



JF Household Furnishings Limited

捷豐家居用品有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股票編號: 776

2014

ANNUAL REPORT

年報



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FINANCIAL SUMMARY

財務摘要

		2010	2011	2012	2013	2014
		二零一零年	二零一一年	二零一二年	二零一三年	二零一四年
		HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元
Results	業績					
Revenue	收益	438,243,822	401,798,257	243,069,464	159,468,209	170,373,314
Profit/(loss) for the year attributable to owners of the Company	本公司擁有人年內應佔溢利／(虧損)	18,372,980	18,252,678	(28,300,227)	(27,023,443)	(8,081,467)
Assets and Liabilities	資產及負債					
Total assets	總資產	485,931,337	197,774,990	166,998,556	111,358,204	246,353,099
Total liabilities	總負債	273,010,403	149,262,560	116,564,701	86,167,261	79,690,997
Equity attributable to owners of the Company	本公司擁有人應佔權益	212,920,934	48,512,430	50,433,855	25,190,943	166,662,102
Earnings/(loss) per share	每股盈利／(虧損)					
Basic	基本	0.09	0.08	(0.12)	(0.11)	(0.03)
Diluted	攤薄	0.08	0.08	(0.12)	(0.11)	(0.03)

CORPORATE INFORMATION 公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Cheng Ting Kong (*Chairman*)
Ms. Yeung So Lai
Mr. Leung Ming Ho
Mr. Leung Kwok Yin

Independent Non-Executive Directors

Mr. Fung Tze Wa
Mr. Ting Wong Kacee
Mr. Tse Ting Kwan

AUDIT COMMITTEE

Mr. Fung Tze Wa (*Chairman*)
Mr. Ting Wong Kacee
Mr. Tse Ting Kwan

REMUNERATION COMMITTEE

Mr. Ting Wong Kacee (*Chairman*)
Mr. Fung Tze Wa
Mr. Tse Ting Kwan

NOMINATION COMMITTEE

Mr. Tse Ting Kwan (*Chairman*)
Mr. Fung Tze Wa
Mr. Ting Wong Kacee

COMPANY SECRETARY

Mr. Luk Chi Keung

AUDITORS

RSM Nelson Wheeler
29th Floor
Caroline Centre
28 Yun Ping Road
Causeway Bay
Hong Kong

董事會

執行董事

鄭丁港先生(*主席*)
楊素麗女士
梁銘浩先生
梁國賢先生

獨立非執行董事

馮子華先生
丁煌先生
謝庭均先生

審核委員會

馮子華先生(*主席*)
丁煌先生
謝庭均先生

薪酬委員會

丁煌先生(*主席*)
馮子華先生
謝庭均先生

提名委員會

謝庭均先生(*主席*)
馮子華先生
丁煌先生

公司秘書

陸志強先生

核數師

中瑞岳華(香港)會計師事務所
香港
銅鑼灣
恩平道28號
嘉蘭中心
29字樓

CORPORATE INFORMATION

公司資料

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2410-2411, 24/F, China Merchants Tower, Shun Tak Centre,
168-200 Connaught Road Central, Sheung Wan, Hong Kong

PRINCIPAL BANKERS

In Hong Kong:

The Hongkong and Shanghai Banking Corporation Limited

In the PRC:

China Merchants Bank

Bank of China

Bank of Hangzhou

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited
PO Box 1093, Boundary Hall, Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

STOCK CODE

0776

INVESTOR RELATIONS

For other information relating to the Company,
please contact Corporate Communications Department
website: www.776.hk
e-mail: ir@776.hk

註冊辦事處

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

香港總辦事處及主要營業地點

香港上環干諾道中168-200號信德中心
招商局大廈24樓2410至2411室

主要往來銀行

在香港：

香港上海滙豐銀行有限公司

在中國：

招商銀行

中國銀行

杭州銀行

開曼群島主要股份過戶登記處

Maples Fund Services (Cayman) Limited
PO Box 1093, Boundary Hall, Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

股份代號

0776

投資者關係

有關本公司的其他資料，
請聯絡企業通訊部
網址：www.776.hk
電子郵箱：ir@776.hk

CHAIRMAN'S STATEMENT

主席報告

TO OUR SHAREHOLDERS

On behalf of the board (“Board”) of directors (“Directors”) of JF Household Furnishings Limited (“Company”), I am pleased to present the annual report of the Company and its subsidiaries (collectively, the “Group”) and its audited financial results for the financial year ended 31 December 2014.

The global economic performance for the year remains subdued largely due to the prolonged recession in the European region and slow growth in the PRC. In 2014, PRC's gross domestic product annual growth rate at 7.5% which is lower than in 2013 at 7.7%. The Group's operating environment remain difficult as the overall demand for the household products remained weak compare with previous years and the manufacturing business is significantly affected by the appreciation of Renminbi and rising labour cost. The Group's turnover slightly increased by approximately HK\$10,905,000 to approximately HK\$170,373,000. In 2014, the Group's loss attributable to shareholders was approximately HK\$8,081,000, representing a drop of approximately HK\$18,942,000 as compared to that of 2013. The decrease in the Group's loss was mainly attributed to the increase of operating profits and decrease in administrative expenses and other operating expenses during the year.

BUSINESS REVIEW

HOUSEHOLD PRODUCTS BUSINESS

The macro-economic uncertainty and the risk of a slower economic growth are still major factors affecting the household products business of the Group. Although the Group's revenue from household products business increased, the household products business had recorded unsatisfactory result. The reason is due to intense competition in the household products market and increase in manufacturing cost. The Group's revenue from the household products business for the year was approximately HK\$167,908,000 (2013: approximately HK\$159,426,000), representing an annual increase of 5.3%. The net profits were approximately HK\$1,922,000 (2013: net losses approximately HK\$11,848,000).

Despite the unfavourable market condition affecting the manufacturing business of the Group, the Group has implemented and takes a series of cost saving measures to reduce its overhead cost and improve operating efficiency through optimising production management and improvement in customer services.

致股東

本人謹代表捷豐家居用品有限公司(「本公司」)董事(「董事」)會(「董事會」)，欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一四年十二月三十一日止財政年度的年度報告及經審核財務業績。

本年度全球經濟表現溫和，主要由於歐洲經濟不景持續及中國增長放緩所致。於二零一四年，中國的國內生產總值年增長率為7.5%，較二零一三年7.7%為低。本集團的經營環境維持嚴峻，原因為家居產品的整體需求與過往年度比較仍然疲弱，且製造業顯著受人民幣升值及勞工成本上漲所影響。本集團的營業額輕微增加約10,905,000港元至約170,373,000港元。於二零一四年，本集團的股東應佔虧損約為8,081,000港元，較二零一三年減少約18,942,000港元。本集團的虧損減少主要是由於年內經營溢利增加以及行政開支及其他經營開支減少所致。

業務回顧

家居產品業務

宏觀經濟不穩及經濟增長放慢風險仍然是影響本集團家居產品業務的主要因素。儘管本集團來自家居產品業務的收益增加，惟家居產品業務仍錄得不理想業績，原因為家居產品市場競爭激烈及製造成本增加所致。年內，本集團來自家居產品業務的收益約為167,908,000港元(二零一三年：約159,426,000港元)，按年增加5.3%。溢利淨額約為1,922,000港元(二零一三年：虧損淨額約11,848,000港元)。

儘管市況欠佳影響本集團的製造業務，本集團已實施及採取連串節源措施，通過優化生產管理及改進客戶服務，降低日常開支成本及提高經營效率。

CHAIRMAN'S STATEMENT 主席報告

BUSINESS REVIEW (Continued)

PROPERTY INVESTMENT BUSINESS

The Group has acquired an investment property which lease for rental in 2013. The Group remains confident of its long term prospects in property investment business in Hong Kong. The Group's revenue from the property investment business for the year was approximately HK\$196,000 (2013: approximately HK\$42,000). The net profits were approximately HK\$528,000 (2013: net losses approximately HK\$1,214,000), mainly due to fair value gain on investment property which is a non-cash item.

HOTEL BUSINESS

Travel industry growth is expected to closely track the macroeconomic condition and will be largely driven by emerging economies, particularly the Asia travelers, including the strong growing Chinese outbound travelers as result of rapid urbanization, continuous wealth accumulation and rising disposable income in the PRC. According to the World Tourism Organisation ("UNWTO"), a specialised agency of United Nations reported that the international tourists reached the new record with over 1.1 billion in 2014 and the number of international tourists grew by 5% compare with 2013. International tourist arrivals worldwide are expected to increase by 3.3% a year from 2010 to 2030 to reach 1.8 billion by 2030, according to UNWTO's long term forecast Tourism Towards 2030. In light of the growing prospects of the tourism industry, the Group has been seeking and considering opportunities for expanding hotel business.

The Group continued to expand its hotel portfolio. In December 2013, the Group entered into a transaction to acquire commercial properties situated in Liaoning Province, the PRC. The consideration has been fully paid in August 2014. The titles of ownership and building ownership certificates of the commercial properties is pending to approve by the relevant authorities in the PRC. The commercial properties will be reconstructed into a quality hotel and plan to officially open in late of 2015.

In February 2014, the Group entered into a non-legally binding memorandum of understanding (the "MOU") in relation to the acquisition of a non-residential building which situated in Liaoning Province, the PRC. There is no formal agreement reached within the effective period. Accordingly, the MOU has been lapsed in August 2014.

業務回顧(續)

物業投資業務

於二零一三年，本集團收購一項投資物業作出租之用。本集團對香港物業投資業務的長遠前景維持樂觀。年內，本集團來自物業投資業務的收益約為196,000港元(二零一三年：約42,000港元)。溢利淨額約為528,000港元(二零一三年：虧損淨額約1,214,000港元)，主要來自投資物業公允值變動收益(非現金項目)所致。

酒店業務

旅遊業增長預期緊隨宏觀經濟情況，並將主要由新興經濟體帶動，尤其是亞洲旅客，包括因城鎮化快速推進、財富不斷積累及可支配收入不斷增加而增長強勁的中國外遊旅客。根據聯合國世界旅遊組織(「聯合國世界旅遊組織」，聯合國的一個專設機構)所報告，國際旅客數字於二零一四年創新高，達到超過11億人次，國際旅客數字較二零一三年增長5%。根據聯合國世界旅遊組織二零二零年旅遊展望報告的長期預測，全球國際旅客人數預期由二零一零年至二零二零年每年增長3.3%，到二零二零年將達18億人次。鑒於旅遊業前景向好，本集團一直尋求並考量擴張酒店業方面的機遇。

本集團持續擴展其酒店組合。於二零一三年十二月，本集團訂立一項交易，以購入位於中國遼寧省的商業物業。代價已於二零一四年八月悉數支付。該商業物業的擁有權及房屋所有權證正待中國相關機關審批。該商業物業將改造成優質酒店，計劃於二零一五年後期正式開幕。

於二零一四年二月，本集團就收購位於中國遼寧省的非住宅樓宇訂立不具法律約束力的諒解備忘錄(「諒解備忘錄」)。於有效期間內概無正式協議達成。因此，諒解備忘錄已於二零一四年八月失效。

CHAIRMAN'S STATEMENT

主席報告

BUSINESS REVIEW (Continued)

HOTEL BUSINESS (Continued)

In July 2014, the Group has commenced a negotiation with an independent third party in relation to a possible investment in Jeju Special Self-governing Province, the Republic of Korea, which hold a luxury hotel with at least 400 guest rooms.

The Group is of the view that the acquisition of properties would allow the Group to establish a highly reputable hotel management business in the PRC and other countries and regions of the world and will continue to identify suitable investments in the hotel industry.

The Group shall further review its business strategy on its hotel business. We will expand our management team in respect of hotel management by recruiting more experts from this industry and work with other famous hotel management companies.

OUTLOOK AND FUTURE PROSPECTS

The challenging business environment confronting the household business is expected to continue in 2015. The Group remains cautious of the global uncertainty and slow growth of PRC economy. In comparison, the Group expected that the hotel business will generate fruitful operating profits in future.

Looking forward, the Group aims to solid its hotel business by acquiring hotels around the world. Our business strategies are developing and investing in quality hotels in the PRC and other places to maintain long term growth and capture the spending of international and Chinese travelers. In the future, the Group shall continue to explore further quality investment opportunities to enhance shareholders' wealth.

APPRECIATION

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

Cheng Ting Kong

Chairman

Hong Kong, 27 March 2015

業務回顧(續)

酒店業務(續)

於二零一四年七月，本集團就可能投資大韓民國濟州特別自治道與獨立第三方(持有最少有400間客房的豪華酒店)開始進行磋商。

本集團認為，收購物業將使得本集團得以在中國與全球其他國家及地區建立聲譽卓著的酒店管理業務，並將繼續物色酒店行業之合適投資。

本集團將進一步檢討其在酒店業務方面的業務策略。在酒店管理方面，我們將聘請更多業內專家以壯大管理團隊，並與其他著名的酒店管理公司合作。

展望及未來前景

營商環境挑戰重重，預期將於二零一五年持續影響家居業務。本集團對全球經濟不穩及中國經濟增長放緩維持審慎。對比之下，本集團預期酒店業務將於日後產生豐碩經營溢利。

展望未來，本集團將通過收購世界各地的酒店，矢志鞏固酒店業務。我們的業務策略是開發及投資中國及其他地方的優質酒店，以維持本公司的長遠增長及捉緊國際及中國旅客的消費力。日後，本集團將繼續發掘最佳投資機會以增加股東財富。

致謝

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

鄭丁港

主席

香港，二零一五年三月二十七日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

RESULTS OF OPERATIONS

For the fiscal year ended 31 December 2014, the Group reported a revenue of approximately HK\$170,373,000 (2013: approximately HK\$159,468,000), representing an increase of 6.8% from that of the fiscal year of 2013. The increase in revenue is due to the Group's improvement in the product mix of household products during the year.

Gross profit margin increased from 4.3% in 2013 to 9.7% in 2014 as some new products with higher profit margin has been introduced to market during the year.

Other income increased from approximately HK\$1,390,000 in 2013 to approximately HK\$1,821,000 in 2014, mainly due to the increase in written back of trade and other payables and fair value gain on investment property during the year.

Distribution costs increased from approximately HK\$658,000 in 2013 to approximately HK\$928,000 in 2014 due to the increase in sales and thus increase in transportation cost and overseas travelling expenses during the year.

Administrative expenses decreased from approximately HK\$22,405,000 in 2013 to approximately HK\$18,861,000 in 2014, mainly due to decrease in loss on exchange difference and other tax expenses.

Other operating expenses of approximately HK\$1,110,000 which mainly included the write off of trade and other receivables of approximately HK\$745,000.

Finance costs decreased from approximately HK\$3,275,000 in 2013 to approximately HK\$3,249,000 in 2014, as the average borrowings rate decreased.

Income tax expense increased from approximately HK\$916,000 in 2013 to approximately HK\$2,201,000 in 2014, mainly due to increase of operating profits in the PRC subsidiaries during the year.

經營業績

截至二零一四年十二月三十一日止財政年度，本集團錄得收益約170,373,000港元(二零一三年：約159,468,000港元)，較二零一三年財政年度上升6.8%。收益上升乃由於年內本集團家居產品的產品組合得到改善所致。

毛利率從二零一三年的4.3%上升至二零一四年的9.7%，是由於部分利潤率較高的新產品於年內推出市場所致。

其他收入從二零一三年約1,390,000港元增加至二零一四年約1,821,000港元，主要由於年內應付貿易及其他應付款項回撥及投資物業公允值收益增加所致。

分銷成本從二零一三年約658,000港元上升至二零一四年約928,000港元，乃由於銷售增加導致年內運輸成本及海外差旅費用上升所致。

行政開支從二零一三年約22,405,000港元減少至二零一四年約18,861,000港元，主要由於匯兌差額及其他稅項費用減少。

其他經營開支約為1,110,000港元，分別主要包括撇銷應收貿易賬款及其他應收款項約745,000港元。

由於平均借款利率減少，融資成本從二零一三年約3,275,000港元減少至二零一四年約3,249,000港元。

所得稅開支從二零一三年約916,000港元增加至二零一四年約2,201,000港元，主要由於年內中國附屬公司的經營溢利增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

USE OF PROCEEDS FROM THE PLACING OF SHARES

The Company raised its fund by way of a private placement of 47,867,000 shares of the Company at the placing price of HK\$3.14 per share on 27 January 2014. Net proceeds from the placing of shares amounted to approximately HK\$149,506,000 (after deducting the placing commission and legal and professional expenses). Such net proceeds have been used in the following manner:

配售股份所得款項的用途

於二零一四年一月二十七日，本公司按每股3.14港元的配售價，以私人配售形式配售47,867,000股本公司股份以籌集資金。配售股份的所得款項淨額達約149,506,000港元(扣除配售佣金及法律以及專業費用後)。有關所得款項淨額以下列方式使用：

	Amount raised 所得金額 (HK\$) (港元)	Amount used as at the date of this report 於本報告日期 已使用金額 (HK\$) (港元)
General corporate and working capital purpose 一般企業及營運資金用途	149,506,000	106,947,856

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

As at 31 December 2014, the Group had cash and bank balances of approximately HK\$125,304,000 (2013: approximately HK\$23,390,000) and net current assets of approximately HK\$134,445,000 (2013: approximately HK\$2,660,000), the increase in current assets is due to increase of prepayments and cash and bank balances.

The Group had bank borrowings of approximately HK\$36,962,000 as at 31 December 2014 (2013: approximately HK\$35,661,000). All borrowings were repayable within one year. The Group's borrowings carried interests at fixed and floating rate.

As at 31 December 2014, the Group had current liabilities of approximately HK\$77,975,000 (2013: approximately HK\$84,451,000). The decrease in current liabilities was mainly due to the decrease in trade and bills payables and other payables and accruals.

BANK BORROWINGS

As at 31 December 2014, bank borrowings of approximately HK\$24,286,000 (2013: approximately HK\$19,209,000) were secured by leasehold land and certain buildings owned by an independent third party and pledged deposits of the Group.

GEARING RATIO

The Group's gearing ratio, which was derived from the total bank borrowings to total assets, decreased from 32.0% in 2013 to 15.0% in 2014, as a result of the increase in prepayments and cash and bank balances of the Group at 31 December 2014.

流動資金、財務資源及融資

於二零一四年十二月三十一日，本集團擁有現金及銀行結餘約125,304,000港元(二零一三年：約23,390,000港元)及淨流動資產約134,445,000港元(二零一三年：約2,660,000港元)，流動資產增加原因是預付款項及現金及銀行結餘增加。

於二零一四年十二月三十一日，本集團的銀行借貸約36,962,000港元(二零一三年：約35,661,000港元)。所有借貸均須於一年內償還。本集團的借貸附有固定及浮動息率。

於二零一四年十二月三十一日，本集團擁有流動負債約77,975,000港元(二零一三年：約84,451,000港元)，流動負債減少主要由於應付貿易賬款及應付票據以及其他應付款項及應計項目減少所致。

銀行借貸

於二零一四年十二月三十一日，約24,286,000港元(二零一三年：約19,209,000港元)銀行借貸由獨立第三方擁有的租賃土地及若干建築物以及本集團的抵押存款作抵押。

資產負債比率

本集團的資產負債比率(以銀行借貸總額與資產總值之比率計算)，從二零一三年的32.0%減少至二零一四年的15.0%，原因是於二零一四年十二月三十一日，本集團預付款項以及現金及銀行結餘增加。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

COMMITMENTS

As at 31 December 2014, the Group's capital commitments and operating lease commitments amounted to approximately HK\$Nil and approximately HK\$2,676,000 (2013: approximately HK\$8,309,000 and approximately HK\$705,000) respectively, attributable to acquisition of property, plant and equipment and rentals payable for certain offices.

CONTINGENT LIABILITIES

As at 31 December 2014, the Group did not have any significant contingent liabilities (2013: HK\$Nil).

EXPOSURE TO FLUCTUATION IN EXCHANGE RATES AND RELATED HEDGES

All transactions of the Group are denominated in Renminbi ("RMB"), Hong Kong dollars, European dollars ("EUR") or United States dollars ("USD"). As RMB may continue to fluctuate in the foreseeable future, the Group will maintain a sizable portion of its borrowings in Hong Kong dollars, which form a natural hedge with the Group's sales denominated in USD.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2014, the Group employed approximately 415 staff in the PRC and Hong Kong, representing an increase of approximately 35 staff from 31 December 2013. The Group's remuneration to employees, including Directors' emoluments, increased by approximately HK\$1,214,000 to approximately HK\$28,614,000 for the fiscal year of 2014.

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

TREASURY POLICIES AND CAPITAL STRUCTURE

The Group adopts a prudent approach with respect to treasury and funding policies, with a focus on risk management and transactions that are directly related to the underlying business of the Group.

FINAL DIVIDEND

The Board does not recommend the payment of final dividend for the year ended 31 December 2014 (2013: HK\$Nil).

承擔

於二零一四年十二月三十一日，本集團的資本承擔及經營租賃承擔分別為約零港元及約2,676,000港元（二零一三年：約8,309,000港元及約705,000港元），來自收購物業、廠房及設備及若干辦公室應付租金。

或然負債

於二零一四年十二月三十一日，本集團並無任何重大或然負債（二零一三年：零港元）。

匯率波動及有關對沖風險

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

僱員及薪酬政策

於二零一四年十二月三十一日，本集團於中國及香港僱用約415名員工，較二零一三年十二月三十一日增加約35名。於二零一四年財政年度，本集團的僱員薪酬（包括董事酬金）增加約1,214,000港元至約28,614,000港元。

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

財務政策及資本結構

本集團就財務及融資政策採取謹慎方法，並專注於風險管理及與本集團相關業務直接有關的交易。

末期股息

董事會並不建議派付截至二零一四年十二月三十一日止年度末期股息（二零一三年：零港元）。

BIOGRAPHICAL DETAILS OF DIRECTORS 董事之詳細履歷

EXECUTIVE DIRECTORS

Mr. Cheng Ting Kong, aged 40, who has been appointed as an executive Director and the chairman of the board of directors on 21 September 2012 and 5 October 2012 respectively. Mr. Cheng is the chairman of the board of directors and executive director of Sun International Resources Limited (stock code: 8029) ("Sun International"), a company listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") from 5 July 2013. Mr. Cheng's wife, Ms. Yeung So Mui is a sister of Ms. Yeung So Lai, an executive Director.

Ms. Yeung So Lai, aged 37, joined the Company in September 2012. Ms. Yeung is experienced in corporate management. Ms. Yeung is currently an executive director and chief executive officer of Sun Century Group Limited (stock code: 1383) ("Sun Century"), a company listed on the Main Board of the Stock Exchange. Ms. Yeung was an executive director of Sun International from 1 April 2011 to 13 August 2013. She is presently also a director of a number of private companies engaged in the business of bird's nest trading and investment holding. Ms. Yeung is the sister-in-law of Mr. Cheng.

Mr. Leung Ming Ho, aged 39, joined the Company in October 2012. He holds a Bachelor of Business Administration degree in marketing from the Hong Kong Baptist University. Mr. Leung has extensive experience in marketing and management and was the General Manager of Pro Vision Technology Ltd. He has appointed as Assistant to General Manager of Sun International from 2011 to 31 December 2012. Mr. Leung was an executive director of Sun Century from 2 September 2011 to 31 July 2012.

Mr. Leung Kwok Yin, aged 62, is one of the co-founders of the Group. Mr. Leung is responsible for product development, materials sourcing and marketing of the Group. Mr. Leung graduated from the Hong Kong Polytechnic University in 1975 with a technician diploma in electrical engineering.

執行董事

鄭丁港先生，40歲，分別於二零一二年九月二十一日及二零一二年十月五日獲委任為執行董事及董事會主席。鄭先生由二零一三年七月五日起為太陽國際資源有限公司(股份代號：8029)(「太陽國際」，一間於香港聯合交易所有限公司(「聯交所」)創業板上市的公司)之董事會主席及執行董事，鄭先生的妻子楊素梅女士為執行董事楊素麗女士之姊妹。

楊素麗女士，37歲，於二零一二年九月加入本公司。楊女士於企業管理方面擁有豐富經驗。楊女士現時為太陽世紀集團有限公司(股份代號：1383)(「太陽世紀」，一間於聯交所主板上市的公司)執行董事及行政總裁。楊女士於二零一一年四月一日至二零一三年八月十三日為太陽國際的執行董事。彼現時為從事燕窩貿易及投資控股業務的多家私營公司的董事。楊女士為鄭先生之姨子。

梁銘浩先生，39歲，於二零一二年十月加入本公司。彼持有香港浸會大學工商管理(市場學)學士學位。梁先生於市場推廣及管理方面擁有豐富經驗，並曾擔任衛駿科技有限公司之總經理。自二零一一年至二零一二年十二月三十一日，彼獲委任為太陽國際之總經理助理。梁先生自二零一一年九月二日至二零一二年七月三十一日擔任太陽世紀執行董事。

梁國賢先生，62歲，本集團聯合創辦人之一。梁國賢先生負責本集團產品開發、物料採購及市場推廣。彼於一九七五年於香港理工大學畢業，取得電機工程技術文憑。

BIOGRAPHICAL DETAILS OF DIRECTORS 董事之詳細履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Fung Tze Wa, aged 58. He is a certified public accountant and a director of an accounting firm in Hong Kong. Mr. Fung has various years of experience in auditing, taxation and company secretarial practice in Hong Kong. He obtained a master degree in professional accounting from the Hong Kong Polytechnic University in 2000. He is a member of the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), the Chartered Association of Certified Accountants, the Taxation Institute of Hong Kong and the Society of Chinese Accountants and Auditors. He has also been appointed as the independent non-executive director of China Haidian Holdings Limited, a company incorporated in the Cayman Island with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0256), since April 2004 and Jiwa Bio-Pharm Holdings Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2327), since September 2004. From April 2004 to February 2012, he was an independent non-executive director of New Capital International Investment Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1062).

Mr. Ting Wong Kacee, aged 39. He holds a Master of Laws and Postgraduate Certificate in Laws from City University of Hong Kong. He is currently a member of The Hong Kong Bar Association.

Mr. Tse Ting Kwan, aged 39. He holds a Bachelor’s Degree in Business Administration. He is currently a fellow member of the Association of Chartered Certified Accountants and an associate member of the HKICPA. Mr. Tse has over 10 years of experience in auditing, finance and accounting. He is currently the financial controller of Chinese People Holdings Company Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0681).

獨立非執行董事

馮子華先生，58歲。彼為執業會計師及香港一家會計師事務所之董事。馮先生於香港審計、稅務及公司秘書實務方面擁有多年經驗。彼於二零零零年獲香港理工大學頒授專業會計學碩士學位。彼為香港會計師公會（「香港會計師公會」）、特許公認會計師公會、香港稅務學會及華人會計師及核數師公會會員。彼亦自二零零四年四月起獲委任為中國海澱集團有限公司（該公司為於開曼群島註冊成立之有限公司，其已發行股份於聯交所主板上市（股份代號：0256））之獨立非執行董事，並自二零零四年九月起獲委任為積華生物醫藥控股有限公司（該公司為於百慕達註冊成立之有限公司，其已發行股份於聯交所主板上市（股份代號：2327））之獨立非執行董事。自二零零四年四月起至二零一二年二月，彼擔任新資本國際投資有限公司（該公司為於開曼群島註冊成立之有限公司，其已發行股份於聯交所主板上市（股份代號：1062））之獨立非執行董事。

丁煌先生，39歲。彼持有香港城市大學法律碩士和法律學位證書。目前，彼為香港大律師公會的成員。

謝庭均先生，39歲。彼持有工商管理學士學位。彼現為特許公認會計師公會之資深會員及香港會計師公會之會員。謝先生於審計、財務及會計方面擁有逾10年經驗。彼現為中民控股有限公司（該公司為於百慕達註冊成立之有限公司，其已發行股份於聯交所主板上市（股份代號：0681））之財務總監。

REPORT OF THE DIRECTORS 董事會報告

The Board are pleased to present their report together with the audited financial statements of the Group for the year ended 31 December 2014.

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

PRINCIPAL ACTIVITIES AND SUBSIDIARIES

The Company acts as an investment holding company. The activities of its principal subsidiaries as at 31 December 2014 are set out in note 32 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2014 and the state of affairs of the Group at that date are set out in the consolidated statement of profit or loss and consolidated statement of financial position of this annual report respectively.

The Board do not recommend payment of any final dividend for the year ended 31 December 2014 (2013: HK\$Nil).

RESERVES

Details of the movement in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity and note 31 to the financial statements respectively.

DISTRIBUTABLE RESERVES

At 31 December 2014, the Company's reserves available for cash distribution amounted to approximately HK\$178,951,000. Under the Companies Law (Revised) of the Cayman Islands, the share premium of the Company is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business. The share premium may also be distributed in the form of fully paid bonus shares.

PROPERTY, PLANT AND EQUIPMENT

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

董事會欣然提呈董事會報告及截至二零一四年十二月三十一日止年度本集團的經審核財務報表。

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

主要業務及附屬公司

本公司為投資控股公司。其於二零一四年十二月三十一日的主要附屬公司的業務載於財務報表附註32。

業績及撥付

截至二零一四年十二月三十一日止年度本集團業績及於該日期的事務狀況分別載於本年報的綜合損益表及綜合財務狀況表。

董事會並不建議派付截至二零一四年十二月三十一日止年度任何末期股息(二零一三年：零港元)。

儲備

本集團及本公司年內儲備變動的詳情分別載於綜合權益變動表及財務報表附註31。

可供分派儲備

於二零一四年十二月三十一日,本公司可供現金分派之儲備約為178,951,000港元。根據開曼群島公司法(經修訂),本公司之股份溢價可分派予本公司股東,惟本公司須於緊隨建議派發股息日之後仍有能力償還在日常業務過程中到期之債務。股份溢價亦可以繳足紅利股份的形式分派。

物業、廠房及設備

本集團年內物業、廠房及設備的變動詳情載於財務報表附註16。

REPORT OF THE DIRECTORS 董事會報告

INVESTMENT PROPERTIES

Details of movements in investment properties of the Group during the year are set out in note 17 to the financial statements.

SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in note 27 to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

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

		Percentage of the Group's total Sales/Purchases 佔本集團銷售／採購總額百分比
The largest customer	最大客戶	97.15%
Five largest customers in aggregate	五大客戶合計	99.56%
The largest supplier	最大供應商	13.54%
Five largest suppliers in aggregate	五大供應商合計	45.56%

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

DIRECTORS

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

Executive Directors

Mr. Cheng Ting Kong (*Chairman*)
Ms. Yeung So Lai
Mr. Leung Ming Ho
Mr. Leung Kwok Yin

Independent Non-Executive Directors

Mr. Fung Tze Wa
Mr. Ting Wong Kacee
Mr. Tse Ting Kwan

投資物業

本集團年內投資物業的變動詳情載於財務報表附註17。

股本

本公司年內股本的變動詳情載於財務報表附註27。

主要客戶及供應商

於本財政年度內，主要客戶及供應商分別佔本集團銷售及採購額的資料如下：

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

董事

於本財政年度及直至本報告刊發日期止的董事如下：

執行董事

鄭丁港先生(主席)
楊素麗女士
梁銘浩先生
梁國賢先生

獨立非執行董事

馮子華先生
丁煌先生
謝庭均先生

REPORT OF THE DIRECTORS 董事會報告

BIOGRAPHICAL DETAILS OF THE DIRECTORS

The biographical details of the Directors are set out on page 11 to page 12 of this annual report.

DIRECTORS' SERVICE CONTRACTS AND ROTATION

The appointment of each Director is subject to retirement by rotation and, being eligible, offers themselves for re-election in accordance with the Company's articles of association. All of the executive Directors do not entered any service contract with the Company. All of the independent non-executive Directors has entered a service contract with the Company for a term of 3 years and is subject to retirement by rotation and re-election in accordance with the articles of association of the Company and the Corporate Government Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

In accordance with the provisions of the Company's articles of association, Mr. Leung Ming Ho, Mr. Leung Kwok Yin and Mr. Ting Wong Kacee will retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting ("AGM").

None of the Directors has entered or has proposed to enter into any service contract with the Company or any of its subsidiaries which is not expiring or determinable by the employing company within one year without payment of compensation other than statutory compensation.

DIRECTORS' EMOLUMENTS

Details of Directors' emoluments on a named basis are set out in note 10 to financial statements.

ANNUAL CONFIRMATION FROM INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company had received written confirmation from each of the independent non-executive Directors of their independence pursuant to rule 3.13 of the Listing Rules and both the Board and the Nomination Committee considered that all independent non-executive Directors are independent.

董事之履歷詳情

董事之履歷詳情載於本年報第11頁至第12頁。

董事之服務合約及輪席

各獲委任的董事須根據本公司的公司細則輪席告退，並符合資格膺選連任。概無執行董事與本公司訂有任何服務合約。所有獨立非執行董事均已與本公司訂立為期3年的服務合約，並須根據本公司的公司細則及聯交所證券上市規則(「上市規則」)附錄十四所載的企業管治守則輪席告退及連任。

根據本公司的公司細則的規定，梁銘浩先生、梁國賢先生及丁煌先生須於即將舉行的股東週年大會(「股東週年大會」)上輪席告退，但符合資格膺選連任。

概無董事已與本公司或其任何附屬公司訂立或擬訂立不可於一年內無須支付賠償(法定賠償除外)則期滿或終止的任何服務合約。

董事酬金

以記名方式的董事酬金詳情載於財務報表附註10。

獨立非執行董事之年度確認

本公司已根據上市規則第3.13條收到各獨立非執行董事的書面獨立性確認書。董事會及提名委員會均認為所有獨立非執行董事均為獨立人士。

REPORT OF THE DIRECTORS

董事會報告

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

As at 31 December 2014, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") (the "Associated Corporations") as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

董事於本公司或其相聯法團的股份、相關股份及債券中的權益及淡倉

於二零一四年十二月三十一日，根據證券及期貨條例第352條本公司須予存置的登記冊所記錄，或根據上市發行人董事進行證券交易之標準守則（「標準守則」）須知會本公司及聯交所，有關董事於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）（「相聯法團」）的股份、相關股份及債券中的權益及淡倉如下：

Name of Director 董事姓名	Number of shares 股份數目			Total 總數	Percentage of aggregate interests to total number of shares in issue ³ 權益總額佔已發行股份 總數之百分比 ³
	Personal interests 個人權益	Family interests 家族權益	Corporate Interests 公司權益		
Mr. Cheng Ting Kong 鄭丁港先生	–	– 179,407,488 ² (L)	179,407,488 (L) ¹		62.46%

Notes:

- The letter "L" represents the Director's interests in the Shares and underlying Shares or, as the case may be, the equity interest of the Company or its associated corporations.
- This represents interests held by Mr. Cheng Ting Kong through Power Ocean Holdings Limited ("Power Ocean"), which holds 179,407,488 shares of the Company. Mr. Cheng Ting Kong has 50% interest in Power Ocean, he is therefore deemed to be interested in 179,407,488 shares of the Company.
- The percentage has been adjusted based on the total number of shares of the Company in issue as at 31 December 2014 (i.e. 287,206,000 shares).

附註：

- 字母「L」代表董事於本公司或其相聯法團的股份及相關股份或（按情況而定）股權的權益。
- 此代表鄭丁港先生透過力海控股有限公司（「力海」，其持有本公司179,407,488股股份）持有的權益。鄭丁港先生擁有力海50%權益，因此，彼被視為於本公司179,407,488股股份中擁有權益。
- 百分比已根據於二零一四年十二月三十一日本公司已發行股份總數（即287,206,000股股份）而調整。

Save as disclosed above, as at 31 December 2014, none of the Directors had any other interests or short positions in the shares, underlying shares or debentures of the Company or any of its Associated Corporations which had been entered in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除以上披露者外，於二零一四年十二月三十一日，根據證券及期貨條例第352條本公司須予存置之登記冊所記錄，或根據標準守則須知會本公司及聯交所，概無董事於本公司或其任何相關法團之股份、相關股份或債券中擁有任何權益或淡倉。

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

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

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year and up to the date of this annual report, none of the Directors are considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, there was sufficiency of public float of the Company's securities as required under the Listing Rules up to the date of this report.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association or the laws in the Cayman Islands.

SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted pursuant to the shareholders' resolution passed on 26 November 2008. No options granted under the Scheme since its adoption on 26 November 2008 are still outstanding. During the year ended 31 December 2014, no share option were granted, exercised or lapsed.

RETIREMENT SCHEMES

The Group maintains a mandatory provident fund ("MPF Scheme") for all qualifying employees in Hong Kong. The Group's and employee's contributions to the MPF Scheme are based on 5% of the relevant income of the relevant employee (up to a cap of monthly relevant income of HK\$30,000) and in accordance with the requirements of the Mandatory Provident Fund Schemes Ordinance and related regulations.

董事於重大合約之權益

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

董事於競爭業務之權益

年內及直至本年報日期，概無董事被認為擁有任何直接或間接對本集團業務構成競爭或可能構成競爭之業務權益(定義見上市規則)。

公眾持股量

於本報告日期，根據公開獲得之資料及據董事所知，本公司已按上市規則之規定維持足夠公眾持股量。

優先購買權

本公司的組織章程或開曼群島法律並無有關優先購買權的規定。

購股權計劃

本公司之購股權計劃(「計劃」)於二零零八年十一月二十六日根據股東決議案採納。概無自二零零八年十一月二十六日採納起根據該計劃授出之購股權尚未行使。於截至二零一四年十二月三十一日止年度內，概無購股權獲授出、行使或失效。

退休金計劃

本集團為其全體香港合資格僱員設立強制性公積金計劃(「強積金計劃」)。本集團及僱員對強積金計劃之供款乃按照強制性公積金計劃條例及相關規例的要求，根據相關僱員之相關收入(每月相關收入上限為30,000港元)的5%計算。

REPORT OF THE DIRECTORS 董事會報告

RETIREMENT SCHEMES (Continued)

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

CONNECTED TRANSACTIONS

During the year, the Company did not have any connected transactions which were subject to requirements of the Listing Rules. Other transactions which exempted from the requirements of the Listing Rule are also disclosed in note 36 to the financial statements as related party transactions.

MANAGEMENT CONTRACTS

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

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s shares during the year.

AUDITOR

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

On behalf of the Board

Cheng Ting Kong
Chairman

27 March 2015

退休金計劃(續)

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

關聯交易

年內，本公司並無訂立任何須遵守上市規則的關聯交易。獲上市規則豁免的其他交易亦於財務報表附註36披露作關聯人士交易。

管理合約

年內概無訂立或存在任何關於本公司業務全部或任何重要部分之管理及行政合約。

購買、銷售或贖回本公司已上市證券

年內，本公司或其任何附屬公司概無購買、銷售或贖回本公司的任何股份。

核數師

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

代表董事會

鄭丁港
主席

二零一五年三月二十七日

CORPORATE GOVERNANCE REPORT

企業管治報告

CODE OF BEST PRACTICE

The Group is committed to ensuring high standards of corporate governance and business practices. The Company's corporate governance practices are based on the principles and the code provisions (the "Code Provisions") as set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code"), amended from time to time, contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange. As far as the CG Code is concerned, during the year and up to the date of this annual report, the Company complies with all aspect of the Code Provisions except disclosed below:

Under the CG Code provision E.1.2, the chairman of the Board should attend the AGM and invite the chairmen of audit committee, remuneration committee and nomination committee to attend. However, in the AGM held on 29 May 2014 ("2014 AGM"), our chairman was unable to attend the meeting as he had to attend to other business commitments. He appointed an executive Director to chair the 2014 AGM on his behalf and answer any question from the shareholders concerning the Company's corporate governance. As provided for in the CG Code provision A.6.7, independent non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. The independent non-executive Director and Chairman of Audit Committee was unable to attend the 2014 AGM due to other business commitments.

DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted a code of conduct regarding directors' securities transactions as set out in Appendix 10 of the Listing Rules. Having made specific enquiry, all directors have fully complied with the required standard set out in Appendix 10 of the Listing Rules for the year ended 31 December 2014.

THE BOARD

The Board has a balance of skill and experience and a balanced composition of executive and non-executive Directors and is responsible for oversight of the management of the Company's business and affairs. The Board has delegated the day-to-day responsibility to the executive Directors and senior management of the Company.

As at 31 December 2014, the Board comprised of seven members, namely the Chairman and three other executive Directors and three independent non-executive Directors (the biographies of the Directors are set out on page 11 to page 12).

最佳常規守則

本集團致力維持良好的企業管治及業務常規。本公司的企業管治常規依據企業管治守則及企業管治報告(「企業管治守則」,經不時修訂,載於聯交所證券上市規則附錄十四)所載的原則及守則條文(「守則條文」)而作出。就企業管治守則而言,於年內及直至本年度報告日期,本公司已全面遵守守則條文,惟下文所述者除外:

根據企業管治守則條文第E.1.2條,董事會主席應出席股東週年大會並要求審核委員會、薪酬委員會及提名委員會主席出席。然而,於二零一四年五月二十九日舉行的股東週年大會(「二零一四年股東週年大會」)上,董事會主席因須處理其他事務而未能出席。主席已委任一名執行董事代表其擔任二零一四年股東週年大會主席,解答股東有關本公司企業管治的問題。按企業管治守則條文第A.6.7條規定,獨立非執行董事應出席股東大會,對股東的意見有公正的了解。獨立非執行董事及審核委員會主席因其他業務承諾未能出席二零一四年股東週年大會。

董事進行證券交易

本集團已採納載於上市規則附錄十有關董事進行證券交易的操守守則。在向所有董事作出具體查詢後,彼等於截至二零一四年十二月三十一日止年度已經完全遵守載於上市規則附錄十的規定準則。

董事會

董事會擁有均衡技能及經驗,執行及非執行董事的組成亦屬平衡,並負責監管本公司業務及事務的管理。董事會已授權本公司執行董事及高級管理層履行日常責任。

於二零一四年十二月三十一日,董事會由七名成員組成,包括主席、三名其他執行董事及三名獨立非執行董事,董事之個人資料載於第11頁至第12頁。

CORPORATE GOVERNANCE REPORT 企業管治報告

THE BOARD (Continued)

The Board considers that its diversity, including gender diversity, is a vital asset to the business. The Board adopted a Board diversity policy for better transparency and governance. Board appointments are based on merit and candidates are considered against objective criteria, having due regard for the benefits of diversity on the Board, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

The Board oversees the Group's strategic development and the overall management of the Group. The Board also monitors the financial performance and internal controls of the Group. The Board members have a broad access to business documents and information about the Group. Three Board committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee have been established to oversee particular aspects of the Group's affairs. The Board meets regularly to review the financial and operating performance of the Group and to approve future plans and development.

All the Directors have actively participated in the review and monitoring of the Company's business. The Board meets regularly and at least 4 times a year. Between scheduled meetings, the senior management of the Group provides information to the Directors on a regular basis regarding the activities and development in the businesses of the Group. The Directors have full access to information on the Group and independent professional advice in appropriate circumstances, at the Company's expense. With respect to regular meetings of the Board, the Directors will be given written notice of the meeting at least 14 days in advance and an agenda with supporting Board papers no less than 3 days prior to the meeting. For other meetings, the Directors are given as much notice as is reasonable and practicable in the circumstances. If a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with by a physical Board meeting. All minutes of Board and Board committee meetings are kept by the company secretary to record in sufficient details the matters considered and decisions reached by the Board or Board committee, including any concerns raised or dissenting views expressed by any Director. These minutes are available for inspection at any reasonable time on reasonable notice by any Director.

董事會(續)

董事會認為，其多元化(包括性別多元化)對業務而言屬重要資產。為增加透明度及加強管治，董事會已採納董事會多元化政策。在充分考慮董事會多元化(包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及工作年限)的好處後，將根據個人才能委任董事會成員，而候選人將對照客觀標準進行考量。

董事會監管本集團的策略發展及整體管理。董事會亦監管本集團的財務表現及內部控制。董事會成員已廣泛查閱本集團的業務文件及資料。三個董事會委員會(即審核委員會、薪酬委員會及提名委員會)乃為了監察本集團在有關方面的事務而成立。董事會定期召開會議，審核本集團的財務及營運表現，以及通過日後的發展策略。

各董事均積極參與檢討及監察本公司業務。董事會定期召開會議，且每年召開至少四次。於定期會議之間，本集團的高級管理層會就本集團業務的活動及發展定期向董事提供資料。董事可隨時獲取本集團的資料及可在適當的情況下尋求獨立專業意見，費用由本公司支付。就召開定期董事會會議而言，董事將至少提前十四天獲得書面會議通知及在會議前不少於三天獲得董事會議程及所需文件。就其他會議而言，在合理及切實的情況下，董事會盡量獲予最早的通知。若董事在董事會上所考慮的事項中存有董事會認為重大的利益衝突，有關事項應以舉行董事會會議(而非書面決議)方式處理。公司秘書應備存董事會及董事委員會的會議紀錄，該等會議紀錄應對董事會或董事委員會所考慮事項及達致的決定作足夠詳細的記錄，其中應該包括董事提出的任何疑慮或表達的反對意見。若有任何董事發出合理通知，應提供有關會議紀錄供其在任何合理的時段查閱。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD (Continued)

During the year ended 31 December 2014, a total number of seven (7) Board meetings, two (2) Audit Committee meetings, one (1) Remuneration Committee meetings and one (1) Nomination Committee meetings were held. Minutes of these meetings are kept by the Company Secretary of the Company and are open for inspection by the Directors.

The Directors are able, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company's expenses. The Board shall resolve to provide separate appropriate independent professional advice to the Directors to assist the relevant Directors to discharge their duties.

The Company has received annual confirmations of independence from all existing independent non-executive Directors and considers them independent.

The Directors except for the independent non-executive Directors, have no fixed terms of appointment but are subject to re-election at the AGM of the Company in accordance with the Company's article of association.

DIRECTORS' TRAINING

Pursuant to Code Provision A.6.5, all directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. Up to the date of this report, all Directors have participated in appropriate continuous professional development activities by attending training course or reading materials on the topics related to corporate governance and regulations or the Company's business or their duties and responsibilities.

董事會(續)

於截至二零一四年十二月三十一日止年度已舉行七(7)次董事會會議、兩(2)次審核委員會會議、一(1)次薪酬委員會會議及一(1)次提名委員會會議。該等會議的會議紀錄由本公司的公司秘書保存，並可公開供董事查閱。

董事可於合理要求時在合適情況下尋求獨立專業意見，費用由本公司承擔。董事會須決議分別向董事提供合適的獨立專業意見，以協助有關董事履行其職責。

本公司已接獲各現有獨立非執行董事就其獨立性作出的年度確認，並認為彼等均為獨立人士。

董事(獨立非執行董事除外)並無固定委任年期，惟須按本公司之組織章程細則於本公司股東週年大會膺選連任。

董事培訓

根據守則條文第A.6.5條，所有董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需之情況下對董事會作出貢獻。直至本報告日期止，所有董事均透過出席有關主題為企業管治及相關規例的培訓課程或閱讀本公司業務或彼等職能及職責相關資料的方式而參與合適的持續專業發展活動。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' TRAINING (Continued)

The individual training record of each Director received for the year ended 31 December 2014 is summarised below:

Name of Directors	Attending seminar(s)/ programme(s)/ reading relevant materials in relation to the business or directors' duties 出席與業務或董事職責相關之 講座／課程／閱讀相關資料
董事姓名	
Mr. Cheng Ting Kong	鄭丁港先生
Ms. Yeung So Lai	楊素麗女士
Mr. Leung Ming Ho	梁銘浩先生
Mr. Leung Kwok Yin	梁國賢先生
Mr. Fung Tze Wa	馮子華先生
Mr. Ting Wong Kacee	丁煌先生
Mr. Tse Ting Kwan	謝庭均先生

董事培訓(續)

於截至二零一四年十二月三十一日止年度內各董事所接受培訓之個別記錄概述如下：

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the financial statements of the Group for the relevant accounting periods under applicable statutory and regulatory requirements which give a true and fair view of the state of affairs, the results of operations and cash flows of the Group. In preparing the financial statements for the year ended 31 December 2014, suitable accounting policies have been adopted and applied consistently. The financial statements for the reporting year have been prepared on a going concern basis.

董事對財務報表的責任

董事負責根據適用的法定及監管要求編製本集團於有關會計期間的財務報表，真實公平地呈報本集團的事務狀況、營運業績及現金流量。於編製截至二零一四年十二月三十一日止年度的財務報表時，已一致地採納及應用合適的會計政策。報告年度的財務報表乃按持續經營基準編製。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS (Continued)

The individual attendance records of each Director, on a named basis, at the meetings of the Board, Audit Committee, Remuneration Committee and Nomination Committee during the year ended 31 December 2014 are set out below:

董事對財務報表的責任(續)

於截至二零一四年十二月三十一日止年度，各董事個別出席董事會、審核委員會、薪酬委員會及提名委員會的會議紀錄具名載列如下：

Attendance/Number of meetings entitled to attend

出席率/有權出席會議的次數

Name of Director 董事姓名		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Annual General Meeting ¹ 股東週年大會 ¹
Number of Meetings	會議次數	7	2	1	1	1
<i>Executive Directors</i>	<i>執行董事</i>					
Mr. Cheng Ting Kong	鄭丁港先生	7/7	–	–	–	0/1
Ms. Yeung So Lai	楊素麗女士	7/7	–	–	–	0/1
Mr. Leung Ming Ho	梁銘浩先生	7/7	–	–	–	1/1
Mr. Leung Kwok Yin	梁國賢先生	6/7	–	–	–	0/1
<i>Independent Non-executive Directors</i>	<i>獨立非執行董事</i>					
Mr. Fung Tze Wa	馮子華先生	7/7	2/2	1/1	1/1	0/1
Mr. Ting Wong Kacee	丁煌先生	7/7	2/2	1/1	1/1	1/1
Mr. Tse Ting Kwan	謝庭均先生	7/7	2/2	1/1	1/1	1/1

Notes:

1. 2014 Annual General Meeting held on 29 May 2014.

附註：

1. 二零一四年股東週年大會於二零一四年五月二十九日舉行。

REMUNERATION COMMITTEE

The Remuneration Committee is responsible for ensuring that the Company has formal and transparent procedures for developing and overseeing its policies on the remuneration of the Directors and senior management. The committee's authorities and duties are set out in written terms of reference. The Remuneration Committee comprises the following three members, all independent non-executive Directors:

- (i) Mr. Ting Wong Kacee, Chairman of Remuneration Committee
- (ii) Mr. Fung Tze Wa
- (iii) Mr. Tse Ting Kwan

薪酬委員會

薪酬委員會負責確保本公司有正式及透明的程序發展及監察其董事及高級管理層的薪酬政策。委員會的權力及職責有書面訂明。薪酬委員會由以下三名成員(全體獨立非執行董事)組成：

- (i) 丁煌先生，薪酬委員會主席
- (ii) 馮子華先生
- (iii) 謝庭均先生

CORPORATE GOVERNANCE REPORT 企業管治報告

REMUNERATION COMMITTEE (Continued)

The terms of reference of the Remuneration Committee are in compliance with the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules. Given below are main duties of the Remuneration Committee:

- (i) to make recommendations on the Company's policies and structure for all the remuneration of Directors;
- (ii) to propose the specific remuneration packages of the executive Directors, and to make recommendations on the remuneration of the non-executive Directors for the Board's approval;
- (iii) to review and propose performance-based remuneration for executive Directors by reference to corporate goals and objectives resolved by the Board from time to time; and
- (iv) to administer and make determinations with regard to the Company's share option scheme.

AUDIT COMMITTEE

The Company has established an Audit Committee with written terms of reference in compliance with the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules. The Audit Committee comprises the following three members, all independent non-executive Directors:

- (i) Mr. Fung Tze Wa, Chairman of Audit Committee
- (ii) Mr. Ting Wong Kacee
- (iii) Mr. Tse Ting Kwan

Given below are the main duties of the Audit Committee:

- (i) to make recommendations with respect to the appointment, re-appointment and removal of the Company's external auditor, and to evaluate their independence, objectivity and effectiveness of the audit process;
- (ii) to review and monitor the interim and annual financial statements, reports and accounts of the Company, and to review significant and judgemental financial reporting issues contained therein;

薪酬委員會(續)

薪酬委員會的職權範圍乃遵照上市規則附錄十四所載企業管治常規守則。以下為薪酬委員會的主要職責：

- (i) 就本公司所有董事薪酬的政策及架構提出建議；
- (ii) 就執行董事的特定薪酬待遇提出建議，及就非執行董事的薪酬提出建議，以供董事會批准；
- (iii) 根據董事會不時決定的企業方針及目標就執行董事的按表現釐定薪酬作出檢討及建議；及
- (iv) 執行及釐定本公司的購股權計劃。

審核委員會

本公司已成立審核委員會並遵照上市規則附錄十四所載企業管治常規守則訂明書面職權範圍。審核委員會由以下三名成員(全體獨立非執行董事)組成：

- (i) 馮子華先生，審核委員會主席
- (ii) 丁煌先生
- (iii) 謝庭均先生

以下為審核委員會的主要職責：

- (i) 就本公司外聘核數師的委任、重聘及免職提出建議，以及評核其獨立性、客觀性及審核程序之有效性；
- (ii) 審閱及監察本公司中期及年度財務報表、報告及賬目，以及審閱當中的重大及決定性財務報告事宜；

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE (Continued)

- (iii) to review the Company's financial controls, internal controls and risk management systems; and
- (iv) to discuss with the management the system of internal controls, and to ensure that the management has discharged its duties and responsibilities in implementing an effective internal control system.

AUDITOR'S REMUNERATION

During the year ended 31 December 2014, the fees paid/payable to auditor of the Company, RSM Nelson Wheeler, for the provision of audit services and non-audit services as follows:

Nature of services 服務性質		2014	2013
		二零一四年 HK\$ 港元	二零一三年 HK\$ 港元
Audit	審計	630,000	580,000
Others	其他	-	5,500
		630,000	585,500

NOMINATION COMMITTEE

The Company has established a Nomination Committee with written terms of reference in compliance with the Code on Corporate Practices as set out in Appendix 14 of the Listing Rules. The Nomination Committee comprises the following three members, all independent non-executive Directors:

- (i) Mr. Tse Ting Kwan, Chairman of Nomination Committee
- (ii) Mr. Fung Tze Wa
- (iii) Mr. Ting Wong Kacee

審核委員會(續)

- (iii) 檢討本公司的財務監控、內部監控及風險管理系統；及
- (iv) 與管理層就內部監控系統進行討論，並確保管理層於執行有效的內部監控系統時其職責及責任已獲履行。

核數師酬金

於截至二零一四年十二月三十一日止年度，就提供審計服務及非審計服務已付及應付本公司核數師中瑞岳華(香港)會計師事務所之費用如下：

提名委員會

本公司已成立提名委員會並遵照上市規則附錄十四所載企業管治常規守則訂明書面職權範圍。提名委員會由以下三名成員(全體獨立非執行董事)組成：

- (i) 謝庭均先生，提名委員會主席
- (ii) 馮子華先生
- (iii) 丁煌先生

CORPORATE GOVERNANCE REPORT 企業管治報告

NOMINATION COMMITTEE (Continued)

Given below are main duties of the Nomination Committee:

- (i) to review the structure, size and composition (by taking into account the criteria as set out in the Board diversity policy adopted by the Company from time to time) of the Board at least annually and make recommendations any proposed changes to the Board to complement the Company's corporate strategy;
- (ii) to review the Board diversity policy regularly (including any measurable objectives that the Board has set for implementing the Board diversity policy and the progress on achieving those objectives); and make disclosure of its review results in the corporate governance report of the Company annually;
- (iii) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
- (iv) to assess the independence of independent non-executive Directors; and
- (v) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman and the president (chief executive officer).

INTERNAL CONTROLS

The Board has the responsibility to maintain an effective internal control system in order to protect the Group's assets and shareholders' interests. The Board and Audit Committee also conduct periodic reviews to ensure the effectiveness of the Group's internal control system. The internal control system includes a well established corporate structure and organisation with clearly defined lines of responsibility and authority. Each department is responsible for its daily operations, and is also required to implement and monitor the strategies and policies adopted by the Board and effective employment of the resources of the Company, in order to avoid misappropriation of resources and damages made to the Company's assets, and prevent against errors and fraud.

提名委員會(續)

以下為提名委員會的主要職責：

- (i) 每年至少檢討一次董事會的架構、人數及組成(經計及本公司不時採納的董事會多元化政策所載的標準), 並就任何建議變動向董事會提出意見以配合本公司的企業策略;
- (ii) 定期檢討董事會多元化政策(包括董事會就實施董事會多元化政策而制定的任何可量化的目標以及該等目標的實現情況); 每年在本公司企業管治報告中披露其檢討結果;
- (iii) 識別有資格成為董事會成員的人士, 並於挑選獲提名出任董事的人士時進行挑選及提出意見;
- (iv) 評核獨立非執行董事的獨立性; 及
- (v) 就有關董事的委任或重新委任以及董事, 尤其是主席及總裁(行政總裁)的繼任計劃的相關事宜向董事會提出意見。

內部監控

董事會有責任維持有效的內部監控系統, 以保障本集團的資產及股東的利益。董事會及審核委員會亦進行週期性審核, 以確保本集團內部監控系統的有效性。內部監控系統包括有清晰責任及權力的良好企業架構及組織。各部門負責其日常營運, 並須執行及監察董事會採納的策略及政策以及有效運用本公司資源, 以避免造成資源錯配及損害本公司資產, 以及避免錯誤及欺詐。

CORPORATE GOVERNANCE REPORT

企業管治報告

INTERNAL CONTROLS (Continued)

The Board and Audit Committee assess the effectiveness of the internal control system and procedures based on information derived from discussions with the management of the Company and its external auditor. The Board and Audit Committee believe that the existing internal control system is adequate and effective. The review covers all material controls, including financial, operational and compliance controls and risk management functions as well as the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget.

The Board has established a clearly defined scope of activities, responsibility and authority for each department and its management staff within the Group. The Group has a defined goal for each department to accomplish, these goals were discussed in the Board meeting and pass on to the management through the executive Directors. These goals will be implemented and closely monitored by the executive Directors who shall review the operational and financial results from time to time, and to take any necessary actions for the improvement of its business activities.

COMPANY SECRETARY'S TRAINING

During the year ended 31 December 2014, Mr. Luk has received no less than 15 hours of relevant professional training to refresh his skills and knowledge.

SHAREHOLDERS' RIGHTS AND COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

Details of the Last General Meetings

The Company's AGM is a valuable forum for the Board to communicate directly with the Shareholders. Under Revised Code Provision A.6.7, independent non-executive directors should attend general meetings and develop a balanced understanding of the views of the shareholders.

Due to other business engagement, Mr. Fung Tze Wa could not attend the AGM of the Company held on 29 May 2014. However, at the respective general meeting of the Company, there was an executive Director present to enable the Board to develop a balanced understanding of views of the shareholders of the Company.

內部監控(續)

董事會及審核委員會根據與本公司管理層及其外聘核數師討論所得的資料評核內部監控系統的有效性。董事會及審核委員會深信現有的內部監控系統充分及有效。檢討涵蓋所有重大監控，包括財務、營運及合規監控、風險管理機制以及本公司會計及財務彙報機制資源的充足性、員工的資歷及經驗以及彼等的培訓及預算。

董事會為本集團內各部門及其管理人員制定清晰的職務、責任及權力範圍。本集團各部門均有須達成的指定目標，該等目標於董事會會議討論，並透過執行董事交予管理層。該等目標將由執行董事執行及密切監察，執行董事須不時檢討營運及財務業績，並採取任何必要行動改善其業務。

公司秘書培訓

截至二零一四年十二月三十一日止年度，陸先生已接受不少於15小時相關專業培訓以更新其技能及知識。

股東權利以及與股東溝通及投資者關係

最近召開之股東大會詳情

本公司股東週年大會乃董事會直接與股東聯繫之寶貴機會。根據經修訂守則條文第A.6.7條，獨立非執行董事應出席股東大會及均衡了解股東意見。

由於其他公務，馮子華先生未能出席本公司於二零一四年五月二十九日舉行之股東週年大會。然而，於本公司之各次股東大會上，一位執行董事已出席以讓董事會對本公司股東之意見有公正的了解。

CORPORATE GOVERNANCE REPORT 企業管治報告

SHAREHOLDERS' RIGHTS AND COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

(Continued)

Convening a Special General Meeting by Shareholders

Pursuant to the Article 58 of the Articles of Association of the Company, a special general meeting may be convened by the Board upon requisition by any shareholder holding not less than one tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company. The shareholder shall make a written requisition to the Board or the Company Secretary of the Company, specifying the transaction of any business in such requisition.

The Board shall arrange to hold such general meeting within two (2) months after the receipt of such written requisition. Pursuant to the Article 59 of the Articles of Association of the Company, the Company shall serve requisite notice of the general meeting, including the time, place of meeting and particulars of resolutions to be considered at the meeting and the general nature of the business.

If within twenty one (21) days of the receipt of such written requisition, the Board fails to proceed to convene such special general meeting, the requisitioner(s) may do so in the same manner, and; all the reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to the requisitioner(s) by the Company.

Putting Forward Proposals at General Meetings

A shareholder shall make a written requisition to the Board or the Company Secretary of the Company at the head office address of the Company, specifying the shareholding information of the shareholder, his/her contact details and the proposal he/she intends to put forward at general meeting regarding any specified transaction/business and its supporting documents.

股東權利以及與股東溝通及投資者關係 (續)

由股東召開股東特別大會

根據本公司的公司細則第58條，董事會可於持有賦有於本公司股東大會上投票權之本公司繳足股本不少於十分之一的股東要求時召開股東特別大會。有關股東須向本公司董事會或秘書發出書面要求，以處理有關要求中指明的任何事項。

董事會須安排於該書面要求後兩(2)個月內舉行該大會。根據本公司的公司細則第59條，本公司應發出股東大會通知，當中包括大會的時間、地點及擬考慮的決議案的詳情以及該事項的一般性質。

倘於收到該書面要求二十一(21)日內董事會未有召開該股東特別大會，該申請人可自行召開大會，本公司應向有關申請人償付因董事會未有召開大會而需支付之一切合理費用。

於股東大會提呈動議

股東須向本公司董事會或秘書發出書面要求，該要求可寄發至本公司之總辦事處，指明股東的股權資料、其聯絡詳情及擬於股東大會提呈之動議與任何特定交易／事宜有關以及其證明文件。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS AND COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

(Continued)

Putting Forward Enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing to the Company's head office in Hong Kong at Room 2410-2411, 24/F, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong.

The Company ensures that fair and transparent disclosure is made for its business and financial performance through a variety of formal communication channels. Information regarding the Company will be published in its website: www.776.hk. Interim and annual reports, circulars and notices of the Group will be despatched to Shareholders in due course. The website of the Company provides information such as e-mail address, correspondence address, telephone numbers etc. for inquiries, and provides information on business activities of the Company.

The Company's AGM of Shareholders is a good opportunity for communication between the Board and the Shareholders. Notice of AGM and related documents will be sent to Shareholders pursuant to the requirements of the Listing Rules, and will be published on the website of the Stock Exchange.

The Company will also meet with the investment community and respond to their inquiries about the status of the Company from time to time, so as to strengthen the contacts and communication between the Company and its investors.

股東權利以及與股東溝通及投資者關係 (續)

向董事會提出詢問

股東可於任何時間將向董事會提出的書面詢問及關注寄發至本公司的香港總辦事處香港上環干諾道中168-200號信德中心招商局大廈24樓2410至2411室。

本公司確保其業務及財務表現透過不同的正式溝通途徑公平及透明地披露。有關本公司的資料將於其網站 www.776.hk 公佈。本集團的中期及年度報告、通函及通告將適時向股東寄發。本公司網站提供如電郵地址、通信地址及電話號碼等資料以供查詢，並提供本公司的業務資訊。

本公司股東週年大會乃董事會及股東交流的良機。股東週年大會通告及相關文件將根據上市規則的要求向股東發送，並將於聯交所網站公佈。

本公司亦與投資界會面，並不時回應其對本公司狀況的查詢，以加強本公司與其投資者之間的聯繫及溝通。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



TO THE SHAREHOLDERS OF JF HOUSEHOLD FURNISHINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of JF Household Furnishings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 32 to 104, which comprise the consolidated and Company statements of financial position as at 31 December 2014, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

致捷豐家居用品有限公司全體股東

(於開曼群島註冊成立之有限公司)

吾等已審核第32至104頁所載捷豐家居用品有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零一四年十二月三十一日之綜合及貴公司財務狀況表、截至該日止年度之綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量報表，以及主要會計政策概要及其他說明資料。

董事就綜合財務報表之責任

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

核數師之責任

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

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 31 December 2014, and of the Group's results and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

RSM Nelson Wheeler
Certified Public Accountants
 Hong Kong

27 March 2015

核數師之責任(續)

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

吾等相信，吾等所取得之審核憑證就為審核意見提供基礎而言屬充分恰當。

意見

吾等認為，綜合財務報表根據香港財務報告準則足以真實兼公平地顯示 貴公司及 貴集團於二零一四年十二月三十一日之財務狀況及 貴集團截至該日止年度之業績及現金流量，並按照香港公司條例之披露規定妥為編製。

中瑞岳華(香港)會計師事務所
 執業會計師
 香港

二零一五年三月二十七日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS**綜合損益表**

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

			2014 二零一四 HK\$ 港元	2013 二零一三 HK\$ 港元
REVENUE	收益	7	170,373,314	159,468,209
Cost of goods sold	貨品銷售成本		(153,926,526)	(152,585,516)
Gross profit	毛利		16,446,788	6,882,693
Other income	其他收入	8	1,821,159	1,389,739
Distribution costs	分銷成本		(928,241)	(658,271)
Administrative expenses	行政開支		(18,861,037)	(22,405,001)
Other operating expenses	其他經營開支		(1,109,678)	(8,041,783)
LOSS FROM OPERATIONS	經營虧損		(2,631,009)	(22,832,623)
Finance costs	融資成本	11	(3,249,116)	(3,275,136)
LOSS BEFORE TAX	除稅前虧損		(5,880,125)	(26,107,759)
Income tax expense	所得稅開支	12(a)	(2,201,342)	(915,684)
LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人之年內應佔虧損	13	(8,081,467)	(27,023,443)
LOSS PER SHARE	每股虧損			
Basic	基本	15	(0.03)	(0.11)
Diluted	攤薄		(0.03)	(0.11)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Loss for the year	年內虧損	(8,081,467)	(27,023,443)
Other comprehensive income:	其他全面收益：		
<i>Items that may be reclassified to profit or loss:</i>	<i>可能重新分類至損益的項目：</i>		
Exchange differences on translating foreign operations	換算海外業務而產生之匯兌差異	13,782	1,877,977
Exchange differences reclassified to profit or loss on disposal of subsidiaries	於出售附屬公司重新分類至損益之匯兌差異	-	(193,446)
Other comprehensive income for the year, net of tax	年內除稅後其他全面收益	13,782	1,684,531
Total comprehensive loss for the year attributable to owners of the Company	本公司擁有人年內應佔全面虧損總額	(8,067,685)	(25,338,912)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION**綜合財務狀況表**

At 31 December 2014 於二零一四年十二月三十一日

			2014 二零一四年	2013 二零一三年
		Note 附註	HK\$ 港元	HK\$ 港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	14,776,517	13,509,207
Investment property	投資物業	17	6,000,000	5,630,000
Deposits paid for acquisition of long-term assets	為收購長期資產支付的按金	18	13,156,420	5,107,362
			33,932,937	24,246,569
Current assets	流動資產			
Inventories	存貨	19	25,833,961	29,162,402
Trade receivables	應收貿易賬款	20	24,239,870	21,914,344
Due from related companies	應收關聯公司款項	21	5,620,877	5,061,779
Deposits, other receivables and prepayments	按金、其他應收款項及預付款項		30,358,239	6,322,760
Restricted cash and bank balances	受限制現金及銀行結餘	22	1,063,359	1,260,615
Cash and bank balances	現金及銀行結餘	22	125,303,856	23,389,735
			212,420,162	87,111,635
Current liabilities	流動負債			
Trade and bills payables	應付貿易賬款及應付票據	23	12,541,528	14,165,255
Other payables and accruals	其他應付款項及應計項目	24	26,956,347	33,831,272
Current tax liabilities	即期稅項負債		1,515,375	793,912
Bank borrowings	銀行借貸	25	36,961,778	35,660,853
			77,975,028	84,451,292
NET CURRENT ASSETS	淨流動資產		134,445,134	2,660,343

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2014 於二零一四年十二月三十一日

			2014 二零一四年	2013 二零一三年
		Note 附註	HK\$ 港元	HK\$ 港元
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		168,378,071	26,906,912
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	26	1,715,969	1,715,969
NET ASSETS	淨資產		166,662,102	25,190,943
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	27	2,872,060	2,393,390
Reserves	儲備		163,790,042	22,797,553
TOTAL EQUITY	總權益		166,662,102	25,190,943

Approved by the Board of Directors on 27 March 2015

董事會已於二零一五年三月二十七日批准

Cheng Ting Kong

鄭丁港

Director

董事

Yeung So Lai

楊素麗

Director

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

	Note	Reserves							Accumulated losses	Total
		Share capital	Share premium	Merger reserve	Foreign currency translation reserve	Capital reserve	General reserve	Warrant reserve		
		(Note 31(c)(i))	(Note a)	(Note b)	(Note c)	(Note d)	(Note 29)			
		股本	股份溢價	合併儲備	外幣匯兌儲備	資本儲備	一般儲備	認股權證儲備	累計虧損	總值
		(附註31(c)(i))	(附註a)	(附註b)	(附註c)	(附註d)	(附註29)			
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元	港元
At 1 January 2013		2,392,890	29,794,840	7,358,082	15,744,208	946,832	23,623,046	180,000	(29,606,043)	50,433,855
Total comprehensive income/(loss) for the year		-	-	-	1,684,531	-	-	-	(27,023,443)	(25,338,912)
Shares issued on exercise of warrants	27(ii)	500	96,000	-	-	-	-	(500)	-	96,000
Transfers of general reserve		-	-	-	-	-	72,260	-	(72,260)	-
Changes in equity for the year		500	96,000	-	1,684,531	-	72,260	(500)	(27,095,703)	(25,242,912)
At 31 December 2013		2,393,390	29,890,840	7,358,082	17,428,739	946,832	23,695,306	179,500	(56,701,746)	25,190,943
At 1 January 2014		2,393,390	29,890,840	7,358,082	17,428,739	946,832	23,695,306	179,500	(56,701,746)	25,190,943
Total comprehensive income/(loss) for the year		-	-	-	13,782	-	-	-	(8,081,467)	(8,067,685)
Placement of shares	27(iii)	478,670	149,060,174	-	-	-	-	-	-	149,538,844
Changes in equity for the year		478,670	149,060,174	-	13,782	-	-	-	(8,081,467)	141,471,159
At 31 December 2014		2,872,060	178,951,014	7,358,082	17,442,521	946,832	23,695,306	179,500	(64,783,213)	166,662,102

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

Note:

- (a) The merger reserve represents the difference between the nominal value of the share capital issued by the Company in exchange for the nominal value of the share capital and share premium of its subsidiaries arising from group reorganisation on 8 September 2005 ("Corporate Reorganisation").
- (b) The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 3(b) to the financial statements.
- (c) This represents the transfer from retained profits to capital reserve as a result of the write off of certain trade payables by 寧波捷豐家居用品有限公司 (JF A.C.R. Equipment Supplies (Ningbo) Co., Ltd.) ("JF Ningbo"), a subsidiary of the Company. Pursuant to the People's Republic of China ("PRC") accounting principles and financial regulations, any gains arising from debt restructuring which represent the difference between the final settlement and the carrying value of the debt concerned are directly reflected in capital reserve and therefore not distributable. Accordingly, a transfer has been made from retained profits to capital reserve. The capital reserve can only be used to increase capital of this subsidiary.
- (d) The general reserve is set up by way of appropriation from the profit after tax in accordance with the relevant laws and regulations in the PRC. The rate of appropriation to the general reserve is subject to the decision of the board of directors of PRC subsidiaries, but the minimum appropriation rate is 10% of the profit after tax for each year, until when the accumulated balance reaches 50% of the registered capital of the subsidiaries. Pursuant to the relevant laws and regulations of the PRC, if approvals are obtained from the relevant government authorities, the general reserve can be used setting off accumulated losses or to increase the capital of the subsidiaries.

附註：

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

CONSOLIDATED STATEMENT OF CASH FLOWS**綜合現金流量報表**

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動的現金流量		
Loss before tax	除稅前虧損	(5,880,125)	(26,107,759)
Adjustments for:	經調整：		
Fair value (gain)/loss on investment property	投資物業公允值(收益)/虧損	(370,000)	1,252,020
Write off of trade and other receivables	撇銷應收貿易賬款及其他 應收款項	744,506	51,115
Write back of trade and other payables	應付貿易賬款及其他應付 款項回撥	(472,607)	–
Gain on disposal of subsidiaries	出售附屬公司收益	–	(193,447)
Depreciation	折舊	3,245,856	3,273,638
Finance costs	融資成本	3,249,116	3,275,136
Interest income	利息收入	(191,209)	(218,947)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(4,479)	–
Write off of property, plant and equipment	撇銷物業、廠房及設備	115,623	986,519
Allowance for inventories	存貨撥備	–	5,579,905
Operating profit/(loss) before working capital changes	營運資金變動前之經營溢利/(虧損)	436,681	(12,101,820)
Decrease in inventories	存貨減少	3,328,441	20,170,952
Increase in trade receivables	應收貿易賬款增加	(3,059,867)	(1,118,772)
(Increase)/decrease in deposits, other receivables and prepayments	按金、其他應收款項及預付款項(增加)/減少	(24,045,644)	13,256,821
(Increase)/decrease in due from related companies	應收關聯公司款項(增加)/減少	(559,098)	261,309
Decrease in trade and bills payables	應付貿易賬款及應付票據減少	(1,563,666)	(20,315,203)
Increase in other payables and accruals	其他應付款項及應計項目增加	2,999,337	3,354,231
Cash (used in)/generated from operations	經營(所用)/產生的現金	(22,463,816)	3,507,518
Income taxes refund received	已收所得稅退稅	–	1,603,528
Income taxes paid	已付所得稅	(1,475,736)	(8,143,233)
Net cash used in operating activities	經營活動所用的現金淨額	(23,939,552)	(3,032,187)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動的現金流量		
Purchase of property, plant and equipment	購買物業、廠房及設備	(4,775,836)	(245,216)
Purchase of investment property	購買投資物業	–	(6,882,020)
Decrease in restricted cash and bank balances	受限制現金及銀行結餘減少	197,256	10,761,746
Disposal of subsidiaries	出售附屬公司	–	(4,463,678)
Deposits paid for acquisition of long term assets	為收購長期資產支付的按金	(8,049,058)	(5,107,362)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	19,073	–
Interest received	已收利息	191,209	218,947
Net cash used in investing activities	投資活動所用的現金淨額	(12,417,356)	(5,717,583)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量報表

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動的現金流量		
Proceeds from placement of shares	配售股份所得款項	149,538,844	-
Proceeds from exercise of warrants	行使認股權證所得款項	-	96,000
Inception of new bank and other borrowings	新借銀行及其他貸款	77,771,749	72,643,050
Repayment of bank and other borrowings	償還銀行及其他貸款	(85,252,852)	(76,109,915)
Interest paid	已付利息	(3,196,100)	(2,598,183)
Net cash generated from/(used in) financing activities	融資活動產生/(所用)的現金淨額	138,861,641	(5,969,048)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值物的淨增加/(減少)	102,504,733	(14,718,818)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外匯匯率變動的影響	(125,086)	1,673,320
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於一月一日的現金及現金等值物	22,924,209	35,969,707
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	於十二月三十一日的現金及現金等值物	125,303,856	22,924,209
ANALYSIS OF CASH AND CASH EQUIVALENTS	現金及現金等值物分析		
Cash and bank balances	現金及銀行結餘	125,303,856	23,389,735
Bank overdrafts	銀行透支	-	(465,526)
		125,303,856	22,924,209

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

1. GENERAL INFORMATION

JF Household Furnishings Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The address of its principal place of business is Rooms 2410-2411, 24/F, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

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

In the opinion of the directors of the Company, Power Ocean Holdings Limited, a company incorporated in the British Virgin Islands, is the immediate parent and Mr. Chau Cheok Wa and Mr. Cheng Ting Kong are the ultimate controlling parties of the Company.

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

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) that are relevant to its operations and effective for its accounting year beginning on 1 January 2014. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations.

1. 一般資料

捷豐家居用品有限公司(「本公司」)根據開曼群島公司法於開曼群島註冊成立為一家獲豁免有限公司，其註冊辦事處地址為 Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands，其主要營業地點位於香港上環干諾道中168-200號信德中心招商局大廈24樓2410至2411室。本公司之股份於香港聯合交易所有限公司(「聯交所」)主板上市。

本公司為投資控股公司。本公司各附屬公司的主要業務載列於財務報表附註32。

本公司董事認為，力海控股有限公司(於英屬維爾京群島註冊成立之公司)為本公司之直接母公司，以及周焯華先生及鄭丁港先生為本公司之最終控股方。

2. 新訂及經修訂香港財務報告準則及規定的採用

於本年度，本集團已採用經香港會計師公會(「香港會計師公會」)頒佈的所有與本集團營運有關，於二零一四年一月一日開始的本會計年度生效之新訂及經修訂香港財務報告準則(「香港財務報告準則」)。香港財務報告準則包括香港財務報告準則(「香港財務報告準則」)、香港會計準則(「香港會計準則」)及詮釋。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS AND REQUIREMENTS (Continued)

(a) Application of new and revised HKFRSs

The following standards have been adopted by the Group for the first time for the financial year beginning 1 January 2014:

Amendment to HKAS 32, Offsetting financial assets and financial liabilities

This amendment clarifies that the right of set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. The amendment did not have a significant effect on the Group's consolidated financial statements.

Amendment to HKAS 36, Recoverable amount disclosures for non-financial assets

The amendments reduce the circumstances in which the recoverable amount of assets or cash-generating units is required to be disclosed, clarify the disclosures required, and introduce an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount based on fair value less costs of disposal is determined using a present value technique. The amendments do not have an impact on these consolidated financial statements as the recoverable amounts of assets or cash-generating units have been determined on the basis of their value in use.

Amendments to HKFRS 2 (Annual Improvements to HKFRSs 2010-2012 Cycle)

This amendment clarifies the definitions of “vesting condition” and “market condition” and adds definitions for “performance condition” and “service condition”. The amendment is applicable prospectively to share-based payment transactions for which the grant date is on or after 1 July 2014 and had no effect on the Group's consolidated financial statements.

2. 新訂及經修訂香港財務報告準則及規定的採用(續)

(a) 新訂及經修訂香港財務報告準則的採用

下列準則已由本集團於二零一四年一月一日起之財政年度首次採用：

香港會計準則第32號「抵銷金融資產及金融負債」之修訂

該修訂澄清對銷的權利不得依賴於未來事件，其亦必須在日常業務過程中以及當出現違約、無力償債或破產時，均可對所有對手方合法強制執行。該修訂亦考慮到結算機制。此修改對本集團綜合財務報表並無重大影響。

香港會計準則第36號「非金融資產之可收回金額披露」之修訂

此修訂闡明了須披露資產或現金產生單位的可收回金額的情況，闡明所需披露，並引入一項明確要求，明確在可收回金額(基於公允價值減出售成本)乃採用現值技術釐定時，披露釐定減值(或撥回)所用的貼現率。該修訂對該等財務報表並無影響，乃由於資產或現金產生單位的可收回金額乃根據其使用價值而釐定。

香港財務報告準則第2號(香港財務報告準則二零一零年—二零一二年週期之年度改進)之修訂

此修訂闡明「歸屬條件」和「市場條件」的定義，並就「業績條件」和「服務條件」增加了定義。該修訂適用於預期以股份為基礎作支付的交易，其授予日為二零一四年七月一日或之後且對本集團的合併財務報表沒有影響。

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財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS AND REQUIREMENTS (Continued)

(a) Application of new and revised HKFRSs (Continued)

Amendments to HKFRS 3 (Annual Improvements to HKFRSs 2010-2012 Cycle)

This amendment, applicable prospectively to business combinations for which the acquisition date is on or after 1 July 2014, requires any contingent consideration that is classified as an asset or a liability (i.e. non-equity) to be measured at fair value at each reporting date with changes in fair value recognised in profit or loss. It had no effect on the Group's consolidated financial statements.

Amendments to HKFRS 13 (Annual Improvements to HKFRSs 2010-2012 Cycle)

This amendment to the standard's basis for conclusions only clarifies that the ability to measure certain short-term receivables and payables on an undiscounted basis is retained.

(b) New and revised HKFRSs in issue but not yet effective

The Group has not early applied new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2014. The directors anticipate that the new and revised HKFRSs will be adopted in the Group's consolidated financial statements when they become effective. The Group is in the process of assessing, where applicable, the potential effect of all new and revised HKFRSs that will be effective in future periods but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

2. 新訂及經修訂香港財務報告準則及規定的採用(續)

(a) 新訂及經修訂香港財務報告準則的採用(續)

香港財務報告準則第3號(香港財務報告準則二零一零年—二零一二年週期之年度改進)之修訂

此修訂可按前瞻基準應用於收購日期為二零一四年七月一日或之後之業務合併，規定任何分類為資產或負債(即非股本)之或然代價須於各報告日期按公允價值計量，而公允價值變動則於損益內確認。有關修訂並未對本集團合併財務報表構成影響。

香港財務報告準則第13號(香港財務報告準則二零一零年—二零一二年週期之年度改進)之修訂

此準則修訂本之結論依據純粹釐清仍可按非貼現基準計量若干短期應收款及應付款之規定。

(b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用已頒佈但尚未於二零一四年一月一日開始之財政年度生效之新增及經修訂香港財務報告準則。董事預期新增及經修訂香港財務報告準則將於生效後於本集團合併財務報表採納。本集團正在評估(倘適用)所有將於未來期間生效之新增及經修訂香港財務報告準則之潛在影響，但尚無法確定此等新增及經修訂香港財務報告準則會否對其經營業績及財務狀況構成重大影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS AND REQUIREMENTS (Continued)

(b) New and revised HKFRSs in issue but not yet effective (Continued)

List of new and revised HKFRSs in issue but not yet effective:

HKFRS 9	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers ²

¹ Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

² Effective for annual periods beginning on or after 1 January 2017, with earlier application permitted.

(c) New Hong Kong Companies Ordinance

The requirements of Part 9 “Accounts and Audit” of the new Hong Kong Companies Ordinance (Cap. 622) come into operation as from the Company’s first financial year commencing on or after 3 March 2014 in accordance with section 358 of that Ordinance. The Group is in the process of making an assessment of expected impact of the changes in the Companies Ordinance on the consolidated financial statements in the period of initial application of Part 9 of the new Hong Kong Companies Ordinance (Cap. 622). So far it has concluded that the impact is unlikely to be significant.

2. 新訂及經修訂香港財務報告準則及規定的採用(續)

(b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則清單：

香港財務報告準則 第9號	金融工具 ¹
香港財務報告準則 第15號	與客戶之間的合同產生的收入 ²

¹ 於二零一八年一月一日或以後開始的年度期間生效，並允許提前應用。

² 於二零一七年一月一日或以後開始的年度期間生效，並允許提前應用。

(c) 新香港公司條例

根據新香港公司條例(第622章)第358條，該條例第9部有關「賬目及審計」之規定於本公司在二零一四年三月三日或之後開始之首個財政年度實施。本集團正評估公司條例變動預期對首次應用新公司條例(第622章)第9部期間合併財務報表構成之影響。就目前所得結論為影響不可能太大。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with all applicable HKFRSs issued by the HKICPA and accounting principles generally accepted in Hong Kong. These consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance, which for this financial year and the comparative period continue to be those of the predecessor Hong Kong Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the new Hong Kong Companies Ordinance (Cap. 622), “Accounts and Audit”, which are set out in sections 76 to 87 of Schedule 11 to that Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

These consolidated financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies below (e.g. investment properties that are measured at fair value). Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The preparation of 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 4.

3. 主要會計政策

該等綜合財務報表是按照香港會計師公會頒佈所有適用的香港財務報告準則和香港公認會計原則的規定編製。本綜合財務報表亦符合香港《公司條例》的適用披露規定(按載列於新的香港《公司條例》(第622章)附表11第76至87條條文內有關第9部「賬目及審計」的過渡性及保留安排的規定,本綜合財務報表於本財政年度及比較期間繼續根據適用的前《公司條例》(第32章)的規定而作出披露)。本財務報表同時符合適用的《聯交所證券上市規則》披露規定。

除下文會計政策(例如按公允值計量之投資物業)另有所指外,本財務報表乃按歷史成本慣例編製。歷史成本一般基於就換取資產而支付之代價的公允值。

編製符合香港財務報告準則的財務報表,須使用若干重要會計估計,亦需要管理層在採用本集團會計政策的過程中行使其判斷。涉及高度判斷或複雜性之範疇或對本綜合財務報表產生重要作用之假設和估計的範疇於附註4披露。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

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

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

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

3. 主要會計政策(續)

編製本財務報表所採用之主要會計政策如下。

(a) 綜合賬目

綜合財務報表包括本公司及其附屬公司截至十二月三十一日止的財務報表。附屬公司為本集團對其擁有控制權之實體。當本集團可以或有權力透過參與該實體而影響回報及有能力透過其權力影響實體之回報即控制該實體。當本集團現有之權力賦予其有能力指揮有關活動(如：對實體回報有重大影響的活動)即本集團對該實體有權力。

當評估控制時，本集團考慮其潛在投票權，以及由其他人士持有的潛在投票權。潛在投票權只有在其持有人有行使這一權利的實際能力時才被考慮。

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Foreign currency translation

(i) Functional and presentation currency

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

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

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

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

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

3. 主要會計政策(續)

(b) 外幣兌換

(i) 功能及呈列貨幣

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

(ii) 各實體財務報表之交易及結餘

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

以公允值計量的外幣非貨幣性項目按照釐定公允值當日的匯率兌換。

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

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Foreign currency translation (Continued)

(iii) Translation on consolidation

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

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at average exchange rates for the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of monetary items that form part of the net investment in foreign entities and of borrowings are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are reclassified to consolidated profit or loss as part of the gain or loss on disposal.

3. 主要會計政策(續)

(b) 外幣兌換(續)

(iii) 綜合賬目的兌換

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

- 各財務狀況表呈列之資產與負債均按該財務狀況表日期之收市匯率兌換；
- 期內收入和支出均按照平均匯率兌換(若此平均匯率未能合理反映各交易日匯率所帶來之累計影響，在此情況下，收入和支出則按照交易日之匯率兌換)；及
- 所有匯兌差額均於其他全面收益內確認，並於外幣匯兌儲備中累計。

在綜合賬目時，兌換構成海外公司投資淨額部分之貨幣項目和借貸產生之匯兌差額於其他全面收益內確認，並於外幣匯兌儲備中累計。當出售海外業務時，此部分匯兌差額將於綜合損益中重新分類為出售盈虧之一部分。

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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

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

Leasehold improvement	2 years
Plant and machinery	10 years
Furniture, fixtures and equipment	2-5 years
Motor vehicles	5 years

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

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

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

3. 主要會計政策(續)

(c) 物業、廠房及設備

本綜合財務狀況表所列之物業、廠房及設備以成本值減其後累計折舊及其後累計減值虧損(如有)列賬。

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

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

租賃裝修	2年
廠房及機械	10年
傢俬、裝置及設備	2-5年
車輛	5年

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

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

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

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Investment property

Investment property are land and/or buildings held to earn rentals and/or for capital appreciation. An investment property is measured initially at its cost including all direct costs attributable to the property.

After initial recognition, the investment property is stated at its fair value. Gains or losses arising from changes in fair value of the investment property are recognised in profit or loss for the period in which they arise.

(e) Operating leases

(i) The Group as lessee

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

(ii) The Group as lessor

Leases that do not substantially transfer to the lessees all the risks and rewards of ownership of assets are accounted for as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

(f) Inventories

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

3. 主要會計政策(續)

(d) 投資物業

投資物業指為賺取租金收入及／或資本增值而持有之土地及／或樓宇。投資物業初步按其成本(包括該物業所有直接成本)計量。

於初步確認後，投資物業乃按公允值列賬。投資物業公允值變動產生之收益或虧損於產生期間在損益內確認。

(e) 經營租賃

(i) 本集團作為承租人

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

(ii) 本集團作為出租人

資產擁有權的所有風險及回報並無絕大部分轉讓予承租人的租賃列作經營租賃。經營租賃的租金收入於相關租賃期內以直線法確認。

(f) 存貨

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

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Recognition and derecognition of financial instruments

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

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

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

(h) Trade and other receivables

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

3. 主要會計政策(續)

(g) 確認及解除確認金融工具

倘本集團成為工具合約條文的一方，則金融資產及金融負債於財務狀況表中確認。

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

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

(h) 應收貿易賬款及其他應收款項

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

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Trade and other receivables (Continued)

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

(i) Cash and cash equivalents

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

(j) Financial liabilities and equity instruments

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

Borrowings

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

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

3. 主要會計政策(續)

(h) 應收貿易賬款及其他應收款項(續)

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

(i) 現金及現金等值物

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

(j) 金融負債及權益工具

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

借貸

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

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

NOTES TO THE FINANCIAL STATEMENTS

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial liabilities and equity instruments

(Continued)

Trade and other payables

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

Equity instruments

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

(k) Revenue recognition

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

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

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

Rental income is recognised on a straight-line basis over the lease term.

3. 主要會計政策(續)

(j) 金融負債及權益工具(續)

應付貿易賬款及其他應付款項

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

權益工具

由本公司發行的權益工具按已收取所得款項扣除直接發行成本入賬。

(k) 收益確認

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

製成品及買賣原材料之銷售收益在擁有權之大部分風險及回報轉移時確認，通常亦即為貨品付運及所有權轉讓予客戶時。

利息收入按時間比例基準使用實際利率法確認。

租金收入於租期內按直線法確認。

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財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(I) Employee benefits

(i) Employee leave entitlements

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

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

(ii) Pension obligations

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

(iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

3. 主要會計政策(續)

(I) 僱員福利

(i) 僱員可享假期

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

僱員可享病假及產假在僱員正式休假時予以確認。

(ii) 退休金責任

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

(iii) 合約終止補償

合約終止補償於以下較早者發生時確認：當本集團無法再撤回該等福利之要約時及當本集團確認重組成本並涉及支付合約終止補償時。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Borrowing costs

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

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

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

(n) Government grants

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

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

3. 主要會計政策(續)

(m) 借貸成本

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

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

所有其他借貸成本值在產生期間於損益內確認。

(n) 政府津貼

政府津貼於有合理保證本集團將遵守有關附帶條件及有關津貼將可獲取時予以確認。

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

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Taxation

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

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

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

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

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

3. 主要會計政策(續)

(o) 稅項

所得稅指本年稅項及遞延稅項之總額。

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

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

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

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

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Taxation (Continued)

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

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax for such investment property are measured based on the expected manner as to how the properties will be recovered.

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

3. 主要會計政策(續)

(o) 稅項(續)

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

遞延稅項資產及負債之計量反映按本集團預期於報告期結束時收回或清償其資產及負債賬面值之方式產生之稅務後果。

就計量按公允價值模式計量之投資物業之遞延稅項而言，假定該等物業之賬面值可透過出售收回，除非假定被駁回則另作別論。惟若該投資物業可予折舊，而本集團之業務目標為隨時間消耗該投資物業所包含之絕大部分經濟利益（而非透過出售）之商業模式持有，此假定則被駁回。如假定被駁回，該等投資物業之遞延稅項按該等物業之預期收回方式計量。

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

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Related parties

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

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

3. 主要會計政策(續)

(p) 關聯人士

關聯人士為與本集團有關聯的人士或實體。

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

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Related parties (Continued)

- (B) An entity is related to the Group if any of the following conditions applies: (Continued)
- (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(q) Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets – except investment property, inventories and receivables of which the impairment policies are set out in notes 3(d), 3(f) and 3(h) respectively –, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

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

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

3. 主要會計政策(續)

(p) 關聯人士(續)

- (B) 倘符合下列任何條件，則該實體與本集團有關聯：(續)
- (vii) (A)(i)內所識別人對實體有重大影響力或屬該實體(或該實體之母公司)之主要管理層人員。

(q) 資產減值

於各報告期結束時，本集團會審閱其有形及無形資產之賬面值(投資物業、存貨及應收款項除外，減值政策分別載於附註3(d)、3(f)及3(h))，以釐定是否有任何情況顯示該等資產已出現減值虧損。倘出現任何該等情況，則會估計資產之可收回金額，以釐定減值虧損之程度。如未能對個別資產之可收回金額作出估計，則本集團會評估該資產所屬現金產生單位之可收回金額。

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

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

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Impairment of assets (Continued)

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

(r) Provisions and contingent liabilities

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

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

(s) Events after the reporting period

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

3. 主要會計政策(續)

(q) 資產減值(續)

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

(r) 撥備及或然負債

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

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

(s) 報告期後事項

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

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

(a) Property, plant and equipment and depreciation

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

The carrying amount of property, plant and equipment as at 31 December 2014 was HK\$14,776,517 (2013: HK\$13,509,207).

(b) Fair values of investment property

The Group appointed an independent professional valuer to assess the fair value of the investment property. In determining the fair values, the valuer has utilised a method of valuation which involves certain estimates. The directors have exercised their judgement and are satisfied that the method of valuation and inputs used are reflective of the current market conditions.

The carrying amount of investment property as at 31 December 2014 was HK\$6,000,000 (2013: HK\$5,630,000).

4. 估計不明朗因素之主要來源

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

(a) 物業、廠房及設備及折舊

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

於二零一四年十二月三十一日，物業、廠房及設備之賬面值為14,776,517港元(二零一三年：13,509,207港元)。

(b) 投資物業公允值

本集團已委派一名獨立專業估值師對投資物業之公允值進行評估。於釐定公允值時，估值師採用涉及若干估計之估值方法。董事已行使其判斷，並相信該估值方法及所用輸入數據能反映當前之市況。

於二零一四年十二月三十一日，投資物業之賬面值為6,000,000港元(二零一三年：5,630,000港元)。

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

(c) Impairment loss for bad and doubtful debts

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

As at 31 December 2014, there was no allowance on impairment loss for bad and doubtful debts (2013: HK\$Nil).

(d) Allowance for slow-moving inventories

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

As at 31 December 2014, allowance for slow-moving inventories amounted to approximately HK\$4,366,000 (2013: approximately HK\$4,405,000).

5. FINANCIAL RISK MANAGEMENT

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

4. 估計不明朗因素之主要來源(續)

(c) 壞賬及呆賬減值虧損

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

於二零一四年十二月三十一日，概無壞賬及呆賬減值虧損之撥備(二零一三年：零港元)。

(d) 滯銷存貨撥備

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

於二零一四年十二月三十一日，滯銷存貨撥備額約4,366,000港元(二零一三年：約4,405,000港元)。

5. 財務風險管理

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

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (Continued)

(a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in HKD, United States dollars (“USD”) and Renminbi (“RMB”). The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

At 31 December 2014, if the USD had weakened 5 per cent against the RMB with all other variables held constant, consolidated loss after tax for the year would have been approximately HK\$Nil (2013: HK\$671,000) higher, arising mainly as a result of the net foreign exchange loss on cash and bank balances and receivables denominated in USD. If the USD had strengthened 5 per cent against the RMB with all other variables held constant, consolidated loss after tax for the year would have been approximately HK\$Nil (2013: HK\$671,000) lower, arising mainly as a result of the net foreign exchange gain on cash and bank balances and receivables denominated in USD.

At 31 December 2014, if the HKD had weakened 5 per cent against RMB with all other variables held constant, consolidated loss after tax for the year would have been approximately HK\$431,000 (2013: HK\$Nil) higher, arising mainly as a result of the foreign exchange loss on cash and bank balances denominated in HKD. If the HKD had strengthened 5 per cent against RMB with all other variables held constant, consolidated loss after tax for the year would have been approximately HK\$431,000 (2013: HK\$Nil) lower, arising mainly as a result of the foreign exchange gain on cash and bank balances denominated in HKD.

5. 財務風險管理(續)

(a) 外匯風險

由於本集團之大部分業務交易、資產及負債主要以港元、美元(「美元」)及人民幣(「人民幣」)計值，故需承受極低外匯風險。目前，本集團並無對外匯交易、資產及負債採取外匯對沖政策。本集團將緊密監察其外匯風險，並將考慮於需要時對沖重大外匯風險。

於二零一四年十二月三十一日，若美元兌人民幣匯率下跌5%，其他所有變數維持不變，年內綜合除稅後虧損將增加約零港元(二零一三年：671,000港元)，主要由於以美元計值之現金及銀行結餘及應收款項之淨匯兌虧損。若美元兌人民幣匯率上升5%，其他所有變數維持不變，年內綜合除稅後虧損將減少約零港元(二零一三年：671,000港元)，主要由於以美元計值之現金及銀行結餘、應收款項之淨匯兌收益。

於二零一四年十二月三十一日，若港元兌人民幣匯率下跌5%，而其他所有變數維持不變，年內綜合除稅後虧損將增加約431,000港元(二零一三年：零港元)，主要由於以港元計值之現金及銀行結餘之匯兌虧損。若港元兌人民幣匯率上升5%，而其他所有變數維持不變，年內綜合除稅後虧損將減少約431,000港元(二零一三年：零港元)，主要由於以港元計值之現金及銀行結餘之匯兌收益。

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

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

It has policies in place to ensure that sales are made to customers with an appropriate credit history. Amounts due from related companies are closely monitored by the directors.

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

The Group has significant concentration of credit risk to its trade receivables as the Group's largest customer contributed over 97% (2013: 99%) of the turnover for the year and shared over 91% (2013: 99%) of the trade receivables at the end of the reporting period. The Group has policies and procedures to monitor the collection of the trade receivables to limit the exposure to non-recoverable of the receivables and there is no recent history of default for the Group's largest customer.

The directors review the recoverable amount of each individual other receivables regularly to ensure that adequate impairment losses are recognised for irrecoverable other receivables. In this regard, the directors consider that the Group's credit risk is significantly reduced.

(c) Liquidity risk

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

5. 財務風險管理(續)

(b) 信用風險

本集團載於財務狀況表內的現金及銀行結餘、應收貿易賬款及其他應收款項以及應收關聯公司款項的賬面值代表本集團所承載與其金融資產有關的最大信用風險。

本集團定有政策，確保向擁有適當信用歷史的客戶進行銷售。董事密切監察應收關聯公司款項。

現金及銀行結餘的信用風險有限，原因為對方主要為國際信貸評級機構給予高信用評級的銀行。

本集團應收貿易賬款的信用風險高度集中，原因是本集團的最大客戶於年內佔營業額逾97%(二零一三年：99%)及於報告期結束時佔應收貿易賬款逾91%(二零一三年：99%)。本集團已設定政策及程序監察應收貿易賬款之追收，以限制就應收款項不可收回部分的風險。近期，本集團最大客戶並無違約之情況出現。

董事定時審核各個別其他應收款項之可收回金額，確保就不可收回之其他應收款項確認足夠之減值虧損。就此而言，董事認為本集團之信貸風險已大幅減少。

(c) 流動資金風險

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

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

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

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

5. 財務風險管理(續)

(c) 流動資金風險(續)

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

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

2014
二零一四年
Maturity Analysis – Undiscounted cash outflows
到期日分析 – 未折算現金流出

			More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total undiscounted cash outflows
	On demand	Within 1 year	2 years	5 years	5 years	cash outflows
	按要求	一年以內	一年以上但 少於兩年	兩年以上但 少於五年	五年以上	未折算 現金流出總值
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元
Trade and bills payables	應付貿易賬款及應付票據	-	12,541,528	-	-	12,541,528
Other payables and accruals	其他應付款項及應計項目	-	27,413,114	-	-	27,413,114
Bank borrowings subject to a repayment on demand clause	帶有按要求償還條款的 銀行借貸	3,243,618	-	-	-	3,243,618
Other bank borrowings	其他銀行借貸	-	35,056,847	-	-	35,056,847
		3,243,618	75,011,489	-	-	78,255,107

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (Continued)**(c) Liquidity risk (Continued)****5. 財務風險管理(續)****(c) 流動資金風險(續)**

		2013 二零一三年					
		Maturity Analysis – Undiscounted cash outflows 到期日分析 – 未折算現金流出					
		On demand	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total undiscounted cash outflows 未折算 現金流出總值
		按要求	一年以內	一年以上但 少於兩年	兩年以上但 少於五年	五年以上	現金流出總值
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
Trade and bills payables	應付貿易賬款及應付票據	-	14,165,255	-	-	-	14,165,255
Other payables and accruals	其他應付款項及應計項目	-	34,611,626	-	-	-	34,611,626
Bank borrowings subject to a repayment on demand clause	帶有按要求償還條款的 銀行借貸	5,862,483	-	-	-	-	5,862,483
Other bank borrowings	其他銀行借貸	-	31,011,646	-	-	-	31,011,646
		5,862,483	79,788,527	-	-	-	85,651,010

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

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

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5. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

5. 財務風險管理(續)

(c) 流動資金風險(續)

Maturity Analysis – Bank borrowings subject to a repayment on demand clause
based on scheduled repayments

到期日分析—根據協定還款日期而償還的帶有按要求償還條款的銀行借款

		On demand	Within 1 year	More than	More than	More than	Total
				1 year	2 years		
				but less than	but less than	5 years	undiscounted
				2 years	5 years		cash outflows
				一年以上但	兩年以上但		未折算
				少於兩年	少於五年		現金流出總值
		按要求	一年以內			五年以上	現金流出總值
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
31 December 2014	二零一四年十二月三十一日	-	3,284,364	-	-	-	3,284,364
31 December 2013	二零一三年十二月三十一日	465,526	5,446,862	-	-	-	5,912,388

(d) Interest rate risk

The Group's exposure to interest rate risk arises from its bank deposits, bank borrowings and other payables that are interest bearing.

The Group's bank deposits bear interests at variable rates varied with the then prevailing market condition.

The Group's bank borrowings and other payables of approximately HK\$33,718,000 (2013: HK\$29,798,000) and approximately HK\$13,050,000 (2013: HK\$21,893,000) respectively bear interests at fixed interest rates and therefore are subject to fair value interest rates risks. Other bank borrowings are arranged at variable rates, thus exposing the Group to cash flow interest rate risk.

(d) 利率風險

本集團之現金流量利率風險來自其銀行存款、銀行借貸及其他計息應付款項。

本集團之銀行存款跟隨當時之市場狀況按不同利率計息。

本集團之銀行借貸及其他應付款項分別約為33,718,000港元(二零一三年: 29,798,000港元)及約13,050,000港元(二零一三年: 21,893,000港元)以固定息率計息,故本集團乃面臨公允值利率風險。其他銀行借貸乃按浮動息率計息,故本集團須承受現金流量利率風險。

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財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (Continued)

(d) Interest rate risk (Continued)

At 31 December 2014, if interest rates had been 100 basis points lower with all other variables held constant, consolidated loss after tax for the year would have been approximately HK\$95,000 (2013: HK\$124,000) higher, arising mainly as a result of the net effect of lower interest expense on bank borrowings and lower interest income on bank deposits. If interest rates had been 100 basis points higher, with all other variables held constant, consolidated loss after tax for the year would have been approximately HK\$95,000 (2013: HK\$124,000) lower, arising mainly as a result of the net effect of higher interest expense on bank borrowings and higher interest income on bank deposits.

(e) Categories of financial instruments at 31 December

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Financial assets:	金融資產：		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等值物)	186,037,485	53,388,463
Financial liabilities:	金融負債：		
Financial liabilities at amortised cost	按攤銷成本計量之金融負債	76,459,653	83,657,380

(f) Fair values

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

5. 財務風險管理(續)

(d) 利率風險(續)

於二零一四年十二月三十一日，倘利率下降100個基點，其他所有變數保持不變，年內綜合除稅後虧損將增加約95,000港元(二零一三年：124,000港元)，主要由於銀行借貸利息開支減少及銀行存款的利息收入減少之淨影響。倘利率上升100個基點，其他所有變數保持不變，年內綜合除稅後虧損將減少約95,000港元(二零一三年：124,000港元)，主要由於銀行借貸利息開支增加及銀行存款的利息收入增加之淨影響。

(e) 於十二月三十一日之金融工具分類

(f) 公允值

本集團計入綜合財務狀況表的金融資產及金融負債之賬面值與其各自的公允值相若。

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

(a) Disclosure of level in fair value hierarchy at 31 December 2014:

6. 公允價值計量

公允價值為市場參與者於計量日期進行之有序交易中出售資產所收取或轉讓負債所支付之價格。以下公允價值計量披露使用的公允價值層級將用於計量公允價值的估值技術之參數分為三個層級：

第一層級參數：本公司可於計量日期得出相同資產或負債之活躍市場報價（未經調整）。

第二層級參數：第一層級所包括之報價以外之直接或間接的資產或負債可觀察參數。

第三層級參數：資產或負債之不可觀察參數。

本集團的政策乃於導致該轉移之事件或狀況出現變動當日確認自三個層級中的任何一個層級的轉入及轉出。

(a) 於二零一四年十二月三十一日的公允價值層級水平披露：

Description	項目	Fair value measurements using:	
		2014	2013
		Level 3	
		公允價值計量採用的層級：	
		第三層級	
		二零一四年	二零一三年
		HK\$	HK\$
		港元	港元
Recurring fair value measurements:	經常性公允價值計量：		
Investment property	投資物業		
Residential unit – Hong Kong	住宅單位 – 香港	6,000,000	5,630,000

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6. FAIR VALUE MEASUREMENTS (Continued)

(b) Reconciliation of assets measured at fair value based on level 3:

Description	項目	Investment property 投資物業	
		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
At 1 January	於一月一日	5,630,000	–
Purchases	購買	–	6,882,020
Total gain/(losses) recognised in profit or loss (#)	於損益內確認的 收益/(虧損)總額(#)	370,000	(1,252,020)
At 31 December	於十二月三十一日	6,000,000	5,630,000
(#) Include gain/(losses) for assets held at end of reporting period	(#)包括於報告期結束時所持資產的 收益/(虧損)	370,000	(1,252,000)

The total gains or losses recognised in profit or loss including those for assets held at end of reporting period are presented in other income (2013: other operating expenses) in the statement of profit or loss.

於報告期結束時在損益中確認的收益或虧損總額(包括所持資產的虧損)乃於損益表內的其他收入(二零一三年:其他經營開支)開支呈列。

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2014:

The Group's financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The financial controller reports directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the financial controller and the Board of Directors at least twice a year.

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

(c) 於二零一四年十二月三十一日本集團所採用的估值程序及公允值計量所採用的估值技術及參數的披露:

本集團的財務總監負責就財務報告進行所需的資產及負債之公允值計量(包括第三層級公允值計量)。財務總監就此等公允值計量直接向董事會匯報。財務總監與董事會每年至少兩次討論估值程序及有關結果。

就第三層級公允值計量而言,本集團將通常聘請具備獲認可專業資格及最近進行估值經驗之外部估值專家。

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FAIR VALUE MEASUREMENTS (Continued)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2014: (Continued)

Key unobservable inputs used in level 3 fair value measurements are mainly:

- Inflation (estimated based on private domestic price indices by class published by Rating and Valuation Department of the Government of the Hong Kong Special Administrative Region)
- Floor level difference (estimated based on actual data)
- Size difference (estimated based on actual data)

Level 3 fair value measurements

Description	Valuation technique	Unobservable inputs	Range	Effect on fair value for increase of inputs	Fair value	
					2014	2013
項目	估值技術	不可觀察參數	範圍	對公允值的影響	二零一四年	二零一三年
					HK\$	HK\$
					港元	港元
Investment property – Residential unit located in Hong Kong	Market comparable approach	Inflation	6.54% (2013: 0.26% – 8.56%)	Increase	6,000,000	5,630,000
投資物業—位於香港之住宅單位	市場比較法	通脹		增加		
		Floor difference	-6.5% to 5% (2013: 1.00% – 3.50%)	Increase		
		樓層差異		增加		
		Size difference	0.08% to 4.09% (2013: 0.00% – 4.09%)	Increase		
		面積差異		增加		

During the two years, there were no changes in the valuation techniques used.

6. 公允值計量(續)

(c) 於二零一四年十二月三十一日本集團所採用的估值程序及公允值計量所採用的估值技術及參數的披露:(續)

第三層級公允值計量所採用的主要不可觀察參數主要是:

- 通脹(基於香港特別行政區政府差餉物業估價署發佈的私人住宅各類單位售價指數之估計)
- 樓層差異(基於實際數據之估計)
- 大小差異(基於實際數據之估計)

第三層級公允值計量

Description	Valuation technique	Unobservable inputs	Range	Effect on fair value for increase of inputs	Fair value	
					2014	2013
項目	估值技術	不可觀察參數	範圍	對公允值的影響	二零一四年	二零一三年
					HK\$	HK\$
					港元	港元
Investment property – Residential unit located in Hong Kong	Market comparable approach	Inflation	6.54% (2013: 0.26% – 8.56%)	Increase	6,000,000	5,630,000
投資物業—位於香港之住宅單位	市場比較法	通脹		增加		
		Floor difference	-6.5% to 5% (2013: 1.00% – 3.50%)	Increase		
		樓層差異		增加		
		Size difference	0.08% to 4.09% (2013: 0.00% – 4.09%)	Increase		
		面積差異		增加		

於兩個年度內，本集團所採用之估值技術並無改變。

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7. REVENUE

The Group's revenue which represented sales of goods to customers and rental income from investment property are as follows:

7. 收益

本集團收益(指向客戶作出之貨品銷售及來自投資物業之租金收入)如下:

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Sales of goods	貨品銷售	170,177,714	159,425,829
Rental income from investment property	投資物業之租金收入	195,600	42,380
		170,373,314	159,468,209

8. OTHER INCOME

8. 其他收入

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Government grants	政府津貼	6,312	144,606
Interest income on bank deposits	銀行存款利息收入	191,209	218,947
Fair value gain on investment property	投資物業公允值收益	370,000	-
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	4,479	-
Gain on disposal of subsidiaries	出售附屬公司之收益	-	193,447
Write back of trade and other payables	應付貿易賬款及其他應付款項回撥	472,607	-
Rental income from lease of machinery	出租機械租金收入	747,822	746,124
Others	其他	28,730	86,615
		1,821,159	1,389,739

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9. SEGMENT INFORMATION

The Group has two reportable segments as follows:

Stainless steel – manufacture and sale of stainless steel
furnishings furnishings and home products

Property – rental income from investment property
investment

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

The Group's other operating segments include trading of raw materials. None of these segments meet any of the quantitative thresholds for determining reportable segments. The information of these other operating segments is included in the "Others" column.

The accounting policies of the operating segments are the same as those described in note 3 to the financial statements. Segment profit or loss does not include gain on disposal of subsidiaries, unallocated finance cost and unallocated corporate income and expenses. Segment assets do not include unallocated corporate assets.

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

9. 分部資料

本集團之兩個可申報分部如下：

不銹鋼傢俱 – 製造及銷售不銹鋼傢俱及家
居用品

物業投資 – 投資物業之租金收入

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

本集團其他經營分部包括原材料買賣。該等分部均未符合任何界定為須予呈報分部之定量下限。該等其他經營分部之資料已計入「其他」欄目內。

經營分部之會計政策與財務報表附註3所述者相同。分部損益並不包括出售附屬公司收益、未分配融資成本以及未分配企業收入及開支。分部資產並不包括未分配企業資產。

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

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9. SEGMENT INFORMATION (Continued)

Information about reportable segment revenue, profit or loss and assets:

9. 分部資料(續)

有關可申報分部收益、損益及資產之資料：

		Stainless steel furnishings 不銹鋼傢俱 HK\$ 港元	Property investment 物業投資 HK\$ 港元	Others 其他 HK\$ 港元	Total 總計 HK\$ 港元
Year ended 31 December 2014	截至二零一四年 十二月三十一日 止年度				
Revenue from external customers	來自外部客戶之收益	167,907,672	195,600	2,270,042	170,373,314
Intersegment revenue	分部間收益	-	-	-	-
Segment profit	分部溢利	1,921,980	527,558	68,941	2,518,479
Interest revenue	利息收益	163,737	-	-	163,737
Interest expense	利息開支	(2,157,344)	-	-	(2,157,344)
Depreciation	折舊	(3,242,906)	-	-	(3,242,906)
Income tax expense	所得稅開支	(2,186,844)	(14,498)	-	(2,201,342)
Additions to segment non-current assets	添置分部非流動資產	4,769,836	-	-	4,769,836
Other material non-cash item: – Fair value gain on investment property	其他重大非現金項目： – 投資物業公允價值 收益	-	370,000	-	370,000
As at 31 December 2014	於二零一四年 十二月三十一日				
Segment assets	分部資產	78,613,481	6,017,688	-	84,631,169

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9. SEGMENT INFORMATION (Continued)

Information about reportable segment revenue, profit or loss and assets: (Continued)

9. 分部資料(續)

有關可申報分部收益、損益及資產之資料：
(續)

		Stainless steel furnishings 不銹鋼傢俱 HK\$ 港元	Property investment 物業投資 HK\$ 港元	Total 總計 HK\$ 港元
Year ended 31 December 2013	截至二零一三年 十二月三十一日止年度			
Revenue from external customers	來自外部客戶之收益	159,425,829	42,380	159,468,209
Intersegment revenue	分部間收益	–	–	–
Segment loss	分部虧損	(11,848,488)	(1,214,128)	(13,062,616)
Interest revenue	利息收益	214,733	–	214,733
Interest expense	利息開支	(2,256,145)	–	(2,256,145)
Depreciation	折舊	(2,987,302)	–	(2,987,302)
Income tax expense	所得稅開支	(915,684)	–	(915,684)
Additions to segment non-current assets	添置分部非流動資產	245,216	–	245,216
Other material non-cash items:	其他重大非現金項目：			
– Allowance for inventories	– 存貨撥備	(5,579,905)	–	(5,579,905)
– Fair value loss on investment property	– 投資物業公允值虧損	–	(1,252,020)	(1,252,020)
As at 31 December 2013	於二零一三年 十二月三十一日			
Segment assets	分部資產	93,542,044	5,637,838	99,179,882

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

9. SEGMENT INFORMATION (Continued)**9. 分部資料**(續)**Reconciliations of segment revenue and profit or loss:****分部收益及損益之對賬：**

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Revenue			
Total revenue of reportable segments	可申報分部之總收益	170,373,314	159,468,209
Elimination of intersegment revenue	抵銷分部間收益	-	-
Consolidated revenue	綜合收益	170,373,314	159,468,209
Profit or loss			
Total profit/(loss) of reportable segments	可申報分部之總溢利/(虧損)	2,518,479	(13,062,616)
Gain on disposal of subsidiaries	出售附屬公司收益	-	193,447
Unallocated finance costs	未分配融資成本	(1,091,772)	(1,018,991)
Unallocated corporate income	未分配企業收入	45,488	29,710
Unallocated corporate expenses	未分配企業開支	(9,553,662)	(13,164,993)
Consolidated loss for the year	年內綜合虧損	(8,081,467)	(27,023,443)
Reconciliations of segment assets:			
分部資產對賬：			
Assets			
Total assets of reportable segments	可申報分部之總資產	84,631,169	99,179,882
Unallocated corporate assets	未分配企業資產	161,721,930	12,178,322
Consolidated total assets	綜合總資產	246,353,099	111,358,204

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

9. SEGMENT INFORMATION (Continued)

Geographical information:

The Group's revenues from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

		Revenue		Non-current assets	
		2014	2013	2014	2013
		二零一四年	二零一三年	二零一四年	二零一三年
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
Hong Kong	香港	148,162,317	136,227,476	6,003,875	5,630,000
PRC excluding Hong Kong	中國 (不包括香港)	22,210,997	23,240,733	27,929,062	18,616,569
Consolidated total	合計	170,373,314	159,468,209	33,932,937	24,246,569

Revenue from major customer:

來自主要客戶之收益：

		2014	2013
		二零一四年	二零一三年
		HK\$	HK\$
		港元	港元
Stainless steel furnishings segment	不銹鋼傢俱分部		
Customer A	客戶A	165,280,582	157,512,793

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10. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

The emoluments of each director were as follows:

For the year ended 31 December 2014

10. 董事酬金及五位最高薪酬人士

董事之酬金如下：

截至二零一四年十二月三十一日止年度

Name of director 董事姓名	Fees 袍金 HK\$ 港元	Salaries, allowances and benefits in kind 薪金、津貼及 實物利益 HK\$ 港元	Discretionary bonus 酌情花紅 HK\$ 港元	Retirement benefit scheme contributions 退休福利 計劃供款 HK\$ 港元	Total 總額 HK\$ 港元
Executive directors		執行董事			
Mr. Cheng Ting Kong	-	90,000	-	4,500	94,500
Ms. Yeung So Lai	-	120,000	-	6,000	126,000
Mr. Leung Kwok Yin	-	216,000	134,000	16,400	366,400
Mr. Leung Ming Ho	-	120,000	-	6,000	126,000
Independent non-executive directors		獨立非執行董事			
Mr. Tse Ting Kwan	120,000	-	-	-	120,000
Mr. Fung Tze Wa	120,000	-	-	-	120,000
Mr. Ting Wong Kacee	120,000	-	-	-	120,000
Total		總額			
	360,000	546,000	134,000	32,900	1,072,900

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

10. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

For the year ended 31 December 2013

Name of director 董事姓名	Fees 袍金	Salaries, allowances and benefits in kind 薪金、津貼及實 物利益	Discretionary bonuses 酌情花紅	Retirement benefits scheme contributions 退休福利 計劃供款	Total emoluments 總額
		HK\$ 港元	HK\$ 港元	HK\$ 港元	
Executive directors 執行董事					
Mr. Cheng Ting Kong 鄭丁港先生	-	800,000	22,356	12,500	834,856
Ms. Yeung So Lai 楊素麗女士	-	120,000	-	6,000	126,000
Mr. Leung Kwok Yin 梁國賢先生	-	216,000	134,000	15,000	365,000
Mr. Lui Man Wah (Note) 呂文華先生 (附註)	-	337,935	70,959	8,197	417,091
Mr. Leung Ming Ho 梁銘浩先生	-	120,000	-	6,000	126,000
Independent non-executive directors 獨立非執行董事					
Mr. Tse Ting Kwan 謝庭均先生	120,000	-	-	-	120,000
Mr. Fung Tze Wa 馮子華先生	120,000	-	-	-	120,000
Mr. Ting Wong Kacee 丁煌先生	120,000	-	-	-	120,000
Total 總額	360,000	1,593,935	227,315	47,697	2,228,947

Note: Resigned on 8 July 2013.

附註：於二零一三年七月八日辭任。

Neither the chief executive nor any of the directors waived any emoluments during the year (2013: HK\$Nil).

年內，概無高級行政人員或任何董事放棄任何酬金(二零一三年：零港元)。

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財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

10. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

The five highest paid individuals in the Group during the year included one (2013: one) director whose emoluments are reflected in the analysis presented above. The emoluments of the remaining four (2013: four) individuals are set out below:

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物利益	2,929,200	2,904,000
Discretionary bonuses	酌情花紅	63,000	40,000
Retirement benefits scheme contributions	退休福利計劃供款	50,250	45,000
		3,042,450	2,989,000

The emoluments fell within the following band:

		Number of individuals 人數	
		2014 二零一四年	2013 二零一三年
Nil to HK\$1,000,000	零港元至1,000,000港元	3	3
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	1

During the year, no emoluments were paid by the Group to any of the directors or the highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2013: HK\$Nil).

10. 董事酬金及五位最高薪酬人士(續)

本集團於本年度的五位最高薪酬人士包括一位(二零一三年：一位)董事，其酬金反映於上文所呈列分析。其餘四位(二零一三年：四位)最高薪酬人士的酬金載列如下：

酬金介乎下列範圍之間：

年內，本集團概無向任何董事或五位最高薪酬人士支付酬金作為加入本集團或加入本集團後的獎賞或作為離職補償(二零一三年：零港元)。

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

11. FINANCE COSTS**11. 融資成本**

		2014	2013
		二零一四年	二零一三年
		HK\$	HK\$
		港元	港元
Interest on bank borrowings and overdrafts	銀行借款及透支利息		
– Wholly repayable within five years	– 於五年內悉數償還	2,478,514	2,599,551
Interest on other borrowings	其他借款利息		
– Wholly repayable within five years	– 於五年內悉數償還	770,602	675,585
		3,249,116	3,275,136

12. INCOME TAX EXPENSE**12. 所得稅開支**

(a) Income tax has been recognised in profit or loss as follows:

(a) 所得稅已於損益內確認如下：

		2014	2013
		二零一四年	二零一三年
		HK\$	HK\$
		港元	港元
Current tax – PRC Enterprise Income Tax	即期稅項 – 中國企業所得稅		
Provision for the year	本年度撥備	1,494,839	915,684
Under-provision in prior years	過往年度撥備不足	692,005	–
		2,186,844	915,684
Current tax – Hong Kong Profits Tax	即期稅項 – 香港利得稅	14,498	–
		2,201,342	915,684

Hong Kong Profits Tax has been provided at 16.5% (2013: 16.5%) on the estimated assessable profits for the year.

年內香港利得稅乃按估計應課稅溢利稅率16.5%(二零一三年：16.5%)作出撥備。

PRC Enterprise Income Tax has been provided at a rate of 25% (2013: 25%), except for 寧波捷豐金屬製品有限公司 (Ningbo JF Metal Products Co., Ltd.) (“JF Metal”), a subsidiary of the Company, which was recognised as a small and thin profit enterprise during the year under relevant enterprise income tax rules and regulations and is subject to preferential enterprise income tax rate at 20%.

中國企業所得稅按稅率25%(二零一三年：25%)作出撥備，惟本公司附屬公司寧波捷豐金屬製品有限公司(「捷豐金屬」)則除外，其於年內獲確認為相關企業所得稅規則及法規下之小型微利企業，享有優惠企業所得稅稅率20%。

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For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

12. INCOME TAX EXPENSE (Continued)

(a) (Continued)

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

(b) The reconciliation between the income tax expense and the product of loss before tax multiplied by the PRC Enterprise Income Tax rate is as follows:

12. 所得稅開支(續)

(a) (續)

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

(b) 所得稅開支與除稅前虧損乘中國企業所得稅稅率之乘積對賬如下：

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Loss before tax	除稅前虧損	(5,880,125)	(26,107,759)
Tax at the PRC Enterprise Income Tax rate of 25%	按中國企業所得稅稅率25%計稅	(1,470,031)	(6,526,940)
Tax effect of income that is not taxable	毋須課稅收入的稅務影響	(105,930)	(55,431)
Tax effect of expenses that are not deductible	不可扣稅開支的稅務影響	2,189,399	6,640,970
Tax effect of income tax on concession	所得稅優惠的稅務影響	(9,042)	(133,732)
Tax effect of unrecognised tax losses	未確認稅項虧損的稅務影響	-	3,820
Effect of different tax rates of subsidiaries	附屬公司不同稅率的影響	918,833	1,360,647
Under-provision in prior years	過往年度撥備不足	692,005	-
Tax effect of utilisation of tax losses not previously recognised	動用此前未確認稅項虧損的稅務影響	(3,820)	(363,578)
Tax effect of temporary differences not recognised	未確認暫時差額的稅務影響	(10,072)	(10,072)
Income tax expense	所得稅開支	2,201,342	915,684

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13. LOSS FOR THE YEAR

The Group's loss for the year is stated after charging the following:

13. 年內虧損

本集團之年內虧損乃經扣除下列各項列賬：

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Auditor's remuneration	核數師之酬金	630,000	580,000
Cost of inventories sold	已出售存貨成本	153,926,526	152,585,516
Depreciation	折舊	3,245,856	3,273,638
Fair value loss on investment property	投資物業公允值虧損	-	1,252,020
Write off of property, plant and equipment	撇銷物業、廠房及設備	115,623	986,519
Write off of trade and other receivables	撇銷應收貿易賬款及其他應收款項	744,506	51,115
Allowance for inventories (included in other operating expenses)	存貨撥備(包括於其他經營開支中)	-	5,579,905
Direct operating expenses of investment property that generate rental income	產生租金收入之投資物業之直接經營開支	21,144	4,488
Staff costs (including directors' emoluments (note 10))	員工成本(包括董事酬金(附註10))		
Fees	袍金	360,000	360,000
Basic salaries, bonuses, allowances and benefits in kind	基本薪金、花紅、津貼及實物利益	26,097,476	24,955,018
Retirement benefits scheme contributions	退休福利計劃供款	2,156,486	2,085,124
Operating lease charges – buildings	經營租約費用 – 建築物	4,073,805	4,740,748
Net exchange losses	淨匯兌虧損	221,736	1,750,099

Cost of inventories sold includes staff costs and depreciation of approximately HK\$21,598,000 (2013: HK\$18,905,000) which are included in the amounts disclosed separately above.

Note:

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The Group's contributions to the MPF Scheme are calculated at 5% of the salaries and wages subject to a monthly maximum amount of contribution of HK\$1,500 (before 1 June 2014: HK\$1,250) per employee and vest fully with employees when contributed into the MPF Scheme.

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

已出售存貨成本包括員工成本及折舊約21,598,000港元(二零一三年: 18,905,000港元), 已計入上述分別披露之款項內。

附註:

本集團已根據香港《強制性公積金計劃條例》的規定, 為其全體香港合資格僱員設立強制性公積金計劃(「強積金計劃」)。本集團向強積金計劃之供款乃以薪金的5%計算及公款上限金額為每月每名僱員1,500港元(二零一四年六月一日之前: 1,250港元), 供款一旦注入強積金計劃, 即悉數歸屬僱員。

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

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14. DIVIDEND

No dividend has been paid or declared by the Company during the year (2013: HK\$Nil).

14. 股息

於本年度，本公司並無支付或宣派股息(二零一三年：零港元)。

15. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the following:

15. 每股虧損

每股基本及攤薄虧損乃根據下列各項計算：

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Loss	虧損		
Loss for the purpose of calculating basic and diluted loss per share	計算每股基本及攤薄虧損的虧損	(8,081,467)	(27,023,443)
		2014 二零一四年	2013 二零一三年
Number of shares	股份數目		
Issued ordinary shares at 1 January	於一月一日已發行的普通股	239,339,000	239,289,000
Shares issued on placement	於配售時發行的股份	44,457,296	–
Effect of exercise of warrants	行使認股權證的影響	–	47,671
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	計算每股基本及攤薄虧損之普通股加權平均數	283,796,296	239,336,671

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16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

Cost	成本	Leasehold improvement	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
		租賃裝修 HK\$ 港元	廠房及機械 HK\$ 港元	傢俱、裝置及設備 HK\$ 港元	車輛 HK\$ 港元	總額 HK\$ 港元
At 1 January 2013	於二零一三年一月一日	1,268,110	29,988,293	3,404,382	1,493,208	36,153,993
Additions	添置	-	195,918	49,298	-	245,216
Written off	攤銷	(1,268,110)	-	(331,123)	(56,684)	(1,655,917)
Exchange differences	匯兌差額	-	850,564	87,262	41,518	979,344
At 31 December 2013 and 1 January 2014	於二零一三年十二月三十一日及 於二零一四年一月一日	-	31,034,775	3,209,819	1,478,042	35,722,636
Additions	添置	6,000	4,057,566	576,325	135,945	4,775,836
Disposal	出售	-	(13,509)	-	(103,048)	(116,557)
Written off	撤銷	-	(350,680)	(459,899)	-	(810,579)
Exchange differences	匯兌差額	-	(279,908)	(30,107)	(12,927)	(322,942)
At 31 December 2014	於二零一四年十二月三十一日	6,000	34,448,244	3,296,138	1,498,012	39,248,394
Accumulated depreciation	累計折舊					
At 1 January 2013	於二零一三年一月一日	245,572	15,134,679	2,946,159	707,755	19,034,165
Charge for the year	年內折舊	245,572	2,710,204	96,086	221,776	3,273,638
Written off	攤銷	(491,144)	-	(121,570)	(56,684)	(669,398)
Exchange differences	匯兌差額	-	470,340	82,068	22,616	575,024
At 31 December 2013 and 1 January 2014	於二零一三年十二月三十一日及 於二零一四年一月一日	-	18,315,223	3,002,743	895,463	22,213,429
Charge for the year	年內折舊	2,125	2,781,518	225,658	236,555	3,245,856
Disposal	出售	-	(9,221)	-	(92,742)	(101,963)
Written off	撤銷	-	(281,046)	(413,910)	-	(694,956)
Exchange differences	匯兌差額	-	(155,954)	(27,204)	(7,331)	(190,489)
At 31 December 2014	於二零一四年十二月三十一日	2,125	20,650,520	2,787,287	1,031,945	24,471,877
Carrying amount	賬面值					
At 31 December 2014	於二零一四年十二月三十一日	3,875	13,797,724	508,851	466,067	14,776,517
At 31 December 2013	於二零一三年十二月三十一日	-	12,719,552	207,076	582,579	13,509,207

It is the Group's policy to lease out certain plant and machinery under operating leases. The average lease term is 1 year. All leases are on a fixed rental basis and do not include contingent rental.

本集團的政策是根據經營租賃出租若干廠房及機器。平均租期為一年。所有租賃均採用固定租金基準且不包括或然租金。

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17. INVESTMENT PROPERTY

17. 投資物業

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
At 1 January	於一月一日	5,630,000	–
Additions	添置	–	6,882,020
Fair value gains/(losses)	公允值收益/(虧損)	370,000	(1,252,020)
At 31 December	於十二月三十一日	<u>6,000,000</u>	<u>5,630,000</u>

Investment properties were revalued at 31 December 2014 and 2013 on the open market value basis by reference to market evidence of recent transactions for similar properties by Asset Appraisal Limited, an independent firm of chartered surveyors.

投資物業於二零一四年及二零一三年十二月三十一日由獨立專業估值師資產評值有限公司參考類似物業之近期交易市場價值按公開市場價值基準重估。

The Group's investment properties are located in Hong Kong under long leases.

本集團之投資物業位於香港，根據長期租約持有。

The Company's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

本公司於不可撤銷經營租賃支付之未來最低租金總額為以下應收款項：

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Within one year	一年內	–	63,027

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18. DEPOSITS PAID FOR ACQUISITION OF LONG-TERM ASSETS

On 31 December 2013, Modern Crown Limited (“Modern Crown”), a wholly-owned subsidiary of the Company, entered into an agreement with 遼寧卓華投資集團有限公司 (“Liaoning Zhuo Hua”) pursuant to which Modern Crown agreed to purchase and Liaoning Zhuo Hua agreed to sell commercial properties situated at Liaoning Province, the PRC for a total cash consideration of RMB10,379,000 (equivalent to approximately HK\$13,259,000) (the “Acquisition”). On the same date, RMB4,000,000 (equivalent to approximately HK\$5,107,000) was paid to Liaoning Zhuo Hua as the first instalment of the consideration according to the terms of the agreement.

In accordance with the requirements under the relevant PRC laws in relation to the real estate market in the PRC, the Acquisition is conditional upon a wholly-owned foreign enterprise to be established in the PRC and wholly-owned by Modern Crown having been established by Modern Crown. If this condition precedent has not been satisfied on or before 30 June 2014, the agreement shall cease and neither party shall have any obligations and liabilities towards each other thereunder, and under such circumstance Liaoning Zhuo Hua shall return RMB4,000,000 of the first instalment of the consideration paid, without interest, in full unconditionally to Modern Crown before 31 July 2014.

Details of the transaction had been disclosed in an announcement of the Company dated 31 December 2013.

On 23 June 2014, Modern Crown Technology (Shenzhen) Limited (“Modern Crown SZ”) was established in order to meet the requirement under relevant PRC laws. The remaining cash consideration of RMB6,379,000 (equivalent to approximately HK\$8,049,000) was fully paid to Liaoning Zhuo Hua in August 2014 by Modern Crown SZ.

Up to the date of the consolidated financial statements, the Group is still in the process of applying for the relevant building ownership certificates and the titles of ownership of the commercial properties have not been transferred to Modern Crown SZ.

18. 為收購長期資產支付的按金

於二零一三年十二月三十一日，本公司之全資附屬公司時冠有限公司(「時冠」)與遼寧卓華投資集團有限公司(「遼寧卓華」)訂立協議，據此，時冠已同意購買而遼寧卓華已同意出售位於中國遼寧省的商業物業，總現金代價為人民幣10,379,000元(相當於約13,259,000港元)(「收購事項」)。於同日，已根據協議條款向遼寧卓華支付人民幣4,000,000元(相當於約5,107,000港元)，作為代價的第一期付款。

根據與中國房地產市場相關之中國法律規定，收購事項須於中國成立由時冠全資擁有的外商獨資企業後，方可作實。如上述先決條件未能於二零一四年六月三十日或之前達成，則協議將失效，訂約各方毋須對另一方承擔協議下之任何義務及責任，於該情況下，遼寧卓華將於二零一四年七月三十一日前無條件向時冠全數退還時冠向遼寧卓華支付作為代價第一期付款之人民幣4,000,000元(不計利息)。

交易詳情已披露於本公司日期為二零一三年十二月三十一日的公告。

於二零一四年六月二十三日，時冠科技(深圳)有限公司(「時冠深圳」)獲成立以達成相關中國法律項下之規定。餘下現金代價人民幣6,379,000元(相當於約8,049,000港元)已於二零一四年八月由時冠深圳全數支付予遼寧卓華。

直至本綜合財務報表日期，本集團仍在申請相關房屋所有權證，商業物業之擁有權尚未轉讓予時冠深圳。

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19. INVENTORIES

		2014	2013
		二零一四年	二零一三年
		HK\$	HK\$
		港元	港元
Raw materials	原材料	14,395,181	16,015,515
Work in progress	在製品	8,999,315	10,294,778
Finished goods	製成品	2,439,465	2,852,109
		25,833,961	29,162,402

19. 存貨

20. TRADE RECEIVABLES

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

		2014	2013
		二零一四年	二零一三年
		HK\$	HK\$
		港元	港元
0 – 30 days	0至30日	17,945,986	17,241,114
31 – 60 days	31至60日	6,293,884	4,589,341
61 – 90 days	61至90日	-	-
Over 90 days	超過90日	-	83,889
		24,239,870	21,914,344

20. 應收貿易賬款

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

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

		2014	2013
		二零一四年	二零一三年
		HK\$	HK\$
		港元	港元
RMB	人民幣	21,964,147	3,981,371
USD	美元	2,275,723	17,932,973
		24,239,870	21,914,344

本集團應收貿易賬款之賬面值乃按下列貨幣列值：

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21. DUE FROM RELATED COMPANIES

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

21. 應收關聯公司款項

根據香港公司條例第161B條披露之應收關聯公司款項如下：

Name	Name of director having beneficial interest	Group 本集團		Maximum amount outstanding during the year
		Balance at 31 December 2014	Balance at 1 January 2014	
名稱	持有實益之董事姓名	於二零一四年十二月三十一日之結餘 HK\$ 港元	於二零一四年一月一日之結餘 HK\$ 港元	年內未償還之最高金額 HK\$ 港元
JF Household Furnishings (BVI) Ltd. 捷豐家居用品(維爾京群島)有限公司	Mr. Leung Kwok Yin 梁國賢先生	4,737,355	4,737,355	4,737,355
Ningbo JF Furniture Co., Ltd. ("JF Furniture") 寧波捷豐現代傢俱有限公司(「捷豐傢俱」)	Mr. Leung Kwok Yin 梁國賢先生	883,522	324,424	883,522
		5,620,877	5,061,779	

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

所有上述結餘為無抵押、免息及無固定還款期。

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22. CASH AND BANK BALANCES

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

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

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Guaranteed deposits for the issuance of bills	用於發出信用證之擔保存款	-	202,709
Pledged bank deposits	已抵押銀行存款	1,063,359	1,057,906
		1,063,359	1,260,615

At 31 December 2014, the cash and bank balances of the Group denominated in RMB amounted to approximately HK\$81,199,000 (2013: HK\$22,339,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

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

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
HKD	港元	45,102,956	2,250,507
RMB	人民幣	81,199,130	22,339,132
USD	美元	40,181	35,829
Euro	歐元	1,042	665
Others	其他	23,906	24,217
		126,367,215	24,650,350

22. 現金及銀行結餘

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

受限制現金及銀行結餘之賬面值分析如下：

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Guaranteed deposits for the issuance of bills	用於發出信用證之擔保存款	-	202,709
Pledged bank deposits	已抵押銀行存款	1,063,359	1,057,906
		1,063,359	1,260,615

於二零一四年十二月三十一日，本集團以人民幣列值之現金及銀行結餘約為81,199,000港元（二零一三年：22,339,000港元）。人民幣兌換為外幣須遵循中國外匯管制條例和結匯、售匯及付匯管理規定。

本集團之現金及銀行結餘賬面值乃按下列貨幣列值：

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
HKD	港元	45,102,956	2,250,507
RMB	人民幣	81,199,130	22,339,132
USD	美元	40,181	35,829
Euro	歐元	1,042	665
Others	其他	23,906	24,217
		126,367,215	24,650,350

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23. TRADE AND BILLS PAYABLES

23. 應付貿易賬款及應付票據

		2014	2013
		二零一四年	二零一三年
		HK\$	HK\$
		港元	港元
Trade payables	應付貿易賬款	12,541,528	13,759,837
Bills payables	應付票據	-	405,418
		12,541,528	14,165,255

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

供應商授予本集團的信貸期一般為30至90日。

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

應付貿易賬款按收取貨物日期之賬齡分析如下：

		2014	2013
		二零一四年	二零一三年
		HK\$	HK\$
		港元	港元
0 – 30 days	0至30日	9,815,829	9,144,076
31 – 60 days	31至60日	2,469,978	4,460,849
61 – 90 days	61至90日	250,439	81,394
Over 90 days	超過90日	5,282	73,518
		12,541,528	13,759,837

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

本集團應付貿易賬款及應付票據之賬面值乃按下列貨幣列值：

		2014	2013
		二零一四年	二零一三年
		HK\$	HK\$
		港元	港元
RMB	人民幣	12,541,528	14,104,897
USD	美元	-	60,358
		12,541,528	14,165,255

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23. TRADE AND BILLS PAYABLES (Continued)

As at 31 December 2013, the bills payable were secured by the guaranteed deposits of the Group (note 22) and legal charge on leasehold land and buildings owned by an independent third party.

24. OTHER PAYABLES AND ACCRUALS

Deposits received	已收按金
Accruals	應計項目
Other payables (Note)	其他應付款項(附註)

Note: As at 31 December 2014, other payables included loans from an independent third party of approximately HK\$13,050,000 (2013: HK\$21,893,000). These loans are unsecured, interest charged at a fixed rate of 3.5% (2013: 3.5%) per annum and repayable within one year.

25. BANK BORROWINGS

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

23. 應付貿易賬款及應付票據(續)

於二零一三年十二月三十一日，應付票據以本集團的擔保存款(附註22)及由一名獨立第三方擁有的租賃土地及建築物的法定抵押作抵押。

24. 其他應付款項及應計項目

	2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
	32,600	453,845
	8,781,243	6,186,829
	18,142,504	27,190,598
	26,956,347	33,831,272

附註：於二零一四年十二月三十一日，其他應付款項包括來自一名獨立第三方之貸款約13,050,000港元(二零一三年：21,893,000港元)。該貸款為無抵押，按固定年息3.5%(二零一三年：3.5%)計息及須於一年內償還。

25. 銀行借貸

銀行借貸之賬面值分析如下：

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Current liabilities	流動負債		
Bank overdrafts repayable on demand – unsecured	應要求償還之銀行透支 – 無抵押	–	465,526
Portion of bank loans from banks due for repayment within one year	須於一年內償還之部分銀行貸款		
– secured	– 有抵押	24,285,778	19,209,077
– unsecured	– 無抵押	12,676,000	15,986,250
		36,961,778	35,660,853
The borrowings are repayable as follows:	借貸償還期限如下：		
Within one year	一年內	36,961,778	35,660,853

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25. BANK BORROWINGS (Continued)

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

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

25. 銀行借貸(續)

上述金額乃基於貸款協議所載預定還款日期呈列，並忽略按要求償還條款之影響。

本集團借貸之賬面值乃按下列貨幣列值：

		HKD 港元 HK\$ 港元	RMB 人民幣 HK\$ 港元	Total 總計 HK\$ 港元
2014	二零一四年			
Bank loans	銀行貸款	3,243,618	33,718,160	36,961,778
2013	二零一三年			
Bank overdrafts	銀行透支	465,526	–	465,526
Bank loans	銀行貸款	5,396,957	29,798,370	35,195,327
		5,862,483	29,798,370	35,660,853

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

於十二月三十一日之平均年利率如下：

		2014 二零一四年	2013 二零一三年
Bank loans	銀行貸款	6.0% – 6.9%	6.0% – 7.2%
Bank overdrafts	銀行透支	N/A 不適用	5.25%

At 31 December 2014, the Group's bank facilities were secured by the following:

於二零一四年十二月三十一日，本集團之銀行信貸由以下項目作抵押：

- | | |
|---|---|
| (a) legal charge on leasehold land and certain buildings owned by an independent third party; | (a) 一名獨立第三方擁有的租賃土地及若干建築物的法定抵押； |
| (b) corporate guarantee given by the Company, a related company and an independent third party; and | (b) 本公司、一家關聯公司及一名獨立第三方提供的公司擔保；及 |
| (c) all monies charge over deposits executed by a subsidiary of the Company in favour of a bank of HK\$1,000,000 (2013: HK\$1,000,000). | (c) 本公司附屬公司以銀行為受益人作出全數存款抵押1,000,000港元(二零一三年：1,000,000港元)。 |

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26. DEFERRED TAX LIABILITIES

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

26. 遞延稅項負債

本集團確認的主要遞延稅項負債如下：

	Undistributed earnings of PRC subsidiaries
	中國附屬公司之 未分配盈利
	HK\$ 港元
At 1 January 2013, 31 December 2013, 1 January 2014 and 31 December 2014	於二零一三年一月一日、二零一三年十二 月三十一日、二零一四年一月一日及二零 一四年十二月三十一日 1,715,969

At the end of the reporting period, the Group has unused tax losses of approximately HK\$Nil (2013: approximately HK\$23,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. The unrecognised tax losses may be carried forward indefinitely.

於報告期結束時，本集團擁有未動用稅項虧損約零港元(二零一三年：約23,000港元)可用於抵銷未來溢利。由於未來溢利流之不可預測性，故並無確認遞延稅項資產。未確認稅項虧損可無限期結轉。

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27. SHARE CAPITAL

27. 股本

		Ordinary shares of HK\$0.01 each 每股面值0.01港元的普通股	
		Number of shares 股份數目	Par value 面值 HK\$ 港元
		Note 附註	
Authorised:	法定：		
At 1 January 2013	於二零一三年一月一日		500,000,000
Additions	新增	(i)	4,500,000,000
At 31 December 2013, 1 January 2014 and 31 December 2014	於二零一三年十二月三十一日、 二零一四年一月一日及二零一四年 十二月三十一日		5,000,000,000
Issued and fully paid:	已發行及已繳足：		
At 1 January 2013	於二零一三年一月一日		239,289,000
Shares issued on exercise of warrants	行使認股權證時發行的股份	(ii)	50,000
At 31 December 2013 and 1 January 2014	於二零一三年十二月三十一日及 二零一四年一月一日		239,339,000
Placement of shares	配售股份	(iii)	47,867,000
At 31 December 2014	於二零一四年十二月三十一日		287,206,000

Note:

附註：

- (i) On 21 January 2013, the shareholders of the Company at the extraordinary general meeting approved the increase in authorised share capital of the Company from HK\$5,000,000 divided into 500,000,000 ordinary shares of HK\$0.01 each ("Shares") to HK\$50,000,000 divided into 5,000,000,000 Shares by the creation of an additional 4,500,000,000 new Shares. The new Shares shall rank pari passu with the existing Shares upon issue.
- (ii) During the year ended 31 December 2013, 50,000 ordinary shares of HK\$0.01 each were issued in relation to warrants exercised at HK\$1.92 for a total consideration of HK\$96,000. The excess of the subscription consideration received over the nominal values issued, which amounted to HK\$95,500, was credited to the share premium account.
- (iii) On 27 January 2014, the Company completed a private placement of 47,867,000 shares at a placing price of HK\$3.14 per share, which raised gross proceeds of approximately HK\$150,302,000. The excess of the subscription consideration received over the nominal values issued, net of share issue expenses, which amounted to approximately HK\$149,060,000, was credited to share premium account.
- (i) 於二零一三年一月二十一日，本公司股東於股東特別大會上批准，透過增設額外4,500,000,000股新股份將本公司法定股本由5,000,000港元分為500,000,000股每股面值0.01港元之普通股（「股份」）增加至50,000,000港元分為5,000,000,000股股份。新股份於發行後與現有股份享有同等權益。
- (ii) 於截至二零一三年十二月三十一日止年度，按1.92港元的價格行使認股權證而發行50,000股每股面值0.01港元的普通股，總代價為96,000港元。收到的認購代價高於發行面值的超額部分為95,500港元，已計入股份溢價賬。
- (iii) 於二零一四年一月二十七日，本公司完成按配售價每股3.14港元私人配售47,867,000股股份，私人配售籌措所得款項約150,302,000港元。已收認購代價高於發行面值之差額，經扣除股份發行開支後約149,060,000港元，已撥入至股份溢價賬。

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27. SHARE CAPITAL (Continued)

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

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

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

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

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

27. 股本(續)

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

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

本集團以債務對經調整資本比率為基準監控資本。該比率以債務淨額除以經調整資本計算。債務總額由借款所組成。經調整資本包括所有權益部分，即股本、股份溢價、保留溢利及其他儲備。

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

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

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28. SHARE – BASED PAYMENTS

Equity-settled share option scheme

New Share Option Scheme

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

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

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

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

28. 以股份支付款項

以股權結算的購股權計劃

新購股權計劃

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

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

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

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

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28. SHARE – BASED PAYMENTS (Continued)

Equity-settled share option scheme (Continued)

New Share Option Scheme (Continued)

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

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

During the year, no option (2013: Nil) was granted or outstanding under the New Share Option Scheme.

29. WARRANT

On 16 February 2012, the Company entered into a warrant placing agreement with the placing agent for warrant placing of up to an aggregate of 18,000,000 warrants conferring rights to subscribe for 18,000,000 ordinary shares at the warrant exercise price of HK\$1.92 per ordinary share (subject to adjustment upon the occurrence of any of the adjustment events and other dilutive events which may have adverse effects on the rights of the holder of the warrants). Upon full exercise of the subscription rights attaching to the warrants, a total of up to 18,000,000 ordinary shares will be issued.

The warrants were placed at a warrant placing price of HK\$0.01 per warrant and the gross proceeds of the warrant placing were HK\$180,000. The warrants were issued on 5 March 2012 and the subscription period is 18 months from the date of issue of the warrants. In 2013, 50,000 warrants were exercised at an exercise price of HK\$1.92 and for cash which resulted in 50,000 ordinary shares of HK\$0.01 each being allotted and issued. The corresponding amount in the warrant reserve, amounting to HK\$500, was transferred to the share premium account.

28. 以股份支付款項(續)

以股權結算的購股權計劃(續)

新購股權計劃(續)

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

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

年內，並無根據新購股權計劃授出或尚未行使的購股權(二零一三年：無)。

29. 認股權證

於二零一二年二月十六日，本公司與配售代理訂立認股權證配售協議，內容有關配售最多合共18,000,000份認股權證(附帶權利按認股權證行使價每股普通股1.92港元(可於發生任何調整事件及可對認股權證持有人之權利造成不利影響的其他攤薄事件時進行調整)認購18,000,000股普通股)之認股權證配售。於悉數行使認股權證附帶之認購權後，將發行總計最多18,000,000股普通股。

認股權證已按認股權證配售價每份認股權證0.01港元進行配售及認股權證配售之所得款項總額為180,000港元。認股權證已於二零一二年三月五日發行及認購期為自發行認股權證日期起18個月。於二零一三年，50,000份認股權證按1.92港元的行使價行使，以換取現金，導致50,000股每股面值0.01港元的普通股獲配發及發行。認股權證儲備中的相應金額500港元轉移至股份溢價賬。

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29. WARRANT (Continued)

On 4 September 2013, all the remaining 17,950,000 unexercised warrants were expired and lapsed.

29. 認股權證 (續)

於二零一三年九月四日，所有餘下17,950,000份未行使認股權證已到期及失效。

30. STATEMENT OF FINANCIAL POSITION OF THE COMPANY**30. 本公司之財務狀況表**

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Investments in subsidiaries	於附屬公司之投資	3,558,141	3,558,141
Due from subsidiaries	應收附屬公司款項	157,324,131	42,581,719
Other current assets	其他流動資產	32,706,471	115,603
Due to subsidiaries	應付附屬公司款項	(25,833,707)	(20,359,952)
Other current liabilities	其他流動負債	(1,136,817)	(1,008,740)
NET ASSETS	淨資產	166,618,219	24,886,771
Share capital	股本	2,872,060	2,393,390
Reserves	儲備	163,746,159	22,493,381
TOTAL EQUITY	總權益	166,618,219	24,886,771

Note:

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

附註：

應收／(應付)附屬公司款項為無抵押、免息及無固定還款期。

31. RESERVES**(a) Group**

The amounts of the Group's reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

31. 儲備**(a) 本集團**

本集團之儲備金額以及其變動載列於綜合損益及其他全面收益表及綜合權益變動表。

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31. RESERVES (Continued)**(b) Company**

		Shares premium (note (c)(i))	Contributed surplus (note (c)(iii))	Warrant reserve (note 29)	Accumulated losses	Total
	Note	股份溢價 (附註(c)(i))	繳入盈餘 (附註(c)(iii))	認股權證 儲備 (附註29)	累計虧損	總值
	附註	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
At 1 January 2013	於二零一三年一月一日	29,794,840	42,967,020	180,000	(28,866,567)	44,075,293
Share issued on exercise of warrants	行使認股權證時發行的股份	27(ii) 96,000	-	(500)	-	95,500
Loss for the year	年內虧損	-	-	-	(21,677,412)	(21,677,412)
At 31 December 2013	於二零一三年十二月三十一日	29,890,840	42,967,020	179,500	(50,543,979)	22,493,381
At 1 January 2014	於二零一四年一月一日	29,890,840	42,967,020	179,500	(50,543,979)	22,493,381
Share issued on placement	於配售時發行股份	27(iii) 149,060,174	-	-	-	149,060,174
Loss for the year	年內虧損	-	-	-	(7,807,396)	(7,807,396)
At 31 December 2014	於二零一四年十二月三十一日	178,951,014	42,967,020	179,500	(58,351,375)	163,746,159

(c) Nature and purpose of reserves**(i) Share premium**

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

(ii) Contributed surplus

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

31. 儲備(續)**(b) 本公司**

		Shares premium (note (c)(i))	Contributed surplus (note (c)(iii))	Warrant reserve (note 29)	Accumulated losses	Total
	Note	股份溢價 (附註(c)(i))	繳入盈餘 (附註(c)(iii))	認股權證 儲備 (附註29)	累計虧損	總值
	附註	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
At 1 January 2013	於二零一三年一月一日	29,794,840	42,967,020	180,000	(28,866,567)	44,075,293
Share issued on exercise of warrants	行使認股權證時發行的股份	27(ii) 96,000	-	(500)	-	95,500
Loss for the year	年內虧損	-	-	-	(21,677,412)	(21,677,412)
At 31 December 2013	於二零一三年十二月三十一日	29,890,840	42,967,020	179,500	(50,543,979)	22,493,381
At 1 January 2014	於二零一四年一月一日	29,890,840	42,967,020	179,500	(50,543,979)	22,493,381
Share issued on placement	於配售時發行股份	27(iii) 149,060,174	-	-	-	149,060,174
Loss for the year	年內虧損	-	-	-	(7,807,396)	(7,807,396)
At 31 December 2014	於二零一四年十二月三十一日	178,951,014	42,967,020	179,500	(58,351,375)	163,746,159

(c) 儲備之性質及用途**(i) 股份溢價**

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

(ii) 繳入盈餘

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

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32. SUBSIDIARIES

Particulars of the subsidiaries as at 31 December 2014 are as follows:

32. 附屬公司

附屬公司於二零一四年十二月三十一日的詳情如下：

Name	Place of incorporation/ establishment and operation 註冊成立/ 成立及經營地點	Attributable interest 應佔權益	Nominal value of issued and paid-up ordinary shares/ registered capital 已發行及繳足 普通股面值/註冊資本	Principal activities 主要業務
<i>Directly held</i> 直接持有				
JF Household Furnishings (Asia) Ltd. 捷豐家居用品(亞洲)有限公司	British Virgin Islands 英屬維爾京群島	100%	300 ordinary shares of US\$1 each 300股每股面值1美元的普通股	Investment holding 投資控股
Profit Business Group Limited 盈業集團有限公司	British Virgin Islands 英屬維爾京群島	100%	1 ordinary share of US\$1 each 1股每股面值1美元的普通股	Investment holding 投資控股
Modern Crown 時冠	The Republic of Seychelles 塞舌爾共和國	100%	1 ordinary share of US\$1 each 1股每股面值1美元的普通股	Investment holding 投資控股
<i>Indirectly held</i> 間接持有				
Keylink Technology Limited 機靈科技有限公司	British Virgin Islands 英屬維爾京群島	100%	100 ordinary shares of US\$1 each 100股每股面值1美元的普通股	Investment holding 投資控股
JF Household Furnishings (Macau) Holdings Ltd. 捷豐家居用品(澳門)控股有限公司	British Virgin Islands 英屬維爾京群島	100%	100 ordinary shares of US\$1 each 100股每股面值1美元的普通股	Investment holding 投資控股
Deluxe Trading (HK) Limited 頂尖貿易(香港)有限公司	Hong Kong 香港	100%	100 ordinary shares 100股普通股	Property investment 物業投資

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32. SUBSIDIARIES (Continued)**32. 附屬公司** (續)

Name 名稱	Place of incorporation/ establishment and operation 註冊成立/ 成立及經營地點	Attributable interest 應佔權益	Nominal value of issued and paid- up ordinary shares/ registered capital 已發行及繳足 普通股面值/註冊資本	Principal activities 主要業務
<i>Indirectly held (Cont'd)</i> 間接持有(續)				
JF Ningbo [#]	PRC	100%	Registered capital and paid-up capital of US\$7,000,000	Manufacturing and sales of stainless steel furnishings and home products and accessories
寧波捷豐 ^{**}	中國		註冊資本及繳足資本 7,000,000美元	製造及銷售不銹鋼傢俱、家居用品及配件
JF Metal ^{**}	PRC	100%	Registered capital and paid-up capital of US\$140,000	Manufacturing and processing of stainless steel rods and other accessories
捷豐金屬 ^{**}	中國		註冊資本及繳足資本 140,000美元	製造及加工不銹鋼桿及其他配件
JF Household Furnishings Macao Commercial Offshore Limited [#]	Macao	100%	MOP100,000	General trading
捷豐家居用品澳門離岸商業服務有限公司 [#]	澳門		100,000澳門幣	一般貿易
Modern Crown (HK) Limited 時冠(香港)有限公司	Hong Kong 香港	100%	10,000 ordinary shares 10,000股普通股	Investment holding 投資控股
Modern Crown SZ ^{**}	PRC	100%	Registered capital and paid-up capital of HK\$9,000,000	Property investment
時冠深圳 ^{**}	中國		註冊資本及繳足資本 9,000,000港元	物業投資

[#] Statutory financial statements not audited by RSM Nelson Wheeler[#] 法定財務報表未經中瑞岳華(香港)會計師事務所審核^{*} Wholly-owned foreign enterprise established in the PRC^{*} 在中國成立的外商獨資企業

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33. CONTINGENT LIABILITIES

At 31 December 2014, the Group did not have any significant contingent liabilities (2013: HK\$Nil).

34. CAPITAL COMMITMENTS

The Group's capital commitments at the end of the reporting period are as follows:

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Property, plant and equipment	物業、廠房及設備		
Contracted but not provided for	已訂約但未撥備	-	8,309,397

35. OPERATING LEASE COMMITMENTS

At 31 December 2014, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Within one year	一年內	2,155,824	619,313
In the second to fifth years inclusive	二至五年(包括首尾兩年)	519,780	85,439
		2,675,604	704,752

Operating lease payments represent rentals payable by the Group for certain of its offices. Leases are negotiated for an average term of 2 years and rentals are fixed over the lease terms and do not include contingent rentals.

33. 或然負債

於二零一四年十二月三十一日，本集團並無任何重大或然負債(二零一三年：零港元)。

34. 資本承擔

本集團於報告期結束時的資本承擔如下：

35. 經營租賃承擔

於二零一四年十二月三十一日，不可撤銷經營租賃支付之未來最低租金總額如下：

經營租賃付款指本集團就其若干辦公室應付之租金。租賃的平均租期協定為兩年及租金為按租期之固定租金，且不包括或然租金。

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財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

36. RELATED PARTY TRANSACTIONS

In addition to those related party transactions and balances disclosed elsewhere in the financial statements, the Group had the following transactions with its related parties during the year:

36. 關聯人士交易

除財務報表其他部分所披露的關連人士交易及結餘外，於年內，本集團與其關聯人士進行以下交易：

		2014 二零一四年 HK\$ 港元	2013 二零一三年 HK\$ 港元
Rental income from – JF Furniture	來自以下公司之租金收入 – 捷豐家俱	747,822	746,124
Leasing charges paid to – 餘姚捷豐空調設備有限公司 (Yuyao Jiefeng Air Conditioning Equipment Co., Ltd.)	向以下公司支付租賃費用 – 餘姚捷豐空調設備有限公司	273,676	584,813
Processing charges paid to – JF Furniture	向以下公司支付加工費 – 捷豐家俱	251,032	553,428
Purchase from – JF Furniture	向以下公司購買： – 捷豐家俱	535,161	–
License fees paid to – A.C.R. Equipment Supplies Limited	向以下公司支付特許費 – 捷豐冷凍器材有限公司	120,000	120,000
Rental expenses paid to – Senior management	向以下人士支付租金 – 高級管理層	81,135	81,135

JF Furniture has guaranteed bank loans made to the Group of approximately HK\$12,676,000 at 31 December 2014 (2013: HK\$15,986,000).

於二零一四年十二月三十一日捷豐家俱已向本集團之銀行貸款約為12,676,000港元(二零一三年：15,986,000港元)作出擔保。

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

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

Key management personnel compensation paid by the Group is disclosed in note 10 to the financial statements.

本集團支付予主要管理人員的酬金於財務報表附註10披露。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

37. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 27 March 2015.

37. 財務報表的批准

董事會已於二零一五年三月二十七日批准及授權刊發本財務報表。



JF Household Furnishings Limited

捷豐家居用品有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股票編號: 776