先生及鮑繼聲先生擁有)於二零一一年一月二十九日訂立之協議及於二零一一年五月十一日訂立之補充協議，捷豐亞洲出售於兩間全資附屬公司捷豐家居用品(維爾京群島)有限公司(「捷豐維爾京」)及捷豐家俱的全部權益。

年內，捷豐維爾京及捷豐家俱分別從事投資控股以及製造及銷售木製家俱。出售事項於二零一一年六月十日完成，故本集團自二零一一年六月十日起終止其製造及銷售木製家俱及家居用品業務。

已終止經營業務年內溢利／(虧損)分析如下：

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Loss of discontinued operations	已終止經營業務之虧損	(8,879,248)	(4,283,913)
Gain on disposal of discontinued operations (note 29)	出售已終止經營業務之收益(附註29)	12,227,897	—
		3,348,649	(4,283,913)

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12. DISCONTINUED OPERATIONS (Cont'd)

The results of the discontinued operations for the period from 1 January 2011 to 10 June 2011, which have been included in consolidated profit or loss, are as follows:

12. 已終止經營業務(續)

已終止經營業務自二零一一年一月一日至二零一一年六月十日之業績(已計入綜合損益內)如下:

		Period from 1 January 2011 to 10 June 2011 自二零一一年 一月一日至 二零一一年 六月十日期間 HK\$ 港元	Year ended 31 December 2010 截至二零一零年 十二月三十一日 止年度 HK\$ 港元
Revenue	收益	60,516,103	127,573,996
Cost of goods sold	貨品銷售成本	(58,085,404)	(117,075,563)
Gross profit	毛利	2,430,699	10,498,433
Other income	其他收入	1,127,698	533,713
Distribution costs	分銷成本	(144,398)	(453,453)
Administrative expenses	行政開支	(6,452,212)	(10,058,013)
Other operating expenses	其他經營開支	(3,069)	(847,939)
Loss from operations	經營虧損	(3,041,282)	(327,259)
Finance costs	融資成本	(2,043,978)	(2,262,648)
Loss before tax	除稅前虧損	(5,085,260)	(2,589,907)
Income tax expense	所得稅開支	(3,793,988)	(1,694,006)
Loss for the period/year	期內/年內虧損	(8,879,248)	(4,283,913)

During the year, the disposed subsidiaries received approximately HK\$75,562,000 (2010: HK\$13,420,000) in respect of operating activities, received approximately HK\$76,090,000 (2010: paid HK\$133,495,000) in respect of investing activities and paid approximately HK\$156,860,000 (2010: received HK\$120,053,000) in respect of financing activities.

No tax charge or credit arose on gain on disposal of the discontinued operations.

年內，本集團於出售附屬公司時，就經營業務取得約75,562,000港元(二零一零年：13,420,000港元)，就投資活動取得約76,090,000港元(二零一零年：支付133,495,000港元)並就融資活動支付約156,860,000港元(二零一零年：取得120,053,000港元)。

出售已終止經營業務收益並無產生任何稅項開支或抵免。

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13. PROFIT FOR THE YEAR

The Group's profit for the year is stated after charging/(crediting) the following:

13. 年內溢利

本集團之年內溢利乃經扣除/(計入)下列各項列賬：

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Auditors' remuneration	核數師之酬金	580,000	653,065
Cost of inventories sold	已出售存貨成本	354,465,141	377,794,418
Depreciation	折舊	4,687,165	7,042,837
Write-off of property, plant and equipment	物業、廠房及設備撇銷	—	164,854
Allowance for inventories (included in other operating expenses)	存貨撥備 (包括於其他經營開支中)	—	862,177
Research and development expenditure	研究及開發開支	3,704,943	4,200,854
Staff costs (including directors' emoluments (note 9))	員工成本 (包括董事酬金(附註9))		
Fees	袍金	319,572	320,000
Basic salaries, bonuses, allowances and benefits in kind	基本薪金、花紅、津貼及實物利益	33,283,228	30,965,052
Retirement benefits scheme contributions	退休福利計劃供款	3,370,753	3,079,343
Operating lease — buildings	經營租約 — 建築物	786,011	1,026,435
Net exchange (gain)/losses	淨匯兌(收益)/虧損	(1,084,323)	1,079,333

Cost of inventories sold included staff costs and depreciation of approximately HK\$30,030,000 (2010: HK\$30,994,000) which are included in the amounts disclosed separately above.

Note:

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The Group's contributions to MPF Scheme are calculated at 5% of the salaries and wages subject to a monthly maximum amount of HK\$1,000 per employee and vest fully with employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries established in the PRC are members of a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentage of the employees' basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of these subsidiaries. The only obligation of these subsidiaries with respect to the central pension scheme is to meet the required contributions under the scheme.

已出售存貨成本包括員工成本及折舊約30,030,000港元(二零一零年：30,994,000港元)，已計入上述分別披露之款項內。

附註：

本集團已根據香港《強制性公積金計劃條例》的規定，為其全體香港合資格僱員設立強制性公積金計劃(「強積金計劃」)。本集團向強積金計劃之供款乃以薪金的5%計算(上限金額為每月每名僱員1,000港元)，供款一旦注入強積金計劃，即悉數歸屬僱員。

本集團在中國設立之附屬公司之僱員均參與地區市政府設立之中央退休金計劃。該等附屬公司須按其基本工資及薪金之若干百分比向中央退休金計劃供款，以作為退休福利的資金。地方政府承諾會承擔該等附屬公司所有現時及日後退休僱員之退休福利責任。該等附屬公司於中央退休金計劃之唯一責任乃根據該計劃提供所需供款。

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14. DIVIDEND

14. 股息

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Special dividend	特別股息		
— HK\$0.75998 (2010: HK\$Nil) per ordinary share	— 每股普通股0.75998港元 (二零一零年：零港元)	169,999,166	—

15. EARNINGS PER SHARE

15. 每股盈利

The calculation of basic and diluted earnings per share are based on the following:

每股基本及攤薄盈利乃根據下列各項計算：

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Earnings	盈利		
Continuing and discontinued operations	持續及已終止經營業務		
Profit attributable to owners of the Company, used in the basic and diluted earnings per share calculation	用於計算每股基本及攤薄盈利之 本公司擁有人應佔溢利	18,252,678	18,372,980
Continuing operations	持續經營業務		
Profit attributable to owners of the Company, used in the basic and diluted earnings per share calculation	用於計算每股基本及攤薄盈利之 本公司擁有人應佔溢利	14,904,029	22,656,893
Number of shares	股份數目		
Weighted average number of ordinary shares used in basic earnings per share calculation	用於計算每股基本盈利之 普通股加權平均數	223,467,082	212,744,726
Effect of share options	購股權的影響	124,964	7,073,224
Weighted average number of ordinary shares used in diluted earnings per share calculation	用於計算每股攤薄盈利之 普通股加權平均數	223,592,046	219,817,950

From discontinued operations

來自已終止經營業務

Basic earnings (2010: loss) per share from the discontinued operations is HK1.5 cents per share (2010: HK2.0 cents per share) and diluted earnings per share from the discontinued operations is HK1.5 cents per share, based on the profit for the year from discontinued operations attributable to the owners of the Company of HK\$3,348,649 (2010: HK\$4,283,913 loss) and the denominators used are the same as those detailed above for both basic and diluted earnings/(loss) per share.

來自已終止經營業務之每股基本盈利(二零一零年：虧損)為每股1.5港仙(二零一零年：每股2.0港仙)，來自已終止經營業務之每股攤薄盈利為每股1.5港仙，乃根據本公司擁有人應佔來自已終止經營業務之年內溢利3,348,649港元(二零一零年：虧損4,283,913港元)計算，所採用之分母與上文詳述的每股基本及攤薄盈利/(虧損)所用者相同。

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16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Leasehold	Buildings	Plant and	Furniture,	Motor	Construction	Total
		land		machinery	fixtures and		in progress	
		租賃土地		廠房及機械	設備		在建工程	
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元
Cost	成本							
At 1 January 2010	於二零一零年一月一日	53,136,680	42,500,435	34,759,943	3,161,926	1,760,098	2,144,036	137,463,118
Additions	添置	944,506	—	3,151,474	147,660	586,358	85,433,119	90,263,117
Disposal	出售	—	—	—	—	(430,884)	—	(430,884)
Write-off	撇銷	—	—	(173,554)	—	—	(119,260)	(292,814)
Transfer	轉撥	—	—	3,123,018	—	—	(3,123,018)	—
Transfer to non-current assets held for sale	轉撥至持作出售之非流動資產	(1,751,464)	(13,981,116)	—	—	—	—	(15,732,580)
Exchange differences	匯兌差額	2,245,607	1,796,110	1,486,347	133,296	78,954	87,104	5,827,418
At 31 December 2010 and 1 January 2011	於二零一零年十二月三十一日及二零一一年一月一日	54,575,329	30,315,429	42,347,228	3,442,882	1,994,526	84,421,981	217,097,375
Additions	添置	—	—	239,470	237,462	869,024	14,586,270	15,932,226
Disposal	出售	—	—	(104,869)	—	(455,226)	—	(560,095)
Disposal of subsidiary	出售附屬公司	(55,322,178)	(30,730,290)	(14,311,795)	(731,018)	(995,280)	(100,523,614)	(202,614,175)
Exchange differences	匯兌差額	746,849	414,861	1,396,518	129,179	68,636	1,515,363	4,271,406
At 31 December 2011	於二零一一年十二月三十一日	—	—	29,566,552	3,078,505	1,481,680	—	34,126,737
Accumulated depreciation	累計折舊							
At 1 January 2010	於二零一零年一月一日	2,160,292	5,987,498	7,978,809	2,040,308	1,235,880	—	19,402,787
Charge for the year	年內折舊	1,095,821	1,823,828	3,294,636	629,623	198,929	—	7,042,837
Disposal	出售	—	—	—	—	(387,796)	—	(387,796)
Write-off	撇銷	—	—	(127,960)	—	—	—	(127,960)
Transfer to non-current assets held for sales	轉撥至持作出售之非流動資產	(628,050)	(3,945,558)	—	—	—	—	(4,573,608)
Exchange differences	匯兌差額	123,504	306,642	432,393	104,467	46,679	—	1,013,685
At 31 December 2010 and 1 January 2011	於二零一零年十二月三十一日及二零一一年一月一日	2,751,567	4,172,410	11,577,878	2,774,398	1,093,692	—	22,369,945
Charge for the year	年內折舊	452,991	562,010	3,101,313	292,274	278,577	—	4,687,165
Disposal	出售	—	—	(64,494)	—	(409,704)	—	(474,198)
Disposal of subsidiary	出售附屬公司	(3,252,557)	(4,804,357)	(2,821,016)	(456,271)	(519,058)	—	(11,853,259)
Exchange differences	匯兌差額	47,999	69,937	513,543	114,566	29,434	—	775,479
At 31 December 2011	於二零一一年十二月三十一日	—	—	12,307,224	2,724,967	472,941	—	15,505,132
Carrying amount	賬面值							
At 31 December 2011	於二零一一年十二月三十一日	—	—	17,259,328	353,538	1,008,739	—	18,621,605
At 31 December 2010	於二零一零年十二月三十一日	51,823,762	26,143,019	30,769,350	668,484	900,834	84,421,981	194,727,430

At 31 December 2010, the Group's leasehold land and buildings are situated in the PRC and are under medium term lease.

於二零一零年十二月三十一日，本集團之租賃土地及建築物均位於中國且通過中期租約持有。

At 31 December 2010, the Group's leasehold land with carrying value of approximately HK\$31,730,000 was pledged as security to a bank for the Group's banking facilities (note 25).

於二零一零年十二月三十一日，本集團賬面值約為31,730,000港元的租賃土地已抵押予銀行，作為本集團獲取銀行信貸的抵押品(附註25)。

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16. PROPERTY, PLANT AND EQUIPMENT

(cont'd)

At 31 December 2010, the Group's leasehold land and buildings with carrying value of approximately HK\$20,094,000 and HK\$26,143,000 respectively for which the Group are in the process of obtaining the relevant land use rights certificates and building ownership certificates.

17. AVAILABLE-FOR-SALE FINANCIAL ASSETS

Unlisted equity securities fund with carrying amount of HK\$Nil (2010: HK\$2,000,000) was carried at cost as they do not have a quoted market price in an active market and whose fair value cannot be reliably measured, and pledged as security to a bank for the Group's banking facilities (note 25).

18. INVENTORIES

Raw materials	原材料
Work in progress	在製品
Finished goods	製成品
Less: Allowance for inventories	減：存貨撥備

16. 物業、廠房及設備(續)

於二零一零年十二月三十一日，本集團目前正就本集團賬面值分別約為20,094,000港元及26,143,000港元的租賃土地及建築物申請有關土地使用權證及房屋所有權證。

17. 可供出售金融資產

非上市股本證券基金之賬面值為零港元(二零一零年：2,000,000港元)，由於該等證券基金於活躍市場並無市場報價，且其公平值不能可靠計量，因此按成本列賬，並已抵押予銀行作為本集團銀行信貸的抵押品(附註25)。

18. 存貨

	2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Unlisted equity securities fund, at cost 非上市股本證券基金，按成本	—	2,000,000
Raw materials 原材料	42,665,739	72,910,245
Work in progress 在製品	52,724,913	45,381,513
Finished goods 製成品	3,247,815	11,485,460
Less: Allowance for inventories 減：存貨撥備	—	(862,177)
	98,638,467	128,915,041

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19. TRADE AND BILLS RECEIVABLES

19. 應收貿易賬款及應收票據

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Trade receivables	應收貿易賬款	30,439,962	51,940,021
Bills receivables	應收票據	—	15,577,463
		30,439,962	67,517,484

The Group normally granted customers with credit terms of 30 to 90 days. The ageing analysis of the Group's trade receivables, based on the invoice date, and net of allowance, is as follows:

本集團一般授予客戶30至90天的信貸期。本集團應收貿易賬款按發票日期及扣除撥備後的賬齡分析如下：

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
0–30 days	0至30日	29,942,570	45,981,698
31–60 days	31至60日	496,741	4,932,868
61–90 days	61至90日	—	—
Over 90 days	超過90日	651	1,025,455
		30,439,962	51,940,021

The carrying amounts of the Group's trade and bills receivables are denominated in the following currencies:

本集團應收貿易賬款及應收票據之賬面值乃按下列貨幣列值：

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
RMB	人民幣	3,770,189	24,049,086
USD	美元	26,669,773	43,468,398
		30,439,962	67,517,484

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20. DUE FROM RELATED COMPANIES

Amounts due from related companies disclosed pursuant to section 161B of the Hong Kong Companies Ordinance are as follows:

Name	Name of directors having beneficial interest	Group 本集團		Maximum amount outstanding during the year
		Balance at 31 December 2011 於二零一一年十二月三十一日之結餘 HK\$ 港元	Balance at 1 January 2011 於二零一一年一月一日之結餘 HK\$ 港元	
JF BVI 捷豐維爾京	Mr. Leung Kwok Yin 梁國賢先生	4,737,355	—	4,737,355
JF Furniture 捷豐家俱	Mr. Leung Kwok Yin 梁國賢先生	296,379	—	296,379
		5,033,734	—	

JF BVI and JF Furniture, the former subsidiaries of the Company, became the related companies after the completion of disposal on 10 June 2011 (note 12).

All the above balances are unsecured, interest-free and have no fixed repayment terms.

21. CASH AND BANK BALANCES

The Group's restricted cash and bank balances comprised guaranteed deposits for the issuance of RMB letter of credit and deposits pledged to banks to secure banking facilities granted to the Group as set out in note 25 to the financial statements.

An analysis of the carrying amount of restricted cash and bank balances is as follows:

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Guaranteed deposits for the issuance of RMB letter of credit	用於發出人民幣信用證之擔保存款	—	19,065,533
Pledged bank deposits	抵押銀行存款	1,069,594	2,273,984
		1,069,594	21,339,517

20. 應收關聯公司款項

根據香港公司條例第161B條披露之應收關聯公司款項如下：

Group
本集團

Name	Name of directors having beneficial interest	Group 本集團		Maximum amount outstanding during the year
		Balance at 31 December 2011 於二零一一年十二月三十一日之結餘 HK\$ 港元	Balance at 1 January 2011 於二零一一年一月一日之結餘 HK\$ 港元	
JF BVI 捷豐維爾京	Mr. Leung Kwok Yin 梁國賢先生	4,737,355	—	4,737,355
JF Furniture 捷豐家俱	Mr. Leung Kwok Yin 梁國賢先生	296,379	—	296,379
		5,033,734	—	

於二零一一年六月十日出售完成後，本公司之前附屬公司捷豐維爾京及捷豐家俱成為關聯公司(附註12)。

所有上述結餘為無抵押、免息及無固定還款期。

21. 現金及銀行結餘

本集團之受限制現金及銀行結餘包括用於發出人民幣信用證之擔保存款，以及已抵押予銀行作為授予本集團銀行信貸之擔保的存款(詳情載於財務報表附註25)。

受限制現金及銀行結餘之賬面值分析如下：

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21. CASH AND BANK BALANCES (cont'd)

At 31 December 2011, the cash and bank balances of the Group denominated in RMB amounted to approximately HK\$11,469,000 (2010: HK\$40,372,000). Conversion of RMB into foreign currencies is subject to PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

The carrying amounts of the Group's cash and bank balances are denominated in the following currencies:

21. 現金及銀行結餘(續)

於二零一一年十二月三十一日，本集團以人民幣列值之現金及銀行結餘約為11,469,000港元(二零一零年：40,372,000港元)。人民幣兌換為外幣須遵循中國外匯管制條例和結匯、售匯及付匯管理規定。

本集團之現金及銀行結餘賬面值乃按下列貨幣列值：

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
HKD	港元	6,281,651	1,474,760
RMB	人民幣	11,468,639	40,372,331
USD	美元	2,824,729	11,786,129
EUR	歐元	842	262,352
Other	其他	16,121	16,765
		20,591,982	53,912,337

22. NON-CURRENT ASSETS HELD FOR SALE

On 30 September 2010, JF Ningbo signed a sales and purchase agreement to dispose of the leasehold land and buildings owned by JF Ningbo to a third party. The completion of the transaction is subject to the approval of transfer of the title by the relevant government authorities. Details of the disposal by JF Ningbo had been disclosed in an announcement of the Company dated 30 September 2010.

The leasehold land and buildings, which are expected to be sold within twelve months, have been classified as non-current assets held for sale and are presented separately in the statement of financial position. The disposal assets are included in the Group's stainless steel furnishings segment.

The proceeds of disposal are expected to exceed the net carrying amount of the relevant assets and liabilities and, accordingly, no impairment loss has been recognised on the classification of these assets as held for sale.

22. 持作出售之非流動資產

於二零一零年九月三十日，寧波捷豐簽訂買賣協議向第三方出售寧波捷豐擁有的租賃土地及建築物。該項交易須待相關政府部門批准轉讓業權後方告完成。有關寧波捷豐的出售事項詳情已於本公司日期為二零一零年九月三十日的公告中披露。

該等租賃土地及建築物預期將於十二個月內出售，已被劃分為持作出售之非流動資產並於財務狀況表單獨呈列。出售資產計入本集團之不銹鋼傢俱分類。

出售所得款項預期將超過相關資產及負債之賬面淨值，因此，並無就劃分該等資產為持作出售而確認減值虧損。

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22. NON-CURRENT ASSETS HELD FOR SALE

(cont'd)

The major classes of assets classified as held for sale at 31 December 2011 are as follows:

Leasehold land	租賃土地
Buildings	建築物

At 31 December 2011, the Group's leasehold land and buildings classified as non-current assets held for sale with carrying value of approximately HK\$1,171,000 (2010: HK\$1,123,000) and HK\$5,429,000 (2010: HK\$5,209,000) respectively were pledged as security to a bank for the Group's banking facilities (note 25).

23. TRADE AND BILLS PAYABLES

Trade payables	應付貿易賬款
Bills payables	應付票據

The Group normally obtains credit terms ranging from 30 to 90 days from its suppliers.

The ageing analysis of trade payables, based on the date of receipt of goods, is as follows:

0-30 days	0至30日
31-60 days	31至60日
61-90 days	61至90日
Over 90 days	超過90日

22. 持作出售之非流動資產(續)

於二零一一年十二月三十一日，劃分為持作出售之資產的主要類別如下：

	2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
	1,171,053	1,123,414
	10,461,124	10,035,558
	11,632,177	11,158,972

於二零一一年十二月三十一日，本集團劃分為持作出售之非流動資產，賬面值分別約1,171,000港元(二零一零年：1,123,000港元)及5,429,000港元(二零一零年：5,209,000港元)的租賃土地及建築物已抵押予銀行，作為授予本集團銀行融資之擔保(附註25)。

23. 應付貿易賬款及應付票據

	2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
	36,392,511	45,041,147
	—	27,392,086
	36,392,511	72,433,233

供應商授予本集團的信貸期一般為30至90日。

應付貿易賬款按收取貨物日期之賬齡分析如下：

	2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
	19,041,000	29,911,934
	9,597,773	11,544,022
	4,057,120	2,142,350
	3,696,618	1,442,841
	36,392,511	45,041,147

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23. TRADE AND BILLS PAYABLES (cont'd)

The carrying amounts of the Group's trade payables are denominated in the following currencies:

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
EUR	歐元	—	11,589,488
RMB	人民幣	26,848,675	56,425,725
USD	美元	9,543,836	4,418,020
		36,392,511	72,433,233

24. OTHER PAYABLES AND ACCRUALS

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Deposit received	已收按金	15,655,889	15,223,663
Accruals	應計項目	4,722,116	5,493,292
Other payables	其他應付款項	14,181,589	9,294,435
		34,559,594	30,011,390

As at 31 December 2011, other payables included a loan from an independent third party of approximately HK\$9,900,000 (2010: HK\$Nil). The loan is unsecured, interest charged at a fixed rate of 3.5% per annum and repayable within one year.

23. 應付貿易賬款及應付票據(續)

本集團應付貿易賬款之賬面值乃按下列貨幣列值：

24. 其他應付款項及應計項目

於二零一一年十二月三十一日，其他應付款項包括來自一名獨立第三方之貸款約9,900,000港元(二零一零年：零港元)。該貸款為無抵押，按固定年息3.5%計息及須於一年內償還。

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25. BANK BORROWINGS

The analysis of the carrying amount of bank borrowings is as follows:

25. 銀行借款

銀行借款之賬面值分析如下：

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Current liabilities	流動負債		
Bank overdrafts repayable on demand — unsecured	應要求償還之銀行透支 — 無抵押	718,990	—
Portion of bank loans from banks due for repayment within one year	須於一年內償還之部分銀行貸款		
— secured	— 已抵押	19,614,270	49,915,590
— unsecured	— 無抵押	51,572,585	95,856,000
Portion of bank loans from banks due for repayment after one year which contain a repayment on demand clause	可於一年後償還但含有應要求償還條款之 部分銀行貸款		
— secured	— 已抵押	—	5,037,273
— unsecured	— 無抵押	—	9,200,000
		71,905,845	160,008,863
The borrowings are repayable as follows: 借款償還期限如下：			
Within one year	一年內	71,905,845	145,771,589
In the second year	第二年	—	4,301,178
In the third to fifth years, inclusive	第三至第五年(包括首尾兩年)	—	9,936,096
		71,905,845	160,008,863

The above amounts due are based on the scheduled repayment dates set out in the loan agreements and ignored the effect of any repayment on demand clause.

上述金額乃基於貸款協議所載預定還款日期呈列，並忽略應要求償還條款之影響。

The carrying amounts of the Group's borrowings are denominated in the following currencies:

本集團借款之賬面值乃按下列貨幣列值：

		HKD 港幣 HK\$ 港元	RMB 人民幣 HK\$ 港元	USD 美元 HK\$ 港元	EUR 歐元 HK\$ 港元	Total 總計 HK\$ 港元
2011	二零一一年					
Bank overdrafts	銀行透支	718,990	—	—	—	718,990
Bank loans	銀行貸款	7,039,874	30,356,400	33,790,581	—	71,186,855
		7,758,864	30,356,400	33,790,581	—	71,905,845
2010	二零一零年					
Bank loans	銀行貸款	18,772,472	41,433,000	95,649,757	4,153,634	160,008,863

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25. BANK BORROWINGS (cont'd)

The average interest rates per annum at 31 December were as follows:

		2011 二零一一年	2010 二零一零年
Bank loans	銀行貸款	3.50%–7.54%	1.87%–5.63%
Bank overdrafts	銀行透支	6.75%	N/A不適用

At 31 December 2011, the Group's bank facilities were secured by the following:

- legal charge on leasehold land and certain buildings owned by the Group;
- corporate guarantee given by the Company and Nil (2010: three) of the subsidiaries and two related companies (2010: Nil);
- all monies charge over deposits executed by subsidiaries of the Company in favour of banks of HK\$1,000,000 (2010: HK\$2,274,000);
- charge on available-for-sale financial assets of HK\$Nil (2010: HK\$2,000,000); and
- assignment of life insurance policy owned by a subsidiary including prepayments of life insurance policy of HK\$Nil (2010: HK\$4,304,000) included in deposits, other receivables and prepayments.

26. DEFERRED TAX LIABILITIES

The following are the major deferred tax liabilities recognised by the Group:

25. 銀行借款(續)

於十二月三十一日之平均年利率如下：

		2011 二零一一年	2010 二零一零年
Bank loans	銀行貸款	3.50%–7.54%	1.87%–5.63%
Bank overdrafts	銀行透支	6.75%	N/A不適用

於二零一一年十二月三十一日，本集團之銀行信貸由以下項目作抵押：

- 本集團擁有的租賃土地及若干建築物的法定抵押；
- 本公司及無附屬公司(二零一零年：三家)及兩家關聯公司(二零一零年：無)提供的公司擔保；
- 本公司附屬公司以銀行為受益人作出全數存款抵押1,000,000港元(二零一零年：2,274,000港元)；
- 可供出售金融資產零港元(二零一零年：2,000,000港元)作為抵押；及
- 一家附屬公司擁有的壽險保單(包括列入按金、其他應收款項及預付款項之壽險保單預付款項零港元(二零一零年：4,304,000港元)之轉讓。)

26. 遞延稅項負債

本集團確認的主要遞延稅項負債如下：

		Undistributed earnings of PRC subsidiaries 中國附屬公司 之未分配盈利 HK\$ 港元
At 1 January 2010	於二零一零年一月一日	2,673,792
Settlement during the year	於年內結算	(2,893,986)
Charge to profit or loss for the year (note 11a)	於年內損益中扣除(附註11a)	1,443,461
At 31 December 2010 and 1 January 2011	於二零一零年十二月三十一日及 二零一一年一月一日	1,223,267
Settlement during the year	於年內結算	(2,675,674)
Charge to profit or loss for the year (note 11a)	於年內損益中扣除(附註11a)	5,805,728
Disposal of subsidiaries	出售附屬公司	(2,637,352)
At 31 December 2011	於二零一一年十二月三十一日	1,715,969

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27. SHARE CAPITAL

27. 股本

		Note 附註	Ordinary shares of HK\$0.01 each 每股面值0.01港元的普通股 Number of shares 股份數目	Par value 面值 HK\$ 港元
Authorised:	法定：			
At 1 January 2010, 31 December 2010, 1 January 2011 and 31 December 2011	於二零一零年一月一日， 二零一零年十二月三十一日， 二零一一年一月一日及 二零一一年十二月三十一日		500,000,000	5,000,000
Issued and fully paid:	已發行及已繳足：			
At 1 January 2010	於二零一零年一月一日		208,854,000	2,088,540
Shares issued on exercise of share options	行使購股權時發行的股份	(i)	13,835,000	138,350
At 31 December 2010 and 1 January 2011	於二零一零年十二月三十一日及 二零一一年一月一日		222,689,000	2,226,890
Shares issued on exercise of share options	行使購股權時發行的股份	(ii)	1,000,000	10,000
At 31 December 2011	於二零一一年十二月三十一日		223,689,000	2,236,890

Note:

附註：

- (i) During the year ended 31 December 2010, 13,835,000 ordinary shares of HK\$0.01 each were issued in relation to share options exercised by executive directors, senior management and other employees under the Pre-IPO Share Option Scheme of the Company at HK\$0.56 to HK\$0.8 for a total cash consideration of HK\$10,733,200. The excess of the subscription consideration received over the nominal values issued, amounting to HK\$10,594,850, was credited to the share premium account.
- (ii) During the year ended 31 December 2011, 1,000,000 ordinary shares of HK\$0.01 each were issued in relation to share options exercised by senior management under the New Share Option Scheme of the Company at HK\$0.9 for a total cash consideration of HK\$900,000. The excess of the subscription consideration received over the nominal values issued, amounting to HK\$890,000, was credited to the share premium account.

- (i) 於截至二零一零年十二月三十一日止年度，因執行董事、高級管理層及其他僱員根據本公司的首次公開招股前購股權計劃按0.56港元至0.8港元的價格行使購股權而發行13,835,000股每股面值0.01港元的普通股，現金總代價為10,733,200港元。收到的認購代價高出發行面值的超額部分為10,594,850港元，已計入股份溢價賬。

- (ii) 於截至二零一一年十二月三十一日止年度，高級管理層根據本公司的新購股權計劃按0.9港元的價格行使購股權而發行1,000,000股每股面值0.01港元的普通股，現金總代價為900,000港元。收到的認購代價高出發行面值的超額部分為890,000港元，已計入股份溢價賬。

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

本集團管理股本的目的旨在保障本集團的持續經營能力，並透過優化債務與權益比率為股東帶來最大回報。

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27. SHARE CAPITAL (cont'd)

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the payment of dividends, issue new shares, buy-back shares, raise new debts, redeem existing debts or sell assets to reduce debts.

The Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total debts less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e. share capital, share premium, retained profits and other reserves).

It is the Group's strategy to keep the net debt-to-adjusted capital ratio as low as feasible. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

The only externally imposed capital requirement is that for the Company to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares.

27. 股本(續)

本集團將按風險比例釐定資本金額。本集團根據經濟環境變動及有關資產的風險特性管理及調整資本結構。為維持或調整資本結構，本集團或會調整派發股息、發行新股、回購股份、新增債務、贖回現有債或出售資產以減少債務。

本集團以債務對經調整資本比率為基準監控資本。該比率以債務淨額除以經調整資本計算。債務淨額以債務總額減現金及現金等值物計算。經調整資本包括所有權益部分，即股本、股份溢價、保留溢利及其他儲備。

本集團之策略為將債務淨額對經調整資本比率維持於合理低位。為維持或調整該比率，本集團或會調整派予股東之股息金額、發行新股、向股東退還資本、新增債務融資或出售資產以減少債務。

本公司維持其在聯交所上市地位的唯一外部強制資本要求為須保持至少25%股份由公眾持有。

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28. SHARE — BASED PAYMENTS

Equity-settled share option scheme

(i) Pre-IPO share option scheme

Pursuant to the written resolution passed by all shareholders of the Company on 8 September 2005, the pre-IPO share option scheme (“Pre-IPO Share Option Scheme”) was approved.

The purpose of the Pre-IPO Share Option Scheme is to recognise the contribution of certain persons to the growth of the Group and/or to the listing of shares of the Company on the GEM of the Stock Exchange. The total number of the shares of the Company subject to the Pre-IPO Share Option Scheme is 20,160,000 representing 12% of the issued share capital of the Company upon completion of the placing of the shares of the Company and capitalisation issue and no further options will be granted under the Pre-IPO Share Option Scheme. Upon acceptance of the option, each grantee shall pay HK\$1 to the Company by way of consideration for the grant. All of these options granted under the Pre-IPO Share Option Scheme will only be exercised after the expiry of six months from 13 October 2005 (“Listing Date”) but in any event not later than five years from the Listing Date.

Details of the specific categories of options are as follows:

28. 以股份支付款項

以權益結算的購股權計劃

(i) 首次公開招股前購股權計劃

根據本公司全體股東於二零零五年九月八日通過的書面決議案，首次公開招股前購股權計劃（「首次公開招股前購股權計劃」）已獲得批准。

首次公開招股前購股權計劃旨在表揚若干人士對本集團發展及／或本公司股份於聯交所創業板上市作出的貢獻。首次公開招股前購股權計劃涉及的本公司股份總數為20,160,000股，佔完成配售本公司股份及資本化發行後本公司已發行股本之12%，且本公司不會根據首次公開招股前購股權計劃授出其他購股權。接納購股權後，各承授人須向本公司繳付1港元，作為接受購股權的代價。根據首次公開招股前購股權計劃授出的所有購股權，在自二零零五年十月十三日（「上市日期」）起滿六個月後方可行使，惟無論如何須於上市日期起計五年內行使。

購股權特定分類之詳情如下：

	Date of grant 授出日期	Vesting date 歸屬日	Exercise period 行使期	Exercise price 行使價 HK\$ 港元
Executive directors 執行董事	8 September 2005 二零零五年九月八日	13 April 2006 二零零六年 四月十三日	13 April 2006 to 12 October 2010 二零零六年四月十三日至 二零一零年 十月十二日	0.80
Senior management 高級管理層	8 September 2005 二零零五年九月八日	13 April 2006 二零零六年 四月十三日	13 April 2006 to 12 October 2010 二零零六年四月十三日至 二零一零年 十月十二日	0.80
Other employees and senior management 其他僱員及高級管理層	8 September 2005 二零零五年九月八日	13 April 2006 二零零六年 四月十三日	13 April 2006 to 12 October 2010 二零零六年四月十三日至 二零一零年 十月十二日	0.56

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28. SHARE — BASED PAYMENTS (cont'd)

Equity-settled share option scheme (cont'd)

(i) Pre-IPO share option scheme (cont'd)

If the options remain unexercised after a period of 5 years from the date of grant, the options expire. Options are forfeited on the date which is 3 months after the date on which the eligible employee ceases to be an employee of the Group.

Details of the share options outstanding during the year are as follows:

	2011 二零一一年		2010 二零一零年	
	Number of share options 購股權數目	Weighted average exercise price 加權平均 行使價 HK\$ 港元	Number of share options 購股權數目	Weighted average exercise price 加權平均 行使價 HK\$ 港元
Outstanding at the beginning of the year 年初尚未行使	—	N/A不適用	14,115,000	0.77
Exercised during the year 年內已行使	—	N/A不適用	(13,835,000)	0.78
Lapsed during the year 年內已失效	—	N/A不適用	(280,000)	0.56
Outstanding at the end of the year 年末尚未行使	—	N/A不適用	—	N/A不適用
Exercisable at the end of the year 年末可予行使	—	N/A不適用	—	N/A不適用

The weighted average share price at the date of exercise for share options exercised during 2010 was HK\$1.95.

(ii) Post-IPO share option scheme

Pursuant to the written resolution passed by all shareholders of the Company on 8 September 2005, the post-IPO share option scheme ("Post-IPO Share Option Scheme") was approved.

28. 以股份支付款項(續)

以權益結算的購股權計劃(續)

(i) 首次公開招股前購股權計劃(續)

倘若自授出日期起五年期滿後購股權仍未獲行使，購股權將失效。當合資格員工不再為本集團之員工，自其離職日起三個月後，購股權將被作廢。

年內尚未行使的購股權之詳情如下：

於二零一零年，已獲行使的購股權於行使日的加權平均股價為1.95港元。

(ii) 首次公開招股後購股權計劃

根據本公司全體股東於二零零五年九月八日通過的書面決議案，首次公開招股後購股權計劃(首次公開招股後購股權計劃)獲得批准。

28. SHARE — BASED PAYMENTS (cont'd)

Equity-settled share option scheme (cont'd)

(ii) Post-IPO share option scheme (cont'd)

The purpose of the Post-IPO Share Option Scheme is to enable the Company to recognise the contributions of any employees (including directors of the Company), consultants and/or advisers who in the sole discretion of the directors of the Company have contributed or will contribute to the Group ("Participants") and to motivate the Participants to continuously work to the benefit of the Group by offering to the Participants and opportunity to have personal interest in the share capital of the Company.

The overall limit on the number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Post-IPO Share Option Scheme and other share option scheme of the Group (including the Pre-IPO Share Option Scheme) must not exceed 30% of the shares of the Company in issue from time to time. A nominal consideration of HK\$1 is payable by the grantee upon acceptance of an option.

Under the Post-IPO Share Option Scheme, the Company may grant options, at its discretion, to Participants to subscribe for such number of new shares at any exercise price determined by the board of directors of the Company in its absolute discretion. The price will be the highest of (i) the closing price of the share of the Company as stated in the Stock Exchange daily quotations sheet on the date of grant of the option (which must be a business day), (ii) the average closing prices of the share of the Company as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option and (iii) the nominal value of a share of the Company on the date of the option.

An option under the Post-IPO Share Option Scheme may be exercised in accordance with the terms of the Post-IPO Share Option Scheme at any time during the period to be determined and notified by the board of directors of the Company to each grantee which period of time shall commence on the expiration of three years of the date of grant of the option and expire on such date as determined by the board of directors of the Company provided that the option may not be exercised after the expiration of 10 years from the date of grant of the option.

28. 以股份支付款項(續)

以權益結算的購股權計劃(續)

(ii) 首次公開招股後購股權計劃(續)

首次公開招股後購股權計劃旨在方便本公司肯定本公司董事全權酌情認為曾經或將會為本集團作出貢獻的任何僱員(包括本公司董事)、諮詢人士及/或顧問「參與者」的貢獻，並藉著使參與者有機會於本公司股本中擁有個人權益，激勵參與者繼續為本集團的利益而努力。

因行使根據本集團首次公開招股後購股權計劃及其他購股權計劃(包括首次公開招股前購股權計劃)所授出但尚未獲行使的所有未行使購股權而可能發行的本公司股份數目，整體上限不得超過本公司不時已發行股份的30%。承授人接納購股權時須繳付1港元的名義代價。

根據首次公開招股後購股權計劃，本公司可酌情向參與者授出購股權，按本公司董事會全權酌情釐定之行使價認購該等數目之新股，價格將為以下三者之較高者，(i)本公司股份於購股權授出日期(必須為營業日)在聯交所日報表所報之收市價；(ii)本公司股份於緊接購股權授出日期前五個營業日在聯交所日報表所報之平均收市價及(iii)本公司股份於購股權日期之面值。

根據首次公開招股後購股權計劃授出之購股權可於本公司董事會釐定並知會各承授人之期間內任何時間，根據首次公開招股後購股權計劃之條款行使，該期間應於購股權授出日期起計三年期屆滿起，直至本公司董事會釐定之日期為止，惟購股權不可於購股權授出日期起計十年期屆滿後行使。

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28. SHARE — BASED PAYMENTS (cont'd)

Equity-settled share option scheme (cont'd)

(ii) Post-IPO share option scheme (cont'd)

The Post-IPO Share Option Scheme does not require a minimum period for which an option must be held nor a performance target which must be achieved before an option can be exercised, unless the board of directors of the Company otherwise determined and stated in the offer of the grant of options to the grantee.

No options had been granted under the Post-IPO Share Option Scheme since its adoption on 8 September 2005, and no options remained outstanding under the Post-IPO Share Option Scheme at the end of the year (2010: Nil).

Pursuant to the ordinary resolution passed in the extraordinary general meeting of the Company on 26 November 2008, the New Share Option Scheme (as defined in sub-section (iii) headed "New Share Option Scheme" below) was approved and adopted by the Company to comply with the requirements under Chapter 17 of the Listing Rules; and the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme were terminated accordingly.

(iii) New Share Option Scheme

Pursuant to the ordinary written resolution passed in the extraordinary general meeting of the Company on 26 November 2008, the New Share Option Scheme ("New Share Option Scheme") was approved and adopted by the Company to comply with the requirements under Chapter 17 of the Listing Rules; and the Pre-IPO Share Option Scheme and Post-IPO Share Option Scheme were terminated accordingly.

The purpose of the New Share Option Scheme is to enable the Company to recognise the contributions of the Participants to the Group and to motivate the Participants to continuously work to the benefit of the Group by offering to the Participants an opportunity to have personal interest in the share capital of the Company.

28. 以股份支付款項(續)

以權益結算的購股權計劃(續)

(ii) 首次公開招股後購股權計劃(續)

首次公開招股後購股權計劃並無規定必須持有購股權之最短期限，或購股權獲行使前必需達到的表現目標，惟本公司董事會另有決定及於授出購股權予承授人時聲明者除外。

自首次公開招股後購股權計劃於二零零五年九月八日採納以來，概無根據首次公開招股後購股權計劃授出任何購股權，亦無任何首次公開招股後購股權計劃項下之購股權於年末時尚未行使(二零一零年：無)。

根據本公司於二零零八年十一月二十六日舉行的股東特別大會上通過的普通決議案，新購股權計劃(定義見下文第(iii)分節「新購股權計劃」)已獲本公司批准及採納，以符合《上市規則》第十七章的規定，而首次公開招股前購股權計劃及首次公開招股後購股權計劃則相應終止。

(iii) 新購股權計劃

根據本公司於二零零八年十一月二十六日舉行的股東特別大會上通過的書面普通決議案，新購股權計劃(「新購股權計劃」)已獲本公司批准及採納，以符合《上市規則》第十七章的規定，而首次公開招股前購股權計劃及首次公開招股後購股權計劃則相應終止。

新購股權計劃旨在方便本公司肯定參與者對本集團的貢獻，並藉著使參與者有機會於本公司股本中擁有個人權益，激勵參與者繼續為本集團的利益而努力。

28. SHARE — BASED PAYMENTS (cont'd)

Equity-settled share option scheme (cont'd)

(iii) New Share Option Scheme (cont'd)

The overall limit on the number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and other share option scheme of the Group (including the Pre-IPO Share Option Scheme) must not exceed 30% of the shares of the Company in issue from time to time. Upon acceptance of the option, the Grantee shall pay HK\$1.00 to the Company by way of consideration for the grant.

The subscription price for share(s) under the New Share Option Scheme will be a price as the board of directors in its absolute discretion shall determine and notify to each Participant and will be the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option (which must be a business day), (ii) the average closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option and (iii) the nominal value of a share on the date of grant of the option. The date of grant is the date on which the option is offered.

An option under the Share Option Scheme may be exercised in accordance with the terms of the New Share Option Scheme at any time during the period to be determined and notified by the board of directors of the Company to each grantee which period of time shall commence on the date of grant of the option and expire on such date as determined by the board of directors of the Company provided that the option may not be exercised after the expiration of 10 years from the date of grant of the option.

The New Share Option Scheme does not require a minimum period for which an option must be held nor a performance target which must be achieved before an option can be exercised, unless the board of directors of the Company otherwise determined and stated in the offer of the grant of options to the grantee.

28. 以股份支付款項(續)

以權益結算的購股權計劃(續)

(iii) 新購股權計劃(續)

因行使根據新購股權計劃及本集團其他購股權計劃(包括首次公開招股前購股權計劃)所授出但尚未獲行使的所有未行使購股權而可能發行的本公司股份數目，整體上限不得超過本公司不時已發行股份的30%。接納購股權後，承授人須向本公司繳付1.00港元，作為接受購股權的代價。

根據新購股權計劃，股份之認購價格將由董事會全權酌情釐定並知會予各參與者，且將為以下三者之較高者，(i) 股份於購股權授出日期(必須為營業日)聯交所日報表所報之收市價；(ii) 股份於緊接購股權授出日期前五個營業日在聯交所日報表所報之平均收市價及(iii) 股份於購股權授出日期之面值。授出日期乃購股權獲授出之日期。

根據購股權計劃授出之購股權可於本公司董事會釐定並知會各承授人之期間內任何時間，根據新購股權計劃之條款行使，該期間應於購股權授出日期起，直至本公司董事會釐定之日期為止，惟購股權不可於購股權授出日期起計十年期屆滿後行使。

新購股權計劃並無規定必須持有購股權之最短期限，或購股權獲行使前必需達到的表現目標，惟本公司董事會另有決定及於授出購股權予承授人時聲明者除外。

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28. SHARE — BASED PAYMENTS (cont'd)

Equity-settled share option scheme (cont'd)

(iii) New Share Option Scheme (cont'd)

Details of the specific categories of options are as follows:

	Date of grant 授出日期	Vesting date 歸屬日	Exercise period 行使期	Exercise price 行使價 HK\$ 港元
Senior management 高級管理層	4 August 2009 二零零九年八月四日	4 August 2009 二零零九年八月四日	4 August 2009 to 3 August 2014 二零零九年八月四日至 二零一四年八月三日	0.90

If the options remain unexercised after a period of 5 years from the date of grant, the options expire. Options are forfeited on the date which is 3 months after the date on which the eligible employee ceases to be an employee of the Group.

Details of the share options outstanding during the year are as follows:

28. 以股份支付款項(續)

以權益結算的購股權計劃(續)

(iii) 新購股權計劃(續)

購股權之特定分類詳情如下：

倘若自授出日期起五年期滿後購股權仍未獲行使，購股權將屆滿。當合資格員工不再為本集團之員工，自其離職日起三個月後，購股權將會被作廢。

年內尚未行使的購股權之詳情如下：

		2011 二零一一年		2010 二零一零年	
		Number of share options 購股權數目	Weighted average exercise price 加權平均 行使價 HK\$ 港元	Number of share options 購股權數目	Weighted average exercise price 加權平均 行使價 HK\$ 港元
Outstanding at the beginning of the year 年初尚未行使		1,000,000	0.9	1,000,000	0.9
Exercised during the year 年內已行使		(1,000,000)	0.9	—	N/A不適用
Outstanding at the end of the year 年末尚未行使		—	N/A不適用	1,000,000	0.9
Exercisable at the end of the year 年末可予行使		—	N/A不適用	1,000,000	0.9

The weighted average share price at the date of exercise for share options exercised during the year was HK\$2.60.

本年內已獲行使的購股權於行使日的加權平均股價為2.60港元。

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28. SHARE — BASED PAYMENTS (cont'd)

Equity-settled share option scheme (cont'd)

(iii) New Share Option Scheme (cont'd)

The options outstanding at the end of 2010 have a weighted average remaining contractual life of 3.59 years and the exercise price is HK\$0.90.

29. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Disposal of subsidiaries

As referred to in note 12 to the financial statements, on 10 June 2011 the Group discontinued its wooden furnishings business at the time of the disposal of its subsidiaries, JF BVI and JF Furniture.

Net assets at the date of disposal were as follows:

28. 以股份支付款項(續)

以權益結算的購股權計劃(續)

(iii) 新購股權計劃(續)

於二零一零年末尚未行使的購股權之加權平均剩餘合約年期為3.59年及行使價為0.90港元。

29. 綜合現金流量報表附註

出售附屬公司

誠如財務報表附註12所述，於二零一一年六月十日，本集團於出售其附屬公司捷豐維爾京及捷豐傢俱時終止其木製傢俱業務。

於出售日期之淨資產如下：

		HK\$ 港元
Property, plant and equipment	物業、廠房及設備	190,760,916
Inventories	存貨	38,880,204
Trade receivables	應收貿易賬款	31,110,106
Deposits, other receivables and prepayments	按金、其他應收款項及預付款項	38,836,787
Cash and bank balances	現金及銀行結餘	10,467,517
Trade payables	應付貿易款項	(30,439,483)
Other payables and accruals	其他應付款項及應計項目	(67,032,979)
Due to former immediate parent	應付前直接母公司	(2,100,003)
Short term bank loans	短期銀行借貸	(107,269,236)
Deferred tax liabilities	遞延稅項負債	(2,637,352)
Net assets disposed of	已出售淨資產	100,576,477
Release of foreign currency translation reserve	解除外幣匯兌儲備	(16,910,891)
Direct cost to the disposal	出售之直接成本	4,682,994
Gain on disposal of subsidiaries	出售附屬公司收益	12,227,897
Total consideration — satisfied by cash	總代價 — 以現金支付	100,576,477
Net cash inflow arising on disposal:	出售所產生之現金流入淨額：	
Cash consideration received	已收現金代價	100,576,477
Cash paid for direct cost	以現金支付直接成本	(4,682,994)
Cash and cash equivalents disposed of	已出售現金及現金等價物	(10,467,517)
		85,425,966

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

30. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

30. 本公司之財務狀況表

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Investments in subsidiaries	於附屬公司之投資	42,967,028	42,967,020
Due from subsidiaries	應收附屬公司款項	46,110,512	93,744,560
Other current assets	其他流動資產	363,610	183,554
Due to subsidiaries	應付附屬公司款項	(24,757,689)	(9,182,989)
Other current liabilities	其他流動負債	(1,113,975)	(1,266,497)
NET ASSETS	淨資產	63,569,486	126,445,648
Share capital	股本	2,236,890	2,226,890
Reserves	儲備	61,332,596	124,218,758
TOTAL EQUITY	總權益	63,569,486	126,445,648

Note:

The amounts due from/(to) subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

附註：

應收／(應付)附屬公司款項為無抵押、免息及無固定還款期。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

31. RESERVES

Company

		Share-based					Retained profits	Total
		Shares premium (note (a))	Contributed surplus (note (b))	payments reserve (note (c))				
		股份溢價 (附註 (a))	繳入盈餘 (附註 (b))	以股份支付款項儲備 (附註 (c))	保留溢利	總值		
		HK\$	HK\$	HK\$	HK\$	HK\$		
		港元	港元	港元	港元	港元		
At 1 January 2010	於二零一零年一月一日	55,954,541	42,967,020	1,689,613	22,246,030	122,857,204		
Shares issued on exercise of share options	因行使購股權而發行的股份	27(i) 12,000,808	—	(1,405,958)	—	10,594,850		
Share options forfeited	已作廢購股權	—	—	(66,655)	66,655	—		
Dividend paid	已付股息	—	—	—	(10,501,200)	(10,501,200)		
Profit for the year	年內溢利	—	—	—	1,267,904	1,267,904		
At 31 December 2010	於二零一零年十二月三十一日	67,955,349	42,967,020	217,000	13,079,389	124,218,758		
Representing:	代表:							
At 31 December 2010 after proposed final dividend	二零一零年十二月三十一日建議末期股息後				13,079,389			
Proposed final dividend	建議末期股息	14			—			
					13,079,389			
At 1 January 2011	於二零一一年一月一日	67,955,349	42,967,020	217,000	13,079,389	124,218,758		
Shares issued on exercise of share options	因行使購股權而發行的股份	27(ii) 1,107,000	—	(217,000)	—	890,000		
Transfers	轉撥	Note (d) (67,955,349)	—	—	67,955,349	—		
Dividend paid	已付股息	—	—	—	(169,999,166)	(169,999,166)		
Profit for the year	年內溢利	—	—	—	106,223,004	106,223,004		
At 31 December 2011	於二零一一年十二月三十一日	1,107,000	42,967,020	—	17,258,576	61,332,596		
Representing:	代表:							
At 31 December 2011 after proposed final dividend	二零一一年十二月三十一日建議末期股息後				17,258,576			
Proposed final dividend	建議末期股息	14			—			
					17,258,576			

Notes:

(a) Under the Companies Law of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum and Articles of Association and provided that immediately following the distribution or dividend the Company is able to pay its debts as they fall due in the ordinary course of business.

31. 儲備

本公司

		Share-based					Retained profits	Total
		Shares premium (note (a))	Contributed surplus (note (b))	payments reserve (note (c))				
		股份溢價 (附註 (a))	繳入盈餘 (附註 (b))	以股份支付款項儲備 (附註 (c))	保留溢利	總值		
		HK\$	HK\$	HK\$	HK\$	HK\$		
		港元	港元	港元	港元	港元		
At 1 January 2010	於二零一零年一月一日	55,954,541	42,967,020	1,689,613	22,246,030	122,857,204		
Shares issued on exercise of share options	因行使購股權而發行的股份	27(i) 12,000,808	—	(1,405,958)	—	10,594,850		
Share options forfeited	已作廢購股權	—	—	(66,655)	66,655	—		
Dividend paid	已付股息	—	—	—	(10,501,200)	(10,501,200)		
Profit for the year	年內溢利	—	—	—	1,267,904	1,267,904		
At 31 December 2010	於二零一零年十二月三十一日	67,955,349	42,967,020	217,000	13,079,389	124,218,758		
Representing:	代表:							
At 31 December 2010 after proposed final dividend	二零一零年十二月三十一日建議末期股息後				13,079,389			
Proposed final dividend	建議末期股息	14			—			
					13,079,389			
At 1 January 2011	於二零一一年一月一日	67,955,349	42,967,020	217,000	13,079,389	124,218,758		
Shares issued on exercise of share options	因行使購股權而發行的股份	27(ii) 1,107,000	—	(217,000)	—	890,000		
Transfers	轉撥	Note (d) (67,955,349)	—	—	67,955,349	—		
Dividend paid	已付股息	—	—	—	(169,999,166)	(169,999,166)		
Profit for the year	年內溢利	—	—	—	106,223,004	106,223,004		
At 31 December 2011	於二零一一年十二月三十一日	1,107,000	42,967,020	—	17,258,576	61,332,596		
Representing:	代表:							
At 31 December 2011 after proposed final dividend	二零一一年十二月三十一日建議末期股息後				17,258,576			
Proposed final dividend	建議末期股息	14			—			
					17,258,576			

附註:

(a) 根據開曼群島公司法，本公司的股份溢價可根據本公司的公司組織章程大綱及細則的規定，用於向股東作出分派或派付股息，惟本公司在緊隨分派或派付股息後仍須有能力支付在日常業務過程中到期應付之債務。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

31. RESERVES (cont'd)

Company (cont'd)

Notes: (cont'd)

(b) The contributed surplus of the Company arose as a result of the Corporate Reorganisation and represents the excess of the then combined net assets of the subsidiaries acquired, over the nominal value of the Company's shares issued in exchange therefor.

(c) The share-based payments reserve of the Company and the Group arises on the grant of share options of employees under the Pre-IPO Share Option Scheme and Share Option Scheme. Further information about share-based payments to employees is set out in note 28 to the financial statements. The fair value of the actual or estimated number of unexercised share options granted to employees of the Company recognised in accordance with the accounting policy adopted for share-based payments in note 3(p) to the financial statements.

(d) Pursuant to the extraordinary general meeting passed on 31 May 2011, the amount of HK\$67,955,349 standing to the credit of the share premium account of the Company was cancelled as a capital reduction. The credit arising from the capital reduction was transferred to retained profits of the Company for the distribution of special dividend.

31. 儲備(續)

本公司(續)

附註：(續)

(b) 本公司的繳入盈餘因企業重組產生，為所收購附屬公司當時的合併資產淨值超過為進行收購交換股份而發行的本公司股份面值的數額。

(c) 本公司及本集團之以股份支付款項儲備於根據首次公開招股前購股權計劃及購股權計劃將購股權授予僱員時產生。有關以股份支付予僱員之款項的進一步詳情載列於財務報表附註28。根據財務報表附註3(p)列就以股份所支付款項所採用的會計政策，確認已授予本公司僱員但尚未行使的實際或估計購股權數目的公平值。

(d) 根據於二零一一年五月三十一日通過之股東特別大會，本公司因削減股本而註銷股份溢價賬的進賬額67,955,349港元。削減股本產生之進賬款項已轉撥至本公司之保留溢利，以作分派特別股息。

32. SUBSIDIARIES

Particulars of the subsidiaries as at 31 December 2011 are as follows:

Company	Place of incorporation/ establishment and operation 註冊成立／成立及 經營地點應佔權益	Attributable interest 應佔權益	Nominal value of issued and paid-up ordinary shares/ registered capital 已發行及繳足普通股 面值／註冊資本	Principal activities 主要業務
<i>Directly held</i> 直接持有				
JF Asia 捷豐亞洲	British Virgin Islands 英屬維爾京群島	100%	300 ordinary shares of US\$1 each 300股每股面值1美元的 普通股	Investment holding 投資控股
Profit Business Group Limited#	British Virgin Islands 英屬維爾京群島	100%	1 ordinary share of US\$1 each 1股每股面值1美元的 普通股	Investment holding 投資控股
<i>Indirectly held</i> 間接持有				
Keylink Technology Limited 機靈科技有限公司	British Virgin Islands 英屬維爾京群島	100%	100 ordinary shares of US\$1 each 100股每股面值1美元的 普通股	Investment holding 投資控股

32. 附屬公司

附屬公司於二零一一年十二月三十一日的詳情如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

32. SUBSIDIARIES (cont'd)

32. 附屬公司(續)

Company 公司	Place of incorporation/ establishment and operation 註冊成立/ 成立及經營地點	Attributable interest 應佔權益	Nominal value of issued and paid-up ordinary shares/ registered capital 已發行及繳足普通股 面值/註冊資本	Principal activities 主要業務
<i>Indirectly held</i> 間接持有				
JF Household Furnishings (Macau) Holdings Ltd. 捷豐家居用品(澳門)控股有限公司	British Virgin Islands 英屬維爾京群島	100%	100 ordinary shares of US\$1 each 100股每股面值1美元的普通股	Investment holding 投資控股
JF Ningbo**	PRC	100%	Registered capital and paid-up capital of US\$7,000,000 註冊資本及繳足資本7,000,000美元	Manufacturing and sales of stainless steel furnishings and home products and accessories 製造及銷售不銹鋼傢俱、家居用品及配件
寧波捷豐**	中國			
JF Metal**	PRC	100%	Registered capital and paid-up capital of US\$140,000 註冊資本及繳足資本140,000美元	Manufacturing and processing of stainless steel rods and other accessories 製造及加工不銹鋼桿及其他配件
捷豐金屬**	中國			
JF Household Furnishings Macao Commercial Offshore Limited# 捷豐家居用品澳門離岸商業服務有限公司#	Macau 澳門	100%	MOP100,000 100,000澳門幣	General trading 一般貿易
Fast Mind Corporation Limited ("Fast Mind")# 本迅有限公司(「本迅」)#	Hong Kong 香港	100%	1,000 ordinary share of HK\$1 each 1,000股每股面值1港元之普通股	Provision of consultancy services 提供顧問服務

Statutory financial statements not audited by RSM Nelson Wheeler

法定財務報表未經中瑞岳華(香港)會計師事務所審核

* Wholly-owned foreign enterprise established in the PRC

* 在中國成立的外商獨資企業

33. CONTINGENT LIABILITIES

33. 或然負債

At 31 December 2011, the Group did not have any significant contingent liabilities (2010: Nil).

於二零一一年十二月三十一日，本集團並無任何重大或然負債(二零一零年：無)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

34. COMMITMENTS

(a) Operating lease commitments

At 31 December 2011, the Group had total future minimum lease payments under non-cancellable operating leases for leasehold land and buildings falling due as follows:

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Within one year	一年內	245,028	124,500
In the second to fifth years, inclusive	二至五年(包括首尾兩年)	83,700	—

(b) Capital commitments

Construction of the factory premises and acquisition of plant and machinery
 — Contracted but not provided for

興建工廠物業及
 購買廠房及
 機械
 — 已訂約但未撥備

34. 承擔

(a) 經營租賃承擔

於二零一一年十二月三十一日，本集團於下列期間就租賃土地及建築物之不可撤銷經營租賃支付之未來最低租金總額如下：

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Within one year	一年內	245,028	124,500
In the second to fifth years, inclusive	二至五年(包括首尾兩年)	83,700	—

(b) 資本承擔

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Construction of the factory premises and acquisition of plant and machinery — Contracted but not provided for	興建工廠物業及 購買廠房及 機械 — 已訂約但未撥備	—	19,809,646

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

35. RELATED PARTY TRANSACTIONS

In addition to those transactions and balances disclosed elsewhere in the financial statements, in the normal course of business, the Group had the following transactions with its related parties during the year, of which certain key managements of the Company are also directors of these companies or held beneficial interests therein, as follows:

35. 關聯人士交易

除財務報表其他部份所披露的交易及結餘外，於年內，本集團在正常業務過程中與其關聯人士進行以下交易，其中本公司若干主要管理人員亦為該等公司的董事或持有其實益權益，有關資料載列如下：

		2011 二零一一年 HK\$ 港元	2010 二零一零年 HK\$ 港元
Rental income from	來自以下公司之租金收入：		
— JF Furniture	— 捷豐家俱	587,477	—
Purchases from	向以下公司購買		
— 餘姚捷豐空調風機有限公司 (Yuyao Jiefeng Fan and Air-conditioning Co., Ltd.)	— 餘姚捷豐空調風機 有限公司	641	1,955
Leasing charges paid to	向以下公司支付租賃費用		
— Yuyao Jiefeng	— 餘姚捷豐	556,431	533,914
Processing charges paid to	向以下公司支付加工費		
— Yuyao Jiefeng	— 餘姚捷豐	—	14,852
— JF Furniture	— 捷豐家俱	299,625	—
License fees paid to	向以下公司支付特許費		
— A.C.R. Equipment Supplies Limited	— 捷豐冷凍器材有限公司	120,000	120,000
Rental expenses paid to	向以下人士支付租金		
— Senior management	— 高級管理層	82,800	82,800

A director of the Company, Mr. Leung Kwok Yin and two key managements, Mr. Yan Siu Wai and Mr. Bao Jisheng, have beneficial interests in the above companies.

本公司董事梁國賢先生及兩名主要管理人員甄兆威先生和鮑繼聲先生於上述公司擁有實益。

During the year, the key management personnel compensation paid by the Group is disclosed in note 9 to the financial statements.

於年內，本集團支付予主要管理人員的酬金於財務報表附註9披露。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

36. EVENTS AFTER THE REPORTING PERIOD

- (a) On 5 March 2012, the Group successfully completed a private placement of 15,600,000 shares of the Company at the placing price of HK\$1.92 per share, which raised a gross proceeds of around HK\$29.95 million. Details of the placing agreement in relation to the placing had been disclosed in an announcement of the Company dated 16 February 2012.
- (b) On 22 March 2012, Fast Mind, a wholly owned subsidiary of the Company, and three independent third parties (the "Vendors") entered into a non-legally binding memorandum of understanding (the "MOU"), pursuant to which (i) Fast Mind intends to acquire (the "Proposed Acquisition") and the Vendors intend to sell 65% of the equity interest in 江陰市炙能光熱科技有限公司 (transliterated as Jiangyin Zhineng Guangre Technology Company Limited) (the "Target Company"); and (ii) subject to the due diligence on 北京天兆聚核科技發展有限公司 (transliterated as Beijing Tian Zhao Ju He Technology Development Company Limited) (the "Beijing Company"), Fast Mind intends to acquire the Beijing Company. Prior to the completion of the Proposed Acquisition, the Target Company will acquire 80% of the equity interest in 深圳市微沃新能源技術有限公司 (transliterated as Shenzhen Weiwo New Energy Technology Company Limited) ("Shenzhen Weiwo") and 95% of the equity interest in 青島聯訊天兆太陽能光熱發電科技有限公司 (transliterated as Qingdao Lianxun Tianzhao Solar Thermal Power Technology Company Limited) ("Qingdao Lianxun" and together with Shenzhen Weiwo, the "Potential Subsidiaries"). The Target Company and the Potential Subsidiaries are principally engaged in the design, production and sale of solar thermal equipment. Details of the MOU had been disclosed in an announcement issued by the Company on 22 March 2012.

37. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 28 March 2012.

36. 報告期後事件

- (a) 於二零一二年三月五日，本集團成功以配售價每股1.92港元完成私人配售15,600,000股本公司股份，藉此獲得約29,950,000港元之所得款項總額。與配售有關之配售協議詳情已於本公司於二零一二年二月十六日刊發的公告中披露。
- (b) 於二零一二年三月二十二日，本公司的全資附屬公司本迅與三名獨立第三方（「賣方」）訂立無法律約束力的諒解備忘錄（「諒解備忘錄」），據此(i)本迅有意收購（「建議收購事項」）及賣方有意出售江陰市炙能光熱科技有限公司（「目標公司」）的65%股權；及(ii)待完成對北京天兆聚核科技發展有限公司（「北京公司」）進行的盡職審查後，本迅有意收購北京公司。於完成建議收購事項前，目標公司將收購深圳市微沃新能源技術有限公司（「深圳微沃」）的80%股權及青島聯訊天兆太陽能光熱發電科技有限公司（「青島聯訊」），連同深圳微沃，稱為「潛在附屬公司」的95%股權。目標公司及潛在附屬公司主要從事太陽能熱電設備的設計、生產與銷售。諒解備忘錄之詳情已於本公司於二零一二年三月二十二日刊發的公告中披露。

37. 財務報表的批准

董事會已於二零一二年三月二十八日批准及授權刊發本財務報表。



JF Household Furnishings Limited

捷豐家居用品有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)