



恒
Perennial
都

PERENNIAL INTERNATIONAL LIMITED
恒都集團有限公司

(Stock code 股份代號: 725)

Annual Report 2012 年報

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

MON Chung Hung (*Chief Executive Officer and Deputy Chairman*)

LI Man Wai (resigned on 1st October 2012)

SIU Yuk Shing, Marco

MON Wai Ki, Vicky

MON Tiffany

Non-Executive Director

KOO Di An, Louise (*Chairman*)

Independent Non-Executive Directors

LAU Chun Kay

MA Chun Hon, Richard

LEE Chung Nai, Jones

COMPANY SECRETARY

MOK Kin Kwan

REGISTERED OFFICE

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

PRINCIPAL PLACE OF BUSINESS

Units 2002-2006, 20th Floor

Greenfield Tower

Concordia Plaza

1 Science Museum Road

Tsimshatsui, Kowloon

Hong Kong

STOCK CODE

Stock Code on The Stock Exchange of

Hong Kong Limited: 00725

董事會

執行董事

孟振雄 (*行政總裁及副主席*)

李文斌 (離任於二零一二年十月一日)

蕭旭成

孟瑋琦

孟章萱

非執行董事

顧迪安 (*主席*)

獨立非執行董事

劉振麒

馬鎮漢

李宗薰

公司秘書

莫健鈞

註冊辦事處

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

主要營業地點

香港

九龍尖沙咀

科學館道1號

康宏廣場

南座

20樓2002-2006室

股份代號

香港聯合交易所有限公司

股份代號：00725

CORPORATE INFORMATION

公司資料

SOLICITOR

IU, LAI & LI
20th Floor, Gloucester Tower
The Landmark
11 Pedder Street
Central, Hong Kong

PRINCIPAL BANKERS

Hang Seng Bank
83 Des Voeux Road Central
Hong Kong

AUDITORS

PricewaterhouseCoopers
22nd Floor, Prince's Building
Central, Hong Kong

PRINCIPAL REGISTRAR AND TRANSFER OFFICE

HSBC Securities Services (Bermuda) Limited
6 Front Street
Hamilton HM11
Bermuda

BRANCH REGISTRAR AND TRANSFER OFFICE

Hong Kong Registrars Limited
17M Floor
Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

WEBSITE

<http://www.equitynet.com.hk/0725>

律師

姚黎李律師行
香港中環
畢打街11號
置地廣場
告羅士打大廈20樓

主要往來銀行

恒生銀行
香港
德輔道中83號

核數師

羅兵咸永道會計師事務所
香港中環
太子大廈22樓

股份登記及過戶總處

HSBC Securities Services (Bermuda) Limited
6 Front Street
Hamilton HM11
Bermuda

股份登記及過戶分處

香港證券登記有限公司
香港灣仔
皇后大道東183號
合和中心
17M樓

網址

<http://www.equitynet.com.hk/0725>

MISSION STATEMENT

宗旨

Perennial International Limited is dedicated to maintain the high quality of its products, manufacturing processes and service to customers and to forge a worldwide reputation as a business demanding excellence in all of its operations.

恒都集團有限公司致力提供優質產品、嚴格監控生產過程、以及奉行以客為本的精神，務求達到盡善盡美，讓集團聲名遠播，享譽全球。

CORPORATE PROFILE

集團簡介

The Perennial Group, founded in 1989, manufactures and trades quality power cord, power cord sets, cables and solid wire, wire harnesses and plastic resins. The Group's primary markets are America, Europe, Australia, Mainland China, Japan and Southeast Asia where it sells to prominent multi-national producers of electrical and electronic products.

Headquartered in Hong Kong, the Group employs approximately 1,300 staff worldwide involved in management, sales and marketing, shipping, procurement, financial and accounting, research and development, production and manufacturing. The Group considers its employees to be its most important asset while its key values are quality, prudence and integrity.

恒都集團於一九八九年成立，專門製造及營銷優質的電源線、電源線組合、導線、組合線束及塑膠皮料。集團主要的外銷市場是美洲、歐洲、澳洲、中國大陸、日本及東南亞客戶對象為著名的跨國電器及電子產品生產商。

集團總部設於香港，在全球僱用約1,300名員工，主要負責管理、銷售及市場推廣、船務、採購、財務及會計、研發及生產等工作。集團視員工為最寶貴的資產，而優質、審慎及誠信則為最重要的價值。

CHAIRMAN'S STATEMENT

主席報告

On behalf of the Board of Directors (the "Board"), I am pleased to announce the audited consolidated financial results of Perennial International Limited (the "Company"), together with its subsidiaries (the "Group") for the year ended 31st December 2012.

The Group's revenue was HK\$430,958,000 (2011: HK\$472,445,000). Profit for the year was HK\$19,954,000 compared to HK\$15,275,000 in 2011, up 30.6%. Earnings per share were HK\$0.10 (2011: HK\$0.077).

FINAL DIVIDEND

The Board recommend the payment of a final dividend of HK\$0.02 per share. Together with the interim dividend of HK\$0.01 per share, the Group's total dividend for the year 2012 amount to HK\$0.03 per share (2011: HK\$0.03 per share).

The proposed final dividend is subject to approval of the shareholders at the forthcoming Annual General Meeting to be held on 3rd May 2013 ("2013 AGM"), is to be payable on 23rd May 2013 to shareholders whose names appear on the Register of Members on 15th May 2013.

The register of members of the Company will be closed during the following periods:

- (i) from 30th April 2013 to 3rd May 2013, both days inclusive and during which period no share transfer will be effected, for the purpose of ascertaining shareholders' entitlement to attend and vote at the 2013 AGM. In order to be eligible to attend vote at the 2013 AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar, Hong Kong Registrars Limited at 17M Floor, Hopewell center, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 29th April 2013; and

本人謹代表恒都集團有限公司（「本公司」）董事會（「董事會」），宣佈本公司及其附屬公司（「本集團」）截至二零一二年十二月三十一日止年度的經審核綜合財務業績。

本集團的營業額為430,958,000港元（二零一一年：472,445,000港元）。全年溢利為19,954,000港元，而二零一一年同期則為15,275,000港元，上升30.6%。每股盈利為10.0港仙（二零一一年：7.7港仙）。

末期股息

董事會建議派發末期股息每股2港仙，連同已派發的中期股息每股1港仙，本集團二零一二年之全年股息為每股3港仙（二零一一年：每股3港仙）。

建議末期股息須待本公司於二零一三年五月三日舉行的應屆股東週年大會（「二零一三年股東週年大會」獲股東批准方可作實，並將於二零一三年五月二十三日派發予二零一三年五月十五日名列股東名冊內之股東。

本公司將於下列時段暫停辦理股份過戶登記手續：

- (i) 由二零一三年四月三十日至二零一三年五月三日止，首尾兩天包括在內，共於該期間內暫停辦理股份過戶登記手續，以釐定有權出席二零一三年股東週年大會並於會上投票之股東身份。為確保合資格出席二零一三年股東週年大會並於會上投票之權利，所有股份過戶文件連同有關股票須於二零一三年四月二十九日下午四時三十分前送達本公司在香港之過戶登記分處香港證券登記有限公司辦理過戶登記手續，地址為香港灣仔皇后大道東183號合和中心17M樓；及

FINAL DIVIDEND (CONTINUED)

- (ii) from 13th May 2013 to 15th May 2013, both days inclusive and during which period no share transfer will be effected, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to establish entitlements to the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 10th May 2013.

BUSINESS REVIEW

Sales of power cords and power cord sets, cables and wires, wire harnesses and plastic resins accounted for 55%, 12%, 31% and 2% of the Group's total turnover, respectively, in this financial year.

Our company continued to remain profitable for the year 2012, despite a challenging year of continued economic uncertainty resulting from the European sovereign debt crisis and rising costs of labour and weak market demand.

Manufacturers in mainland China faced challenging operating environment throughout the year under review. A trifecta of increased running costs resulting from highly volatile commodity prices; rising costs of complying with Chinese labour and environmental legislation; and, the appreciation of Renminbi, has exerted pressure on the Group's profit margin.

To mitigate the effect of rising operational costs in China, the Group has continued to pursue effective hedging strategies against volatile commodity prices and rising Renminbi and to capitalise on 'lean manufacturing' strategies, increasing automation and rationalising the workforce to augment operational efficiency.

末期股息 (續)

- (ii) 由二零一三年五月十三日至二零一三年五月十五日止，首尾兩天包括在內，並於該期間內暫停辦理股份過戶登手續，以釐定股東享有建議之末期股息。為確保享有收取建議之末期股息之權利，所有股份過戶文件連同有關股票須於二零一三年五月十日下午四時三十分前送達本公司在香港之過戶登記分處香港證券登記有限公司辦理過戶登記手續，地址為香港灣仔皇后大道東183號合和中心17M樓。

業務回顧

於本會計年度內，電源線及電源線組合、導線、組合線束及塑膠皮料的銷售額，分別佔本集團營業額之55%、12%、31%及2%。

本公司在二零一二年繼續維持一定的盈利，儘管從歐洲主權債務危機，勞動力成本上升和市場需求疲弱所造成的經濟不確定性導致這一年充滿挑戰。

回顧整個年度，中國大陸的製造商的經營環境面臨挑戰。接二連三的打擊造成了營運成本的增加，包括商品價格的波動，中國的勞動和環境法改變增加成本上升，人民幣升值，都對本集團的利潤率增加很大的壓力。

為了減輕在中國的營運成本上升的影響，本集團繼續推行有效對波動的商品價格及人民幣上漲的對沖戰略，並利用「精益生產」的戰略，提高自動化和合理化的勞動力，以增加營運效率。

CHAIRMAN'S STATEMENT

主席報告

BUSINESS REVIEW (CONTINUED)

Pursuant to the mandatory requirement from the Government for the People's Republic of China ("PRC"), all enterprises operating under the business licence of contractors must transform into wholly foreign-owned enterprises. The operation of our two Chinese factories, Shenzhen Baoan Shiyan Perennial Plastic and Metal Manufactory and Baoan Shiyan Perennial Plastic Manufactory have therefore been replaced by Shenzhen Perennial Plastics and Metal Limited and Shenzhen Perennial Plastic Limited respectively since 1st May 2012. Also, the business mode of the two factories changed from tolling processing to import processing. As a result, our two Chinese enterprises are subject to enterprise income tax in the PRC. And those profit related to import processing arrangement are no longer eligible for the 50:50 apportionment as allowed by Hong Kong Inland Revenue Department, the taxation charge was increased substantially.

The Group's unwavering commitment to the quality of our products and providing value for customers remains unchanged, despite the current difficult economic climates. We have chosen not to partake in the unsustainable price cutting adopted by some competitors.

FUTURE PROSPECTS

Given the uncertain economic environment, we are cautiously optimistic that the global economic environment will improve gradually in 2013.

Rising pressures on costs will likely remain with the continuing appreciation of the Renminbi, making improving margins a challenging task. Our solution is to explore new high class customers, consider setting up new production plant in cost competitive location and improve operational efficiency by using independent accounting for each department to reduce labour costs. All these measures help us continue to create great value for our customers and shareholders.

We are facing an uncertain business environment, with prolonged economic recovery seen in the United States against the tightening of credit resulting from the European sovereign debt crises. Nevertheless, the Group remains optimistic about its long-term prospects and has strong cash-flow and adequate reserves to face any upcoming challenges and business risk.

業務回顧 (續)

根據中華人民共和國(「中國」)政府近期的規定，所有以加工貿易經營的企業必須變更為外商獨資企業。二零一二年五月一日起，我們其中兩間中國工廠，深圳市寶安區石岩恒都塑膠五金廠和寶安區石岩恒都塑膠廠的營運分別由深圳恒都塑膠五金有限公司和深圳恒鍵塑膠有限公司所代替。此外，該兩間工廠的業務模式亦由來料加工變更為進料加工。因此，我們兩間中國企業需要在中國繳納企業所得稅。就進料加工安排相關的利潤而言，不再符合經香港稅務局同意的條件按50:50的比例繳納利得稅。稅務支出有明顯升幅。

儘管目前經濟困難的氣候，本集團對我們的產品質量，並為客戶提供價值的堅定不移的承諾保持不變，我們不參與一些競爭對手所採取的不可持續的價格削減，盡量爭取高附加價值的產品。

未來展望

雖然面對不確定的經濟環境，我們對全球經濟環境持謹慎樂觀態度及二零一三年將逐步改善。

人民幣的持續升值仍然可能對成本構成上升壓力，使提高利潤率成為一項艱鉅的任務。我們的做法是開發新的高階客戶，考慮成本有競爭能力的地方建立新的生產基地，並要求各部門以獨立核算方式提高營運效率，降低勞動力成本，所有這些措施可以幫助我們繼續為我們的客戶和股東創造巨大價值。

我們正面臨一個不確定的商業環境，看到美國經濟持續復甦但從歐洲主權債務危機造成的信貸緊縮。儘管如此，本集團保持其長期前景持樂觀態度，並具有較強的現金流和足夠的儲備，面對任何即將到來的挑戰及業務風險。

CHAIRMAN'S STATEMENT

主席報告

FUTURE PROSPECTS (CONTINUED)

Our core strategy remains creating value for our customers. We endeavour to continue providing high quality products at competitive prices.

The Group is also dedicated to producing environmentally-sound products. We will continue to invest in the research and development of eco-friendly products in order to meet the European Union's new environmental protection regulations.

The United States remains the Group's primary overseas market. It is our goal to develop new revenue driver for the Group by expanding into other overseas markets in the near future.

On the human resources front, we will continue to attract and retain talent through the provision of competitive remuneration packages, employee recognition, seniority-based benefits, training programmes as well as leisure and recreation facilities for staff.

CORPORATE GOVERNANCE

The Group is committed to safeguarding shareholders' rights and enhancing corporate governance standard. As a result, we establish the Compliance Committee, Audit Committee, Remuneration Committee and Nomination Committee to adhere to the best practice.

SOCIAL RESPONSIBILITY

The Group holds a strong belief in corporate social responsibility. So we continue to participate in and support community activities in both Hong Kong and the PRC.

VOTE OF THANKS

On behalf of the Board, my sincere thanks to our loyal shareholders, partners and customers for their continuous support and to our staff for their dedication.

By Order of the Board
Koo Di An, Louise
Chairman

Hong Kong, 20th March 2013

未來展望 (續)

我們的核心策略仍然是為客戶創造價值，並會繼續提供高品質及有競爭力的產品。

本集團致力生產符合環保要求的產品。我們會繼續投資於研究及開發環保產品，推廣綠色產品，配合歐盟對環保要求的新規例。

美國仍然是本集團的最主要海外市場，我們的目標是在不久的將來開拓其他海外市場來為本集團帶來新的收益來源。

在人才資源方面，本集團將透過提供具競爭力的薪酬福利，對優秀人才予以表揚，訂立年資福利制度、提供培訓計劃、改善員工休憩及娛樂地方等措施致力吸納及挽留出色員工。

企業管治

本集團致力維護股東權益，提升企業管治水平。因此，我們設立監察委員會、審核委員會、薪酬委員會及提名委員會，遵守最佳守則。

社會責任

本集團堅守信念，做一家負責任的企業，所以我們持續參與和支持香港及中國的社會活動。

致謝

本人謹代表董事會，向忠誠的股東、夥伴、客戶及員工的鼎力支持，表示衷心感謝。

承董事會命
主席
顧迪安

香港，二零一三年三月二十日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

LIQUIDITY AND FINANCIAL RESOURCES

At the end of December 2012, the consolidated short-term indebtedness of the Group was approximately HK\$87,597,000. The borrowings are denominated in Hong Kong dollars. The bank balances and cash amounted to approximately HK\$93,578,000.

At the end of December 2012, the Group's trade receivables balance was approximately HK\$100,141,000, representing 23.2% of the year's turnover of approximately HK\$430,958,000. The Group adopted a stringent credit policy to minimize credit risk.

The interest cover was 10.0 times as compared to 10.8 times in 2011.

CAPITAL STRUCTURE

As at 31st December 2012, the consolidated shareholders' equity of the Group was approximately HK\$451,171,000, an increase of 17.8% over that of the previous year. The debt to equity ratio, calculated by dividing total liabilities to shareholders' equity, was approximately 39.5%.

CAPITAL EXPENDITURE AND MATERIAL ACQUISITIONS

During the year under review, capital expenditures were approximate to HK\$5,333,000.

PLEDGE OF ASSETS

As at 31st December 2012, the Group's banking facilities amounting to approximately HK\$87,597,000 were secured by legal charges over certain land and buildings, and investment property of the Group with a total net book value of HK\$143,070,000.

流動資金及財務資源

於二零一二年十二月底，本集團之短期借貸約為87,597,000港元。所有借貸均以港元為單位。現金及銀行存款約達93,578,000港元。

於二零一二年十二月底，本集團之應收賬款結餘約為100,141,000港元，佔年度營業額約430,958,000港元之23.2%。本集團採納嚴謹之信貸政策，以盡量減低信貸風險。

盈利對利息倍數為10.0倍，二零一一年則為10.8倍。

股本結構

於二零一二年十二月三十一日，本集團之綜合股東資金約為451,171,000港元，較去年上升17.8%。負債對資本比率（以負債總額除以股東資金計算）約為39.5%。

資本開支及重大收購

於回顧年度，資本開支為約5,333,000港元。

抵押資產

於二零一二年十二月三十一日，本集團約有87,597,000港元之銀行信貸乃以本集團總賬面淨值143,070,000港元之若干土地及樓宇及投資物業之法定抵押。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SEGMENT INFORMATION

During the year under review, Hong Kong, America and the Mainland China continued to be the Group's major markets, accounting for approximately 44%, 35% and 15% of the Group's total sales respectively. The remaining 6% of sales were generated from customers located in other Asian countries and Europe.

EMPLOYEES' REMUNERATION POLICY

As at 31st December 2012, the Group employed approximately 1,300 full time management, administrative and production staff worldwide. The Group follows market practice on remuneration packages. Employee's remuneration is reviewed and determined by senior management annually depending on the employee's performance, experience and industry practice. The Group invests in its human capital, In addition to on-job training, the Group adopts policies of continuous professional training programs.

FOREIGN EXCHANGE EXPOSURE

All foreseeable foreign exchange risks of the Group are appropriately managed and hedged.

LITIGATION

Litigation is being processed against General Protecht Group Inc. for their overdue debt. The trial will be conducted in the PRC in March 2013. Full provision for the overdue debt was made in the year of 2011.

CONTINGENT LIABILITIES

As at 31st December 2012, the Group did not have any material contingent liabilities.

分部資料

回顧年內，香港，美國及中國大陸依舊是本集團的主要銷售市場，分別佔本集團營業額約44%，35%及15%。其他亞洲國家及歐洲地區的客戶則佔本集團餘下約6%的營業額。

僱員薪酬政策

於二零一二年十二月三十一日，本集團在全球僱用約1,300名全職之管理、行政及生產人員。本集團之薪酬組合乃按市場常規而定。高級管理人員按僱員表現、經驗及業內常規，每年檢討及釐定僱員薪酬。本集團對人力資源作出投資，除為員工提供在職培訓外，亦制訂員工持續進修專業培訓政策。

匯率風險

本集團所有可預見外匯風險已被合適地監管及對沖。

訴訟

我們正在處理對通領科技集團有限公司逾期債務的訴訟。審訊將會在二零一三年三月在中國進行。此逾期債務已在二零一一年全數撥備。

或然負債

於二零一二年十二月三十一日，本集團並無重大或然負債。

CORPORATE GOVERNANCE REPORT

企業管治報告

Perennial International Limited is firmly committed to statutory and regulatory corporate governance standards with emphasis on transparency, independence, accountability, responsibility and fairness.

THE CORPORATE GOVERNANCE CODE

The Directors confirm that the Company has fully complied with the code provisions set out in the Corporate Governance Code (the “Code”) attached to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) as Appendix 14, and adopted recommended best practices set out in the Code whenever appropriate except Mr. Ma Chun Hon, Richard, an Independent Non-Executive Director, was unable to attend the Company’s annual general meeting held on 24th May 2012 due to the business engagements. During the year, Ms. Koo Di An, Louise, Chairman, was unable to hold a meeting with the Independent Non-Executive Directors without the presence of the Executive Directors due to other prior business engagements.

THE BOARD

The Board’s primary role is to protect and enhance long-term shareholder value. It sets the overall strategy for the Group and supervises executive management to whom the responsibility of managing the day-to-day operation of the Group is delegated. In the course of discharging its duties, the Board acts in integrity, due diligence and care, and in the best interests of the Company and its shareholders.

The Board oversees the Company in a responsible and effective manner. It has adopted formal terms of reference which details its functions and responsibilities. Its main responsibilities include, but not limited to, ensuring competent management, approving objectives, strategies and business plans, ensuring prudent conduct of operations within laws and approved policies, ensuring and monitoring integrity in the Company’s conduct of affairs. Day-to-day management of the Group is delegated to the Executive Directors or the officer in charge of each division who are given clear directions as to his/her powers and are required to report back to the Board. Functions reserved to the Board and delegated to the management are reviewed periodically. The Directors, as members of the Board, jointly share responsibility for the proper direction of the Company. The Company has formal service contract with each Director setting out the key terms and conditions of his/her appointment.

恒都集團有限公司奉行法定及監管企業管治標準，並著重其透明度、獨立、問責、負責與公平。

企業管治常規守則

董事確認本公司已全面遵守了香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載之企業管治常規守則（「守則」）的條文的規定，及當適用時實行該守則的最佳建議常規。除以下外，獨立非執行董事馬鎮漢先生由於先前其他業務安排，未能出席於二零一二年五月二十四日舉行的本公司股東週年大會。年內，主席顧迪安女士由於先前其他業務安排，未能在沒有執行董事出席的情況下，與獨立非執行董事召開會議。

董事會

董事會之主要角色乃保障及提升股東之長期價值。董事會為本集團制定整體策略及監督已獲授權處理本集團日常運作的行政管理層。於執行職責期間，董事會秉承誠實、勤勉及謹慎的態度，並以本公司及其股東的最佳利益為依歸。

董事會以盡責的態度和有效的方式領導本公司，並已採納正式而詳列其職能及責任的職權範圍。董事會主要責任包括但不限於確保管理層有足夠能力執行管理；審批目標、策略和業務計劃；確保日常運作審慎進行及依循法律和既定政策；確保及監察本公司事務符合道德規範。本集團的日常管理乃指派予執行董事或各部門主管負責，各執行董事及部門主管被賦予明確職權範圍，並須向董事會匯報。董事會自行承擔及轉授予管理層的職能將予定期檢討。所有董事會成員，對於為本公司制訂正確方針共同分擔責任。本公司已與各董事訂立載有其委任的主要條款及條件的正式服務合約。

THE BOARD (CONTINUED)

The Board currently consists of eight (8) members whose details are set out on pages 32 to 34 of this report. It meets quarterly and holds specific meetings as and when they are deemed necessary. The Board held four (4) meetings during the year ended 31st December 2012. Notices of Board meetings were given to the Directors at least 14 days prior to the date of the meetings with the agenda and any accompanying Board papers sent at least 3 days before the date of the meetings. All Directors are given the opportunity to include matters for discussion in the agenda. Minutes of the Board meetings and committee meetings, recording in sufficient detail the matters considered and decisions reached, are kept by the Company Secretary and sent to the Directors or the committee members (as appropriate) for their comment and records within reasonable time after the meeting is held. They are also available for inspection by the Directors at any reasonable time on reasonable notice by any Director. A record of the Directors' attendance at Board meetings is set out on page 27 of this report.

The Group provides extensive background information about its history, mission and businesses to the Directors. The Directors are also provided with the opportunity to visit the Group's operational facilities and meet with the management to gain a better understanding of its business operations.

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company updates Directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements from time to time, to ensure compliance and enhance their awareness of good corporate governance practices.

董事會 (續)

董事會現由八名成員組成，其詳細資料載於本報告第32至34頁。董事會每季度均舉行會議，並於需要時召開特別會議。董事會於截止二零一二年十二月三十一日之年度共舉行四次會議。董事會會議通知乃於會議舉行前至少十四日寄發予全體董事，而會議議程及相關董事會文件則於會議舉行前至少三日送交全體董事。全體董事皆有機會提出商討事項列入會議議程。每次董事會會議及委員會會議對會議上所考慮事項及達致的決定的詳細會議記錄乃由公司秘書存檔，並於會議舉行後合理時間內送交董事或委員會成員（視其適用情況而定）傳閱以提出意見及記錄，亦會在任何董事發出合理通知的情況下，供其在任何合理時段內查閱。董事出席董事會會議之記錄載於本報告第27頁。

本集團向董事提供關於其歷史、宗旨及業務的廣泛資料。董事亦獲提供參觀本集團營運設施並與管理層會面之機會，讓彼等更了解本集團之業務運作。

本公司鼓勵所有董事參與持續專業發展，以發展及重溫其知識及技能。本公司不時向董事提供上市規則以及其他適用監管規定的最新發展概況，以確保董事遵守良好的企業管治常規，並提升其對良好企業管治常規的意識。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD (CONTINUED)

During the year, all directors of the Company namely, Messrs Mon Chung Hung, Li Man Wai, Siu Yuk Shing, Marco, Mon Wai Ki, Vicky, Mon Tiffany, Koo Di An, Louise, Lau Chun Kay, Ma Chun Hon, Richard, Lee Chung Nai, Jones received regular briefings and updates on the Group's business, operations, risk management and corporate governance matters. Materials on new or changes to salient laws and regulations applicable to the Group were provided to the directors. They also attended regulatory update sessions and seminars on relevant topics. All directors are requested to provide the Company with their respective training record pursuant to the CGP Code.

The Board has separate and independent access to the senior management and the Company Secretary at all times. The Board and each Board Committee also has access to independent professional advice where appropriate.

The Company has arranged for appropriate liability insurance for the Directors and the senior management of the Group for indemnifying their liabilities arising out of corporate activities. The insurance coverage is reviewed on an annual basis.

董事會 (續)

於年內，本公司全體董事（即孟振雄先生、李文斌女士、蕭旭成先生、孟瑋琦女士、孟韋萱女士、顧迪安女士、劉振麒先生、馬鎮漢先生、李宗勳先生）定期接受有關本集團業務、營運、風險管理及企業管治事宜的簡報及更新。董事獲提供適用於本集團的新訂重點法律及條例或重要法律及條例之變動。彼等亦出席有關最新監管議題的課程及研討會。根據企業管治守則，所有董事須向本公司提供彼等各自之培訓記錄。

董事會可於任何時間個別及獨立接觸高級管理層及公司秘書。董事會及各個董事委員會亦可於適當時候獲取獨立專業意見。

本公司已為本集團各董事及高級管理層安排適當之責任保險，就公司活動導致彼等需負之責任給予保償。保障範圍將每年審議。

THE BOARD (CONTINUED)

In order to reinforce independence, accountability and area of responsibility, the role of the Chairman is separate from that of the Chief Executive Officer. Their respective responsibilities are clearly established and set out in writing. The Chairman manages the Board and is responsible for ensuring that adequate information is provided to the Directors in a timely manner and all Directors are properly briefed on issues arising at Board meetings, while the Chief Executive Officer is responsible for implementing strategies, policies, and for conducting the Group's businesses.

Pursuant to the Bye-laws of the Company, one-third of the Directors that have served longest on the Board must retire at each annual general meeting, and may offer themselves for re-election. Notwithstanding that the Non-Executive Directors are appointed for a specific term of one to three year, they are also subject to retirement by rotation at least once every three years as other Directors do. To enhance accountability, any further re-appointment of an Independent Non-Executive Director, who has served the Board for more than nine years, is subject to a separate resolution to be passed by the shareholders. In addition, Directors who are appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after appointment according to the Company's Bye-laws.

Pursuant to the requirement of the Listing Rules, the Company confirms receipt of a written confirmation from each of the Independent Non-Executive Directors for confirmation of his independence to the Company. The Company considers all its Independent Non-Executive Directors to be independent.

董事會 (續)

為加強各自之獨立性、責任及職責範圍，主席之角色乃獨立於行政總裁之角色，彼等各自之職責均以書面清楚界定。主席管理董事會及負責確保所有董事均可適時獲得足夠的資料以及可就董事會會議上所提出的問題獲得清楚的解釋；行政總裁則負責推行策略、政策，以及經營本集團業務。

根據本公司之公司細則，於董事會服務年資最長的三分之一之董事，必須按規定輪席告退於每次股東週年大會上，但可膺選連任。儘管非執行董事被委以一至三年的指定任期，彼等亦與其他董事一樣，均須最少每三年輪席告退一次。為提升彼等對責任之承擔，任何已服務董事會超過九年之獨立非執行董事，於進一步連任時，必須由股東以獨立決議案批准通過。此外，根據本公司之公司細則，所有為填補臨時空缺而被委任的董事應在接受委任後的首次股東大會上接受股東選舉。

按照上市規則之規定，本公司已確認收到所有獨立非執行董事就表明其於本公司之獨立性而呈交之確認函件。本公司認為所有獨立非執行董事均為獨立人士。

CORPORATE GOVERNANCE REPORT

企業管治報告

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The Board should present a balanced, clear and comprehensible assessment of the Company's and the Group's performance, position and prospects. The directors should prepare the financial statements on a going concern basis, with supporting assumptions or qualifications as necessary. The board's responsibility to present a balanced, clear and understandable assessment extends to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Hong Kong Listing Rules, and reports to regulators as well as to information required to be disclosed pursuant to statutory requirements.

BOARD COMMITTEES

The Board has established four (4) committees, each of them having specific terms of reference, to consider matters relating to specialized areas and to advise the Board or, where appropriate, to decide on behalf of the Board on such matters. Details of these committees and their principal terms of reference are as follows:

AUDIT COMMITTEE

The Audit Committee was established on 1st April 2003. Its current members include three (3) Independent Non-Executive Directors and one (1) Non-Executive Director, who are:

Mr. LAU Chun Kay (*Chairman*)

Mr. LEE Chung Nai, Jones

Mr. MA Chun Hon, Richard

Ms. KOO Di An, Louise

The terms of reference of the Audit Committee have been revised to meet the requirements set out in the Code and are available on the Company's website at www.equitynet.com.hk/0725 and the Stock Exchange's website.

董事對財務報表之責任

董事會應平衡、清晰及全面地評核公司及集團的表現、情況及前景。董事擬備的財務報表應以公司持續經營為基礎，有需要時更應輔以假設或保留意見。董事會有責任以平衡、清晰及明白地評審公司表現，並適用於年度報告及中期報告、其他涉及股價敏感資料的通告及根據《上市規則》規定須予披露的其他財務資料，以及向監管者提交的報告書以至根據法例規定須予披露的資料。

董事委員會

董事會已成立四個委員會，每個委員會均有特定職權範圍，以審議關於特別範疇之事宜、向董事會提供建議，以及在適當時候於該等事宜上代表董事會作出決定。該等委員會及其主要職權範圍之詳情載列如下：

審核委員會

審核委員會於二零零三年四月一日成立。其現任成員包括三名獨立非執行董事及一名非執行董事，分別為：

劉振麒先生 (*主席*)

李宗鷲先生

馬鎮漢先生

顧迪安女士

審核委員會之職權範圍已根據守則之規定予以修改及並刊載於本公司網站 (www.equitynet.com.hk/0725)及聯交所網站。

AUDIT COMMITTEE (CONTINUED)

The Audit Committee is mainly responsible for reviewing the Group's financial and accounting policies and practices, making recommendation to the Board on the appointment, re-appointment and removal of the external auditors and any question of resignation or dismissal, their audits fees, matters relating to the independence of the external auditors; meeting with the external auditors to discuss the nature and scope of the audit, and matters of concern when requested to do so by the external auditors; reviewing the interim financial report and annual financial statements before they are submitted to the Board; discussing problems and reservations arising from the interim review and final audit, and any other matters the external auditors may wish to discuss, and reviewing the external auditors' letter to the management and the management's response; considering any major investigation findings on internal control matters as delegated by the Board or on its own initiative and the management's response to these findings and reviewing arrangements which employees may use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters.

The Audit Committee meets at least twice a year with the external auditors. The Audit Committee held two (2) meetings during the year ended 31st December 2012. An attendance record of its members at the Audit Committee meetings is set out on page 27 of this report.

During the year, the Audit Committee reviewed the interim financial report and the audited financial results of the Group for the year ended 31st December 2012 and the accounting principles and practices adopted by the Group. The Audit Committee also reviewed the adequacy and effectiveness of the Company's internal control systems and made recommendations to the Board.

審核委員會 (續)

審核委員會之主要職責為審閱集團財務及會計政策及常規，就外聘核數師之委任、重新委任及罷免，或處理任何有關該核數師辭職或辭退該核數師、核數師酬金、外聘核數師之獨立性等事宜向董事會提供意見；與外聘核數師開會討論審核工作之性質及範圍及外聘核數師認為值得關注的事項；審閱中期財務報告及全年財務報表以便上呈董事會；討論源於中期審閱及年結審核過程發現之問題及保留意見、及任何其他外聘核數師欲討論之事宜；審閱外聘核數師致管理層之函件及管理層之回應；及審議董事會指派或其自發進行之內部的主要監控調查結果及管理層對結果之回應；及審閱以下安排：僱員可保密地就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注。

審核委員會每年最少召開兩次與外聘核數師的會議。審核委員會於截止二零一二年十二月三十一日之年度共舉行兩次會議。委員會成員出席審核委員會會議之記錄載於本報告第27頁。

於年內，審核委員會已審閱本集團的中期財務報告及截至二零一二年十二月三十一日止年度之經審核財務業績及本集團採納之會計準則及常規。審核委員會亦已審閱本集團內部監控制度之充足程度及有效性，並向董事會提出建議。

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION COMMITTEE

The Remuneration Committee was established on 21st November 2005. Its current members include three (3) Independent Non-Executive Directors and one (1) Non-Executive Director, who are:

Mr. LAU Chun Kay (*Chairman*)

Mr. LEE Chung Nai, Jones

Mr. MA Chun Hon, Richard

Ms. KOO Di An, Louise

The Remuneration Committee is mainly responsible for reviewing the Group's remuneration policies, determining the specific remuneration packages for Directors and senior management, including terms of salary, discretionary bonus scheme, benefits in kind, pension rights, compensation payments and other long-term incentive schemes, and making recommendations to the Board on remuneration of the Non-Executive Directors. The terms of reference of the Remuneration Committee setting out its authority and responsibilities are available on the Company's website at www.equitynet.com.hk/0725 and the Stock Exchange's website.

The Remuneration Committee met two (2) times in the year of 2012. During the meetings, the committee members discussed the policy for the remuneration of the Executive Directors and senior management, assessed the performance of the Executive Directors and approved the remuneration packages of the Executive Directors. An attendance record of its members at the Remuneration Committee meetings is set out on page 27 of this report.

薪酬委員會

薪酬委員會於二零零五年十一月二十一日成立。其現任成員包括三名獨立非執行董事及一名非執行董事，分別為：

劉振麒先生 (主席)

李宗鷲先生

馬鎮漢先生

顧迪安女士

薪酬委員會之主要職責為審閱本集團的薪酬政策、釐定所有董事及高級管理層的特定薪酬待遇，包括薪金、償贈性花紅計劃、附帶利益、退休金權益、補償金及其他長期獎勵計劃，並就非執行董事之薪酬事宜向董事會給予建議。薪酬委員會之職權範圍中載有其授權及職責，刊載於本公司網站 (www.equitynet.com.hk/0725)及聯交所網站。

於二零一二年度內薪酬委員會共召開兩次會議，於會上，各委員討論了執行董事及高級管理層的薪酬政策、評估了執行董事的表現及批准執行董事薪酬待遇。委員會成員出席薪酬委員會會議之記錄載於本報告第27頁。

NOMINATION COMMITTEE

The Nomination Committee was established on 21st November 2005. Its current members include three (3) Independent Non-Executive Directors and one (1) Non-Executive Director, who are:

Mr. LAU Chun Kay (*Chairman*)

Mr. LEE Chung Nai, Jones

Mr. MA Chun Hon, Richard

Ms. KOO Di An, Louise

The Nomination Committee is mainly responsible for reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis, reviewing the candidates' qualification and competence, assessing the independence of the Independent Non-Executive Directors and making recommendations to the Board on appointment of Directors, so as to ensure that all nominations are fair and transparent. The terms of reference of the Nomination Committee setting out its authority and responsibilities are available on the Company's website at www.equitynet.com.hk/0725 and the Stock Exchange's website.

The Nomination Committee met once in the year of 2012. During the meeting, the committee members discussed the procedures and criteria which should be adopted by them in nominating candidates for directorship and agreed that such criteria should include the candidates' professional background, their financial and commercial experience and their past track record with other listed companies (if any). Candidates who satisfy the relevant criteria are then short-listed by the chairman of the Nomination Committee before their nominations are proposed to the Nomination Committee. The Nomination Committee subsequently meets to select the final candidates and submit its recommendation to the Board for its final approval. An attendance record of its members at the Nomination Committee meeting is set out on page 27 of this report.

提名委員會

提名委員會於二零零五年十一月二十一日成立。其現任成員包括三名獨立非執行董事及一名非執行董事，分別為：

劉振麒先生 (*主席*)

李宗肅先生

馬鎮漢先生

顧迪安女士

提名委員會之主要職責為定期檢討董事會架構、人數及組成 (包括技能、知識及經驗方面)，審閱被提名人之資格及能力，評定獨立非執行董事的獨立性並就委任董事事宜向董事會給予建議，以確保所有提名均屬公平及透明化。提名委員會之職權範圍中載有其授權及職責，刊載於本公司網站(www.equitynet.com.hk/0725)及聯交所網站。

於二零一二年度內提名委員會共召開一次會議，於會上，各委員討論了該採用的提名程序及推薦董事候選人的準則，並同意這些準則須包括該候選人的專業背景、財務與商務的經驗及過去服務其他上市公司的往績紀錄 (如有的話)。符合上述有關標準的候選人，經提名委員會主席篩選後訂出候選人名單，呈交提名委員會，提名委員會舉行會議選出最後人選，並向董事會提出建議，由董事會作最後批准。委員會成員出席提名委員會會議之記錄載於本報告第27頁。

CORPORATE GOVERNANCE REPORT

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COMPLIANCE COMMITTEE

The Compliance Committee was established on 25th November 2005. Its current members include four (4) Executive Directors, one (1) Non-Executive Director and three (3) Independent Non-Executive Directors, who are:

Executive Directors

Mr. MON Chung Hung
(Chief Executive Officer and Deputy Chairman)
Mr. SIU Yuk Shing, Marco
Ms. MON Wai Ki, Vicky
Ms. MON Tiffany

Non-Executive Director

Ms. KOO Di An, Louise (Chairman)

Independent Non-Executive Directors

Mr. LAU Chun Kay
Mr. LEE Chung Nai, Jones
Mr. MA Chun Hon, Richard

The Compliance Committee is mainly responsible for (i) reviewing corporate communication issued by the Company so as to ensure compliance in every respect with the listing requirements contained in the Listing Rules; and (ii) reviewing transactions entered into by the Company so as to ensure compliance with the relevant laws and regulations applicable to the Company whether of Hong Kong or elsewhere. To enhance corporate governance, the Compliance Committee was also delegated with the responsibilities of (i) developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board; (ii) reviewing and monitoring the training and continuous professional development of Directors and senior management; (iii) developing, reviewing and monitoring the code of conduct applicable to employees and Directors; and (iv) reviewing the Company's compliance with the code and disclosure in the corporate governance report. Where necessary, the Compliance Committee would seek professional advice in respect of the requirements of the Listing Rules and other applicable laws and regulations so as to improve the existing compliance procedures of the Company.

監察委員會

監察委員會於二零零五年十一月二十五日成立。其現任成員包括四名執行董事，一名非執行董事及三名獨立非執行董事，分別為：

執行董事

孟振雄先生
(行政總裁及副主席)
蕭旭成先生
孟瑋琦女士
孟韋萱女士

非執行董事

顧迪安女士 (主席)

獨立非執行董事

劉振麟先生
李宗鷲先生
馬鎮漢先生

監察委員會之主要職責為(i)審閱本公司所發之企業資訊，以確保其符合上市條例訂明的所有上市規定；及(ii)審閱本公司之交易項目，以確保其符合香港或任何地方適用於本公司之相關法例及規章。為加強企業管治，監察委員會亦被授以如下職責：(i)制訂及審閱本公司之企業管治政策及常規，並向董事會提出建議；(ii)審閱及監察董事及高級管理層之培訓及持續專業發展；(iii)制訂、審閱及監察僱員及董事適用之操守準則；及(iv)審閱本公司遵守守則的情況及在企業管治報告內的披露事項。必要時，監察委員會將尋求專業意見以符合上市條例之要求及其他適用之法例及規章以改善本公司現有之監察程序。

COMPLIANCE COMMITTEE (CONTINUED)

The Compliance Committee held one (1) meeting during the year ended 31st December 2012. During the meeting, the committee members discussed the recent amendments to the Listing Rule relating to corporate governance and resolved that more resources should be allocated for meeting the increasingly stringent requirements of the regulatory authorities. It was also suggested all future amendments to the Listing Rules should be circulated to members of the senior management so that they all understand and can help the Company to comply with its obligations under the Listing Rules and seminars on Listing Rules updates and corporate governance practices should be arranged for members of the senior management and other interested Directors. An attendance record of its members at the Compliance Committee meeting is set out on page 27 of this report.

INTERNAL CONTROL

The Board is responsible for internal control of the Group and for reviewing its effectiveness. Procedures have been designed for safeguarding assets against unauthorized use or disposition, ensuring the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensuring compliance with applicable laws, rules and regulations. The procedures provide reasonable but not absolute assurance against material errors, losses or fraud.

The Board, through the Audit Committee, has reviewed the effectiveness of the Group's internal control system covering all material controls, including financial, operational and compliance controls and risk management functions and, in particular, consider the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function. Areas for improvement have been identified and appropriate measures taken so as to provide assurance that key business and operational risks are identified and managed.

監察委員會 (續)

監察委員會於截止二零一二年十二月三十一日之年度共舉行了一次會議。會議期間，委員會成員討論了企業管治相關上市規則的最新修訂，議決應調撥更多資源以符合各監管機構日益嚴格的監管規定，同時建議，上市規則日後倘有任何修訂，應在高級管理層成員間傳閱，以供彼等熟悉及幫助本公司履行上市規則項下的相關義務，亦建議就上市規則的修訂及企業管治常規為高級管理層成員及其他感興趣的董事舉辦研討會。委員會成員出席監察委員會會議之記錄載於本報告第27頁。

內部監控

董事會負責本集團之內部監控並審閱其效能，並已制訂程序以防止資產未經授權使用或出售、確保存有正確會計記錄以提供可靠財務資料作內部使用或刊發，以及確保遵守適用法律、法規及規定。該等程序可合理（但不是絕對）保證不會出現重大誤差、虧損或欺騙。

董事會已透過審核委員會就本集團內部監控系統之有效性作出審閱，審閱範圍包括所有重要的監控，如財務、營運及監察控制及風險管理，及特別考慮本集團在會計及財務匯報職能方面的資源、員工資歷及經驗、培訓課程及有關預算是否充足。並已確認可改善的地方及採取適當的改善措施以確保主要的業務及營運風險能被確認及處理。

CORPORATE GOVERNANCE REPORT

企業管治報告

INTERNAL CONTROL (CONTINUED)

The key procedures that the Board has established to provide effective internal controls are as follows:

- (a) A comprehensive monthly management reporting system is in place providing financial and operational performance indicators to the management, and the relevant financial information for reporting and disclosure purpose;
- (b) Management structure with defined roles, responsibilities and reporting lines are established. Delegated authorities are documented and communicated; and
- (c) System and procedures are in place to identify, measure, manage and control risks including liquidity, credit, market, business, regulatory, operational and reputational risks that may have an impact on the Group.

內部監控 (續)

董事會為有效實行內部監控而確立之主要程序如下：

- (a) 設有全面每月管理匯報機制，向管理層提供財務和營運表配指標及有關可供匯報和披露用途之財務資料；
- (b) 管理架構權責清晰，匯報途徑清楚界定。各級授權均妥為記錄及發布；及
- (c) 設有系統及程序確認、量度、管理及控制風險，包括可能影響本集團之流動資金、信貸、市場、業務、規管、營運及信譽等風險。

CORPORATE GOVERNANCE REPORT

企業管治報告

EXTERNAL AUDITORS

The Audit Committee is responsible for considering the appointment, re-appointment and removal of external auditors subject to endorsement by the Board and final approval and authorization by shareholders of the Company in general meeting. The Audit Committee assesses the external auditors, taking into account factors such as the performance and quality of the audit and the objectivity and independence of auditor. The existing auditor of the Company are PricewaterhouseCoopers who was first appointed in 1997.

EXTERNAL AUDITORS' REMUNERATION

The Group was charged HK\$1,180,000 and HK\$550,000 by PricewaterhouseCoopers for auditing and non-auditing services respectively for the year ended 31st December 2012. The non-auditing services mainly consist of taxation services.

FINANCIAL REPORTING

The Board, supported by the accounts department, is responsible for the preparation of the financial statements of the Company and the Group. In preparing the financial statements, the Board has adopted generally accepted accounting standards in Hong Kong and complied with accounting standards issued by the Hong Kong Institute of Certified Public Accountants. Appropriate accounting policies have also been used and applied consistently.

The reporting responsibilities of the external auditors are set out in the Independent Auditor's Report on pages 42 and 43 of this annual report.

外聘核數師

審核委員會負責審議外聘核數師之委任、連任及罷免，惟須獲得董事會之批准及本公司股東在股東大會上作出最終批准及授權。審核委員會透過審核表現及質素，以及核數師之客觀性及獨立性等因素評核外聘核數師。本公司現任核數師為羅兵咸永道會計師事務所，於一九九七年起獲聘任。

外聘核數師酬金

本集團於截至二零一二年十二月三十一日止年度向本集團核數師支付審核服務費用1,180,000港元及非審核服務費用550,000港元。非審核服務費主要是稅務服務。

財務申報

董事會在會計部門協助下負責編製本公司及本集團之財務報表。於編製財務報表時，董事會採納了香港公認會計標準及香港會計師公會頒布之會計準則，並一直貫徹使用及應用合適之會計政策。

外聘核數師之報告責任載於本年報第42至43頁之獨立核數師報告。

CORPORATE GOVERNANCE REPORT

企業管治報告

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' and employees' securities transactions on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, they had complied with the required standards of the said code during the year.

SHAREHOLDERS' RIGHTS

The Board and management shall ensure shareholders' rights and all shareholders are treated equitably and fairly. Pursuant to the Company's Bye-laws, any shareholder entitled to attend and vote at a general meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. In additions, shareholders who hold not less than one-tenth of the paid up capital of the Company shall have the right, by written requisition to the Board or the Company Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition. The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company, and may consist of several documents in like form each signed by one or more requisitionists. If the Directors do not within 21 days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three (3) months from the said date.

董事進行證券交易的標準守則

本公司已就董事及僱員進行證券交易採納了一套條款不寬於上市規則附錄十所載上市發行人董事進行證券交易標準守則的操守準則。經向全體董事作出特定查詢後，彼等於本年度均遵守了上述準則之規定。

股東權利

董事會及管理層須確保股東之權利以及所有股東均獲得公平和公正的對待。根據本公司之公司細則，任何有權出席和於本公司股東大會上投票之股東，均有權委任他人代表出席及投票。此外，持有本公司已繳足股本不少於十分之一之股東，有權向本公司董事會或公司秘書致函，要求董事會召開股東特別大會，以處理該等要求列明的任何事項。請求書必須列明會議目的，並必須由呈請者簽署及遞交至本公司註冊辦事處，並可由一位或多於一位呈請者簽署同一格式之多份文件組成。如董事未能於送達請求書二十一日內正式進行召開該大會，呈請者或持有超過全部呈請者總投票權半數的任何呈請者可以自行召開該大會，惟任何由此召開的會議不能於所述日期屆滿三個月後召開。

SHAREHOLDERS' RIGHTS (CONTINUED)

Moreover, shareholders who hold not less than one-twentieth of the paid up capital of the Company or not less than 100 shareholders shall have the right, by written requisition to the Board or the Company Secretary of the Company, to put forward a resolution which may properly be moved and is intended to be moved at an annual general meeting. The Company shall not be bound to give notice of the proposed resolution or circulate a statement with respect to the matter referred to in the proposed resolution to shareholders unless (a) a copy of the requisition signed by the requisitionists, or two or more copies which between them contain the signatures of all the requisitionists, is deposited at the registered office of the Company not less than six (6) weeks before the meeting in the case of a requisition requiring notice of a resolution and not less than one (1) week before the meeting in the case of any other requisition and (b) there is deposited or tendered with the requisition a sum reasonably sufficient to meet the Company's expenses in giving effect thereto. If, however, after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the Company, an annual general meeting is called for a date six (6) weeks or less after the copy has been deposited, the copy though not deposited within the time required as referred to above shall be deemed to have been properly deposited for the purposes thereof.

Chairmen of the various Board committees, or failing the Chairmen, any member from the respective committees, must attend the annual general meetings of the Company to address shareholders' queries. External auditors shall also be invited to attend the Company's annual general meetings and are available to assist the Directors in addressing queries from shareholders relating to the conduct of the audit and the preparation and content of their auditors' report.

For each substantially separate issue at a general meeting, a separate resolution would be proposed. Resolutions put to the vote at any general meeting (other than those on procedural and administrative matters) are taken by poll. Procedures regarding the conduct of the poll are explained to the shareholders at the commencement of each general meeting, and questions (if any) from shareholders regarding the voting procedures would be answered.

股東權利 (續)

此外，持有本公司已繳足股本不少於二十分之一的股東，或不少於100名股東，可透過向本公司董事會或公司秘書提交一份書面請求，以提呈可能於股東週年大會上動議及擬於會上動議的決議案。本公司毋須向股東發出有關任何建議決議案的通知或傳閱就建議決議案所提述事宜作出的陳述書，除非(a)如屬要求發出決議案通知的請求書，一份由呈請者簽署的請求書(或兩份或以上載有全體呈請者簽名的請求書)在有關大會舉行前不少於六(6)個星期已遞交至本公司註冊辦事處；如屬任何其他請求書，則上述請求書在有關大會舉行前不少於一(1)個星期已遞交至本公司註冊辦事處及(b)相關股東已隨上述請求書存放或支付一筆合理地足以應付本公司於執行請求書的要求時所可能產生開支的款項。然而，若在要求發出決議案通知的請求書遞交至本公司註冊辦事處後，有關方面在該請求書遞交後六(6)個星期或較短期間內的某一日召開股東週年大會，則該請求書雖然並非在上述所規定的時間內遞交，但就此而言亦須當作已恰當地遞交。

各董事委員會主席或委員會各自之任何成員(如主席未能出席)必須出席本公司股東週年大會以回答股東提問。外聘核數師亦應獲邀出席本公司之股東週年大會，並就有關審核處理及其核數師報告之編製及內容，協助董事回答股東之提問。

股東大會上，應就每項實際獨立的事宜個別提出決議案。在任何股東大會上提呈表決的決議案(有關會議程序及行政事宜者除外)，均將以投票方式進行表決。於每次股東大會開始時，將會向股東說明投票表決的程序，亦會回答股東所提出與表決程序有關的問題(如有的話)。

CORPORATE GOVERNANCE REPORT

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INVESTOR RELATIONS

The Company believes in regular and timely communication with shareholders as part of its efforts to help shareholders understand its business better and the way the Company operates.

To promote effective communication with the public at large, the Company maintains a website on which comprehensive information about the Company, its major businesses, financial information and particulars of Directors are posted. The Company's publications, including press releases, announcements, annual and interim reports, shareholders circulars are being made available on this website (<http://www.equitynet.com.hk/0725>)

In addition, shareholders who have any enquiries regarding the Company may send their enquiries in writing to the principal place of business of the Company in Hong Kong for the attention of the Company Secretary who will then forward the same to the Board and/or the relevant Board committees for response (where appropriate). The above policy will be reviewed on a regular basis to ensure effective communication with the shareholders.

投資者關係

本公司認為，致力與股東保持定期及適時之溝通，有助股東了解本公司之業務及本公司之經營方式。

為促進與公眾的有效溝通，本公司透過網站發放有關本公司、其主要業務、財務資料及董事詳情之資訊；同時，本公司亦將其出版之刊物，包括新聞稿、公告、年報及中期報告、股東通函上載於此網站 (<http://www.equitynet.com.hk/0725>)

此外，股東如對本公司存有任何疑問，可以書面形式將有關疑問遞交至本公司於香港的主要營業地點，以尋求公司秘書的關注，公司秘書隨後會將股東的疑問送呈董事會及／或相關董事委員會（視其適用情況而定）以待回覆。以上政策將會被定期檢討，以確保與股東維持有效溝通。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' ATTENDANCE AT BOARD, AUDIT COMMITTEE, REMUNERATION COMMITTEE, NOMINATION COMMITTEE, COMPLIANCE COMMITTEE AND GENERAL MEETINGS

董事於董事會、審核委員會、薪酬委員會、提名委員會、監察委員會及股東大會之出席記錄

		Board Meetings 董事會會議	Audit Committee Meetings 審核委員會會議	Remuneration Committee Meetings 薪酬委員會會議	Nomination Committee Meetings 提名委員會會議	Compliance Committee Meetings 監察委員會會議	General Meetings 股東大會
Total number of meetings held during the year ended 31st December 2012	於截至二零一二年十二月三十一日止年度內舉行之會議總數	4	2	2	1	1	1
Number of meetings attended:	出席會議次數：						
Executive Directors	執行董事						
Mr. MON Chung Hung (Chief Executive Officer & Deputy Chairman)	孟振雄先生 (行政總裁及副主席)	4	N/A 不適用	N/A 不適用	N/A 不適用	1	1
Ms. LI Man Wai (resigned on 1st October 2012)	李文嫻女士 (離任於二零一二年十月一日)	3	N/A 不適用	N/A 不適用	N/A 不適用	1	1
Mr. SIU Yuk Shing, Marco	蕭旭成先生	4	N/A 不適用	N/A 不適用	N/A 不適用	1	1
MON Wai Ki, Vicky	孟瑋琦女士	4	N/A 不適用	N/A 不適用	N/A 不適用	1	1
Ms. MON Tiffany	孟韋萱女士	2	N/A 不適用	N/A 不適用	N/A 不適用	0	0
Non-Executive Director	非執行董事						
Ms. KOO Di An, Louise (Chairman)	顧迪安女士 (主席)	3	1	2	1	1	1
Independent Non-Executive Directors	獨立非執行董事						
Mr. LAU Chun Kay	劉振麒先生	3	1	2	1	1	1
Mr. LEE Chung Nai, Jones	李宗灝先生	4	2	2	1	1	1
Mr. MA Chun Hon, Richard	馬鎮漢先生	2	2	1	1	1	0

DIRECTORS' REPORT

董事報告

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

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in the manufacturing and trading of electric cable and wire products. The activities of the subsidiaries are set out in note 32 to the financial statements.

An analysis of the Group's performance for the year by geographical segments is set out in note 4 to the financial statements.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out below:

		2008	2009	2010	2011	2012
		二零零八年	二零零九年	二零一零年	二零一一年	二零一二年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue	收益	507,628	411,192	477,320	472,445	430,958
Profit for the year	全年溢利	22,294	29,634	37,754	15,275	19,954
Total assets	總資產	364,065	418,810	479,710	570,875	629,416
Total liabilities	總負債	(127,654)	(100,127)	(117,728)	(187,848)	(178,245)
Total equity	總權益	236,411	318,683	361,982	383,027	451,171

Comparative figures in 2010 and 2009 have been restated to reflect the adoption of HKAS12 (Amendment).

ANALYSIS OF THE GROUP'S PERFORMANCE

An analysis of the Group's performance is shown in the Chairman's Statement on pages 6 to 9.

董事會謹此提呈董事報告及截至二零一二年十二月三十一日止年度之經審核財務報表。

按主要業務及地域劃分之分析

本公司之主要業務為投資控股，其附屬公司主要從事製造及買賣電線及導線產品業務。附屬公司之業務載於財務報表附註32。

本年度按主要地區劃分之本集團業務表現分析載於財務報表附註4。

五年財務概要

下表顯示本集團在過往五年內之業績、資產及負債概要：

二零一零年及二零零九年比較數字已經重列以反映採用香港會計準則12(修改)。

本集團之業務表現分析

本集團之業務表現分析載於第6頁至第9頁之主席報告內。

MAJOR CUSTOMERS AND SUPPLIERS

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

		%
Purchases	採購	
– the largest supplier	– 最大供應商	24.0%
– five largest suppliers combined	– 五大供應商	67.3%
Sales	銷售	
– the largest customer	– 最大客戶	18.9%
– five largest customers combined	– 五大客戶	40.6%

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

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement account on page 44.

The Board have declared an interim dividend of HK\$0.01 per ordinary share, totaling approximately HK\$1,990,000 which was paid on 13th September 2012.

The Board recommend the payment of a final dividend of HK\$0.02 per ordinary share, totaling approximately HK\$3,980,000.

SHARE CAPITAL

Details of share capital of the Company are set out in note 21 to the financial statements.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on pages 49 to 50 and note 22 to the financial statements.

主要客戶及供應商

本年度內本集團之主要供應商及客戶，以個別實體分類之採購及銷售百分比如下：

董事、彼等之聯繫人士或任何股東（指據董事所知擁有本公司5%以上股本權益之股東）並無於上述之主要供應商或客戶中擁有任何權益。

業績及分配

本年度內本集團之業績載於第44頁之綜合損益表內。

董事會已宣派中期股息每普通股1港仙，合共約1,990,000港元，並於二零一二年九月十三日派發。

董事會建議派發末期股息每普通股2港仙，合共約3,980,000港元。

股本

有關本公司股本之變動載於財務報表附註21。

儲備

本年度內本集團及本公司之儲備變動載於第49至50頁之綜合權益變動表及財務報表附註22。

DIRECTORS' REPORT

董事報告

DISTRIBUTABLE RESERVES

At 31st December 2012, the distributable reserves of the Company amounted to HK\$104,708,000.

DONATIONS

Charitable donations made by the Group during the year amounted to HK\$1,836,000.

PROPERTY, PLANT AND EQUIPMENT

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

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws and there is no restriction against such rights under the laws of Bermuda.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's shares during the year.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, more than 25% of the Company's issued shares was held by the public as at 20 March 2013, being the latest practicable date prior to the issue of this annual report, in accordance with Rule 8.08 of the Listing Rules.

可供分派儲備

於二零一二年十二月三十一日，本公司之可供分派儲備達104,708,000港元。

捐款

本年度內本集團之慈善捐獻達1,836,000港元。

物業、廠房及設備

有關本集團物業、廠房及設備變動之詳情載於財務報表附註15。

優先購買權

本公司之公司細則並無優先購買權之規定，而百慕達法例並無對該等權利作出限制。

購買、出售及贖回本公司之上市證券

本公司並無在本年度內贖回其任何股份。本公司及其任何附屬公司概無在本年度內購買、贖回或出售任何本公司之股份。

公眾持股量

根據本公司從公開途徑所取得的資訊及就各董事所知，截至二零一三年三月二十日，即本年報發行前最實際可行日期，本公司已發行股份超過百分之二十五由公眾持有，符合上市規則第8.08條之規定。

DIRECTORS' REPORT

董事報告

ANALYSIS OF BANK LOANS AND OTHER BORROWINGS

The Group's bank loans and other borrowings as at 31st December 2012 are repayable over the following periods:

銀行貸款及其他借貸分析

本集團於二零一二年十二月三十一日之銀行貸款及其他借貸須於下列期限償還：

		Trust	
		receipt loan	Total
		信託收據貸款	總額
		HK\$'000	HK\$'000
		千港元	千港元
On demand or not exceeding one year	即期償還或一年內償還	48,000	87,597
More than one year but not exceeding two years	一年以上但不超過兩年	—	—
More than two years but not exceeding five years	兩年以上但不超過五年	—	—
More than five years	五年以上	—	—
		48,000	87,597

DIRECTORS

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

Executive Directors

Mr. MON Chung Hung (*Chief Executive Officer & Deputy Chairman*)
Ms. LI Man Wai (resigned on 1st October 2012)
Mr. SIU Yuk Shing, Marco
Ms. MON Wai Ki, Vicky
Ms. MON Tiffany

Non-Executive Director

Ms. KOO Di An, Louise (*Chairman*)

Independent Non-Executive Directors

Mr. LAU Chun Kay
Mr. LEE Chung Nai, Jones
Mr. MA Chun Hon, Richard

董事

於本年度內至本報告之日在任之董事如下：

執行董事

孟振雄先生 (*行政總裁及副主席*)
李文斌女士 (離任於二零一二年十月一日)
蕭旭成先生
孟瑋琦女士
孟韋萱女士

非執行董事

顧迪安女士 (*主席*)

獨立非執行董事

劉振麒先生
李宗勳先生
馬鎮漢先生

DIRECTORS' REPORT

董事報告

DIRECTORS (CONTINUED)

Ms. MON Tiffany, Ms. KOO Di An, Louise and Mr. MA Chun Hon, Richard will retire in accordance with clause 111 of the Company's Bye-laws at the forthcoming annual general meeting of the Company and, being eligible, all offer themselves for re-election.

The term of office of each non-executive and independent non-executive director is not more than 3 years and subject to retirement by rotation in accordance with the Company's bye-laws.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the directors and senior management of the Company are set out as follows:

Executive Directors

Mr. Mon Chung Hung, aged 62, is the founder of the Group, the Chief Executive Officer, the Deputy Chairman, an Executive Director and a member of the compliance committee of the Board. Mr. Mon has over 35 years of experience in the electric cable and wire industry. He is responsible for the Group's overall strategic planning and policy making. Mr. Mon is a director of Spector Holdings Limited, the controlling shareholder of the Company. He is also the husband of Ms. Koo Di An, Louise and the father of Ms. Mon Wai Ki, Vicky and Ms. Mon Tiffany.

董事 (續)

孟韋萱女士、顧迪安女士、馬鎮漢先生將根據本公司之公司細則第111條於本公司即將舉行的股東周年大會上輪席告退，彼等符合資格並願意膺選連任。

各非執行董事及獨立非執行董事之任期不多於三年，並須根據本公司之公司細則輪席告退。

董事及高層管理人員之詳細履歷

本公司董事及高層管理人員之詳細履歷載列如下：

執行董事

孟振雄先生，62歲，本集團創辦人，董事會之行政總裁及副主席，執行董事及監察委員會成員。孟先生在電線及導線業積逾35年豐富經驗。彼負責本集團之整體策劃及決策工作。孟先生為本公司控股股東Spector Holdings Limited之董事。彼為顧迪安女士之丈夫及孟瑋琦女士及孟韋萱女士之父親。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

Executive Directors (Continued)

Mr. Siu Yuk Shing, Marco, aged 53, is an Executive Director and a member of the compliance committee of the Board. He joined the Group in 1986. Mr. Siu has over 25 years of experience in the electric cable and wire industry. Mr. Siu is also the Sales Director of the Group and is responsible for sales of the Group's products and product development.

Ms. Mon Wai Ki, Vicky, aged 38, is an Executive Director and a member of the compliance committee of the Board. She graduated from the Central Queensland University in Australia with a Bachelor of Communications degree. She joined the Group in 2004. As the Marketing Executive, she participates in developing marketing strategies. She is the daughter of Mr. Mon Chung Hung, and Ms. Koo Di An, Louise, and the elder sister of Ms. Mon Tiffany.

Ms. Mon Tiffany, aged 32, is an Executive Director and a member of the compliance committee of the Board. She holds a bachelor's double major degree in Economics and Management from the University of Sydney, Australia and Diploma in Company Direction from Hong Kong Institute of Directors. She joined the Group in 2002. As the Marketing Communications Manager she coordinates marketing strategies and is also responsible for the information system of the Company. She is the daughter of Mr. Mon Chung Hung and Ms. Koo Di An, Louise, and the younger sister of Ms. Mon Wai Ki, Vicky.

Non-Executive Director

Ms. Koo Di An, Louise, aged 61, is the Chairman, a Non-Executive Director, the chairman of the compliance committee and a member of the audit, remuneration and nomination committees of the Board. Ms. Koo is a director of Spector Holdings Limited, the controlling shareholder of the Company. She is also the wife of Mr. Mon Chung Hung and the mother of Ms Mon Wai Ki, Vicky and Ms. Mon Tiffany.

董事及高層管理人員之詳細履歷 (續)

執行董事 (續)

蕭旭成先生，53歲，董事會之執行董事及監察委員會成員。彼於一九八六年加入本集團。蕭先生在電線及導線業積逾25年豐富經驗。蕭先生亦為本集團之營業總監，負責本集團產品之銷售及產品發展工作。

孟瑋琦女士，38歲，董事會之執行董事及監察委員會成員。彼畢業於澳洲Central Queensland University，獲獲理學學士學位。彼於二零零四年加入本集團。作為本集團之營銷主任，孟女士參與制訂市場策略。彼為孟振雄先生及顧迪安女士之女兒，以及孟韋萱女士之胞姊。

孟韋萱女士，32歲，董事會之執行董事及監察委員會成員。彼持有澳洲雪梨大學經濟及管理雙學士學位及於香港董事學會公司董事文憑。彼於二零零二年加入本集團。孟女士為本集團之市場拓展事務經理，負責統籌市場推廣策略及公司資訊科技。彼為孟振雄先生及顧迪安女士之女兒，以及孟瑋琦女士之胞妹。

非執行董事

顧迪安女士，61歲，董事會之主席，非執行董事，監察委員會主席及審核委員會，薪酬委員會及提名委員會之成員。顧女士為本公司控股股東Spector Holdings Limited之董事。彼為孟振雄先生之妻子及孟瑋琦女士及孟韋萱女士之母親。

DIRECTORS' REPORT

董事報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

Independent Non-Executive Directors

Mr. Lau Chun Kay, B.Sc., MBA, MA, aged 64, is an Independent Non-Executive Director, the chairman of the audit, remuneration and nomination committees and a member of the compliance committee of the Board. He joined the Group in 1996. Mr. Lau is a registered professional engineer and holds a master's degree in business administration and a bachelor's degree in electrical engineering from the University of Hong Kong, and a master degree in history and a master of Arts Course in Philosophy from the Chinese University of Hong Kong. Mr. Lau is a Life President of the Hong Kong Electrical Contractors Association, and a past President and current Secretary General of The Federation of Asian and Pacific Electrical Contractors Associations. He is also the Executive Secretary of the Hong Kong Federation of Electrical and Mechanical Contractors. He has over 42 years of experience in management and engineering.

Mr. Lee Chung Nai, Jones, aged 64 is a Non-Executive Director and a member of the audit, remuneration, nomination and compliance committees of the Board. Mr. Lee had over 31 years experience in international trade in toys, among which Mr. Lee had also operated a toys factory with 2,000 workers in China for 10 years. Mr. Lee had also operated a subsidiary company in Hong Kong for 2 years for a listed company in Australia. Mr. Lee is now having his own toy company.

Mr. Ma Chun Hon Richard, aged 56, is an Independent Non-Executive Director and a member of the audit, remuneration, nomination and compliance committees of the Board. He joined the Group in February 2006. Mr. Ma has been practicing as a Public Accountant in Australia since 1988. He holds a bachelor degree of Commerce from University of New South Wales major in Accounting. Mr. Ma is an Member of the Australian Certified Public Accountants and a Fellow Member of the Taxation Institute of Australia.

董事及高層管理人員之詳細履歷 (續)

獨立非執行董事

劉振麟先生, B.Sc., MBA, MA, 64歲, 董事會之獨立非執行董事, 審核委員會, 薪酬委員會及提名委員會之主席及監察委員會成員。彼於一九九六年加入本集團。劉先生為一名註冊專業工程師及持有香港大學工商管理碩士學位及電機工程學士學位, 及香港中文大學歷史碩士學位及哲學系文學碩士。劉先生為香港電器工程商會之永遠會長, 以及亞洲太平洋電氣工事協會聯合會之前任會長及現任秘書長。劉先生亦為香港機電工程商聯會行政秘書。彼在管理及工程方面積逾42年豐富經驗。

李宗孺先生, 64歲, 董事會之獨立非執行董事, 審核委員會, 薪酬委員會, 提名委員會及監察委員會之成員。李先生有超過31年的國際玩具國際貿易經驗, 其中有十年是兼營運一家有2,000工人在中國大陸的制造廠。李先生亦曾有兩年在替一家澳洲上市公司管理一家在香港的附屬公司。李先生現在擁有及營運一家玩具公司。

馬鎮漢先生, 56歲, 董事會之獨立非執行董事, 審核委員會, 薪酬委員會, 提名委員會及監察委員會之成員。彼於二零零六年二月加入本集團。馬先生自一九八八年起一直為澳洲執業會計師。彼持有新南威爾斯大學之商科學士學位, 主修會計。馬先生為澳洲執業會計師公會會員及澳洲稅務學會之資深會員。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

Senior Management

Ms. Wong Wai Ping, aged 61, is the Group's General Manager and is responsible for sales and marketing activities. She joined the Group in 1993 and has over 38 years of experience in the electric cable and wire industry and electronics and communications industry.

Mr. Mok Kin Kwan, FCCA, HKICPA, aged 42, is the Group Finance Manager and Company Secretary and is responsible for finance functions and the Company Secretary work. He joined the Group in 2007, holds a Master's degree in Finance and has over 17 years of experience in accounting and auditing.

DIRECTORS' SERVICE CONTRACTS

The Company has not entered into any service contract which is not determinable within one year and without payment of compensation other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

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

董事及高層管理人員之詳細履歷 (續)

高層管理人員

王慧屏女士，61歲，本集團總經理，負責銷售及市場拓展工作。彼於一九九三年加入本集團，在電線及導線業、電子及通訊業積逾38年豐富經驗。

莫健鈞先生，FCCA，HKICPA，42歲，本集團之集團財務經理及公司秘書，負責財務運作及公司秘書事務。彼於二零零七年加入本集團，持有工商管理財務碩士學位及在會計及核數行業積逾17年豐富經驗。

董事之服務合約

本公司並無訂立任何不能在一年內終止而毋須支付賠償金（法定賠償除外）之服務合約。

董事於合約之權益

本公司、其控股公司及其附屬公司並無訂立任何於年終或年內任何時間有效、且與本公司業務有重大關係及當中有本公司任何董事直接或間接擁有重大權益之合約。

DIRECTORS' REPORT

董事報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN EQUITY OR DEBT SECURITIES

At 31st December 2012, the interests of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO") as recorded in the register required to be kept under section 352 of the SFO or as notified to the Company were as follows:

(a) **Ordinary shares of HK\$0.10 each in the Company ("Shares")**

董事及主要行政人員於股本或債務證券之權益

於二零一二年十二月三十一日，根據證券及期貨條例352條之規定而存置之登記冊所記錄，本公司董事及主要行政人員在本公司或其相關法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有之權益，或本公司已接獲通知之該等權益如下：

(a) **本公司每股0.10港元之普通股（「股份」）**

Name 姓名	Personal interests 個人 權益	Family interests 家族 權益	Number of shares 股份數目			Total interests 總權益	Total interests as % of the relevant issued share capital 總權益佔相關 已發行股本 之百分比
			Corporate interests 法團 權益	Other interests 其他 權益			
MON Chung Hung 孟振雄	-	-	146,128,000 (note 1 附註1)	-	146,128,000	73.45%	
KOO Di An, Louise 顧迪安	-	146,128,000 (note 2 附註2)	-	-	146,128,000	73.45%	
SIU Yuk Shing, Marco 蕭旭成	300,000	-	-	-	300,000	0.15%	
LAU Chun Kay 劉振麒	138,000	-	-	-	138,000	0.07%	

note 1: The 146,128,000 Shares were held in the name of Spector Holdings Limited, the issued share capital of which is beneficially owned as to 99.9% by Mr. Mon Chung Hung and as to the remaining 0.1% by Ms. Koo Di An, Louise.

note 2: Ms. Koo Di An, Louise is the wife of Mr. Mon Chung Hung. Ms. Koo is thus deemed to be interested in 146,128,000 Shares by virtue of her husband's interest therein.

附註1：此146,128,000股份由Spector Holdings Limited實益擁有，該公司99.9%已發行股本由孟振雄先生擁有，餘下的0.1%由顧迪安女士擁有。

附註2：顧迪安女士為孟振雄先生的妻子，顧女士因其丈夫的緣故被視為擁有146,128,000股份。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN EQUITY OR DEBT SECURITIES (CONTINUED)

(a) Ordinary shares of HK\$0.10 each in the Company ("Shares") (Continued)

All the interests stated above represent long positions. As at 31st December 2012, no short positions were recorded in the Register of Directors' and Chief Executives' Interests and Short Positions required to be kept under section 352 of the SFO.

(b) Share options

At the special general meeting of the Company held on 23rd April 2003 ("Adoption Date"), resolutions were passed to terminate the share option scheme adopted on 5th December 1996 (the "1996 Scheme") and to adopt a new share option scheme (the "2003 Scheme") for the benefit of employees and Directors of the Company. The principal purposes of the 2003 Scheme are to enable the Group and its invested entities to recruit and retain high calibre eligible persons and attract human resources that are valuable to the Group or invested entities, to recognise the significant contributions of the eligible persons to the growth of the Group or invested entities and to further motivate and give incentives to these eligible persons to continue to contribute to the long term success and prosperity of the Group or invested entities.

The principal terms of the 2003 Scheme are summarized as follows:

(i) Eligible person

Any employee (whether full time or part time), senior executive or officer, manager, Director (including Executive, Non-Executive and Independent Non-Executive Director) or consultant of any member of the Group or any invested entity who, in the sole discretion of the Directors, have contributed or will contribute to the growth and development of the Group or any invested entity.

董事及主要行政人員於股本或債務證券之權益 (續)

(a) 本公司每股0.10港元之普通股 (「股份」) (續)

上述所有權益均為好倉。於二零一二年十二月三十一日，根據證券及期貨條例352條之規定而存置之董事及主要行政人員之股份權益及淡倉登記冊內並無淡倉記錄。

(b) 購股權

於二零零三年四月二十三日 (「採納日期」) 舉行之本公司股東特別大會上，通過了取消於一九九六年十二月五日採納之購股權計劃 (「一九九六年計劃」) 及採納為本公司之僱員及董事利益而設之新購股權計劃 (「二零零三年計劃」) 之決議案。二零零三年計劃主要旨在讓本集團及其投資公司可聘請及延聘能幹之合資格人士及吸引對本集團或所投資公司具有價值之人力資源、回報合資格人士對本集團或所投資公司之增長所作出之貢獻、以及進一步鼓勵及嘉獎該等合資格人士繼續為本集團或所投資公司之長期成功及繁盛作出努力。

二零零三年計劃之主要條款載列如下：

(i) 合資格人士

由董事酌情釐定對本集團或任何投資公司之增長及發展有所貢獻或將會作出貢獻之本集團任何成員或任何所投資公司之任何全職或兼職僱員、高級行政人員或職員、經理、董事 (包括執行董事、非執行董事及獨立非執行董事) 或顧問。

DIRECTORS' REPORT

董事報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN EQUITY OR DEBT SECURITIES (CONTINUED)

(b) Share options (Continued)

(ii) *Maximum number of shares*

The total number of shares which may be issued upon exercise of all options to be granted under the 2003 Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 10% of the shares in issue at the Adoption Date (i.e. 19,895,800 shares on the basis of 198,958,000 shares in issue as at the Adoption Date) unless the Company obtains a fresh approval from its shareholders. Such shares represent 10% of the issued share capital of the Company as at the date of this annual report.

The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2003 Scheme and any other share option scheme(s) of the Company shall not in aggregate exceed 30% of the shares in issue from time to time. No option may be granted under the 2003 Scheme and any other share option scheme(s) of the Company if such limit is exceeded.

(iii) *Maximum entitlement of each grantee*

Unless separately approved by shareholders, the total number of shares which may be issued upon exercise of the options granted to each eligible person in any 12-month period must not exceed one (1) per cent. of the shares in issue.

(iv) *Option period*

The option period shall be notified by the Board to each grantee upon grant of each option, provided that it shall commence on a date not earlier than the date on which the option is granted or deemed to be granted in accordance with the terms of the 2003 Scheme ("Commencement Date") and not be more than 10 years from the Commencement Date.

董事及主要行政人員於股本或債務證券之權益 (續)

(b) 購股權 (續)

(ii) *最高股份數目*

因行使二零零三年計劃及本公司任何其他購股權計劃而授出之全部購股權，其可予發行股份總數不得超出於採納日期已發行股份之10% (根據於採納日期之已發行股份198,958,000股計算，該10%之股份上限即19,895,800股股份)，除非本公司取得其股東之更新批准。該等股份相當於本年報日期之已發行股份的10%。

因行使二零零三年計劃及本公司任何其他購股權計劃而授予但尚未行使之購股權，其可予發行之股份數目上限不得超出不時已發行股份之30%。倘超出上述限額，則不得根據二零零三年計劃及本公司任何其他購股權計劃再授出任何購股權。

(iii) *每位承授人之配額上限*

除非獲得股東額外批准，否則於任何12個月期間內不得向單一名合資格人士授予可因行使該購股權而獲得超過當時發行股份1%的購股權。

(iv) *購股權可行使期限*

購股權可行使期限將由董事會於授出每份購股權時告知各承授人，惟購股權的可行使期限不能早於根據二零零三年計劃條款所訂授出或被視為授出之日 (「開始日期」)，並不能超過由開始日期起計十年。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN EQUITY OR DEBT SECURITIES (CONTINUED)

(b) Share options (Continued)

(v) *Amount payable on application or acceptance*

The eligible person must accept any such offer notified to him or her within 10 business days from the date on which an offer is made to an eligible person, which must be a business day ("Offer Date"), failing which it shall be deemed to have been rejected. Upon acceptance of the offer, the grantee shall pay HK\$1.00 to the Company as consideration for the grant.

(vi) *Subscription price*

The subscription price shall be a price determined by the Directors at its absolute discretion and notified to an eligible person and shall not be less than the highest of (1) the closing price of the shares as stated in the daily quotations sheet of the Stock Exchange on the Offer Date; (2) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the Offer Date; and (3) the nominal value of a Share.

(vii) *Term of the 2003 Scheme*

The 2003 Scheme will remain in force for a period of 10 years commencing from the Adoption Date, after which no further options shall be granted but the options which are granted during the life of the 2003 Scheme may continue to be exercisable in accordance with their terms of issue and the provisions of the 2003 Scheme shall in all other respects remain in full force and effect in respect thereof.

Up to 31st December 2012, no options have been granted under the 1996 Scheme or the 2003 Scheme.

Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors or chief executives of the Company or any of their associates to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

董事及主要行政人員於股本或債務證券之權益 (續)

(b) 購股權 (續)

(v) *申請時或接納時之應付款額*

向合資格人士作出要約之日期必須為營業日(「要約日期」)，合資格人士必須於要約日期起計十個營業日內接納有關的要約，逾期者將被視作拒絕接納論。於接納要約時，承授人須向本公司繳付1港元，作為所授予購股權之代價。

(vi) *認購價*

股份認購價將由董事全權決定，並須知會合資格人士，惟認購價不得低於下列三者之最高者：(1)股份於要約日期在聯交所日報表所示之收市價；(2)股份於緊接要約日期前五個營業日在聯交所日報表所示之平均收市價；及(3)股份面值。

(vii) *二零零三年計劃之期限*

二零零三年計劃之有效期由採納日期起計十年，其後將不能再據此授出購股權，惟於二零零三年計劃年內已授出之購股權將可繼續根據二零零三年計劃之發行條款予以行使，而二零零三年計劃在其他各方面之規定將就此仍具十足效力及作用。

截至二零一二年十二月三十一日，尚未有根據一九九六年計劃或二零零三年計劃授出過任何購股權。

除上文所披露外，本公司或其任何附屬公司在本年內並未作出任何安排，使本公司董事或主要行政人員或彼等之任何聯繫人士因收購本公司或其他任何法人團體之股份或債券而獲益。

DIRECTORS' REPORT

董事報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

Other than the interests of the directors and chief executives of the Company as disclosed above, as at 31st December 2012, the register maintained by the Company pursuant to section 336 of the SFO records interests (as defined in the SFO) in the Company of the following persons.

Name	Number of shares 股份數目				Total interests Total interests	Total interests as % of the relevant issued share capital 總權益佔相關 已發行股本 之百分比
	Personal interests 個人 權益	Family interests 家族 權益	Corporate interests 法團 權益	Other interests 其他 權益		
Spector Holdings Limited	146,128,000 (note 1) (附註1)	-	-	-	146,128,000	73.45%
Fang Zhun Chun 方振淳	9,958,000	-	-	-	9,958,000	5.00%

note 1: The share capital of the Spector Holdings Limited is owned as to 99.9% by Mr. Mon Chung Hung and as to the remaining 0.1% by Ms. Koo Di An, Louise.

All the interests stated above represent long positions. As at 31st December 2012, no short positions were recorded in the Register of Interests in Shares and Short Positions of substantial shareholders required to be kept under section 336 of the SFO.

Save as disclosed above, so far as the directors are aware, there were no person who, as at 31st December 2012, directly or indirectly held or was beneficially interested in shares representing 5% or more of the issued share capital of the Company or its subsidiaries.

主要股東於本公司股本之權益

除上文所披露之本公司董事及主要行政人員之權益外，於二零一二年十二月三十一日，根據證券及期貨條例第336條之規定而存置之登記冊所記錄，以下人士持有本公司之權益（定義見證券及期貨條例）。

附註1：Spector Holdings Limited 之股本其中99.9%由孟振雄先生擁有，餘下的0.1%由顧迪安女士擁有。

上述所有權益均為好倉。於二零一二年十二月三十一日，根據證券及期貨條例336條之規定而存置之主要股東之股份權益及淡倉登記冊內，並無淡倉記錄。

除上文所披露外，就各董事所知，於二零一二年十二月三十一日，並無任何人士直接或間接持有或實益擁有本公司或其附屬公司已發行股本5%或以上之股份權益。

DIRECTORS' REPORT

董事報告

MANAGEMENT CONTRACTS

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

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors has an interest in any business which competes or is likely to compete with the business of the Group.

AUDITORS

The financial statements have been audited by PricewaterhouseCoopers who will retire at the forthcoming annual general meeting of the Company and, being eligible, offer themselves for re-appointment.

By Order of the Board

Koo Di An, Louise

Chairman

Hong Kong, 20th March 2013

管理合約

本年度內並無訂立亦從未存在與本公司整體或任何重要業務有關之管理及行政合約。

董事於競爭業務之權益

各董事概無在對本集團業務構成競爭或可能競爭之任何其他業務擁有權益。

核數師

財務報表已經由羅兵咸永道會計師事務所審核。該核數師將於即將舉行的股東周年大會任滿退任，惟願意膺選連任。

承董事會命

主席

顧迪安

香港，二零一三年三月二十日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

To the shareholders of Perennial International Limited

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Perennial International Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 44 to 119 which comprise the consolidated and company statements of financial position 31st December 2012, and the consolidated income statement, the consolidated statement of changes in equity and the 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, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

致恒都集團有限公司股東

(於百慕達註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核列載於第44至119頁恒都集團有限公司(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表。此綜合財務報表包括於二零一二年十二月三十一日的綜合和公司財務狀況表與截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋資料。

董事就綜合財務報表須承擔的責任

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

核數師的責任

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

我們已根據香港會計師公會頒布的香港審計準則進行審核。該等準則要求我們遵守道德規範，並規劃及執行審計，以合理確定綜合財務報表是否不存有任何重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITY (CONTINUED)

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

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st December 2012, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 20th March 2013

核數師的責任 (續)

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

我們相信，我們所獲得的審核憑證能充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零一二年十二月三十一日的事務狀況，及 貴集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零一三年三月二十日

CONSOLIDATED INCOME STATEMENT

綜合損益表

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

		NOTE 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Revenue	收益	4	430,958	472,445
Cost of sales	銷售成本		(362,290)	(402,696)
Gross profit	毛利		68,668	69,749
Other income	其他收益	5	13,579	5,365
Distribution expenses	分銷開支		(7,339)	(8,328)
Administrative expenses	行政開支		(45,490)	(45,143)
Other operating expenses, net	其他經營開支淨額		(3,412)	(4,559)
Operating profit	經營溢利	6	26,006	17,084
Finance costs	財務費用	7	(2,593)	(1,584)
Profit before taxation	除稅前溢利		23,413	15,500
Taxation	稅項	8	(3,459)	(225)
Profit for the year	本年度溢利	9	19,954	15,275
Basic and diluted earnings per share (cents)	每股基本及攤薄盈利 (仙)	11	10.0	7.7

Details of proposed final dividend payable to shareholders of the Company are set out in note 10.

本公司向股東擬派發末期股息之詳情載於附註10。

The notes on pages 52 to 119 are an integral part of these consolidated financial statements.

第52至119頁的附註為綜合財務報表的整體部份。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Profit for the year	本年度溢利	19,954	15,275
Other comprehensive income/(expenses):	其他全面收益／(開支):		
Revaluation surplus on land and buildings	土地及樓宇之重估盈餘	63,725	15,868
Deferred tax charged to revaluation reserve	扣除重估儲備之遞延稅項	(11,555)	(2,959)
Exchange difference arising from translation of financial statements of subsidiaries	附屬公司財務報表之 兌換之匯率差異	1,990	4,801
Other comprehensive income for the year, net of tax	本年度其他全面收益， 扣除稅項	54,160	17,710
Total comprehensive income attributable to shareholders of the Company	本公司股東應佔 總全面收益	74,114	32,985

The notes on pages 52 to 119 are an integral part of these consolidated financial statements.

第52至119頁的附註為綜合財務報表的整體部份。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31st December 2012 於二零一二年十二月三十一日

			31st December 2012 二零一二年 十二月三十一日	31st December 2011 二零一一年 十二月三十一日
		NOTE 附註	HK\$'000 千港元	HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Land use rights	土地使用權	14	13,043	13,353
Property, plant and equipment	物業、廠房及設備	15	295,266	236,153
Investment property	投資物業	16	25,180	13,800
Non-current deposits	非流動訂金		718	2,624
Deferred tax assets	遞延稅項資產	8(b)	4,193	3,214
			338,400	269,144
Current assets	流動資產			
Inventories	存貨	18	89,651	80,540
Trade receivables	應收貿易賬款	19	100,141	102,177
Other receivables, deposits and prepayments	其他應收賬款、訂金及預付款項		7,474	8,160
Derivative financial instruments	衍生金融工具	25	172	-
Taxation recoverable	可收回稅項		-	2,712
Short-term fixed deposit	短期定期存款	20	42,633	-
Cash and cash equivalents	現金及現金等價物	20	50,945	108,142
			291,016	301,731
Total assets	總資產		629,416	570,875
EQUITY	權益			
Share capital	股本	21	19,896	19,896
Other reserves	其他儲備	22	193,163	139,003
Retained earnings	保留盈利			
Others	其他	22	234,132	220,148
Proposed final dividend	擬派末期股息	22	3,980	3,980
Total equity	總權益		451,171	383,027
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	8(b)	31,287	21,769
			31,287	21,769

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31st December 2012 於二零一二年十二月三十一日

			31st December	31st December
			2012	2011
			二零一二年	二零一一年
			十二月三十一日	十二月三十一日
		NOTE	HK\$'000	HK\$'000
		附註	千港元	千港元
Current liabilities	流動負債			
Trade and bills payables	應付貿易款項及票據	24	32,657	34,907
Other payables and accruals	其他應付款項及應計開支	24	23,209	19,983
Derivative financial instruments	衍生金融工具	25	–	794
Taxation payable	稅項		3,495	–
Short-term bank loans	短期銀行貸款	23	48,000	56,000
Trust receipt loans	信託收據貸款	23	39,597	54,395
			146,958	166,079
Total liabilities	總負債		178,245	187,848
Total equity and liabilities	總權益及總負債		629,416	570,875
Net current assets	流動資產淨值		144,058	135,652
Total assets less current liabilities	總資產減流動負債		482,458	404,796

On behalf of the Board

MON Chung Hung

孟振雄

Director

董事

承董事會命

SIU Yuk Shing, Marco

蕭旭成

Director

董事

The notes on pages 52 to 119 are an integral part of these consolidated financial statements.

第52至119頁的附註為綜合財務報表的整體部份。

STATEMENT OF FINANCIAL POSITION

財務狀況表

As at 31st December 2012 於二零一二年十二月三十一日

		NOTE 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司之投資	17	62,738	62,738
Current assets	流動資產			
Amounts due from subsidiaries	應收附屬公司款項	17	61,768	61,439
Other receivables, deposits and prepayments	其他應收賬款、訂金及 預計款項		210	229
Cash and cash equivalents	現金及現金等價物	20	157	159
			62,135	61,827
Total assets	總資產		124,873	124,565
EQUITY	權益			
Share capital	股本	21	19,896	19,896
Other reserves	其他儲備	22	78,537	78,537
Retained earnings	保留盈利			
Others	其他	22	22,191	21,889
Proposed final dividend	擬派末期股息	22	3,980	3,980
Total equity	總權益		124,604	124,302
LIABILITIES	負債			
Current liabilities	流動負債			
Other payables and accruals	其他應付款項及應計開支		269	263
Total liabilities	總負債		269	263
Total equity and liabilities	總權益及總負債		124,873	124,565
Net current assets	流動資產淨值		61,866	61,564
Total assets less current liabilities	總資產減流動負債		124,604	124,302

On behalf of the Board

MON Chung Hung

孟振雄

Director

董事

承董事會命

SIU Yuk Shing, Marco

蕭旭成

Director

董事

The notes on pages 52 to 119 are an integral part of these consolidated financial statements.

第52至119頁的附註為綜合財務報表的整體部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Share capital 股份 HK\$'000 千港元	Other reserves (note 22) 其他儲備 (附註22) HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
As at 1st January 2012	於二零一二年一月一日	19,896	139,003	224,128	383,027
Profit for the year	本年度溢利	-	-	19,954	19,954
Revaluation surplus on land and buildings	土地及樓宇之重估盈餘	-	63,725	-	63,725
Deferred tax charged to revaluation reserve	扣除重估盈餘之遞延稅項	-	(11,555)	-	(11,555)
Exchange difference arising from translation of financial statements of subsidiaries	附屬公司財務報表之兌換之匯率差異	-	1,990	-	1,990
Total comprehensive income for the year	本年度總全面收益	-	54,160	19,954	74,114
Dividend paid	股息	-	-	(5,970)	(5,970)
At 31st December 2012	於二零一二年十二月三十一日	19,896	193,163	238,112	451,171
Representing :	相當於 :				
2012 final dividend proposed	二零一二年擬派發之末期股息			3,980	
Others	其他			234,132	
Retained earnings as at 31st December 2012	截至二零一二年十二月三十一日止之保留盈利			238,112	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Share capital	Other reserves (note 22) 其他儲備 (附註22)	Retained earnings	Total
		股份 HK\$'000 千港元	HK\$'000 千港元	保留盈利 HK\$'000 千港元	總額 HK\$'000 千港元
As at 1st January 2011	於二零一一年一月一日				
– as previously reported	– 如以往呈列	19,896	121,293	219,753	360,942
– adoption of HKAS 12 (Amendment) (note 1.1)	– 採用香港會計準則12 (修改)(附註1.1)	–	–	1,040	1,040
As at 1st January 2011	於二零一一年一月一日	19,896	121,293	220,793	361,982
Profit for the year	本年度溢利	–	–	15,275	15,275
Revaluation surplus on land and buildings	土地及樓宇之重估盈餘	–	15,868	–	15,868
Deferred tax charged to revaluation reserve	扣除重估盈餘之遞延稅項	–	(2,959)	–	(2,959)
Exchange difference arising from translation of financial statements of subsidiaries	附屬公司財務報表之兌換之 匯率差異	–	4,801	–	4,801
Total comprehensive income for the year	本年總全面收益	–	17,710	15,275	32,985
Dividend paid	股息	–	–	(11,940)	(11,940)
At 31st December 2011	於二零一一年十二月三十一日	19,896	139,003	224,128	383,027
Representing :	相當於 :				
2011 final dividend proposed	二零一一年擬派發之末期股息			3,980	
Others	其他			220,148	
Retained earnings as at 31st December 2011	截至二零一一年十二月 三十一日止之保留盈利			224,128	

The notes on pages 52 to 119 are an integral part of these consolidated financial statements.

第52至119頁的附註為綜合財務報表的整體部份。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

			2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
	NOTE 附註			
Cash flows from operating activities		營運活動的現金流量		
Net cash generated from operations	26(a)	營運產生的淨現金	19,558	25,024
Hong Kong profits tax received/(paid)		收取/(支付) 香港利得稅	1,534	(4,377)
Overseas tax paid		支付海外利得稅	(1,802)	(2,530)
Bank loans interest		銀行貸款利息	(2,593)	(1,532)
Net cash generated from operating activities		營運活動所用的淨現金	16,697	16,585
Cash flows from investing activities		投資活動的現金流量		
Purchase of property, plant and equipment		購置物業、廠房及設備	(5,333)	(2,800)
Deposits paid for additions of property, plant and equipment		支付新增物業、廠房及設備之訂金	1,907	(1,471)
Interest received		收取利息	750	309
Increase in short-term fixed deposit		新增短期定期存款	(42,633)	-
Sale of property, plant and equipment		出售物業、廠房及設備	52	149
Net cash used in investing activities		投資活動所用淨現金	(45,257)	(3,813)
Cash flows from financing activities		融資活動的現金流量		
Net (repayment)/increase of trust receipt loans	26(b)	淨(償還)/新增信託收據貸款	(14,798)	20,474
(Repayments of)/increase in short-term bank loans	26(b)	(償還)/新增短期銀行貸款	(8,000)	56,000
Repayments of capital element of finance lease contracts	26(b)	償還租購合約資本部份	-	(2,056)
Interest of finance lease contracts		租購合約利息	-	(52)
Dividend paid to Company's shareholders		向本公司股東支付股息	(5,970)	(11,940)
Net cash (used in)/generated from financing activities		融資活動(所用)/產生的淨現金	(28,768)	62,426
Net (decrease)/increase in cash and cash equivalents		現金及現金等價物之淨(減少)/增加	(57,328)	75,198
Cash and cash equivalents at 1st January		年初現金及現金等價物	108,142	32,610
Exchange difference on cash and cash equivalents		現金及現金等價物匯兌收益	131	334
Cash and cash equivalents at 31st December	20	年終現金及現金等價物	50,945	108,142

The notes on pages 52 to 119 are an integral part of these accounts.

第52至119頁的附註為財務報表的整體部份。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

These consolidated financial statements are presented in thousands of Hong Kong dollars (“HK\$’000”) unless otherwise stated.

1.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”). They have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, investment property and derivative financial instruments which are carried at fair value.

The preparation of the consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

1. 主要會計政策摘要

編製此等綜合財務報表所採用之主要會計政策載於下文。除有說明外，此等政策在所呈報的所有年度內貫徹應用。

除另外註明外，此等綜合財務報表以千港元呈列。

1.1 編製基準

本綜合財務報表乃按照香港財務報告準則編製。賬目並依據歷史成本常規法編製，惟若干土地及物業、投資物業及衍生金融工具之會計政策乃按公允值列賬。

編製符合財務準則的綜合財務報表需要使用若干關鍵會計估算。這亦需要管理層在應用本集團會計政策過程中行使其判斷。涉及高度的判斷或高度複雜性的範疇，或涉及對綜合財務報表屬重大假設和估算的範疇，在附註3中披露。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.1 Basis of preparation (Continued)

(a) *New and amended standards adopted by the Group*

Hong Kong Institute of Certified Public Accountants (“HKICPA”) has amended HKAS 12, “Income taxes”, to introduce an exception to the principle for the HKAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. The amendment introduces a rebuttable presumption that an investment property measured at fair value is recovered entirely by sale. The amendment is applicable retrospectively to annual periods beginning on or after 1st January 2012.

For the year ended 31st December 2011, the Group had early adopted the amendment of HKAS 12. The relevant impacts had already been reflected in 31st December 2011 financial result.

(b) *New standards and interpretations not yet adopted*

At the date of approval of these consolidated financial statements, the following are new standards, amendments and interpretations that are published and potentially relevant to the Group's operations, but not yet effective and have not been early adopted by the Group.

1. 主要會計政策摘要 (續)

1.1 編製基準 (續)

(a) *本集團所採納的新及經修改準則*

香港會計師公會 (「香港會計師公會」) 已修訂香港會計準則第12號「所得稅」，為香港會計準則第12號中的遞延稅項計量原則引入例外情況。香港會計準則第12號規定實體應視乎實體是否預期透過使用或出售收回資產的賬面值，以計量資產的遞延稅項，而前述修訂引入一項可推翻的假設，即按公允價值計量的投資物業可透過出售全數收回。該項修訂可追溯應用於二零一二年一月一日或之後開始的年度期間。

於二零一一年十二月三十一日止年度，本集團已提早採納香港會計準則第12號的修訂。相關影響已反映在截至二零一一年十二月三十一日的財務業績中。

(b) *尚未採納的新準則及詮釋*

於綜合財務報表批准當日，以下的新準則、修改及對現有準則的詮釋已公布及潛在與本集團的營運有關，但未生效及本集團並無提早採用。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.1 Basis of preparation (Continued)

(b) *New standards and interpretations not yet adopted (Continued)*

HKAS 1 (Amendment) 'Presentation of financial statements' (effective for the Group for annual periods beginning on or after 1st July 2012).

HKAS 27 (Revised 2011) 'Separate financial statements' (effective for the Group for annual periods beginning on or after 1st January 2013).

HKFRS 9 'Financial instruments: Disclosure' (effective for the Group for annual periods beginning 1st January 2013).

HKFRS 10 'Consolidated financial statement' (effective for the Group for annual periods beginning on or after 1st January 2013).

HKFRS 12 'Disclosure of interests in other entities' (effective for the Group for annual periods beginning on or after 1st January 2013).

HKFRS 13 'Fair value measurement' (effective for the Group for annual periods beginning on or after 1st January 2013).

Annual improvement 2011 (effective for the Group for annual periods beginning on or after 1 January 2013).

The adoption of the above standards, amendments and interpretations to existing standards in future periods is not expected to result in substantial changes to the Group's accounting policies.

1. 主要會計政策摘要 (續)

1.1 編製基準 (續)

(b) *尚未採納的新準則及詮釋 (續)*

香港會計準則第1號(修改) – 「財務報表的呈列」(集團於二零一二年七月一日或之後開始的年度期間生效)。

香港會計準則第27號(2011年修訂) – 「獨立財務報表」(集團於二零一三年一月一日或之後開始的年度期間生效)。

香港財務報告準則第9號 – 「金融工具披露」(集團於二零一三年一月一日開始的年度期間生效)。

香港財務報告準則第10號 – 「綜合財務報表」(集團於二零一三年一月一日或之後開始的年度期間生效)。

香港財務報告準則第12號 – 「於其他實體的權益披露」(集團於二零一三年一月一日或之後開始的年度期間生效)。

香港財務報告準則第13號 – 「公允值計算」(集團於二零一三年一月一日或之後開始的年度期間生效)。

年度改善2011 (集團於二零一三年一月一日或之後開始的年度期間生效)。

日後採納以上準則、修改及對現有準則的詮釋，預期不會對本集團會計政策造成重大影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.2 Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31st December.

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

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, income and expenses on transactions between group companies are eliminated. Profit and losses resulting from inter-company transactions that are recognised in assets are also eliminated.

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

Accounting policies of subsidiaries have been changed where necessary in the consolidated financial statements to ensure consistency with the policies adopted by the Group.

1. 主要會計政策摘要 (續)

1.2 綜合財務報表

綜合財務報表包括本公司及各附屬公司截至十二月三十一日止之財務報表。

附屬公司指本集團有權管轄其財政及營運政策而控制所有實體，一般附帶超過半數投票權的股權。在評定本集團是否控制另一實體時，目前可行使或可兌換的潛在投票權的存在及影響均予考慮。

附屬公司在控制權轉移至本集團之日全面綜合入賬。附屬公司在控制權終止之日起停止綜合入賬。

公司內部交易，集團公司之間收入及支出交易予以消除。確認予資產的公司內部交易所產生的利潤及虧損亦予以消除。

在本公司之財務狀況表內，附屬公司之投資以成本值扣除減值入賬。本公司將附屬公司之業績按已收及應收股息入賬。

在必要時，附屬公司的會計政策在綜合財務報表中作出改變以確保與集團的政策一致。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments.

1.4 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*

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

(iii) *Group companies*

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

- (i) 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;

1. 主要會計政策摘要 (續)

1.3 分部報告

經營分部按照與負責分配資源並且評核營運分部的表現的首席營運決策者提供之內部報告一致的方式報告。

1.4 外幣換算

(i) *功能及呈報貨幣*

所有集團公司各自財務報表中的項目均按有關公司營運所在的主要經濟環境的貨幣(「功能貨幣」)計算。綜合財務報表則以港元作呈列，其為本公司的功能及呈報貨幣。

(ii) *交易及結餘*

外幣交易按交易日的匯率換算為功能貨幣。因此等交易的結算以及因以外幣為本位的貨幣資產及負債按年終匯率進行換算而產生的匯兌盈虧均記入損益表。

(iii) *集團公司*

集團其下所有公司如持有與呈報貨幣不一致的功能貨幣，其業績和財務狀況均按以下方法兌換為呈報貨幣：

- (i) 每項財務狀況表之資產及負債均按該財務狀況表結算日的匯率折算為呈報貨幣；

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.4 Foreign currency translation (Continued)

- (iii) *Group companies (Continued)*
- (ii) income and expenses for each income statement are translated at an standard exchange rate for the year; and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

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

1.5 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group's companies, is classified as investment property. Investment property comprises land held under operating leases. Land held under operating leases is classified and accounted for as investment property when the rest of the definition of investment property is met. In such cases, the operating leases concerned are accounted for as if they were finance leases.

Investment property is measured initially at its cost, including related transaction costs.

1. 主要會計政策摘要 (續)

1.4 外幣換算 (續)

- (iii) 集團公司 (續)
- (ii) 每項損益表之收入及支出均按該年度標準匯率折算為呈報貨幣；及
- (iii) 所有匯兌差異均確認於全面收益表。

在編制綜合財務報表時，換算海外業務的淨投資，均列入股東全面收益表。當售出一項海外業務時，該記錄於全面收益表的匯兌差異將於綜合損益表內確認為出售盈虧的一部份。

1.5 投資物業

持有物業為長期租賃收益或資本增值或兩者兼備，及並非由集團內公司所佔有，並歸類為投資物業。投資物業包括以營運租賃持有的土地。以營運租賃持有的土地，如符合投資物業其餘定義，按投資物業分類及記賬。在這情況下，有關的經營租賃被當作是財務租賃處理。

投資物業按最初之成本，包括相關之交易成本計算。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Investment property (Continued)

After initial recognition, investment property is carried at fair value. The valuation is reviewed annually by an external independent valuer on an open market basis. Separate value is not attributed to land and buildings. The valuation is incorporated in the financial statements. Changes in fair values are recognised in the income statement.

Subsequent expenditure is charged to the asset's carrying amount 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 costs are expensed in the income statement during the financial period in which they are incurred.

1.6 Property, plant and equipment

(i) Land and Buildings

Land mainly represents the lands in Hong Kong under finance lease. Buildings comprise factories and offices. Land and buildings are shown at fair value, based on annual valuations by an external independent valuers, less subsequent depreciation and impairment. The valuations of Hong Kong land and buildings and Mainland China factories are on an open market basis or replacement costs. Any accumulated depreciation and impairment at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

1. 主要會計政策摘要 (續)

1.5 投資物業 (續)

經過最初之確認，投資物業以公允值結轉。此估價由外聘估值師於公開市場進行年審，而土地及樓宇並不分開估值。估值會用於財務報表內。調整之公允值將反映於損益表內。

其後之支出只有在與該項目有關的未來經濟利益有可能流入集團時，而該項目的成本能可靠衡量時，才計入資產的賬面值中。在此財務期間，所有其他維修及保養成本於損益表列為開支。

1.6 物業、廠房及設備

(i) 土地及樓宇

土地主要是位於香港的租購土地。樓宇主要包括工廠和辦公室。土地及樓宇根據外部獨立估值師每年進行的估值按公允值減其後的折舊及減值虧損列賬。香港土地及樓宇及中國工廠是以公開市場基準或重置成本估值。在估值日的任何累積折舊及減值虧損與資產的賬面值總額對銷，而淨額則重列至資產的重估金額。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.6 Property, plant and equipment (Continued)

(i) *Land and Buildings (Continued)*

Increases in the carrying amount arising on revaluation of land under finance lease and buildings are credited to building revaluation reserve in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in the income statement, in which case the increase is credited to the income statement to the extent of the decrease previously charged. Decreases that offset previous increases of the same asset are charged against land and building revaluation reserve directly in equity; all other decreases are expensed in the income statement.

(ii) *Other property, plant and equipment*

Other property, plant and equipment, comprising leasehold improvements, plant and machinery, furniture and fixtures, office equipment, motor vehicles and pleasure boat are stated at cost less accumulated depreciation and accumulated impairment losses.

Construction in progress is stated at cost which comprises construction costs, purchase costs and other related expenses incurred in connection with the construction of buildings, plant and machinery for own use, less provision for impairment losses, if any.

1. 主要會計政策摘要 (續)

1.6 物業、廠房及設備 (續)

(i) *土地及樓宇 (續)*

重估租購土地及樓宇產生的賬面值增加撥入股東權益的樓宇重估儲備內。除非該盈餘用於抵銷該資產於以往的重估減值而被確認為開支，則該計入損益表，惟數額以先前扣除的減值為限。對重估之減少將直接對銷同一資產以往在股東權益帳內的土地及樓宇重估儲備增加。所有其他減少在損益表支銷。

(ii) *其他物業、廠房及設備*

其他物業、廠房及設備，即租賃物業裝修、廠房及機器、傢俬及裝置、辦公室設備、汽車及遊艇均按成本值減累積折舊及累積減值虧損列賬。

在建工程成本包括建築成本、採購成本及其他建造樓宇、廠房及機器以供自用之直接開支，減去減值撥備列賬(如有)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.6 Property, plant and equipment (Continued)

(iii) Depreciation

Depreciation on buildings is calculated to write off their valuation less accumulated impairment losses on a straight-line basis over the unexpired period of the leases or their estimated useful lives, whichever is shorter. The principal annual rates used range from 2.5% to 5%.

Other property, plant and equipment except construction in progress are depreciated at rates sufficient to write off their costs less accumulated impairment losses over their estimated useful lives on a reducing balance basis. The principal annual rates are as follows:

Leasehold improvements	2.5% – 20% or lease period, which ever is shorter
Plant and machinery	2.5% – 20%
Furniture and fixtures	15% – 20%
Office equipment	20%
Motor vehicles	15% – 20%
Pleasure boat	10%

No depreciation is provided for construction in progress until they are completed and put into production ready for their intended use, upon which they will be transferred to property, plant and equipment.

1. 主要會計政策摘要 (續)

1.6 物業、廠房及設備 (續)

(iii) 折舊

樓宇之折舊是按未屆滿租約年期或估計其可供使用之年期兩者之較短期間以直線法撇銷其估值減累積減值虧損。為此而採用之主要年率為2.5%-5%。

其他物業、廠房及設備(不包括在建工程)之折舊乃以餘額遞減法按其估計可使用年期撇銷其成本值減累積減值虧損。為此而採用之主要年率如下：

租賃物業裝修	2.5% – 20% 或租約年期兩者之較短期間
廠房及機器	2.5% – 20%
傢俬及裝置	15%-20%
辦公室設備	20%
汽車	15%-20%
遊艇	10%

在建工程在工程完成及投入生產前不會計提折舊撥備，在建工程已準備好作其計劃用途則轉為物業、機器及設備。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.6 Property, plant and equipment (Continued)

(iv) *Others*

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 expensed in the income statement during the financial period in which they are incurred.

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

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

(v) *Gains and losses on disposals*

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. Where revalued assets are sold, the amounts included in buildings revaluation reserve are transferred to retained earnings.

1. 主要會計政策摘要 (續)

1.6 物業、廠房及設備 (續)

(iv) *其他*

其後支出只有在與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠衡量時，才計入在資產的賬面值中。所有其他維修及保養成本在產生的財政期間內於損益表支銷。

資產的剩餘價值及可使用年期在每個報告期結束日進行檢討，及在適當時調整。

若資產的賬面值高於其估計可收回價值，其賬面值即時撇減至可收回金額。

(v) *資產處理的盈虧*

賬上處理資產的做法是以銷售金額減去賬值，而計算得來的盈／虧皆以在損益表上處理。當重估物業已出售，其相應在物業重估儲備中的部份會轉至保留盈利。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.7 Assets under finance lease/operating lease

(i) *Operating leases*

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

(ii) *Finance lease*

Leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance lease assets. Finance lease assets are capitalised at the commencement of the lease and at the lower of the fair value of the assets and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the outstanding finance balance. The corresponding rental obligations, net of finance charges, are included in current and non-current borrowings. The interest element of the finance cost is recognised in the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

1. 主要會計政策摘要 (續)

1.7 租購／經營租賃

(i) *經營租賃*

如租賃擁有權的重大部份風險和回報由出租人保留，分類為經營租賃。根據經營租賃支付的款項（扣除自出租人收取之任何獎勵金後）於租賃期內以直線法計入損益表內。

(ii) *租購*

如本集團持有租賃資產擁有權的大部份所有風險及回報，將分類為融資租賃。融資租賃在租賃開始時按租賃物業之公允值及最低租賃付款現值兩者之較低者入賬。每項租金均分攤為負債及財務開支，使財務費用佔融資結欠額之常數比率。相應租賃責任在扣除財務開支後計入流動及非流動貸款內。財務費用的利息部份於租約期內在損益表確認，使財務費用與每個期間的負債餘額之比為常數定期利率。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.8 Land use rights

Land use rights are stated at cost less accumulated impairment losses (if any). Cost mainly represents consideration paid for the rights to use the land on which various plants and buildings are situated for a period of 46-50 years from the date the respective right was granted. Amortisation of land use rights is calculated on a straight-line basis over the period of the land use rights.

1.9 Impairment of investment in subsidiaries and non-financial assets

Assets that have an indefinite useful life are tested for impairment annually. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Such impairment loss is recognised in the income statement.

1.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs are assigned to individual items on the first-in, first-out basis and are arrived at as follows:

- (i) Raw materials purchased for use in the manufacturing process – invoiced price and shipping cost.

1. 主要會計政策摘要 (續)

1.8 土地使用權

土地使用權乃按成本減以累計減值虧損列值(如有)。成本指就使用土地之權利而支付之預付款項,該土地座落多棟廠房及樓宇,為期46-50年。土地使用權之攤銷乃於土地使用權內按直線法計算。

1.9 附屬公司及非財務資產之減值

永久使用年期之資產需每年就減值進行測試。當有事件出現或情況已改變致其帳面值可能無法收回時就資產進行減值檢討。減值虧損按資產之帳面值超出其可收回金額之差額確認。可收回金額以資產之公允值扣除銷售成本或使用價值兩者之較高者為準。減值虧損直接入損益表。

1.10 存貨

存貨以成本值及可變現淨值兩者中較低者入賬。成本值按個別項目以先入先出法計算如下:

- (i) 採購用於製造工序之原料 – 發票價及運費。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.10 Inventories (Continued)

(ii) Work in progress and finished manufactured goods – costs of direct materials, direct labour and an appropriate proportion of production overheads.

(iii) Finished goods purchased for resale – invoiced price and shipping cost.

Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

1.11 Trade and other receivables

The Group's trade and other receivables are categorised as loan and receivable financial assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of 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 receivable. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement. Subsequent recoveries of amounts previous written off are credited in the income statement.

1. 主要會計政策摘要 (續)

1.10 存貨 (續)

(ii) 在製品及製成品 – 直接原料、直接勞工之成本及應佔之生產經常費用。

(iii) 採購以作轉銷之成品 – 發票價及運費。

可變現淨值是在日常業務過程中的估計售價減去可適用變動銷售開支。

1.11 貿易及其他應收款項

本集團貿易及其他應收款項將分類為貸款及應收款金融資產。

貿易及其他應收款項按最初之公允值及隨後採用有效益利息方法分攤成本而計算，減去減值撥備。當客觀證據顯示集團將不能按最初應收貿易賬款條款收回所有到期賬項時，便構成應收貿易賬款減值撥備。撥備金額為資產之賬面值及預期現金流之現值，按實際利率折讓的差額。撥備金額於損益賬內被確認。隨後收回以往撇銷金額記入損益表。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Cash and cash equivalents

The Group's cash and cash equivalents are categorised as loan and receivable financial assets.

Cash and cash equivalents comprise cash on hand and deposits held at call with banks with original maturities of three months or less.

1.13 Trade and other payables

The Group's trade and other payables are categorised as financial liabilities at amortised cost.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost.

1.14 Borrowings

The Group's borrowings are categorised as financial liabilities at amortised cost.

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

All borrowing costs are charged to the income statement in the financial period in which they are incurred.

1. 主要會計政策摘要 (續)

1.12 現金及現金等價物

本集團現金及現金等價物分類為貸款及應收款金融資產。

現金及現金等價物包括手頭現金及原到期日為三個月或以下銀行通知存款。

1.13 貿易及其他應付款項

集團貿易及其他應付款項分類為攤銷成本金融負債。

貿易及其他應付款項初步以公允值確認，其後利用實際利息法按攤銷成本計量。

1.14 借貸

本集團借貸分類為攤銷成本金融負債。

借貸最初以淨交易成本的公允值而確認。借貸隨後被定為分攤成本；在進款（扣除交易成本）與贖回價值間之任何差異於借貸期的損益表內採用實際利率法而確認。

在此財務期間，所有借款成本於損益表列為開支。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.15 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 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.

(ii) *Bonus plans*

The expected cost of bonus payment is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonus plan are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

1. 主要會計政策摘要 (續)

1.15 僱員福利

(i) *僱員應享假期*

僱員在年假及長期服務休假之權利在僱員應享有時確認。本集團為截至報告期結束日止僱員已提供之服務而產生之年假及長期服務休假之估計負債作出撥備。

僱員之病假及產假不作確認，直至僱員正式休假為止。

(ii) *獎金計劃*

當本集團因為僱員提供之服務而產生現有法律或推定性責任，而責任金額能可靠估算時，則將獎金計劃之預計成本確認為負債入賬。獎金計劃之負債預期須在十二個月內償付，並根據在償付時預期會支付之金額計算。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.15 Employee benefits (Continued)

(iii) Retirement benefit costs

For Hong Kong employees, the Group contributes to Mandatory Provident Fund ("MPF") scheme in accordance with Hong Kong Mandatory Provident Fund Schemes Ordinance. Contributions to the MPF scheme by the Group and employees are calculated as a percentage of employees' remuneration received. The Group's contributions to MPF scheme are expensed as incurred. The assets of the MPF scheme are held separately from those of the Group in an independently administered fund.

For employees in the Mainland China, the Group contributes to a defined contribution retirement scheme managed by the local municipal government in Mainland China. The Group's contributions to the retirement scheme are expensed as incurred while the local municipal government in the Mainland China undertakes to assume that the retirement benefit obligations of the qualified employees in Mainland China.

1.16 Current and deferred income tax

The tax expenses for the period comprises current and deferred tax. Tax is recognised in the income statement.

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

1. 主要會計政策摘要 (續)

1.15 僱員福利 (續)

(iii) 退休金成本

就香港僱員，本集團根據香港強制性公積金條例向強制性公積金(「強積金」)計劃供款。本集團及僱員向退休計劃之供款按各僱員的所收報酬比率計算。本集團向強積金計劃作出之供款在發生時作為費用支銷。該計劃之資產與本集團資產分開，由獨立之行政基金持有。

就中國大陸僱員，本集團向中國大陸地方政府作出退休計劃供款，並在供款時作為費用支銷。並由中國大陸地方政府為合資格的僱員的退休福利作出承擔。

1.16 當期及遞延稅項

期內稅項費用包括當期稅項及遞延稅項。稅項在損益表中確認。

當期所得稅支出根據本公司及其附屬公司營運及產生應課稅收入的國家於報告期結束日已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款作出撥備。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.16 Current and deferred income tax (Continued)

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

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

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

1.17 Revenue recognition

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

1. 主要會計政策摘要 (續)

1.16 當時及遞延稅項 (續)

遞延所得稅利用負債法就資產和負債的稅基與在資產和負債在財務報表的賬面值所產生的暫時差異作出撥備。然而，遞延所得稅來自在交易（不包括企業合併）中對資產或負債的初步確認，而在交易時不影響會計損益或應課稅盈虧，則不作記賬。遞延稅項採用在報告期結束日前已頒佈或實質頒佈，並在有關之遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用之稅率（及法例）而釐定。

遞延所得稅資產是就可能未來應課稅盈利而就此可使用暫時差異而確認。

遞延稅項就附屬公司的投資產生之暫時差異而撥備，但假若本集團可以控制暫時差異之撥回時間，而暫時差異在可預見將來有可能不會撥回則除外。

1.17 收入確認

收益包括本集團以正常經營的活動的出售貨品，利息及租賃經營租金收入的公允值收益以扣除增值稅、退貨、回扣和折扣，以及除去集團內部銷售表示。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.17 Revenue recognition (Continued)

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

- (i) Revenue from the sale of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and title has passed.
- (ii) Interest income is recognised on a time proportion basis using the effective interest method.
- (iii) Operating lease rental income is recognised on a straight-line basis over the period of the lease.

1.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

1. 主要會計政策摘要 (續)

1.17 收入確認 (續)

集團當收入金額能可靠計量時確認為收入，可能有經濟利益將會流入實體及已符合特定標準時如以下所述。集團根據歷史業績進行估計，並計入客戶類型及每項安排之特性。收益確認如下：

- (i) 銷售貨品所得之收入於擁有權之風險及回報轉移時確認，通常亦即為貨品付運予客戶及擁有權轉歸客戶時相符。
- (ii) 利息收入採用實際利息法按時間比例基準確認。
- (iii) 經營租賃之租金收入按租賃期間以直線法確認。

1.18 撥備

當集團因已發生的事件須承擔現有之法律性或推定性的責任，而解除責任時有可能消耗資源，並在責任金額能夠可靠地作出估算的情況下，需確立撥備。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.18 Provisions (Continued)

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

1.19 Dividend distribution

Final dividend proposed to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividend is approved by the Company's shareholders.

1.20 Derivate financial instruments

The Group's derivative financial instruments are categorised as financial assets/liabilities at fair value through profit or loss.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at its fair value. Changes in the fair value of these derivative instruments that do not qualify for hedge accounting are recognised immediately in the income statement.

1. 主要會計政策摘要 (續)

1.18 撥備 (續)

撥備以稅前市場現金價值加以風險估值再以現今值來計算。由於時間的流逝所增加的撥備確認為利息支出。

1.19 派發股息

向本公司股東分派的股息在股息獲本公司股東批准的期間內於財務報表內列為負債。

1.20 衍生金融工具

集團衍生金融工具分類為按公允值透過損益表的金融資產／負債。

衍生工具初始按簽訂合約當日的公允價值確認，其後按其公允價值重新計算。若干衍生工具不符合對沖會計資格，其公允價值變動將即時在損益表內確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.21 Financial guarantee contract

A financial guarantee contract is a contract that requires the Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Company and not designed as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Company measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets"; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 "Revenue".

2. FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

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

Management regularly manages the financial risks of the Group.

1. 主要會計政策摘要 (續)

1.21 金融擔保合約

金融擔保合約指要求本公司作出特定付款，以補償持有人因特定債務人未能按照債務票據原有或經修訂條款支付到期應付款項而造成之損失。本公司發出之金融擔保合約並非設計成按公允價值計入損益賬是於初次按其公允價值減發行金融擔保合約直接應佔交易成本確認。初步確認後，本公司會按以下較高者計量金融擔保合約：(i)按照香港會計準則第37號「撥備、或然負債及或然資產」釐定之款額；及(ii)按照香港會計準則第18號「收益」初步確認之款額減（視何者適用）累計攤銷。

2. 財務風險管理

(a) 財務風險因素

集團因經營業務而承受不同財務風險，即市場風險（包括外匯風險，價格風險及利率風險）、信貸風險和流動資金風險。本集團的整體風險管理計劃針對金融市場的不可預知性，務求盡量減低對集團財務表現所帶來的影響。

管理層會定期管理集團之財務風險。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Financial risk factors (Continued)

(i) Foreign exchange risk

The Group is exposed to foreign currency risk arising from various currency exposures, primarily with respect to Renminbi ("RMB"). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. In addition, the conversion of RMB is subject to the rules and regulations of foreign exchange control promulgated by the Mainland China monetary authority.

The Group uses forward contracts to manage exposures arising from the fluctuation of RMB. Details are disclosed in note 25 to the consolidated financial statements.

Should HK\$ strengthened/weakened by 5% (2011: 5%) during the years ended 31st December 2012 against the RMB, with all other variables held constant, the impact of the profit after taxation and the equity for the year would have been approximately HK\$2,965,000 (2011: HK\$3,185,000) higher or lower.

Certain of the assets of the Group are denominated in United States Dollar ("USD") but the foreign exchange risk is considered not significant as HK\$ exchange rate is pegged to USD.

The foreign exchange risk on financial assets and liabilities denominated in currencies other than RMB and USD are insignificant to the Group.

2. 財務風險管理 (續)

(a) 財務風險因素 (續)

(i) 外匯風險

集團受不同貨幣，主要為人民幣影響而面對外匯風險。外匯風險由未來商業交易、已確認之資產及負債及外地業務之投資淨額產生。此外，人民幣轉換須遵守中國人民銀行頒布之外匯管制規則及條例。

集團利用遠期合約管理人民幣波動帶來的風險。詳情已於綜合財務報表附註25披露。

截至二零一二年十二月三十一日止年度，倘港元兌人民幣匯率轉強／轉弱5%（二零一一年：5%），而其他各項變數不變，於年內除稅後溢利及權益將分別增加／減少約2,965,000港元（二零一一年：3,185,000港元）。

集團之若干資產以美元為單位。因港元與美元掛鈎，外匯風險並不重要。

除人民幣及美元外的貨幣之財務資產及負債的外匯風險對本集團微不足道。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Financial risk factors (Continued)

(ii) Price risk

The Group exposes to fluctuations in the market price of major raw materials such as copper rods and chemicals to make plastic resins.

The Group is able to pass certain realised price gains and losses on raw materials to certain customers through price adjustments, which can mitigate the price risk. The Group has not used any derivative instruments to hedge such economic exposures.

(iii) Interest rate risk

The Group's interest rate risk arises from bank borrowings. Borrowings at variable rates expose the Group to cash flow interest rate risk. Borrowings at fixed rates expose the Group to fair value interest rate risk. Details of the Group's borrowings have been disclosed in Note 23 to the consolidated financial statement.

The Group has not used any hedging arrangement to hedge its exposure to interest rate risk.

The sensitivity analysis presents the effects on the Group's profit after taxation for the year as a result of changes in interest expense on floating rate borrowings. The sensitivity to interest rate used is based on market forecasts available at the reporting date and under the economic environments in which the Group operates, with other variables held constant.

2. 財務風險管理 (續)

(a) 財務風險因素 (續)

(ii) 價格風險

集團需承受主要原料如銅杆和製造塑膠皮料的化學物料之市場價格波動。

集團能夠經價格調整轉移若干已變現的原材料價格收益和虧損至若干客戶，以舒緩價格風險。本集團並沒有利用衍生工具對沖相對經濟風險。

(iii) 利率風險

本集團的利率風險來自銀行借貸。浮息借貸為本集團帶來現金流利率風險，而定息借貸則為本集團帶來公允價值利率風險。本集團借貸詳情已於綜合財務報表附註23披露。

集團並無使用任何對沖安排對沖其利率風險。

敏感度分析呈列集團年內除稅後溢利(因浮息借貸的利息支出出現變動)。利率敏感度根據報告日的市場預測及集團面對的經濟環境(其他變數不變)而作出。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Financial risk factors (Continued)

(iii) Interest rate risk (Continued)

Based on the analysis performed, the impact on the profit after taxation of a 100 basis-point change in interest rate would be an increase/decrease of HK\$560,000 and HK\$608,000 for the years ended 31st December 2012 and 2011, respectively.

(iv) Credit risk

The Group's bank balances are deposited with financial institutions with reliable and acceptable rating quality. Management regularly assesses the credit risk of these financial institutions by reviewing their published financial information and credit rating.

The Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of each financial asset, including cash at bank, trade and other receivables as disclosed in the consolidated statement of financial position.

The Group has concentration of credit risk. Sales made to the top 5 customers amounted to approximately HK\$174,777,000 (2011: HK\$177,977,000), representing 41% (2011: 38%) of total revenue for the year. The total accounts receivable balance of these top 5 customers as at 31st December 2012 was HK\$45,424,000 (2011: HK\$44,185,000).

2. 財務風險管理 (續)

(a) 財務風險因素 (續)

(iii) 利率風險 (續)

根據分析，截至二零一二及二零一一年十二月三十一日止年度，100基準點調整將對除稅後溢利之影響分別增加／減少560,000港元及608,000港元。

(iv) 信貸風險

集團的銀行存款是存於可信賴及可接受的信貸評級的財務機構。管理層審閱他們已刊發財務資料及信貸評級以定期評估此等財務機構的信貸風險。

集團的信貸風險乃來自交易方的違約，最高等於綜合財務狀況表所列各相關金融資產（包括銀行現金，貿易及其他應收款項）的帳面金額。

集團有集中信貸風險。銷售予最高五位顧客的金額約174,777,000港元（二零一一年：177,977,000港元）佔全年總收益41%（二零一一年：38%）。以上最高五位顧客截止二零一二年十二月三十一日總應收款項為45,424,000港元（二零一一年：44,185,000港元）。

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財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Financial risk factors (Continued)

(iv) Credit risk (Continued)

The Group has policies in place to ensure sales are made to customers with an appropriate credit terms and the Group performs periodic credit check with reference to credit rating performed by external agents, and makes periodic assessment of the customers' payment history to assess the recoverability of trade receivables of its customers.

(v) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and making available an adequate amount of committed credit facilities with staggered maturities to reduce refinancing risk in any year and to fund working capital, debt servicing, dividend payments, new investments and close out market positions if required. The Group maintains significant flexibility to respond to opportunities and events by ensuring that committed credit lines available. As at 31st December 2012, the Group had available banking facilities of HK\$268,075,000 of which HK\$87,597,000 were utilised.

2. 財務風險管理 (續)

(a) 財務風險因素 (續)

(iv) 信貸風險 (續)

本集團已擁有政策確保產品之銷售給予有適當信貸額度之客戶，而本集團亦有對其客戶的可收回應收帳款定期進行信用檢查以參考由外部代理人的信用評級，及定期評估顧客付款歷史去評估顧客的貿易應收賬款的可收回能力。

(v) 流動資金風險

審慎的流動資金風險管理，是指保持足夠現金、持有充足的已承諾信貸安排以減輕每年所承受的再融資風險，以及按需要提供營運資金、還本付息、派發股息、作出新投資及如需要退出市場。集團確保本身擁有足夠的已承諾信貸，以靈活地把握商機和應付不時之需。截止二零一二年十二月三十一日，集團有可動用銀行融資為268,075,000港元，其中已動用87,597,000港元。

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財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Financial risk factors (Continued)

(v) Liquidity risk (Continued)

The table below analyses the Group's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

2. 財務風險管理 (續)

(a) 財務風險因素 (續)

(v) 流動資金風險 (續)

下表分析本集團的金融負債及以淨額基準結算的衍生金融負債，按照相關的到期組別，根據由報告期結束日至合約到期日的剩餘期間進行分析。在表內披露的金額為合約性未貼現現金流量。由於貼現的影響不大，故此在12個月內到期的結餘相等於其賬面值。

		Within 1 year 1年內 HK\$'000 千港元	Between 1 and 2 years 1至2年內 HK\$'000 千港元	Between 2 and 5 years 2至5年內 HK\$'000 千港元
Group	本集團			
At 31st December 2012	於二零一二年十二月三十一日			
Bank borrowings	銀行借貸	48,147	-	-
Trust receipt loans	信託收據貸款	39,743	-	-
Trade, bills and other payables and accruals	貿易、票據及其他應付款項及應計開支	55,866	-	-
At 31st December 2011	於二零一一年十二月三十一日			
Bank borrowings	銀行借貸	56,075	-	-
Derivative financial instruments	衍生金融工具	794	-	-
Trust receipt loans	信託收據貸款	54,545	-	-
Trade, bills and other payables and accruals	貿易、票據及其他應付款項及應計開支	54,890	-	-
Company	本公司			
At 31st December 2012	於二零一二年十二月三十一日			
Other payables and accruals	其他應付款項及應計開支	269		
At 31st December 2011	於二零一一年十二月三十一日			
Other payables and accruals	其他應付款項及應計開支	263		

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財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Financial risk factors (Continued)

(v) Liquidity risk (Continued)

The table below analyses the Group's derivative financial instruments which will be settled on a gross basis into relevant maturity grouping based on the remaining period at the end of the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Within 1 year 一年內 HK\$'000 千港元
Group	集團	
As 31st December 2012	於二零一二年十二月三十一日	
Forward foreign exchange contracts inflow	遠期外匯合約流入	172
As 31st December 2011	於二零一一年十二月三十一日	
Forward foreign exchange contracts outflow	遠期外匯合約流出	(794)

(b) Capital risk management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern, maintain a strong credit rating and a healthy capital ratio to support the business and to enhance shareholder value.

2. 財務風險管理 (續)

(a) 財務風險因素 (續)

(v) 流動資金風險 (續)

下表分析本集團的將會支付衍生金融工具按毛額納入相關到期日分組根據報告期結束日至合約到期日的剩餘期間。在表內披露的金額為合約性未貼現現金流量。

(b) 資產風險管理

集團資金管理的主要目標，是確保集團持續營運，維持良好的信貸評級和穩健的資金比率，以支持其業務發展及提升股東價值。

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For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Capital risk management (Continued)

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and business strategies. To maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholder, issue new shares or raise and repay debts. The Group's capital management objectives, policies or processes were unchanged during the years ended 31st December 2012 and 2011.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total borrowings divided by total capital. Total borrowings include non-current borrowings and current borrowings (Note 23). Total capital includes total borrowings and total equity as shown on the consolidated statement of financial position.

The gearing ratios at 31st December 2012 and 2011 were as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Total borrowings	總借貸	87,597	110,395
Total equity	權益總額	451,171	383,027
Total capital	總資本	538,768	493,422
Gearing ratio	負債資產比率	16%	22%

The decrease in the gearing ratio in 2012 is mainly due to decrease in bank loans and increase in total equity.

2. 財務風險管理 (續)

(b) 資產風險管理 (續)

集團因應經濟狀況的變化和商業策略來管理和調整資金架構，集團可調整給予股東的股息、發行新股、舉債或償還債務。集團的資金管理目標、政策及程序於二零一二及二零一一年度十二月三十一日均無改變。

集團利用負債資產比率監察其資本。此比率按照總借貸除以總資本。總借貸包括非流動及流動借貸(附註23)。總資本包括總借貸及權益總額展示於綜合財務狀況表。

截至二零一二及二零一一年十二月三十一日止年度負債資產比率如下：

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Total borrowings	87,597	110,395
Total equity	451,171	383,027
Total capital	538,768	493,422
Gearing ratio	16%	22%

由於銀行貸款減少及權益總額增加導致二零一二年度負債資產比率減少。

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財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Fair value estimation

The carrying amounts of the Group's financial assets and liabilities including cash and cash equivalents, trade and other receivables, trade and other payables, and short-term borrowings approximate to their fair values due to their short-term maturities. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The Group has derivative financial instruments as at 31 December 2012 and 2011. The following table presents the Group's liabilities that are measured at fair value and classified by level of the following fair value measurement hierarchy at 31 December 2012 and 2011:

1. Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
2. Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
3. Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

2. 財務風險管理 (續)

(c) 公允價值估計

集團的財務資產及負債包括現金及現金等價物、貿易及其他應收款、貿易及其他應付款及短期借款的賬面值因其到期日短而接近其公允價值。以披露為目標的財務負債的公允價值的估算按未來合約現金流量以本集團類似金融工具可得的現有市場利率貼現計算。

於二零一二年及二零一一年十二月三十一日本集團有衍生金融工具。下表載列於二零一二年及二零一一年十二月三十一日本集團按公允價值計量的負債及按公允價值計量的等級層次結構分類。

1. 利用在活躍市場中相同資產或負債之(未經調整)報價(第一級)。
2. 除包括在第一級的報價外,輸入數據均直接(由價格)或間接(由價格衍生)基於可觀察市場數據之估值技術(第二級)。
3. 資產或負債之數據並非基於可觀察市場數據(非觀察數據)(第三級)。

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For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Fair value estimation (Continued)

		Level 1	Level 2	Level 3	Total
		第一級	第二級	第三級	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
2012	二零一二年				
Assets/(liabilities)	資產/(負債)				
Derivative financial instruments	衍生金融工具				
(note 25)	(附註25)	-	172	-	172
2011	二零一一年				
Assets/(liabilities)	資產/(負債)				
Derivative financial instruments	衍生金融工具				
(note 25)	(附註25)	-	(794)	-	(794)

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of reporting date. The quoted market price used for financial assets and liabilities held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

2. 財務風險管理 (續)

(c) 公允值估計 (續)

在活躍市場買賣的金融工具之公允值根據報告期結束日的市場報價列賬。本集團持有的金融資產及負債的市場報價為當時買盤價。

沒有在活躍市場買賣的金融工具的公允值利用估值技術釐定。集團利用多種方法及根據每個報告期結束日當時的市場情況作出假設。長期債務利用類似工具的市場報價或交易商報價釐定。其他技術，例如估計貼現現金流量，用以釐定其餘金融工具的公允值。

NOTES TO THE FINANCIAL STATEMENTS

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For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions 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) Taxation

The Group is subject to taxation in several jurisdictions. Significant judgement is required in determining the provision for taxation. Sufficient provisions are set aside to meet all tax liabilities. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

3. 關鍵會計估算及判斷

估算和判斷會被持續評估，並根據過往經驗和其他因素進行評價，包括在有關情況下相信對未來事件合理的預測。

本集團對未來作出估算和假設。所得的會計估算（如其定義），很少會與其實際結果相同。很大機會導致下個財政年度的資產和負債的賬面值作出重大調整的估算和假設討論如下。

(a) 稅項

本集團需要在多個司法權轄區繳納稅項。在釐定稅項撥備時，需要作出重大判斷。充足的撥備已釐定以應付所有稅務。在正常業務過程中，許多交易及計算的最終釐定是不確定的。當最終的稅款結果與最初記賬金額不同時，有關差額將影響釐定期間的所得稅和遞延稅款撥備。

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財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Estimated fair value of properties

The fair values of investment property, office and factory buildings are determined at the end of each reporting period by an independent professional valuer. The fair value of investment property is determined on an open market value basis by reference to comparable market transactions and where appropriate on the basis of capitalisation of the net rental income/net income after allowing for outgoings and in appropriate cases provisions for reversionary income potential. The fair values of office and factory buildings are determined on an open market value or depreciated replacement cost basis. These methodologies are based upon estimates of future results and a set of assumptions as to income and expenses of the property and future economic conditions.

(c) Impairment of trade receivables

Management determines the provision for impairment of trade and other receivables. This estimate is based on the credit history of its customers and the current market condition. Management reassess the provision at reporting date.

Significant judgement is exercised on the assessment of the collectability of trade receivables from each customer. In making its judgement, management considers a wide range of factors such as results of follow-up procedures performed by sales personnel, customer payment trends including subsequent payments and customers' financial positions. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

3. 關鍵會計估算及假設 (續)

(b) 估計物業公允值

投資物業、辦公室及工廠樓宇的公允值於每個報告期結束日由一獨立專業估價師決定。投資物業的公允值參考可比較市場成交的公開市場價格及適當地根據已減去支出和潛在的逆轉收入撥備(在適當事件)資本化的淨租金收入/淨收入。辦公室及工廠樓宇的公允值由公開市場價格或折舊後重置成本方法決定。以上方法乃根據未來結果的估計和一系列關於物業的收入和支出及將來經濟情況而作出假設。

(c) 應收貿易賬款減值撥備

管理層釐定應收貿易賬款及其他應收款項之減值撥備。此估計乃基於其客戶之過往信貸記錄及現時市況。管理層於報告日末重新評估撥備。

於評估應各客戶之賬項之可收回程度時，行使重大判斷。於作出判斷時，管理層考慮廣泛因素(例如銷售人員所執行之跟進程序結果、客戶付款趨勢(包括其後付款)及客戶之財務狀況)。倘若本集團客戶之財務狀況惡化，導致彼等作出付款之能力降低，則可能須作出額外撥備。

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For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(c) Impairment of trade receivables (Continued)

As at 31st December 2011, the Group has made an impairment provision of HK\$6,859,000 for doubtful debt.

4. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the manufacturing and trading of electric cable and wire products. Revenue recognised during the year is as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Sale of goods	銷貨	430,958	472,445

The Chief Executive Officer (the chief operation decision maker) has reviewed the Group's internal reporting and determines that there are five reportable segments, based on location of customers under cable and wire products business, including Hong Kong, the Mainland China, Other Asian Countries, America and Europe. These segments are managed separately as each segment is subject to risks and returns that are different from others.

3. 關鍵會計估算及假設 (續)

(c) 應收貿易賬款減值撥備 (續)

於二零一一年十二月三十一日，本集團已作出了6,859,000港元減值撥備。

4. 收益及分部資料

本集團主要經營製造及買賣電線及導線產品業務。年內確認之收益如下：

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
行政總裁 (首席營運決策者) 已閱覽本集團內部報告及確定在電線及導線產品業務下根據客戶所在地有五個分部，包括香港、中國大陸、其他亞洲國家、美洲及歐洲。每個分部是分開處理因其風險和回報是有別於其他分部。	430,958	472,445

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For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

The segment information for the reportable segments for the 2012 and 2011 are as follows:

4. 收益及分部資料 (續)

二零一二及二零一一年度報告分部的分部資料如下：

		Revenue (external sales) 收益 (外部銷售)	Segment results 分部業績	Total segment assets 總分部資產	Capital expenditure 資本性開支	Depreciation 折舊	Amortisation 攤銷
		2012 二零一二年	2012 二零一二年	2012 二零一二年	2012 二零一二年	2012 二零一二年	2012 二零一二年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Hong Kong	香港	189,297	20,236	261,513	265	3,534	-
Mainland China	中國大陸	64,798	2,773	263,431	5,068	7,684	375
Other Asian countries	其他亞洲國家	27,263	1,534	6,518	-	-	-
America	美洲	148,836	5,128	68,521	-	-	-
Europe	歐洲	764	42	60	-	-	-
Reportable segment	報告分部	430,958	29,713	600,043	5,333	11,218	375
Unallocated costs, net of income	未分配費用， 扣除收入		(3,707)				
Operating profit	經營溢利		26,006				

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4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

4. 收益及分部資料 (續)

		Revenue (external sales) 收益 (外部銷售)	Segment results 分部業績	Total segment assets 總分部資產	Capital expenditure 資本性開支	Depreciation 折舊	Amortisation 攤銷
		2011 二零一一年	2011 二零一一年	2011 二零一一年	2011 二零一一年	2011 二零一一年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Hong Kong	香港	212,663	13,964	250,748	249	3,488	-
Mainland China	中國大陸	84,385	(2,436)	239,956	2,551	7,123	364
Other Asian countries	其他亞洲國家	33,946	2,120	10,244	-	-	-
America	美洲	140,393	6,670	52,682	-	-	-
Europe	歐洲	1,058	53	231	-	-	-
Reportable segment	報告分部	472,445	20,371	553,861	2,800	10,611	364
Unallocated costs, net of income	未分配費用， 扣除收入		(3,287)				
Operating profit	經營溢利		17,084				

The segment result in 2011 of the Mainland China include provision for doubtful debt of HK\$6,859,000. The segment result should become profit of HK\$4,423,000 if excluding the above provision.

於二零一一年，中國大陸分部業績包括6,859,000港元的呆帳撥備。以上撥備前的分部業績之溢利為4,423,000港元。

A reconciliation of total segment assets to Group's total assets

總分部資產與集團總資產的對賬。

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Total segment assets	總分部資產	600,043	553,861
Investment property	投資物業	25,180	13,800
Deferred tax assets	遞延稅項資產	4,193	3,214
Total assets	總資產	629,416	570,875

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For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

There is no sales between the reporting segments.

Unallocated costs, net of income, mainly represent corporate expenses and income from investment property.

Revenue of approximately HK\$183,397,000 (2011: HK\$176,174,000) are derived from three major customers as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Customer A	客戶A	81,403	78,542
Customer B	客戶B	58,747	49,977
Customer C	客戶C	43,247	47,655
		183,397	176,174

4. 收益及分部資料 (續)

報告分部之間並無任何銷售。

未分配費用，扣除收入主要是公司支出及投資物業收入。

收益約183,397,000港元(二零一一年：176,174,000港元)是來自三個主要客戶如下。

5. OTHER INCOME

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Revaluation surplus on investment property	投資物業之重估盈餘	11,380	2,800
Reversal of impairment provision on property, plant and equipment	物業、廠房及設備之減值回撥	-	154
Scrap sales	廢料銷售	1,449	2,102
Interest income	利息收入	750	309
		13,579	5,365

5. 其他收益

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6. OPERATING PROFIT

Operating profit is stated after charging/(crediting) the following:

6. 經營溢利

經營溢利已扣除／(計入)下列各項：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Amortisation and depreciation:	攤銷及折舊:		
Amortisation of land use rights	土地使用權攤銷	375	364
Depreciation of owned property, plant and equipment	自置物業、廠房及設備折舊	11,218	10,611
Auditor's remuneration	核數師酬金	1,178	1,414
Cost of materials consumed	物料耗用成本	269,392	323,215
Net exchange gain	外匯淨收益	(583)	(3,025)
Operating lease rentals in respect of land and buildings	土地及樓宇之經營租約租金	357	397
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	468	92
Net (gain)/loss on derivative financial instruments	衍生金融工具淨(收益)／虧損	(172)	794
Written-off of trade receivables	應收貿易賬款撇銷	173	-
Provision for slowing moving inventories	慢用存貨撥備	973	302
Provision for returns	退貨撥備	261	1,081
Provision for doubtful debts	呆賬撥備	-	6,859
Staff costs (including directors' emoluments) (note 12)	員工成本(包括董事酬金)(附註12)	93,824	83,579

7. FINANCE COSTS

7. 財務費用

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Interest on bank loans	銀行貸款利息		
- wholly repayable within five years	- 須於五年內全數償還	2,593	1,532
Interest of finance lease contracts	租購合約中之利息	-	52
		2,593	1,584

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8. TAXATION

- (a) Hong Kong profits tax has been provided at the rate of 16.5% (2011: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

The amount of taxation charged/(credited) to the consolidated income statement represents:

8. 稅項

- (a) 香港利得稅乃根據本年度之估計應課稅溢利16.5% (二零一一年：16.5%) 之稅率撥備。海外溢利稅項為本集團附屬公司本年度之估計應課稅溢利按其業務所在國家之現行稅率計算。

扣除／(計入) 綜合損益表之稅款指：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Hong Kong profits tax	香港利得稅	1,427	1,282
Overseas taxation	海外稅項	5,276	1,722
Over provision in prior year	年前超額撥備	(228)	(1,159)
Deferred taxation relating to the origination and reversal of temporary differences (note 8(b))	暫時差異的產生及撥回之遞延稅項 (附註8(b))	(3,016)	(1,620)
		3,459	225

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For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

8. TAXATION (CONTINUED)

(a) (Continued)

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the profits tax rate of Hong Kong as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Profit before taxation	除稅前溢利	23,413	15,500
Calculated at a taxation rate of 16.5% (2011: 16.5%)	按稅率16.5% (二零一一年: 16.5%) 計算之稅項	3,863	2,557
Effect of different taxation rate in other countries	其他國家不同稅率之 影響	3,568	586
Income not subject to taxation	毋須課稅之收入	(4,679)	(2,013)
Expenses not deductible for taxation purposes	不可扣稅之支出	1,056	162
Over provision in prior year	年前超額撥備	(228)	(1,159)
Others	其他	(121)	92
Taxation charge	稅款扣除	3,459	225

(b) The analysis of deferred tax assets and deferred tax liabilities is as follows:

Deferred tax assets to be recovered:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
- Within 12 months	十二個月內	-	-
- More than 12 months	超過十二個月	4,193	3,214
		4,193	3,214

8. 稅項 (續)

(a) (續)

本集團有關除稅前溢利之稅項與假設採用香港利得稅率而計算之理論稅額之差異如下：

(b) 遞延稅項資產及遞延稅項負債分析如下：

可收回遞延稅項資產：

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For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

8. TAXATION (CONTINUED)

(b) (Continued)

Deferred tax liabilities to be settled:

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
- Within 12 months	十二個月內	-	-
- More than 12 months	超過十二個月	31,287	21,769
		31,287	21,769

The movement on the net deferred tax liabilities account is as follows:

		Group	
		本集團	
		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
At 1st January	於一月一日	18,555	17,216
Deferred taxation credited to the consolidated income statement (note 8(a))	計入綜合損益表之遞延稅項(附註8(a))	(3,016)	(1,620)
Deferred taxation charged to assets revaluation reserve	扣除資產重估儲備之遞延稅項	11,555	2,959
At 31st December	於十二月三十一日	27,094	18,555

8. 稅項 (續)

(b) (續)

可支付遞延稅項負債：

	2012	2011
	二零一二年	二零一一年
	HK\$'000	HK\$'000
	千港元	千港元
- Within 12 months	-	-
- More than 12 months	31,287	21,769
	31,287	21,769

遞延稅項負債賬目變動如下：

		Group	
		本集團	
		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
At 1st January	於一月一日	18,555	17,216
Deferred taxation credited to the consolidated income statement (note 8(a))	計入綜合損益表之遞延稅項(附註8(a))	(3,016)	(1,620)
Deferred taxation charged to assets revaluation reserve	扣除資產重估儲備之遞延稅項	11,555	2,959
At 31st December	於十二月三十一日	27,094	18,555

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For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

8. TAXATION (CONTINUED)

(b) (Continued)

Deferred tax liabilities

The movements on the deferred tax liabilities, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

8. 稅項 (續)

(b) (續)

遞延稅項負債

在沒有考慮在同一稅務管轄區內抵銷餘額，遞延稅項負債變動如下：

		Group 本集團							
		Tax depreciation 稅項折舊		Revaluation surplus 重估盈餘		Provision 撥備		Total 總額	
		2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1st January	於一月一日	3,497	3,084	20,499	17,540	-	-	23,996	20,624
(Credited)/Charged to the consolidated income statement	自綜合損益表中(計入)/扣除	(615)	413	-	-	4,782	-	4,167	413
Deferred taxation charged to assets revaluation reserve	扣除資產重估儲備之遞延稅項	-	-	11,555	2,959	-	-	11,555	2,959
At 31st December	於十二月三十一日	2,882	3,497	32,054	20,499	4,782	-	39,718	23,996

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For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

8. TAXATION (CONTINUED)

(b) (Continued)

Deferred tax assets

The movements on the deferred tax assets, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

	Tax depreciation		Provisions		Total	
	2012	2011	2012	2011	2012	2011
	二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
At 1st January 於一月一日	2,770	1,898	2,671	1,510	5,441	3,408
Charged to the consolidated income statement 扣除綜合損益表	221	872	6,962	1,161	7,183	2,033
At 31st December 於十二月三十一日	2,991	2,770	9,633	2,671	12,624	5,441

There were no material unprovided deferred taxation as at 31st December 2012 and 2011.

9. PROFIT FOR THE YEAR

The profit for the year is dealt with in the financial statements of the Company to extent of a profit of HK\$6,272,000 (2011: HK\$6,793,000)

8. 稅項 (續)

(b) (續)

遞延稅項資產

在沒有考慮在同一稅務管轄區內抵銷餘額，遞延稅項資產變動如下：

Group 本集團

Provisions

撥備

Total

總額

於二零一二及二零一一年十二月三十一日沒有重大未撥備遞延稅項。

9. 本年度溢利

計入本公司財務報表之本年度溢利為6,272,000港元(二零一一年：6,793,000港元)。

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For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

10. DIVIDEND

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Interim, paid, of HK\$0.01 (2011: HK\$0.01) per ordinary share	每股普通股1港仙之 已派發中期股息 (二零一一年: 1港仙)	1,990	1,990
Final, proposed, of HK\$0.02 (2011: HK\$0.02) per ordinary share	每股普通股2港仙之 建議派發末期股息 (二零一一年: 2港仙)	3,980	3,980
		5,970	5,970

At a meeting held on 20th March 2013, the Directors proposed a final dividend of HK\$0.02 per ordinary share. This proposed dividend is not reflected as a dividend payable in these consolidated financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31st December 2012.

11. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group's profit for the year of HK\$19,954,000 (2011: HK\$15,275,000) divided by the weighted average number of 198,958,000 (2011: 198,958,000) ordinary shares in issue during the year.

In both 2012 and 2011, diluted earnings per share is the same as basic earnings per share due to the absence of dilutive potential ordinary shares as at the end of the reporting period.

10. 股息

於二零一三年三月二十日舉行之會議上，董事擬派發末期股息每股2港仙。此項擬派發股息並無於本綜合財務報表中列作應付股息，惟將於截至二零一二年十二月三十一日止年度賬目中列作保留溢利之分派。

11. 每股盈利

每股基本盈利乃根據年內之本集團本年度溢利19,954,000港元（二零一一年：15,275,000港元）及按年內已發行普通股之加權平均數198,958,000股（二零一一年：198,958,000股）計算。

於二零一二年及二零一一年度，因沒有具潛在攤薄普通股於報告期結束日，故每股攤薄溢利與其基本每股溢利相同。

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For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

12. STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

12. 員工成本（包括董事酬金）

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Wages, salaries and fringe benefits	薪酬，工資及額外津貼	89,696	79,860
Social security costs	社會保障成本	3,526	3,175
Pension costs – contribution to MPF scheme	退休成本– 強積金計劃作出之供款	430	379
Others	其他	172	165
		93,824	83,579

13. DIRECTOR'S EMOLUMENTS AND KEY MANAGEMENT'S COMPENSATION

13. 董事及高層管理人員之酬金

(a) Directors' emoluments

The remuneration of each director for the year ended 31st December 2012 is set out below:

(a) 董事薪酬

截至二零一二年十二月三十一日止年度，每名董事的薪酬如下：

Name of director 董事姓名	Fee 袍金 HK\$'000 千港元	Salary 薪金 HK\$'000 千港元	Discretionary bonuses 酌情獎金 HK\$'000 千港元	Other benefits (ii) 其他福利(ii) HK\$'000 千港元	Total 總額 HK\$'000 千港元
MON Chung Hung (iv) 孟振雄 (iv)	–	4,560	455	14	5,029
KOO Di An, Louise 顧迪安	–	1,320	182	14	1,516
LI Man Wai (iii) 李文嫻(iii)	–	1,850	455	10	2,315
SIU Yuk Shing, Marco 蕭旭成	–	624	89	400	1,113
MON Wai Ki, Vicky 孟瑋琦	–	324	24	14	362
MON Tiffany 孟韋萱	–	474	152	14	640
LAU Chun Kay (i) 劉振麟(i)	180	–	–	–	180
LEE Chung Nai, Jones(i) 李宗籟(i)	84	–	–	–	84
MA Chun Hon, Richard(i) 馬鎮漢(i)	95	–	–	–	95

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財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

13. DIRECTOR'S EMOLUMENTS AND KEY MANAGEMENT'S COMPENSATION (CONTINUED)

13. 董事及高層管理人員之酬金(續)

(a) Directors' emoluments (Continued)

The remuneration of each director for the year ended 31st December 2011 is set out below:

(a) 董事薪酬(續)

截至二零一一年十二月三十一日止年度，每名董事的薪酬如下：

Name of director 董事姓名	Fee 袍金 HK\$'000 千港元	Salary 薪金 HK\$'000 千港元	Discretionary bonuses 酌情獎金 HK\$'000 千港元	Other benefits (ii) 其他福利(ii) HK\$'000 千港元	Total 總額 HK\$'000 千港元
MON Chung Hung (iv) 孟振雄 (iv)	–	4,560	700	48	5,308
KOO Di An, Louise 顧迪安	–	1,320	280	318	1,918
LI Man Wai (iii) 李文斌(iii)	–	2,124	700	108	2,932
SIU Yuk Shing, Marco 蕭旭成	–	624	40	370	1,034
MON Wai Ki, Vicky 孟瑋琦	–	324	6	12	342
MON Tiffany 孟韋萱	–	474	40	12	526
LAU Chun Kay (i) 劉振麒(i)	180	–	–	–	180
LEE Chung Nai, Jones (i) 李宗隳(i)	84	–	–	–	84
MA Chun Hon, Richard (i) 馬鎮漢(i)	95	–	–	–	95

(i) *Independence non-executive directors*

(i) *獨立非執行董事*

(ii) *Other benefits include commission, quarters allowance, travel allowance and MPF scheme contribution.*

(ii) *其他福利包括銷售佣金、宿舍津貼、差旅津貼及強積金之供款。*

(iii) *Resigned on 1st October 2012*

(iii) *離任於二零一二年十月一日*

(iv) *Chief Executive Officer*

(iv) *行政總裁*

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13. DIRECTOR'S EMOLUMENTS AND KEY MANAGEMENT'S COMPENSATION (CONTINUED)

(b) Five highest paid individuals

In 2012 and 2011, the five individuals, whose emoluments were the highest in the Group included four directors and one senior staff whose emoluments band is within HK\$1,000,001 to HK\$1,500,000. The directors whose emoluments are reflected in the analysis presented above.

(c) Key management compensation

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Basic salaries, housing allowances, other allowances and benefits in kind	基本薪金、房屋津貼、其他津貼及實物利益	11,420	12,407
Discretionary bonuses	酌情獎金	1,518	1,799
Pension costs – contribution to MPF scheme	退休成本 – 強積金計劃作出之供款	106	100
		13,044	14,306

(d) The emoluments of senior staffs are within the following band:

		Number of employee 僱員數目	
		2012 二零一二年	2011 二零一一年
HK\$0 – HK\$1,000,000	零港元至1,000,000港元	1	2
HK\$1,000,001 – HK\$1,500,000	\$1,000,001港元至1,500,000港元	1	1

13. 董事及高層管理人員之酬金 (續)

(b) 五位最高薪酬人士

於二零一二年及二零一一年，五位最高薪酬人士為四位董事及一位高層管理人員（酬金組別在1,000,001港元至1,500,000港元之間），董事之酬金已載於上文分析。

(c) 高層管理人員之薪酬

(d) 高層管理人員之酬金在下列範圍：

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14. LAND USE RIGHTS

The Group's interests in land use rights represent prepaid operating lease payments and their net book values are analysed as follows:

14. 土地使用權

本集團之土地使用權列作預付經營租賃款項及其賬面淨值分析如下：

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At 1st January	於一月一日	13,353	13,457
Amortisation of land use rights	土地使用權攤銷	(375)	(364)
Exchange adjustment	匯率調整	65	260
At 31st December	於十二月三十一日	13,043	13,353
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Outside Hong Kong held on:	於海外擁有:		
– Leases of between 10 to 50 years	租賃於十至五十年之間	13,043	13,353

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

Group
本集團

		Land and buildings (note) 土地及樓宇(附註)								
		Inside HK	Outside HK	Leasehold improvements	Plant and machinery	Furniture and fixtures	Office equipment	Motor vehicles	Pleasure boat	Total
		本地 千港元	海外 千港元	裝修 千港元	廠房及 機器 千港元	傢俬及 裝置 千港元	辦公室 設備 千港元	汽車 千港元	遊艇 千港元	總額 千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Net book value at 1st January 2012	於二零一二年一月一日 之賬面淨值	107,100	90,365	4,555	17,193	1,173	5,171	1,866	8,730	236,153
Additions	添置	-	-	3,457	1,482	58	336	-	-	5,333
Disposals	出售	-	-	(74)	(436)	(10)	-	-	-	(520)
Depreciation	折舊	(2,346)	(2,233)	(994)	(3,318)	(258)	(895)	(340)	(834)	(11,218)
Revaluation	重估	13,136	50,589	-	-	-	-	-	-	63,725
Exchange adjustment	匯率調整	-	1,517	39	159	10	61	7	-	1,793
Net book value at 31st December 2012	於二零一二年 十二月三十一日 賬面淨值	117,890	140,238	6,983	15,080	973	4,673	1,533	7,896	295,266
At 31st December 2012	於二零一二年 十二月三十一日									
At cost	成本	-	-	12,039	89,545	6,191	13,784	5,356	14,667	141,582
At valuation - 2012	估值- 2012	117,890	140,238	-	-	-	-	-	-	258,128
Accumulated depreciation	累積折舊	-	-	(5,056)	(74,465)	(5,218)	(9,111)	(3,823)	(6,771)	(104,444)
Net book value	賬面淨值	117,890	140,238	6,983	15,080	973	4,673	1,533	7,896	295,266

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15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

15. 物業、廠房及設備 (續)

		Group 本集團								
		Land and Buildings (note)		Leasehold improvements	Plant and machinery	Furniture and fixtures	Office equipment	Motor vehicles	Pleasure boat	Total
		Inside	Outside							
		HK	HK	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		本地	海外	裝修	廠房及	傢俬及	辦公室	汽車	遊艇	總額
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Net book value	於二零一一年一月一日									
at 1st January 2011	之賬面淨值	97,500	84,276	5,169	18,685	1,395	4,888	2,410	9,652	223,975
Additions	添置	-	-	106	1,643	11	1,040	-	-	2,800
Disposals	出售	-	-	-	(72)	-	(19)	(150)	-	(241)
Depreciation	折舊	(2,137)	(2,039)	(474)	(3,557)	(152)	(904)	(426)	(922)	(10,611)
Revaluation	重估	11,737	4,285	-	-	-	-	-	-	16,022
Exchange adjustment	匯率調整	-	3,843	(246)	494	(81)	166	32	-	4,208
Net book value at	於二零一一年									
31st December 2011	十二月三十一日									
	賬面淨值	107,100	90,365	4,555	17,193	1,173	5,171	1,866	8,730	236,153
At 31st December 2011	於二零一一年									
	十二月三十一日									
At cost	成本	-	-	8,762	90,883	6,207	13,091	5,335	14,667	138,945
At valuation - 2011	估值- 2011	107,100	90,365	-	-	-	-	-	-	197,465
Accumulated depreciation	累積折舊	-	-	(4,207)	(73,690)	(5,034)	(7,920)	(3,469)	(5,937)	(100,257)
Net book value	賬面淨值	107,100	90,365	4,555	17,193	1,173	5,171	1,866	8,730	236,153

note:

Land and buildings in Hong Kong and Mainland China were revalued by open market basis or replacement costs valued by Centaline Surveyors Limited, an independent firm of chartered surveyors, as at 31st December 2012. Land and buildings in Hong Kong and Mainland China were revalued by open market basis or replacement costs valued by DTZ Debenham Tie Leung Limited, an independent firm of chartered surveyors as at 31st December 2011.

The carrying amount of these land and buildings would have been HK\$54,507,000 (2011: HK\$58,365,000) had they been stated at cost less accumulated depreciation.

At 31st December 2012, the net book value of land and buildings pledged as security for the Group's bank loans amounted to HK\$117,890,000 (2011: HK\$107,100,000).

Land and building are held on leases of between 10 to 50 years.

Included in total depreciation expenses is an amount of HK\$7,248,000 (2011: HK\$7,530,000) which has been included in "Cost of sales" and HK\$3,970,000 (2011: HK\$3,081,000) in "Administrative expenses".

附註：

於二零一二年十二月三十一日，位於香港及中國大陸的土地及樓宇由獨立專業估價師中原測量師行有限公司按公開市值基準或重置重估。於二零一一年十二月三十一日，位於香港及中國大陸的土地及樓宇由獨立專業估價師戴德梁行有限公司按公開市值基準或重置成本之重估。

如該等土地及樓宇乃按成本值減折舊及累積減值虧損列賬，則該等租賃物業之賬面值應為54,507,000港元（二零一一年：58,365,000港元）。

於二零一二年十二月三十一日，賬面淨值合共117,890,000港元（二零一一年：107,100,000港元）之土地及樓宇，已作為本集團銀行貸款之抵押。

土地及樓宇租賃期為10至50年。

總折舊支出當中7,248,000港元（二零一一年：7,530,000港元）計入「銷售成本」及3,970,000港元（二零一一年：3,081,000港元）計入「行政開支」。

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For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

16. INVESTMENT PROPERTY

16. 投資物業

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Net book value at 1st January	於一月一日之賬面淨值	13,800	11,000
Revaluation surplus credited to the consolidated income statement	重估盈餘計入綜合損益表	11,380	2,800
Net book value at 31st December	於十二月三十一日之賬面淨值	25,180	13,800

(a) Investment property was revalued on the basis of open market value by Centaline Surveyors Limited, an independent firm of chartered surveyors as at 31st December 2012. Investment property was revalued on the basis of open market value by DTZ Debenham Tie Leung Limited, an independent firm of chartered surveyors as at 31st December 2011.

(a) 於二零一二年十二月三十一日，投資物業由獨立專業估值師中原測量師行有限公司按公開市值之基準重估。於二零一一年十二月三十一日，投資物業由獨立專業估值師戴德梁行有限公司按公開市值之基準重估。

(b) At 31st December 2012, the net book value of investment property pledged as security for the Group's bank loans amounts to HK\$25,180,000 (2011: HK\$13,800,000).

(b) 於二零一二年十二月三十一日，銀行貸款以賬面值25,180,000港元（二零一一年：13,800,000港元）的投資物業作為抵押。

(c) The Group's interests in investment property are analysed as follows:

(c) 本集團之投資物業權益分析如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
In Hong Kong, held on: Lease of between 10 to 50 years	於香港擁有： 租賃於十至五十年之間	25,180	13,800

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17. INVESTMENTS IN SUBSIDIARIES

17. 於附屬公司之投資

		Company	
		本公司	
		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Non-current assets	非流動資產		
Unlisted shares, at cost	非上市股份成本	20	20
Amounts due from subsidiaries (note (a))	應收附屬公司款項 (附註(a))	62,718	62,718
		62,738	62,738
Current assets	流動資產		
Amounts due from subsidiaries (note (b))	應收附屬公司款項 (附註(b))	61,768	61,439

Note:

- (a) The amounts due from subsidiaries represent equity funding by the Company to the respective subsidiaries and are unsecured and interest-free.
- (b) The amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

Particulars of the Company's subsidiaries are set out in note 32.

附註：

- (a) 應收附屬公司款項代表本公司對相關附屬公司出資及無抵押及免息。
- (b) 應收附屬公司款項均無抵押、免息及並可隨時要求償還。

本公司之附屬公司詳情載於附註32。

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財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

18. INVENTORIES

		Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Raw materials	原材料	26,582	29,494
Work in progress	在製品	20,304	16,665
Finished goods	製成品	46,123	36,766
		93,009	82,925
Provision for slow-moving inventories	慢用存貨撥備	(3,358)	(2,385)
		89,651	80,540

19. TRADE RECEIVABLES

At 31st December 2012, the ageing analysis of trade receivables is as follows:

		Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Current – 3 months	即期至三個月	88,382	99,606
4 – 6 months	四個月至六個月	11,660	10,364
Over 6 months	超過六個月	8,290	143
		108,332	110,113
Provision for returns and doubtful debts	退貨及呆賬撥備	(8,191)	(7,936)
		100,141	102,177

The Group's trade receivables are mainly denominated in HK\$ and USD, and are due within one year from the end of the reporting period. The carrying value of trade receivables approximates their fair value due to their short term maturities.

18. 存貨

		Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Raw materials	原材料	26,582	29,494
Work in progress	在製品	20,304	16,665
Finished goods	製成品	46,123	36,766
		93,009	82,925
Provision for slow-moving inventories	慢用存貨撥備	(3,358)	(2,385)
		89,651	80,540

19. 應收貿易賬款

於二零一二年十二月三十一日，應收貿易賬款之賬齡分析如下：

		Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Current – 3 months	即期至三個月	88,382	99,606
4 – 6 months	四個月至六個月	11,660	10,364
Over 6 months	超過六個月	8,290	143
		108,332	110,113
Provision for returns and doubtful debts	退貨及呆賬撥備	(8,191)	(7,936)
		100,141	102,177

本集團應收貿易賬款主要以港元及美元結算，及於報告期結束日起計一年內到期。應收貿易賬款之賬面值與其公允值相約因其短年期。

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For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

19. TRADE RECEIVABLES (CONTINUED)

At 31st December 2012, the ageing analysis of trade receivables which were past due but not impaired is as follows:

		Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Current – 3 months	即期至三個月	18,903	20,159
4 – 6 months	四個月至六個月	537	83
Over 6 months	超過六個月	321	67
		19,761	20,309

The trade receivables included in the above aging are considered not impaired as these relate to a number of independent customers for whom there is no recent history of default. All impaired overdue trade receivables have been provided for.

As of 31st December 2012, trade receivables of HK\$8,191,000 (2011: HK\$7,936,000) were impaired and provided for (including provision for doubtful debt of HK\$7,906,000 (2011: HK\$6,859,000)). The credit quality of trade receivables that are neither past due nor impaired has been assessed by reference to historical information about the counterparties' default rates. The existing counterparties do not have significant defaults in the past.

19. 應收貿易賬款(續)

於二零一二年十二月三十一日，已逾期但並無減值應收貿易賬款之賬齡分析如下：

		Group 本集團	
		2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元
Current – 3 months	即期至三個月	18,903	20,159
4 – 6 months	四個月至六個月	537	83
Over 6 months	超過六個月	321	67
		19,761	20,309

以上賬齡的應收貿易賬款不進行減值因其屬於若干數量無違約紀錄之獨立客戶有關。所有已減值逾期應收貿易賬款經已撥備。

於二零一二年十二月三十一日，8,191,000港元(二零一一年：7,936,000港元)之應收貿易賬款已減值及撥備(包括呆賬撥備7,906,000港元(二零一一年：6,859,000港元))。未有逾期或並無減值的貿易應收賬的信貸質素已基於交易對手拖欠比率的歷史資料作出評估。現有的交易對手在過去沒有重大拖欠記錄。

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19. TRADE RECEIVABLES (CONTINUED)

Movements on the provision for trade receivables are as follows:

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At 1st January	於一月一日	7,936	1,406
Provisions for returns and doubtful debts	退貨及呆賬撥備	261	7,940
Net written off and recoverable during the year	年內撇銷及回撥	(6)	(1,410)
At 31st December	於十二月三十一日	8,191	7,936

The maximum exposure to credit risk at the end of reporting period is the fair value of the trade receivables mentioned above. The Group did not hold any collateral as security.

Payment terms with customers are mainly on credit with the exception of new customers, which are on cash on delivery basis. Invoices are normally payable within 30 to 90 days of issuance. Longer payment terms might be granted to customers have long-term business relationship with the Group and did not have default in payments in the past history.

19. 應收貿易賬款 (續)

應收貿易賬款撥備變動如下：

於報告期結束日最大信貸風險等於上列應收貿易帳款之公允值。本集團沒有收取抵押品作為保障。

客戶主要以信貸方式付款，惟新客戶須於貨品付運時以現金付款。一般而言，客戶須於發票發出後三十至九十日內付款。付款記錄良好及與本集團有長期業務關係之客戶，可享受有較長之付款期。

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For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

20. SHORT-TERM FIXED DEPOSIT AND CASH AND CASH EQUIVALENTS

20. 短期定期存款及銀行結餘及現金

	Group 本集團		Company 本公司	
	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Short-term fixed deposit (note (a)) 短期定期存款 (附註(a))	42,633	–	–	–
Cash at bank and in hand 銀行及庫存現金	50,945	108,142	157	159
	93,578	108,142	157	159

The maximum exposure to credit risk at the end of reporting period is cash at bank amounted to HK\$93,324,000 (2011: HK\$107,812,000).

於報告期結束日最大信貸風險是銀行現金之93,324,000港元(二零一一年: 107,812,000港元)。

	Group 本集團		Company 本公司	
	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Denominated in: 結算於:				
Hong Kong Dollars 港元	8,185	17,281	157	159
Renminbi (note (b)) 人民幣(附註(b))	61,900	82,108	–	–
United States Dollars 美元	22,521	7,331	–	–
Other Currencies 其他	972	1,422	–	–
	93,578	108,142	157	159

(a) Short-term fixed deposit represented bank deposit placed in Hong Kong with maturity in six months. The interest rate is fixed at 2.5% per annum.

(a) 短期定期存款是指存放在香港及六個月到期之銀行存款。利率固定為每年2.5%。

(b) Included in the balance of the Group are bank balances and cash deposited in the Mainland China of approximately HK\$2,616,000 (2011: HK\$19,233,000). Bank balances and cash denominated in Renminbi are subject to the exchange control restrictions imposed by the government in Mainland China.

(b) 餘額包括本集團在中國大陸之現金及銀行存款約為2,616,000港元(二零一一年: 19,233,000港元)。以人民幣貨幣單位之銀行存款及現金乃受限於中國政府實施之外匯管制規條。

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21. SHARE CAPITAL

21. 股本

		Company 本公司	
		No. of shares 股本數量	HK\$'000 千港元
Authorised	法定股本		
At 31st December 2012 and 31st December 2011, ordinary shares of HK\$0.10 each	於二零一二年十二月 三十一日及於二零一一年 十二月三十一日， 每股面值0.10港元 之普通股	500,000,000	50,000
Issued and fully paid	已發行及繳足股本		
At 31st December 2012 and 31st December 2011, ordinary shares of HK\$0.10 each	於二零一二年十二月 三十一日及於二零一一年 十二月三十一日， 每股面值0.10港元 之普通股	198,958,000	19,896

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22. RESERVES

22. 儲備

		Group 本集團						
		Share premium	Exchange fluctuation reserve	Land and building revaluation reserve	Capital redemption reserve	Total other reserve	Retained earnings	Total
		股份溢價	匯率變動 儲備	土地及樓宇 重估儲備	資本 贖回儲備	總其他儲備	保留溢利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
As at 1st January 2012	於二零一二年一月一日	15,885	23,102	99,912	104	139,003	224,128	363,131
Profit for the year	本年度溢利	-	-	-	-	-	19,954	19,954
Revaluation surplus on land and buildings	土地及樓宇之重估盈餘	-	-	63,725	-	63,725	-	63,725
Deferred taxation charged to revaluation reserve	扣除重估盈餘之遞延稅項	-	-	(11,555)	-	(11,555)	-	(11,555)
Exchange difference arising from translation of financial statements of subsidiaries	附屬公司財務報表之兌換之匯率差異	-	1,990	-	-	1,990	-	1,990
Dividend paid	股息	-	-	-	-	-	(5,970)	(5,970)
At 31st December 2012	於二零一二年十二月三十一日	15,885	25,092	152,082	104	193,163	238,112	431,275
As at 1st January 2011	於二零一一年一月一日							
- as previous reported	- 如以往呈列	15,885	18,301	87,003	104	121,293	219,753	341,046
- adoption of HKAS12 (Amendment) (note 1.1)	- 採用香港會計準則12 (修改)(附註1.1)	-	-	-	-	-	1,040	1,040
As at 1st January 2011	於二零一一年一月一日	15,885	18,301	87,003	104	121,293	220,793	342,086
Profit for the year	本年度溢利	-	-	-	-	-	15,275	15,275
Revaluation surplus on land and buildings	土地及樓宇之重估盈餘	-	-	15,868	-	15,868	-	15,868
Deferred taxation charged to revaluation reserve	扣除重估盈餘之遞延稅項	-	-	(2,959)	-	(2,959)	-	(2,959)
Exchange difference arising from translation of financial statements of subsidiaries	附屬公司財務報表之兌換之匯率差異	-	4,801	-	-	4,801	-	4,801
Dividend paid	股息	-	-	-	-	-	(11,940)	(11,940)
At 31st December 2011	於二零一一年十二月三十一日	15,885	23,102	99,912	104	139,003	224,128	363,131

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22. RESERVES (CONTINUED)

22. 儲備 (續)

		Company 本公司						
		Contributed Share premium	surplus (note) 繳入盈餘 股份溢價	Capital redemption reserve 資本 贖回儲備	Total other reserves 總其他儲備	Retained earnings 保留盈利	Total 總額	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
At 1st January 2012	於二零一二年一月一日	15,885	62,548	104	78,537	25,869	104,406	
Profits for the year	本年度溢利	-	-	-	-	6,272	6,272	
Dividend paid	股息	-	-	-	-	(5,970)	(5,970)	
At 31st December 2012	於二零一二年 十二月三十一日	15,885	62,548	104	78,537	26,171	104,708	
Representing:	相當於:							
2012 final dividend proposed	二零一二年擬派發之 末期股息					3,980		
Others	其他					22,191		
Retained earnings as at 31st December 2011	截至二零一一年 十二月三十一日止 之保留盈利					26,171		
At 1st January 2011	於二零一一年一月一日	15,885	62,548	104	78,537	31,016	109,553	
Profits for the year	本年度溢利	-	-	-	-	6,793	6,793	
Dividend paid	股息	-	-	-	-	(11,940)	(11,940)	
At 31st December 2011	於二零一一年 十二月三十一日	15,885	62,548	104	78,537	25,869	104,406	
Representing:	相當於:							
2011 final dividend proposed	二零一一年擬派發之 末期股息					3,980		
Others	其他					21,889		
Retained earnings as at 31st December 2011	截至二零一一年 十二月三十一日止 之保留盈利					25,869		

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22. RESERVES (CONTINUED)

Note: The contributed surplus of the Company arose when the Company issued shares in exchange for the shares of subsidiaries being acquired in connection with the reorganisation of the Group prior to its listing on The Stock Exchange of Hong Kong Limited, and represents the difference between the nominal value of the Company's shares issued and the value of net assets of the subsidiaries acquired. Under the Companies Act of 1981 of Bermuda (as amended), the contributed surplus is distributable to the shareholders. At Group level, the contributed surplus is reclassified into its component reserves of the underlying subsidiaries.

22. 儲備 (續)

附註：本公司之繳入盈餘因本公司發行股份以交換為於本公司股份在香港聯交所有限公司上市前重組本集團而收購之附屬公司之股份而產生，相當於本公司發行股份之面值與所收購附屬公司之資產淨值之差額。根據百慕達一九八一年公司法(經修訂)，繳入盈餘可供分派予股東。在本集團之層面，繳入盈餘乃重新分類為有關附屬公司之儲備組成部分。

23. BORROWINGS

Short-term bank loans	短期銀行貸款
Trust receipt loans	信託收據貸款
Total borrowings	總貸款

Total borrowings included secured liabilities of HK\$87,597,000 (2011: HK\$92,395,000), which are secured by land and buildings and investment property of the Group.

23. 貸款

31st December 2012 二零一二年 十二月三十一日 HK\$'000 千港元	31st December 2011 二零一一年 十二月三十一日 HK\$'000 千港元
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Short-term bank loans	短期銀行貸款	48,000	56,000
Trust receipt loans	信託收據貸款	39,597	54,395
Total borrowings	總貸款	87,597	110,395

總貸款包括有抵押負債87,597,000港元(二零一一年：92,395,000港元)以本集團的土地及樓宇及投資物業作抵押。

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23. BORROWINGS (CONTINUED)

(a) The maturity of borrowings is as follows:

		Short-term bank loans 短期銀行貸款		Trust receipt loans 信託收據貸款	
		31st December 2012 二零一二年 十二月 三十一日 HK\$'000 千港元	31st December 2011 二零一一年 十二月 三十一日 HK\$'000 千港元	31st December 2012 二零一二年 十二月 三十一日 HK\$'000 千港元	31st December 2011 二零一一年 十二月 三十一日 HK\$'000 千港元
With 1 year	1年內	48,000	56,000	39,597	54,395
Between 1 and 2 years	1至2年內	-	-	-	-
Between 2 and 5 years	2至5年內	-	-	-	-
Wholly repayable within 5 years	5年內全數償還	48,000	56,000	39,597	54,395
Over 5 years	超過5年	-	-	-	-
Total borrowings	總貸款	48,000	56,000	39,597	54,395

(b) The average effective interest rates at the end of reporting period are as follows:

		2012 二零一二年	2011 二零一一年
Short-term bank loans	短期銀行貸款	2.46%	1.86%
Trust receipt loans	信託收據貸款	2.28%	1.95%

(c) Borrowings are mainly denominated in Hong Kong dollars.

23. 貸款 (續)

(a) 貸款的到期日如下：

		Short-term bank loans 短期銀行貸款		Trust receipt loans 信託收據貸款	
		31st December 2012 二零一二年 十二月 三十一日 HK\$'000 千港元	31st December 2011 二零一一年 十二月 三十一日 HK\$'000 千港元	31st December 2012 二零一二年 十二月 三十一日 HK\$'000 千港元	31st December 2011 二零一一年 十二月 三十一日 HK\$'000 千港元
With 1 year	1年內	48,000	56,000	39,597	54,395
Between 1 and 2 years	1至2年內	-	-	-	-
Between 2 and 5 years	2至5年內	-	-	-	-
Wholly repayable within 5 years	5年內全數償還	48,000	56,000	39,597	54,395
Over 5 years	超過5年	-	-	-	-
Total borrowings	總貸款	48,000	56,000	39,597	54,395

(b) 於報告期結束日的平均實際利率如下：

		2012 二零一二年	2011 二零一一年
Short-term bank loans	短期銀行貸款	2.46%	1.86%
Trust receipt loans	信託收據貸款	2.28%	1.95%

(c) 貸款主要以港元結算。

(d) The carrying amounts of borrowings approximate to their fair value.

(d) 貸款的賬面值與其公允值相近。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

24. TRADE AND BILLS PAYABLES, OTHER PAYABLES AND ACCRUALS

24. 應付貿易款項及票據，其他應付款項及應計開支

	Group 本集團		Company 本公司	
	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Trade and bills payables (note(a)) 應付貿易款項及票據 (附註(a))	32,657	34,907	–	–
Other payables and accruals 其他應付款項及應計開支	23,209	19,983	269	263
Total (note (b) and (c)) 總額 (附註(b)及(c))	55,866	54,890	269	263

(a) At 31st December 2012, the ageing analysis of trade and bills payable is as follows:

(a) 於二零一二年十二月三十一日，應付貿易賬款及票據之賬齡分析如下：

		Group 本集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Current – 3 months 即期至三個月		30,121	28,207
4 – 6 months 四個月至六個月		1,627	6,209
Over 6 months 超過六個月		909	491
		32,657	34,907

(b) Trade and bills payables, other payables and accruals are denominated in the following currencies:

(b) 應付貿易款項及票據，其他應付款項及應計開支以下列貨幣計算：

		Group 本集團		Company 本公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
United States Dollars 美元		17,900	14,934	–	–
Hong Kong Dollars 港元		19,214	22,057	269	263
Renminbi 人民幣		17,626	17,366	–	–
Other currencies 其他貨幣		1,126	533	–	–
		55,866	54,890	269	263

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

24. TRADE AND BILLS PAYABLES, OTHER PAYABLES AND ACCRUALS (CONTINUED)

- (c) The carrying values of trade and bills payables, other payables and accruals approximates their fair values due to their short term maturities.

25. DERIVATIVE FINANCIAL INSTRUMENTS

The Group entered into forward foreign exchange contracts with banks to sell and buy United States dollars in exchange for Renminbi at predetermined rates, settled on a monthly basis for its operating use. As at 31st December 2012, the notional amounts of the outstanding forward foreign exchange contracts are HK\$21,570,000 (2010: HK\$67,672,000) which expired in January 2013.

The fair value of forward foreign exchange contracts are determined using quoted forward exchange rates at the end of the reporting period.

24. 應付貿易款項及票據，其他應付款項及應計開支（續）

- (c) 應付貿易款項及票據，其他應付款項及應計開支之賬面值與其公允值相約因其短年期。

25. 衍生金融工具

集團與銀行訂立遠期外匯合約以預設兌換率賣出美元以匯兌人民幣，按月結算作為經營用途。於二零一二年十二月三十一日未償還遠期外匯合約為21,570,000港元（二零一一年：67,672,000港元），已於二零一三年一月屆滿。

於報告期結束日，遠期外匯合約公允價值運用已報價遠期匯率所決定。

		Group 本集團	
		2012 二零一二年	2011 二零一一年
		Assets 資產	Liabilities 負債
		HK\$'000 千港元	HK\$'000 千港元
Forward foreign exchange contracts – held for trading	遠期外匯合約 – 用於買賣	172	(794)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

26. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

26. 綜合現金流量表附註

(a) Reconciliation of profit before taxation to net cash generated from operations

(a) 營運產生的現金之對賬

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Profit before taxation	除稅前溢利	23,413	15,500
Interest income	利息收入	(750)	(309)
Bank loan interest	銀行貸款利息	2,593	1,532
Interest element of finance lease contracts	租購合約之利息部份	-	52
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備淨虧損	468	92
Revaluation surplus on investment property	投資物業重估盈餘	(11,380)	(2,800)
Reversal of impairment provision on property, plant and equipment	物業、廠房及 設備值之回撥	-	(154)
Amortisation of land use right	攤銷土地使用權	375	364
Depreciation of owned property, plant and equipment	自置物業、廠房及 設備之折舊	11,218	10,611
Net (gain)/loss on derivative financial instrument	衍生金融工具 淨(收益)/虧損	(172)	794
Operating profit before working capital changes	營運資金轉變前之 經營溢利	25,765	25,682
(Increase)/decrease in inventories	存貨(增加)/減少	(9,111)	2,914
Decrease in trade receivables, other receivables, deposits and prepayments	應收貿易賬款、 其他應收賬款、 訂金及預付款項 減少	2,722	1,593
Increase/(decrease) in trade and bills payables, other payables and accruals	應付貿易款項及 票據、其他應付 款項及應計開支 增加/(減少)	976	(5,165)
Settlement on derivative financial instrument	支付衍生金融工具	(794)	-
Net cash generated from operations	營運產生的現金	19,558	25,024

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

26. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(b) Analysis of changes in financing during the year

		Short-term bank loans		Trust receipt loans		Obligations under finance lease contracts	
		2012	2011	2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1st January	於一月一日	56,000	-	54,395	33,730	-	2,056
Addition of loans	新增貸款	-	56,000	179,255	217,259	-	-
Repayment of loans	償還貸款	(8,000)	-	(194,053)	(196,594)	-	-
Repayment of capital element of finance lease contracts	償還租購合約之資本部份	-	-	-	-	-	(2,056)
At 31st December	於十二月三十一日	48,000	56,000	39,597	54,395	-	-

26. 綜合現金流量表附註(續)

(b) 年內融資變動分析

27. COMMITMENTS

(a) Capital commitment

At 31st December 2012, the Group had the following capital commitment for leasehold improvements and plant and machinery:

27. 承擔

(a) 資本承擔

於二零一二年十二月三十一日，本集團有以下裝修及廠房及機器之資本承擔：

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Contracted but not provided for	已訂約但未撥備	1,496	2,248

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

27. COMMITMENTS (CONTINUED)

(b) Commitments under operating leases

At 31st December 2012, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

Not later than one year	一年內
Later than one year and not later than five years	一年後但不多於五年

27. 承擔 (續)

(b) 經營租賃承擔

於二零一二年十二月三十一日，本集團有不可撤銷經營租賃於日後之最低租金如下：

Land and buildings

土地及樓宇

2012	2011
二零一二年	二零一一年
HK\$'000	HK\$'000
千港元	千港元

75	20
—	—
75	20

(c) The Company did not have any other significant commitments at 31st December 2012 and 2011.

(c) 於二零一二年及二零一一年十二月三十一日，本公司並無任何重大承擔。

28. FINANCIAL GUARANTEES AND PLEDGE

At 31st December 2012 the Group's banking facilities amounting to approximately HK\$268,075,000 (2011: HK\$265,810,000) were secured by the following:

- (a) legal charges over certain land and buildings and investment property of the Group with a total net book value of HK\$143,070,000 (2011: HK\$120,900,000);
- (b) a deed of guarantee executed by the Company amounting to HK\$145,000,000 (2011: HK\$145,000,000).

28. 銀行融資

於二零一二年十二月三十一日，本集團約268,075,000港元（二零一一年：265,810,000港元）之銀行融資以下列項目作抵押：

- (a) 本集團以賬面淨值合共143,070,000港元（二零一一年：120,900,000港元）之若干租賃土地及樓宇及投資物業所作之法定抵押；
- (b) 本公司簽署之一份擔保契據合共145,000,000港元（二零一一年：145,000,000港元）。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

29. ULTIMATE HOLDING COMPANY

The Directors of the Company regard Spector Holdings Limited, a company incorporated in the British Virgin Islands, as being the ultimate holding company.

29. 最終控股公司

本公司董事認為在英屬處女群島註冊成立之Spector Holdings Limited乃最終控股公司。

30. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Board of Directors on 20th March 2013.

30. 綜合財務報表之批准

本綜合財務報表已於二零一三年三月二十日獲董事會批准。

31. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation

31. 比較數字

部份比較數字亦已重新分類以符合本年度的呈報方式。

32. SUBSIDIARIES

At 31st December 2012, the Company held major investments or capital in the following subsidiaries:

32. 附屬公司

於二零一二年十二月三十一日，本公司於下列主要附屬公司持有股份：

Name 名稱	Place of incorporation/ establishment 註冊／成立地點	Paid up share capital/ registered capital 繳足股本／註冊資本	Principal activities 主要業務	Interest 權益	
				2012	2011
Shares held directly 直接持有股份					
Perennial Holdings Global Limited	British Virgin Islands 英屬處女群島	Ordinary US\$1 普通股1美元	Investment holding 投資控股	100%	100%
Shares held indirectly 間接持有股份					
Ever Peak Development Limited 永柏發展有限公司	Hong Kong 香港	Ordinary HK\$3 普通股3港元	Property holding 持有物業	100%	100%
New Technology Cable Limited 新科電線有限公司	Hong Kong 香港	Ordinary HK\$1,000 普通股1,000港元 Non-voting Deferred HK\$10,000,000 無投票權遞延股份 10,000,000港元	License holding 持有牌照	100%	100%

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

32. SUBSIDIARIES (CONTINUED)

32. 附屬公司 (續)

Name 名稱	Place of incorporation/ establishment 註冊／成立地點	Paid up share capital/ registered capital 繳足股本／註冊資本	Principal activities 主要業務	Interest 權益	
				2012	2011
Shares held indirectly (continued) 間接持有股份 (續)					
a Perennial Cable (H.K.) Limited 恒都電線 (香港) 有限公司	Hong Kong 香港	Ordinary HK\$2,000,000 普通股 2,000,000港元	Sale of electric cables, wires, wire harness and accessories 銷售電線、導線、組合線束 及配件	100%	100%
Perennial Cable Limited 恒都電線有限公司	British Virgin Islands 英屬處女群島	Ordinary US\$1 普通股1美元	Investment and property holding, trading of electric cable, wires, wire harness and accessories 投資及持有物業、買賣電線、 導線、組合線束及配件	100%	100%
b Perennial Cable (Shenzhen) Co., Limited (wholly owned foreign enterprise) 恒亞電線 (深圳) 有限公司 (全資擁有海外機構)	Mainland China 中國大陸	Registered capital HK\$65,000,000 註冊資本 65,000,000港元	Manufacturing of electric cables, wires and wire harness 製造電線、導線及組合線束	100%	100%
a Perennial Plastics (H.K.) Limited 恒都塑膠 (香港) 有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	Sale of plastic resins and compounds 銷售塑膠合成樹脂及化合物	100%	100%
Perennial Cable (BVI) Limited	British Virgin Islands 英屬處女群島	Ordinary US\$50,000 普通股50,000美元	Investment holding 投資控股	100%	100%
New Technology Cable (UK) Limited	United Kingdom 英國	Ordinary GBP1 普通股1英鎊	Dissolved in 8 January 2013 於二零一三年一月八日註銷	100%	100%
New Technology Cable Pte. Limited	Singapore 新加坡	Ordinary SG\$2 普通股2新加坡元	License holding 持有牌照	100%	100%
Shinka K.K.	Japan 日本	Ordinary JPY10,000,000 普通股10,000,000日元	License holding 持有牌照	100%	100%

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

32. SUBSIDIARIES (CONTINUED)

32. 附屬公司 (續)

Name 名稱	Place of incorporation/ establishment 註冊／成立地點	Paid up share capital/ registered capital 繳足股本／註冊資本	Principal activities 主要業務	Interest 權益	
				2012	2011
Shares held indirectly (continued) 間接持有股份 (續)					
Perennial USA Inc.	USA 美國	Ordinary USD0.5 普通股0.5美元	Trading of electric cables, wires, wire harness and accessories 買賣電線、導線、組合線束 及配件	100%	100%
b Shenzhen Welldone Trading Co., Limited (wholly owned foreign enterprise) 深圳恒駿達貿易有限公司 (全資擁有海外機構)	Mainland China 中國大陸	Registered capital HKD\$1,000,000 註冊資本 1,000,000港元	Trading of electric cables, wires, wire harness and accessories 買賣電線、導線、 組合線束及配件	100%	100%
b Shenzhen Perennial Plastics and Metal Co., Limited (wholly owned foreign enterprise) 深圳恒都塑膠五金有限公司 (全資擁有海外機構)	Mainland China 中國大陸	Registered capital HKD\$40,000,000 註冊資本 40,000,000港元	Manufacturing and sale of electric cables, wires, wire harness and accessories 製造及銷售電線、導線、 組合線束及配件	100%	100%
b Shenzhen Perennial Plastics Co., Limited (wholly owned foreign enterprise) 深圳恒鍵塑膠有限公司 (全資擁有海外機構)	Mainland China 中國大陸	Registered capital HKD\$10,000,000 註冊資本 10,000,000港元	Manufacturing and sale of plastic resins and compounds 製造及銷售塑膠合成樹脂及 化合物	100%	100%

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st December 2012 截止二零一二年十二月三十一日止年度

32. SUBSIDIARIES (CONTINUED)

The legal form of all the above companies is limited liability company.

Save as noted below, the above companies operate principally in Hong Kong instead of their respective places of incorporation/establishment, except for:

- a Perennial Cable (H.K.) Limited and Perennial Plastic (H.K.) Limited of which manufacturing activities are conducted by their appointed sub-contractors in Shenzhen, the People's Republic of China. The manufacturing activities had been dissolved in 2012.
- b Perennial Cable (Shenzhen) Co., Limited, Shenzhen Welldone Trading Co., Limited, Shenzhen Perennial Plastics and Metal Co., Limited and Shenzhen Perennial Plastics Co., Limited are in Shenzhen, the People's Republic of China.
- c Perennial USA Inc. is in USA.

32. 附屬公司 (續)

上述所有公司均為有限公司法體。

除以下註明外，上述公司之營運地點主要為香港而非其個別註冊／成立地點：

- a 恒都電線(香港)有限公司及恒都塑膠(香港)有限公司之製造業務乃透過中華人民共和國深圳特區境內之承包商進行。該等製造業務已於二零一二年註銷。
- b 恒亞電線(深圳)有限公司、深圳恒駿達貿易有限公司、深圳恒都塑膠五金有限公司及深圳恒鍵塑膠有限公司於中華人民共和國深圳特區。
- c Perennial USA Inc. 於美國。

FINANCIAL HIGHLIGHTS

財務概括

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Operating results (HK\$'000)	經營業績 (千港元)					
Revenue	收益	430,958	472,445	477,320	411,192	507,628
Operating profit	經營溢利	26,006	17,084	44,687	36,280	29,684
Profit for the year	本年度溢利	19,954	15,275	37,754	29,634	22,294
Financial position (HK\$'000)	財務狀況 (千港元)					
Net current assets	流動資產淨值	144,058	135,652	129,613	103,252	78,663
Shareholders' funds	股東資金	451,171	383,027	361,982	318,683	236,411
Per share data (HK\$ Cent)	每股數據 (港仙)					
Earnings per share – basic and diluted	每股盈利 – 基本及攤薄	10.0	7.7	19.0	14.9	11.2
Dividend per share (interim and final dividend)	每股股息 (中期及末期股息)	3	3	7	6	5
Key Statistics	主要統計					
Inventory turnover (days)	存貨週轉 (天數)	86	74	71	77	65
Debtors' turnover (days)	應收賬週轉 (天數)	85	79	79	78	77
Creditors' turnover (days)	應付賬週轉 (天數)	43	35	38	49	34
Acid-test ratio (%)	速動比率(%)	137.0%	133.2%	146.9%	147.8%	108.7%
Working capital (%)	營運資金(%)	198.0%	181.7%	231.7%	227.0%	168.0%
Total liabilities/total capital employed (%)	總負債 / 總運用資本(%)	39.5%	49.0%	32.5%	31.4%	54.0%
Return on capital employed (operating profit/shareholders' funds) (%)	運用資本報酬率 (經營溢利 / 股東資金)(%)	5.8%	4.5%	12.3%	11.4%	12.6%
Return on average total assets (profit after taxation/average total assets) (%)	平均總資產報酬率 (除稅後溢利 / 平均總資產)(%)	3.3%	2.9%	8.4%	7.2%	5.9%

Comparative figures in 2010 and 2009 have been restated to reflect the adoption of HKAS 12 (Amendment).

Inventory turnover is re-calculated by the ratio of cost of sales to its average inventory.

二零一零年及二零零九年比較數字已經重列以反映採用香港會計準則12(修改)。

存貨週轉重新計算為銷售成本與平均存貨的比率。

