



CARRY

W E A L T H HOLDINGS LIMITED

恒 富 控 股 有 限 公 司

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

(Stock Code 股份代號: 643)

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年 度 報 告
Annual Report

*We Carry quality apparel with
A Wealth of Human Resources*



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CARRY WEALTH HOLDINGS LIMITED

manufactures apparel products for internationally renowned brand names. The Group's production facilities are located in Mainland China.

Headquartered in Hong Kong, Carry Wealth Holdings Limited has been listed on the Main Board of the Stock Exchange of Hong Kong since 2000.

The Chinese name of the Company means “enduring prosperity”. The Group is committed to maximizing the return of its shareholders for their ongoing support.

恒富控股有限公司為多個國際知名品牌生產成衣。本集團的生產設施設於中國大陸。

恒富控股有限公司的總部設於香港，於二零零零年在香港聯合交易所主板上市。

本公司取名恒富，喻意「恒久富足」。本集團致力爭取最佳回報，回饋一直鼎力支持本集團的股東們。

Executive Directors

Mr Li Haifeng (*Chairman*)
Mr Lee Sheng Kuang, James (*Managing Director*)
Mr Huang Xuxian, Flynn
Mr Tang Chak Lam, Charlie
Mr Xiao Yong

Independent Non-Executive Directors

Mr Chen Zhongfa
Mr Yau Wing Yiu
Mr Zhang Feng

Audit Committee

Mr Yau Wing Yiu (*Committee Chairman*)
Mr Chen Zhongfa
Mr Zhang Feng

Remuneration Committee

Mr Chen Zhongfa (*Committee Chairman*)
Mr Yau Wing Yiu
Mr Zhang Feng
Mr Tang Chak Lam, Charlie

Nomination Committee

Mr Li Haifeng (*Committee Chairman*)
Mr Chen Zhongfa
Mr Yan Wing Yiu
Mr Zhang Feng

Company Secretary

Mr Tang Chak Lam, Charlie

Auditor

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

Principal Bankers

CITIC Bank International Limited
Standard Chartered Bank

Principal Share Registrar and Transfer Agent

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre, 11 Bermudiana Road
Pembroke HM 08, Bermuda

Branch Share Registrar and Transfer Agent in Hong Kong

Tricor Abacus Limited
Level 25, Three Pacific Place
1 Queen's Road East, Hong Kong

Registered Office

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

Head Office and Principal Place of Business in Hong Kong

2701, 27th Floor
One Kowloon
1 Wang Yuen Street
Kowloon Bay, Hong Kong
Tel : (852) 2310 8180
Fax : (852) 2310 8797

Website

www.carrywealth.com

E-mail Address

info@carrywealth.com

Stock Code

643

執行董事

李海楓先生 (*主席*)
李勝光先生 (*董事總經理*)
黃旭新先生
鄧澤霖先生
肖勇先生

獨立非執行董事

陳忠發先生
邱永耀先生
張峰先生

審核委員會

邱永耀先生 (*委員會主席*)
陳忠發先生
張峰先生

薪酬委員會

陳忠發先生 (*委員會主席*)
邱永耀先生
張峰先生
鄧澤霖先生

提名委員會

李海楓先生 (*委員會主席*)
陳忠發先生
邱永耀先生
張峰先生

公司秘書

鄧澤霖先生

核數師

羅兵咸永道會計師事務所
香港中環
太子大廈22樓

主要往來銀行

中信銀行國際有限公司
渣打銀行

主要股份過戶登記處

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre, 11 Bermudiana Road
Pembroke HM 08, Bermuda

香港股份過戶登記分處

卓佳雅柏勤有限公司
香港皇后大道東1號
太古廣場三座25樓

註冊辦事處

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

總辦事處及香港主要營業地點

香港九龍灣
宏遠街1號
「一號九龍」
27樓2701室
電話: (852) 2310 8180
傳真: (852) 2310 8797

網站

www.carrywealth.com

電子郵箱

info@carrywealth.com

股份代號

643

Information for Shareholders 股東須知

Results Announcement Date

Interim results

29 August 2011 (Monday)

Annual results

26 March 2012 (Monday)

Financial Calendar

Deadline for lodging share transfer documents for entitlement to attend and vote at Annual General Meeting

17 May 2012 (Thursday) at 4:00 p.m.

Closure of register of members

18 May 2012 (Friday) to 22 May 2012 (Tuesday)

Annual General Meeting

22 May 2012 (Tuesday) at 10:00 a.m.

Shareholder Enquiries

Any matters relating to your shareholding, such as transfer of shares, change of address, loss of share certificates, should be addressed to the Branch Share Registrar and Transfer Agent in Hong Kong, contact details of which are set out as follows:

Tricor Abacus Limited
26th Floor, Tesbury Centre,
28 Queen's Road East, Hong Kong
Tel: (852) 2980 1333
Fax: (852) 2890 9350

業績公布日期

中期業績

二零一一年八月二十九日(星期一)

全年業績

二零一二年三月二十六日(星期一)

財務日誌

如欲有權出席股東週年大會並於會上投票，遞交股份過戶文件之限期

二零一二年五月十七日(星期四)
下午四時正

暫停股份過戶登記

二零一二年五月十八日(星期五)至
二零一二年五月二十二日(星期二)

股東週年大會

二零一二年五月二十二日(星期二)
上午十時正

股東查詢

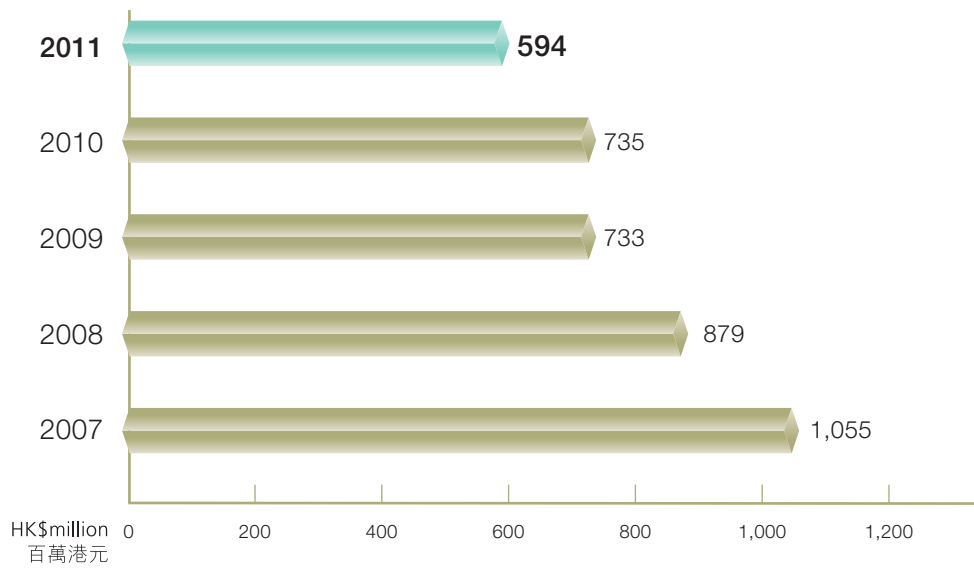
如有任何有關閣下持有股份之事宜，包括股份過戶、更改地址、遺失股票等，敬請聯絡香港股份過戶登記分處，聯絡資料如下：

卓佳雅柏勤有限公司
香港皇后大道東28號
金鐘匯中心26樓
電話：(852) 2980 1333
傳真：(852) 2890 9350

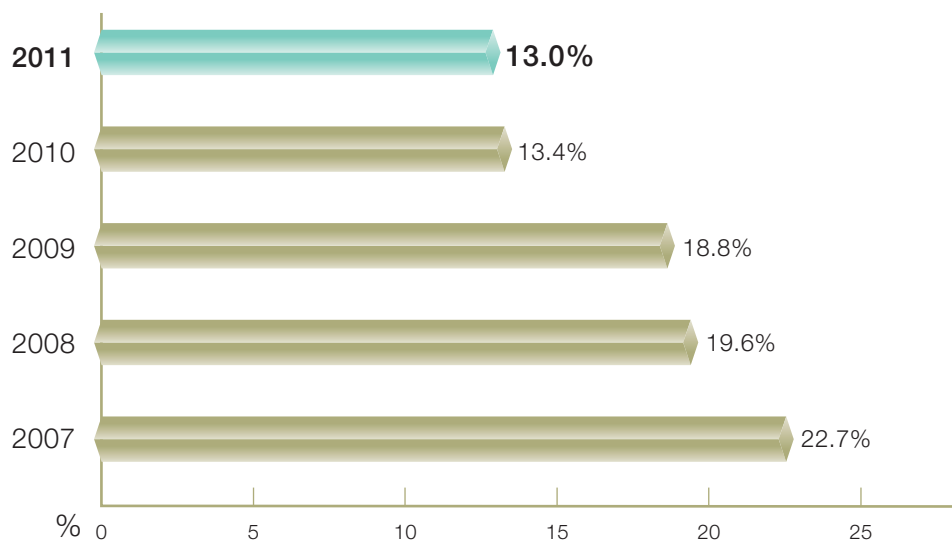
FIVE YEAR FINANCIAL SUMMARY 五年財務摘要

		Results				
		業績				
		Year ended 31 December				
		截至十二月三十一日止年度				
		2011	2010	2009	2008	2007
		二零一一年	二零一零年	二零零九年	二零零八年	二零零七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenues	收益	601,843	734,931	733,046	880,114	1,056,861
(Loss)/profit attributable to equity holders of the Company	本公司權益持有人應佔(虧損)/溢利	(47,401)	(48,829)	(952)	(41,666)	48,536
		Assets and liabilities				
		資產及負債				
		As at 31 December				
		於十二月三十一日				
		2011	2010	2009	2008	2007
		二零一一年	二零一零年	二零零九年	二零零八年	二零零七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Total assets	總資產	328,610	546,949	520,469	588,686	614,340
Total liabilities	總負債	(84,786)	(305,211)	(234,408)	(320,624)	(272,406)
Total equity	總權益	243,824	241,738	286,061	268,062	341,934

TURNOVER
營業額



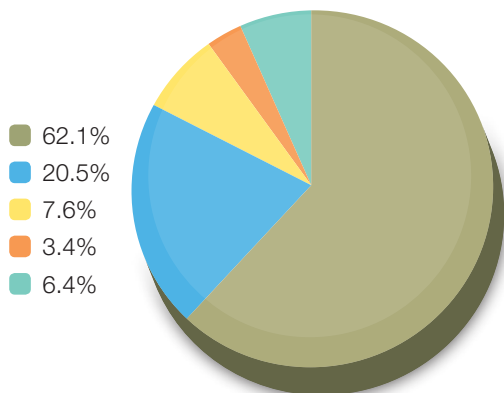
GROSS PROFIT MARGIN
毛利率



		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	Changes 變化幅度
Operating results	經營業績			
Revenues	收益	601,843	734,931	-18.1%
Gross profit	毛利	78,531	98,171	-20.0%
Loss attributable to equity holders of the Company	本公司權益持有人應佔虧損	(47,401)	(48,829)	-2.9%
Financial position at year end	於年終之財務狀況			
Properties, plant and equipment	物業、廠房及設備	123,524	140,558	-12.1%
Cash and cash equivalents	現金及現金等值項目	111,748	74,554	49.9%
Net current assets	流動資產淨值	120,440	48,951	146.0%
Total assets	總資產	328,610	546,949	-39.9%
Bank borrowings	銀行貸款	35,154	144,564	-75.7%
Total liabilities	總負債	84,786	305,211	-72.2%
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔之資本及儲備	243,657	236,061	3.2%
Per share information	每股資料			
Basic and diluted loss per share (Hong Kong cents)	每股基本及攤薄虧損 (港仙)	(11.74)	(13.13)	-10.6%
Capital and reserves attributable to the Company's equity holders per share (Hong Kong cents)	每股由本公司權益持有人應佔之資本及儲備 (港仙)	54.6	63.5	-14.0%
Ratio analysis	比率分析			
Profitability	盈利水平			
Gross profit margin	毛利率	13.0%	13.4%	-0.4%
Net profit margin	純利率	-7.9%	-6.6%	-1.3%
Return on the Company's equity holders	本公司權益持有人資金回報	-19.5%	-20.7%	1.2%
Liquidity	流動狀況			
Current ratio	流動比率	2.7	1.2	125%
Gearing ratio	資本負債比率	-31.4%	29.7%	-61.1%
Operating efficiency	經營效益			
Inventory turnover period (days)	存貨周轉 (日數)	44	61	-27.9%
Trade receivable turnover (days)	貿易應收款項周轉 (日數)	39	48	-18.8%
Trade payable turnover (days)	貿易應付款項周轉 (日數)	34	46	-26.1%

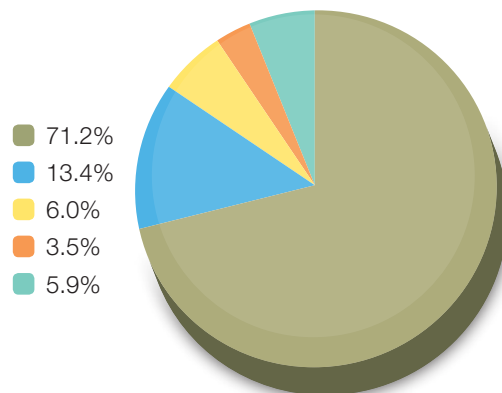
TURNOVER BY LOCATION OF CUSTOMERS
按客戶所在地之營業額

2011
HK\$594 million
五億九千四百萬港元



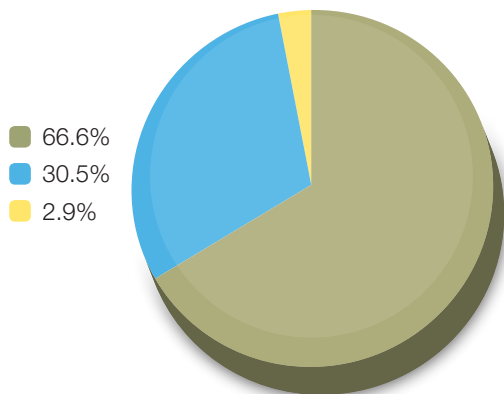
United States of America 美國 Mainland China 中國大陸 Europe 歐洲 Canada 加拿大
Rest of the world 世界其他地區

2010
HK\$735 million
七億三千五百萬港元



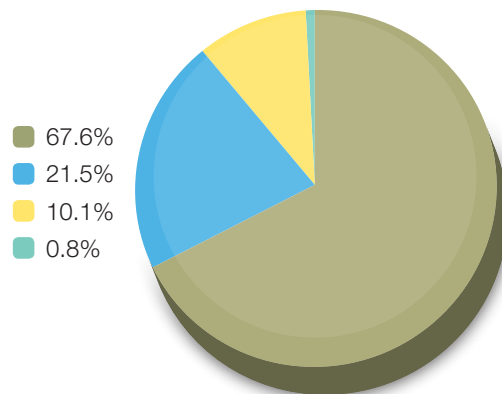
TURNOVER BY PRODUCTION BASES
按生產地分類之營業額

2011
HK\$594 million
五億九千四百萬港元



Indonesia 印尼 Mainland China 中國大陸 Lesotho 萊索托 Others 其他

2010
HK\$735 million
七億三千五百萬港元



On behalf of the Board of Directors (the "Board") of the Company, I am pleased to present to our shareholders the annual report of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2011.

During 2011, the Group experienced the most difficult year in its history. The economies of the US and the countries of Europe continued to struggle and markets were rife with fears of new setbacks, debt defaults and the possibility of a double-dip recession in those regions. Amidst the challenging business environment, the Group's revenues for the year ended 31 December 2011 were down by 18.1% to HK\$601.8 million. Fierce price competition for orders from the Group's customers and rising production costs continuously eroded the Group's profit margin. The Group recorded a loss attributable to equity holders of HK\$47.4 million and a basic loss per share of 11.74 HK cents for the year under review.

Despite two rounds of quantitative easing by the US Federal Reserve, the US economic recovery failed to gain steam for most of the year. Due to the high unemployment rate, the sovereign debt crisis in Europe, the partisan fight in Washington over the federal debt ceiling and the decision by Standard & Poor's to downgrade the US government's AAA rating, trading conditions in the US deteriorated in the latter part of the year 2011. As a result, the Group saw a significant shrinkage of orders from its long-standing US customers. The reduction of orders and the subsequently expected further squeeze on profit margins exacerbated by increasing production costs, spurred the Board to cease the operation of the Group's factories in Indonesia with export solely for US customers in the last quarter of year 2011. The Group also disposed of its 70% interests in the factory in Lesotho to its minority shareholder because of slack US orders. The cessation and disposal have proved effective on staunching the financial bleeding suffered by maintaining these operations. The Group expects the weak trend in export markets to continue.

本人謹代表本公司董事會（「董事會」），欣然向本公司股東提呈本公司及其附屬公司（統稱「本集團」）截至二零一一年十二月三十一日止年度之年度報告。

二零一一年乃本集團經營多年中最为艱辛之一年。美國及歐洲國家經濟情況仍然嚴峻，而市場亦憂慮該等地區可能出現新的問題、債務違約以至雙底衰退。在此艱難的營商環境，本集團於截至二零一一年十二月三十一日止年度之收益減少18.1%至六億零一百八十萬港元。本集團客戶訂單激烈的價格競爭，加上生產成本上升，持續削弱本集團之利潤。本集團於回顧年度錄得權益持有人應佔虧損四千七百四十萬港元及每股基本虧損11.74港仙。

儘管美國聯邦儲備局已推行兩次量化寬鬆措施，惟美國經濟復甦全年仍缺乏動力。由於失業率高企、歐洲爆發主權債務危機、華府就聯邦債務上限爆發黨派鬥爭以及標準普爾決定調低美國政府之AAA評級，故美國貿易狀況於二零一一年下半年有所惡化。亦因此，本集團來自美國長期客戶之訂單大幅減少。由於本集團的印尼廠房僅出口予美國客戶，隨着訂單減少，加上預計生產成本上升將進一步加快邊際利潤縮減的速度，董事會於二零一一年最後一季落實停止經營該廠房。鑑於美國訂單疏落，本集團亦已出售其於萊索托廠房之70%權益予少數股東。廠房的停止經營及出售已漸取得成效，並成功抑止經營該等業務之財務損失。本集團預期，出口市場將繼續保持弱勢。

Mainland China is not immune to the euro zone crisis risk. The rapid growth of its economy is slowing and manufacturers are hindered by a shortage of skilled labour, rising labour costs and appreciation of the Renminbi. Nonetheless, it is comparatively a more stable market offering great growth potential. One of the main objectives of the Twelfth Five-Year Plan is to redirect Mainland China's economic growth to be fuelled more by domestic consumption and less by exports and investment and therefore to be more balanced and sustainable. Accelerated urbanisation and rising disposal incomes should reinforce domestic consumption as the main driving force for economic growth in Mainland China.

During the year, the Group completed a placement of 74,300,000 shares, raising net proceeds of HK\$48.3 million. In addition, a good opportunity arose whereby the Group successfully realised its investment in ShanDong WeiQiao HengFu Textile Limited, an associate engaged in knitting, dyeing and finishing of knitted fabrics. As a result, the Group has further strengthened its liquidity position and financial resources. Looking ahead, the Group shall continue to rationalise its resources and strive to refocus, while exploring and seizing business opportunities with high potential growth in Mainland China. Through this strategic approach, the Group's aims to broaden its income base and create greater value to its shareholders.

Lastly, I would like to take this opportunity to express my heartfelt thanks and appreciation to my fellow directors and all our staff for their dedication and commitment in helping the Group to overcome the challenges encountered during last year. On behalf the Board, I would also like to thank our shareholders, customers, vendors and business partners for their unfailing trust in and support for the Group over the years.

Li Haifeng
Chairman

26 March 2012

面對歐元區危機風險，中國大陸市場亦不能倖免。中國大陸急速的經濟增長正在放緩，生產商受熟練勞工短缺、勞工成本上升及人民幣升值拖累。然而，中國大陸市場相對穩定，發展潛力雄厚。「第十二個五年計劃」主要目標之一為調整中國大陸經濟增長方向，加大力度推動內銷，減少依賴出口及投資，藉此達致更平衡及可持續發展之經濟。城市化速度加快及可支配收入增加應可強化內銷作為中國大陸經濟增長火車頭之角色。

於本年度，本集團完成配售74,300,000股股份，所得款項淨額為四千八百三十萬港元。此外，本集團把握良機，成功變現其於從事織造、染色及製成針織布業務之聯營公司山東魏橋恒富針織印染有限公司之投資。因此，本集團得以進一步強化其流動資金狀況及財務資源。展望將來，本集團一方面將繼續改善資源調配，同時致力重新定位，探索並把握中國大陸具高增長潛力之商機。本集團期待憑藉此策略擴大收入基礎及為股東創造更高價值。

最後，本人謹藉此機會，衷心感謝及感激董事全人及全體員工竭盡所能、盡忠職守，協助本集團克服年內重重挑戰。本人謹代表董事會感謝各股東、客戶、供應商及業務夥伴對本集團多年來之信賴及支持。

主席
李海楓

二零一二年三月二十六日

RESULTS AND BUSINESS REVIEW

For the year ended 31 December 2011, the Group's revenues amounted to HK\$601.8 million (2010: HK\$734.9 million) and its gross profit was HK\$78.5 million (2010: HK\$98.2 million). Loss attributable to equity holders was HK\$47.4 million (2010: HK\$48.8 million) and basic loss per share was 11.74 HK cents for the year under review (2010: 13.13 HK cents).

In the year under review, buffeted by financial turbulence, the global economic recovery was progressed slowly and erratically. The ongoing European sovereign debt crisis and the unprecedented downgrade of the US credit rating from AAA to AA+ by Standard and Poor's have seriously dampened customers' confidence. The economic woes and unfavourable consumer sentiment have adversely affected the apparel industry as retail customers are also more closely watching their budgets. Against this backdrop, the Group experienced a severe deterioration in US sales orders during the second half of 2011. Turnover of the Group plummeted by 19.1% to HK\$594.2 million for the year ended 31 December 2011 compared with the previous year. As a result of keener competition in securing orders from US customers and rising production costs the Group's gross profit slid by 20.0% to HK\$78.5 million (2010: HK\$98.2 million).

To meet the challenges presented by the impact of the difficult economic environment on our markets, the Group has taken immediate steps to staunch its financial bleeding and aimed at bolstering its overall competitiveness in the long run. In light of the dramatical reduction of orders from its US customers of long-standing, its factories in Indonesia were forced to cease operations in the fourth quarter of 2011. Certain underperforming subsidiaries and associates were also disposed of during the year. Noteworthy here is the realisation of the Group's associate interest in ShanDong WeiQiao HengFu Textile Limited, a knitted fabric mill, and the disposal of the Group's factory in Lesotho, as both have been operating at a loss during recent years. All disposal gains on the Group's interests in subsidiaries and associates were included in other gains-net. Through a series of operational streamlining and stringent cost control measures, the ratio of selling expenses to revenues fell from 4.9% to 3.9% and administrative expenses decreased by 14.8% to HK\$100.0 million.

業績及業務回顧

本集團截至二零一一年十二月三十一日止年度之收益為六億零一百八十萬港元(二零一零年:七億三千四百九十萬港元),而其毛利為七千八百五十萬港元(二零一零年:九千八百二十萬港元)。回顧年度內之權益持有人應佔虧損為四千七百四十萬港元(二零一零年:四千八百八十萬港元),每股基本虧損為11.74港仙(二零一零年:13.13港仙)。

於回顧年度內,在金融危機的衝擊下,全球經濟復甦步伐極為緩慢且不穩定。歐洲主權債務危機持續,標準普爾史無前例地將美國之信貸評級由AAA級下調至AA+級,種種因素均重挫消費者的信心。由於經濟低迷及消費者情緒欠佳,零售業消費者更加量入為出,嚴重影響服裝業。於此等環境下,本集團於二零一一年下半年的美國訂單大幅倒退。本集團截至二零一一年十二月三十一日止年度之營業額較去年急挫19.1%至五億九千四百二十萬港元。由於爭取美國客戶之訂單競爭越趨激烈及生產成本不斷上升,本集團毛利下滑20.0%至七千八百五十萬港元(二零一零年:九千八百二十萬港元)。

為應付經濟不景對本集團之市場帶來之挑戰,本集團已採取即時措施堵塞財務缺口,務求長遠鞏固整體的競爭力。鑑於來自美國的長期客戶訂單驟減,本集團位於印尼的廠房於二零一一年第四季被逼終止營運。此外,若干表現未如理想之附屬公司及聯營公司亦已於年內出售。當中變賣本集團於山東魏橋恒富針織印染有限公司(一家針織布料廠)之聯營公司權益,以及出售本集團之萊索托廠房尤其值得關注,皆因兩者近年一直錄得虧損。出售本集團於附屬公司及聯營公司之權益所帶來的全部收益已計入其他收益一淨額。本集團通過實施一系列精簡業務及嚴格成本控制措施,使銷售開支對收益之比率由4.9%回落至3.9%及使行政開支減少14.8%至一億港元。

Segmental Analysis

In the year under review, the US economy remained weak, thus our US customers were cost conservative in the face of consumer budget constraints. They tended to place smaller orders while competition was intensified, leading to a significant drop in turnover for the US segment. In the year under review, the US segment accounted for 62.1% of the Group's total turnover. Overall turnover from US segment significantly dropped by 29.5% compared with the previous year and resulted in an adjusted operating loss of HK\$16.5 million (2010: adjusted operating profit of HK\$9.7 million).

With a relatively stable and a continuous economic growth trend in the Mainland China as well as rapidly increasing disposable income and a vigorously expanding consumer retail sector, turnover rose by 23.4% compared with last year and accounted for 20.5% of the Group's total turnover. The adjusted operating profit for Mainland China was HK\$6.5 million (2010: adjusted operating loss of HK\$6.0 million).

Turnover from Europe and Canada accounted for 7.6% and 3.4% of the Group's total turnover respectively. The respective adjusted operating losses were HK\$1.6 million for the Europe segment and HK\$1.0 million for the Canada segment. The unfavourable economic climate, especially in Europe, contributed to this lackluster performance.

Indonesia

Owing to the substantial decline in US orders, the Group's factories in Indonesia have ceased operations since the last quarter of 2011. During the year under review, turnover from the Group's production base in Indonesia dropped accordingly and accounted for 66.6% (2010: 67.6%) of the Group's total turnover.

Mainland China

The factory in Heshan, Mainland China accounted for 30.5% (2010: 21.5%) of the Group's total turnover for the review year. Due to further enhancement in production efficiency, the factory's performance improved and accounted for a substantially larger portion of the Group's total turnover.

分部分析

於回顧年度內，美國經濟仍然疲弱。因此本集團之美國客戶在面對消費者開支收緊的情況下，控制成本方面轉趨保守。在競爭加劇之環境下客戶傾向減少訂單額度，導致美國分部之營業額顯著下跌。於回顧年度內，美國分部佔本集團總營業額62.1%。美國分部之整體營業額較去年大幅減少29.5%，因此錄得經調整經營虧損一千六百五十萬港元（二零一零年：經調整經營溢利九百七十萬港元）。

中國大陸之經濟走勢相對下較穩定並維持增長，加上可支配收入急升，消費者零售市場高速膨脹，營業額較去年上升23.4%，佔本集團總營業額20.5%。中國大陸之經調整經營溢利為六百五十萬港元（二零一零年：經調整經營虧損六百萬港元）。

來自歐洲及加拿大之營業額分別佔本集團總營業額7.6%及3.4%。歐洲分部及加拿大分部各自之經調整經營虧損為一百六十萬港元及一百萬港元。經濟氣候不穩（歐洲尤甚）導致此分部表現失色。

印尼

由於美國訂單驟減，本集團位於印尼之廠房已於二零一一年最後一季終止營運。於回顧年度內，本集團印尼生產基地之營業額亦相應下滑，佔本集團總營業額66.6%（二零一零年：67.6%）。

中國大陸

位於中國大陸鶴山市之廠房之營業額於回顧年度佔本集團總營業額30.5%（二零一零年：21.5%）。由於該廠房已進一步提升生產效率，故業績已有所改善，佔本集團總營業額之比重亦明顯增加。

Lesotho

The output of the knit factory in Lesotho accounted for 2.9% (2010: 10.1%) of the Group's total turnover for the review year. To enhance the Group's overall competitiveness, the Lesotho factory was disposed of to its minority shareholder near the end of the year.

LIQUIDITY AND FINANCIAL RESOURCES

Adhering to a conservative financial management system, the Group continued to maintain a healthy liquidity position. During the year, to further strengthen its liquidity and financial resources, the Group completed a placement of 74,300,000 shares which raised net proceeds of HK\$48.3 million. As at 31 December 2011, the Group's cash and bank deposits totalled HK\$123.5 million (31 December 2010: HK\$105.7 million). Working capital represented by net current assets amounted to HK\$120.4 million (31 December 2010: HK\$49.0 million). The Group's current ratio was 2.7 (31 December 2010: 1.2).

Bank borrowings included trust receipt loans amounting to HK\$4.4 million (31 December 2010: HK\$73.3 million) and term loans amounting to HK\$30.8 million (31 December 2010: HK\$71.3 million). The bank loans were denominated in either RMB or US dollars. As at 31 December 2011, the gearing ratio of the Group, which is calculated as net debt (total borrowings less cash and cash equivalents) divided by capital and reserves attributable to the Company's equity holders, was -31.4% (31 December 2010: 29.7%).

萊索托

萊索托針織廠房之生產於回顧年度佔本集團總營業額2.9% (二零一零年: 10.1%)。為提升本集團整體競爭力, 萊索托廠房已於年底出售予其少數股東。

流動資金及財務資源

本集團秉持審慎之財務管理系統, 得以繼續保持健全之資金流動狀況。於年內, 本集團為進一步加強其流動資金及財務資源, 已完成配售74,300,000股股份, 籌集所得款項淨額四千八百三十萬港元。於二零一一年十二月三十一日, 本集團之現金及銀行存款合共為一億二千三百五十萬港元 (二零一零年十二月三十一日: 一億零五百七十萬港元)。營運資金 (即流動資產淨值) 為一億二千零四十萬港元 (二零一零年十二月三十一日: 四千九百萬港元)。本集團之流動比率為2.7 (二零一零年十二月三十一日: 1.2)。

銀行貸款包括信託收據貸款四百四十萬港元 (二零一零年十二月三十一日: 七千三百三十萬港元) 及有期貸款三千零八十八萬港元 (二零一零年十二月三十一日: 七千一百三十萬港元)。銀行貸款以人民幣或美元結算。於二零一一年十二月三十一日, 本集團以債務淨值 (總貸款減現金及現金等值項目) 除以本公司權益持有人應佔之資本及儲備計算得出之資本負債比率為-31.4% (二零一零年十二月三十一日: 29.7%)。

Management Discussion and Analysis 管理層討論及分析

The debt maturity profile of the Group as at 31 December 2011 was as follows:

本集團於二零一一年十二月三十一日之債項到期日分析如下：

		At 31st December 2011 於二零一一年 十二月三十一日 HK\$'000 千港元	At 31st December 2010 於二零一零年 十二月三十一日 HK\$'000 千港元
Repayable within one year	須於一年內償還	35,154	132,731
Repayable after 1 year, but within 2 years	可於一年後但須兩年內償還	-	9,000
Repayable after 2 years, but within 5 years	可於兩年後但須五年內償還	-	2,833
Total	總計	35,154	144,564

CAPITAL EXPENDITURE

For the year under review, the Group incurred a total capital expenditure of HK\$2.6 million (2010: HK\$7.7 million), which was mainly for additions to and replacements of leasehold improvements.

資本開支

於回顧年度內，本集團之資本開支總額為二百六十萬港元（二零一零年：七百七十萬港元），主要用作添置及更換租賃裝修。

FOREIGN EXCHANGE EXPOSURE

The Group's sales are principally denominated in US dollars. With factories and offices in Hong Kong, Indonesia and Mainland China, operating expenses of the Group are primarily denominated in Hong Kong dollars, Indonesian Rupiah, Renminbi with some in US dollars.

匯率波動風險

本集團之銷售額主要以美元結算。本集團於香港、印尼及中國大陸均設有廠房及辦事處，其經營開支主要以港元、印尼盾、人民幣及部分以美元結算。

As the Hong Kong dollar is pegged to the US dollar, the Group does not expect to be exposed to any currency risks in the near term. The Group will closely monitor fluctuation of other currencies and, if necessary, will enter into forward exchange contracts to reduce exchange risk.

由於港元與美元掛鈎，本集團預計短期內將不會承受任何貨幣風險。本集團將會密切監察其他貨幣之匯率波動情況，並於有需要時訂立遠期外匯合約以減低匯率風險。

CREDIT POLICY

Consistent with prevailing industry practice, the Group's business was transacted on an open account basis granted to its long-standing customers. The credit ratings of customers are constantly reviewed and their respective credit limits adjusted, if and when necessary.

信貸政策

與現時行業慣例相符，本集團與已建立長遠穩定關係之客戶以記賬形式進行業務交易。本集團定期審閱客戶之信貸評級，並於有需要時調整彼等之信貸額。

CHARGES ON ASSETS

As at 31 December 2011, the Group's bank deposits of HK\$11.7 million and land use rights of HK\$15.7 million located at Heshan, Mainland China were pledged as security for certain of the Group's bank borrowings.

資產抵押

於二零一一年十二月三十一日，本集團之銀行存款一千一百七十萬港元及位於中國大陸鶴山市之土地使用權一千五百七十萬港元已抵押以作為本集團若干銀行貸款之擔保。

CONTINGENT LIABILITIES

As at 31 December 2011, the Group had no contingent liabilities.

HUMAN RESOURCES AND REMUNERATION POLICIES

The Group provides a harmonious working environment to employees whose commitment and expertise are important to the success of its business. The Group offers employees rewarding careers and provides them with a variety of training programmes. It rewards employees according to prevailing market practices, individual experience and performance. To attract and retain high calibre employees, the Group also offers discretionary bonuses and share options to staff members based on performance of the individual as well as the Group.

As at 31 December 2011, the Group had a total of 1,101 (31 December 2010: 5,736) full-time employees in the following regions:

Indonesia	印尼	71
China (Mainland and Hong Kong)	中國(大陸及香港)	1,030
Total	總計	<u>1,101</u>

OUTLOOK

Despite the recent surge in the US stock market, healthier corporate earnings, and rise in employment, the road to economic recovery in the US is expected to continue to be rough. The US unemployment rate still remains high and many economists anticipate that the US Federal Reserve will initiate a third round of quantitative easing to stimulate the economy should it remain sluggish. US customers are still very cost conscious and still lack the confidence in the market to place large orders. In Europe, the sovereign debt crisis has triggered tougher austerity measures across the region and undermined the consumer demand of EURO zone countries as well as elsewhere. Within this unfavourable economic environment, the Group has encountered intensified price competition and pressure on profit margin for orders from the US market and considers it would not be beneficial to the Company's shareholders to restart the operations of its Indonesian factories.

或然負債

於二零一一年十二月三十一日，本集團並無或然負債。

人力資源及薪酬政策

本集團深信其業務之成功全憑僱員竭誠投入工作及具備專業技能，因此，本集團為僱員提供和諧之工作環境。本集團給予僱員具價值之事業及提供不同培訓課程。僱員薪酬福利乃根據現行市場慣例及按僱員之經驗與表現而釐定。為吸引及挽留高質素僱員，本集團亦按僱員之表現及本集團之業績向僱員授予酌情花紅及購股權。

於二零一一年十二月三十一日，本集團在以下地區共僱用1,101名(二零一零年十二月三十一日：5,736名)全職僱員：

展望

儘管近期美國股市急升，企業盈利回穩，就業率攀升，惟預期美國經濟復甦之路仍然崎嶇。美國失業率持續高企，不少經濟師預測倘若美國經濟繼續停滯不前，美國聯邦儲備局將推出第三輪量化寬鬆措施刺激經濟。美國客戶仍然十分審慎控制成本，對市場缺乏信心去下達大額訂單。歐洲主權債務危機深化區內緊縮措施，打擊歐元區國家及其他地區之消費者需求。在經濟環境不景之陰霾籠罩下，本集團面對之價格戰越趨激烈，及來自美國市場訂單之邊際利潤受壓，故認為印尼廠房重新運作並不符合本公司股東之利益。

For the last several years, Mainland China has been one of the fastest growing economies in the world. According to the National Bureau of Statistics of China, Mainland China's GDP and per capita GDP have been growing at a compound annual growth rate of 14.9% and 14.2% over the last ten years. The per capita annual garments expenditure in the country's rapidly expanding urban areas has risen along with the growth in GDP per capita. The good times look set to continue as the International Monetary Fund forecasts Mainland China's GDP to continue expanding at 9.4% and the per capita GDP at 8.9% for the years from 2012 to 2016. The forecasted economic growth should further accelerate urbanisation and increase the disposable income of urban households. However, in view of rising inflation and increasing labour cost, the Group intends to continue to take appropriate cost control measures including enhancing productivity, streamlining operational and production processes in the Heshan factory so as to increase its competitiveness.

Looking ahead, the Group will focus on the more stable and stronger Mainland China market and become less dependent on the soft and unstable business environment from the US. The Group will adopt a prudent approach to capture business opportunities with high growth potential in Mainland China with the aim of maximising return to the Company's shareholders.

於過去數年，中國大陸為全球經濟增長最迅速之經濟體系之一。根據中國國家統計局，中國大陸之國內生產總值及人均國內生產總值於過去十年分別以複合年增長率14.9%及14.2%增長。在國內快速擴張的城市地帶，每年人均成衣開支一直隨人均生產總值增長。按照國際貨幣基金組織之預測，於二零一二年至二零一六年，中國大陸之國內生產總值將繼續按9.4%速率而人均國內生產總值將按8.9%速率增長，相信好景將會持續。預測經濟增長能進一步加快城市化，並增加城市家庭之可支配收入。然而，鑑於通脹加劇及勞動成本不斷上漲，本集團有意繼續推行適度之成本控制措施，包括提高鶴山市廠房的產能，精簡其運作及生產程序，冀能加強本集團之競爭力。

展望將來，本集團將重點發展更穩健及蓬勃之中國大陸市場，並減少依賴營商環境疲弱及不穩定之美國市場。本集團將採取審慎方針把握中國大陸具有高增長潛力之商機，力求提升本公司股東的回報。

The board of directors of the Company (the “Board”) is committed to maintaining and ensuring high standards of corporate governance as good corporate governance can safeguard the interests of all shareholders and enhance corporate value. The Company continuously reviews and improves the corporate governance practices and standards of the Group from time to time to ensure that business activities and decision making processes are regulated in a proper manner.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with all the code provisions set out in the Code (the “CG Code”) on Corporate Governance Practices contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) throughout the year ended 31 December 2011 except for the following deviation:

Code Provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. Mr Zhang Feng and Mr Yau Wing Yiu were appointed as independent non-executive directors of the Company on 7 June 2011 and 6 July 2011 respectively without a fixed term of service, but is subject to retirement by rotation and re-election at the annual general meetings of the Company at least once every three years in accordance with the Bye-laws of the Company. Pursuant to Code Provision A.4.1, each of Mr Zhang Feng and Mr Yau Wing Yiu has entered into a service contract with the Company on 24 August 2011 for a term of three years commenced from 7 June 2011 and 6 July 2011 respectively, which may be terminated by either party thereto giving to the other party notice in writing with a notice period of not less than 3 months (subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company).

本公司董事會（「董事會」）致力維持及確保高水平之企業管治，因良好之企業管治可保障全體股東利益及提高企業價值。本公司會持續不時檢討及改善本集團之企業管治常規及標準，以確保業務活動及決策過程受到適當規管。

遵守企業管治常規守則

於截至二零一一年十二月三十一日止年度內，本公司一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載之企業管治常規守則（「企業管治守則」）內之所有守則條文，惟有以下偏離：

守則條文A.4.1訂明，非執行董事應按指定任期委任，並須接受重選。張峰先生及邱永耀先生分別於二零一一年六月七日及二零一一年七月六日獲委任為本公司之獨立非執行董事，並無固定服務年期，惟須遵照本公司之章程細則，至少每三年於本公司之股東週年大會上輪席退任一次及膺選連任。根據守則條文A.4.1，張峰先生及邱永耀先生各自於二零一一年八月二十四日與本公司訂立服務合約，分別由二零一一年六月七日及二零一一年七月六日起為期三年，可由任何一方另發出不於三個月通知期之書面通知予以終止（惟須遵照本公司之章程細則輪席退任及膺選連任）。

THE BOARD OF DIRECTORS

Board Composition

The Board is led by the Chairman and currently comprises five executive directors (one of whom is the Chairman) and three independent non-executive directors as follows:

Executive Directors

Mr Li Haifeng (*Chairman*)
Mr Lee Sheng Kuang, James (*Managing Director*)
Mr Huang Xuxian, Flynn
Mr Tang Chak Lam, Charlie
Mr Xiao Yong

Independent Non-Executive Directors

Mr Chen Zhongfa
Mr Yau Wing Yiu
Mr Zhang Feng

The biographical details of the directors are set out on pages 36 to 39 of this Annual Report. The Board possesses a balance of skill and experience which is appropriate for the requirements of the business of the Group. A balanced composition of executive and non-executive directors also generates a strong independent element on the Board, which can exercise independent judgement effectively and make decision objectively for the best interests of the Company.

The Company does not at present have any officer with the title of “chief executive officer” (“CEO”) but instead the duties of a CEO are performed by the Managing Director. In order to have a clear division between the management of the Board and the day-to-day management of the business operation of the Company, the role of the Chairman is separate from that of the Managing Director. The Chairman focuses on overall corporate development and strategic direction of the Group and provides leadership for the Board and oversees the efficient functioning of the Board. The Managing Director is responsible for all day-to-day corporate management matters as well as planning and developing the Group’s strategy. Such division of responsibilities helps to reinforce their independence and to ensure a balance of power and authority. There is no relationship (including financial, business, family or other material or relevant relationship) among members of the Board and in particular, between the Chairman and the Managing Director.

董事會

董事會之組成

董事會由主席領導，現由下列五位執行董事（其中一位為主席）及三位獨立非執行董事組成：

執行董事

李海楓先生（主席）
李勝光先生（董事總經理）
黃旭新先生
鄧澤霖先生
肖勇先生

獨立非執行董事

陳忠發先生
邱永耀先生
張峰先生

董事簡歷載於本年度報告第36頁至第39頁。董事會具備適合本集團業務所需之技能及經驗。執行董事及非執行董事之均衡組成，亦使董事會具備強大之獨立元素，以便有效率地進行獨立判斷及客觀地作出決策，以符合本公司之最佳利益。

本公司現時並無設有「行政總裁」（「行政總裁」）一職，然而行政總裁之職責由董事總經理履行。為把管理董事會及管理本公司日常業務運作兩者作清晰劃分，主席及董事總經理之角色已予區分。主席專注本集團之整體企業發展及策略方針，並領導董事會及監察董事會之運作效能。董事總經理則專責處理一切日常企業管理事務，以及計劃及發展本集團之策略。此等責任劃分有助於增強兩者之獨立性及確保在權力及授權上取得平衡。董事會各成員之間（尤其是主席及董事總經理之間）概無任何關係（包括財政、業務、家族或其他重大或相關關係）。

All the independent non-executive directors of the Company have appropriate qualifications and their professional opinions raised in the Board meetings facilitate the maintenance of good corporate governance practices. The Company has received from each of the independent non-executive directors an annual confirmation of his independence. All the independent non-executive directors meet the guidelines for assessment of independence as set out in Rule 3.13 of the Listing Rules.

Appointments and Re-election of Directors

The Board is empowered under the Company's Bye-laws to appoint any person as a director either to fill a casual vacancy on or as an additional member of the Board. The selection criteria are mainly based on the professional qualification and experience of the candidate. All directors are engaged on service contracts for a term of three years. A newly appointed director must retire and be re-elected at the first general meeting after his/her appointment.

At each annual general meeting of the Company, one-third of the directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation. Every director shall be subject to retirement by rotation at least once every three years. As such, no director has a term of appointment longer than three years. A retiring director shall be eligible for re-election.

Board and Management

To enable all directors to make informed decisions in the Board meetings and to discharge their duties and responsibilities, appropriate, complete and reliable information prepared by the management are provided in a timely manner. All directors are kept informed on a timely basis of major changes that may affect the Group's business, including relevant rules and regulations. To reinforce independence, the Board and each director can have separate and independent access to the management of the Company if additional information is required. To further assist the directors to discharge their duties to the Company, the Board has also established a written procedure to enable directors to seek independent professional advice at the Company's expenses. No request was made by any director for such independent professional advice in 2011.

本公司全體獨立非執行董事均具備合適之資格，而彼等於董事會會議上提出之專業意見亦有助維持良好之企業管治常規。本公司已接獲各獨立非執行董事之年度獨立確認書。全體獨立非執行董事均符合上市規則第3.13條所載之獨立性評估指引。

委任及重選董事

董事會獲本公司之章程細則授權委任任何人士為董事，以填補空缺或成為董事會新成員。甄選因素主要以候選人之專業資格及經驗為基準。全體董事均按服務合約委聘，為期三年。新委任董事須於彼獲委任後首個股東大會上退任及膺選連任。

本公司於每屆股東週年大會上，三分之一在任董事（或若其數目並非三或三之倍數，則必須為最接近但不少於三分之一之人數）須輪席退任。每名董事須至少每三年輪席退任一次。因此，概無董事之任期超過三年。退任董事將合符資格膺選連任。

董事會及管理層

管理層須適時提供由彼等編製之適合、完整及可靠資訊，以確保全體董事於董事會會議上作出知情決定及履行其職責及責任。本公司就可能影響本集團業務的重大變動（包括有關法例及法規）將會適時知會全體董事。為增強獨立性，董事會及各董事可於需要更多資訊時自行透過獨立途徑接觸本公司之管理層。為進一步協助董事對本公司履行其職責，董事會亦已設立一套書面程序，使董事可尋求獨立專業意見，費用由本公司支付。董事於二零一一年並無要求諮詢上述獨立專業意見。

In order to have a clear principle in relation to the matters specifically reserved to the Board for decisions, functions between the Board and the management are formalized. The Board has established a written guideline determining which issues require a decision of the Board and those delegated to the management. The guideline is reviewed by the Board on a regular basis and has been posted on the intranet of the Company. Matters reserved to the Board for decision include the making of significant financial and legal commitments, mergers and acquisitions, material asset acquisitions or disposals, the change of share capital, the approval of financial reporting, budgeting, management succession and representation to shareholders. The management is responsible for the day-to-day running of the Group. The management is required to submit reports on the operations to the Board on a regular basis and make recommendations to the Board on the development of major projects or business proposals and their respective implementation. The Board is of the view that such division of responsibilities can enhance the corporate governance of the Company.

The Company has arranged appropriate insurance cover in respect of legal action against its directors and officers and the insurance coverage is reviewed on an annual basis.

Board Meetings

Regular Board meetings are held at least four times a year to approve annual and interim results, review the business operation and the internal control system of the Group and the meeting schedule will be fixed at the beginning of each year to facilitate fullest possible attendance. Between regular meetings, other Board meetings are held to approve major issues (if any). Agendas and accompanying Board papers are sent not less than 3 days before the date of Board meetings to ensure that the directors are given sufficient review time. Draft minutes of Board meetings and Board committee meetings are circulated to directors for their review and comment while final version of the said minutes, duly signed, are sent to all members for their records. All said minutes are kept by the Company Secretary of the Company and are open for inspection at any reasonable time on reasonable notice by any director.

為就特別須董事會作決定之事項提供明確原則，董事會及管理層之職能已予界定。董事會亦已訂立一份書面指引，釐定須由董事會決定及授權予管理層之議題。指引定期由董事會審閱，並已於本公司內聯網上登載。須董事會作決定之事項包括重要財務及法律承擔、合併及收購、重大資產收購或出售、更改股本、審批財務報告、編訂預算、管理層繼任及向股東作出陳述等。管理層負責本集團之日常營運。管理層須定期向董事會呈交營運報告，並就發展主要項目或業務計劃書及彼等各自之落實情況向董事會提出建議。董事會認為，如此責任劃分可增強本公司之企業管治。

本公司已就其董事及高級人員可能會面對之法律行動作適當之投保安排，投保範圍乃按年檢討。

董事會會議

每年至少舉行四次定期召開之董事會會議，以審批全年及中期業績、檢討本集團之業務運作及內部監控系統，為盡可能達到全體董事出席率，會議時間表將於每年年初訂定。於各定期召開之會議之間，亦會召開其他董事會會議以審批重大議題（如有）。會議議程及隨附之董事會文件亦須於董事會會議日期最少三天前送交董事，以確保董事有充分時間進行審閱。董事會會議及董事委員會會議之會議記錄初稿須向董事傳閱，以便審閱及評核，至於上述會議記錄經正式簽署之最終定稿則送交全體成員作其存檔之用。上述所有會議記錄由本公司之公司秘書備存，並在任何董事發出合理通知下可於任何合理時間供公開查閱。

During the year ended 31 December 2011, six Board meetings were held and the attendance records of directors are set out as follows:

於截至二零一一年十二月三十一日止年度內，曾舉行六次董事會會議，董事之出席記錄載列如下：

Directors	董事	No. of meetings attended/eligible meetings 出席/ 合資格出席 會議次數
Mr Li Haifeng – appointed on 7 June 2011	李海楓先生 – 於二零一一年六月七日獲委任	5/5
Mr Lee Sheng Kuang, James	李勝光先生	6/6
Mr Huang Xuxian, Flynn – appointed on 7 June 2011	黃旭新先生 – 於二零一一年六月七日獲委任	5/5
Mr Tang Chak Lam, Charlie	鄧澤霖先生	6/6
Mr Xiao Yong – appointed on 7 June 2011	肖勇先生 – 於二零一一年六月七日獲委任	5/5
Mr Rusli Hendrawan – resigned on 28 June 2011	Rusli Hendrawan先生 – 於二零一一年六月二十八日辭任	1/1
Mr Oey Tjie Ho – resigned on 7 June 2011	黃志和先生 – 於二零一一年六月七日辭任	1/1
Mr Chen Zhongfa# – appointed on 9 September 2011	陳忠發先生# – 於二零一一年九月九日獲委任	2/3
Mr Yau Wing Yiu# – appointed on 6 July 2011	邱永耀先生# – 於二零一一年七月六日獲委任	5/5
Mr Zhang Feng# – appointed on 7 June 2011	張峰先生# – 於二零一一年六月七日獲委任	5/5
Mr Cheung Kwok Ming# – resigned on 28 June 2011	張國明先生# – 於二零一一年六月二十八日辭任	1/1
Mr Kwok Lam Kwong, Larry, B.B.S., J.P.# – resigned on 9 September 2011	郭琳廣先生銅紫荊星章·太平紳士# – 於二零一一年九月九日辭任	3/3
Mr Lau Siu Ki, Kevin# – resigned on 13 July 2011	劉紹基先生# – 於二零一一年七月十三日辭任	1/1

Independent Non-Executive Directors

獨立非執行董事

Directors' Securities Transactions

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry of all directors of the Company, all directors have confirmed that they had complied with the required standard set out in the Model Code and the Company's code of conduct regarding directors' securities transactions during the year.

Details of the directors' interests in the shares of the Company as at 31 December 2011 are set out on page 42 of this Annual Report.

To enhance the corporate governance of the Group as a whole, the Board has established a written guideline on no less exacting terms than the Model Code for employees of the Company or director or employee of the Company's subsidiaries or holding company who are likely to be in possession of unpublished price sensitive information in relation to the Group or securities of the Company. No incident of non-compliance was noted by the Company in 2011.

BOARD COMMITTEES

Audit Committee

The Board set up the Audit Committee in 2000 with specific written terms of reference which deal clearly with its authority and duties. The terms of reference which would be revised from time to time in order to align with the new requirements of the CG Code and the Listing Rules have been posted on the Company's website. The Audit Committee is to review the Group's financial reporting, the external auditor's independence, internal controls and corporate governance issues and make relevant recommendations to the Board.

The members of the Audit Committee include:

Mr Yau Wing Yiu (*Committee Chairman*)
Mr Chen Zhongfa
Mr Zhang Feng

董事進行之證券交易

本公司已採納一套有關董事進行證券交易之守則，其規則標準不低於上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」）。經向本公司全體董事作出特定查詢後，全體董事均已確認，彼等於年內已符合標準守則及本公司有關董事進行證券交易之守則所載之規定標準。

有關董事於二零一一年十二月三十一日擁有本公司股份之權益之詳情已載於本年度報告第42頁。

為增強本集團整體之企業管治，董事會已就可能擁有的關於本集團或本公司證券之未公開股價敏感資料之本公司僱員或本公司之附屬公司或控股公司之董事或僱員訂立一套書面指引，其規則標準不低於標準守則。本公司於二零一一年並不知悉任何不遵守書面指引之事件。

董事委員會

審核委員會

董事會於二零零零年成立審核委員會，書面職權範圍已闡明其權力與職責。職權範圍會不時修訂以符合企業管治守則及上市規則之新規定，並已於本公司網站上登載。審核委員會負責審閱本集團之財務報告、外聘核數師之獨立性、內部監控及企業管治事宜，並向董事會提出相關建議。

審核委員會成員包括：

邱永耀先生（*委員會主席*）
陳忠發先生
張峰先生

All Audit Committee members are independent non-executive directors. During the year ended 31 December 2011, four Audit Committee meetings were held and the attendance records of members are set out as follows:

所有審核委員會成員均為獨立非執行董事。於截至二零一一年十二月三十一日止年度內，曾舉行四次審核委員會會議，成員之出席記錄載列如下：

Members	成員	No. of meetings attended/eligible meetings 出席／合資格出席會議次數
Mr Yau Wing Yiu – appointed on 13 July 2011	邱永耀先生 – 於二零一一年七月十三日獲委任	2/2
Mr Chen Zhongfa – appointed on 9 September 2011	陳忠發先生 – 於二零一一年九月九日獲委任	1/1
Mr Zhang Feng – appointed on 28 June 2011	張峰先生 – 於二零一一年六月二十八日獲委任	2/2
Mr Lau Siu Ki, Kevin – resigned on 13 July 2011	劉紹基先生 – 於二零一一年七月十三日辭任	2/2
Mr Cheung Kwok Ming – resigned on 28 June 2011	張國明先生 – 於二零一一年六月二十八日辭任	2/2
Mr Kwok Lam Kwong, Larry, B.B.S., J.P. – resigned on 9 September 2011	郭琳廣先生 銅紫荊星章·太平紳士 – 於二零一一年九月九日辭任	1/3

In discharging its responsibilities, the Audit Committee had mainly performed the following works during the year of 2011:

於二零一一年年度內，審核委員會在履行其責任時，曾主要執行下列工作：

- | | |
|--|------------------------------------|
| (i) reviewed the effectiveness of the audit process in accordance with the applicable standards; | (i) 按適用基準檢討審計過程之有效性； |
| (ii) reviewed the draft interim and annual financial statements and the related draft results announcements; | (ii) 審閱中期及全年財務報表初稿，以及相關業績公布初稿； |
| (iii) reviewed the change in accounting standards and assessment of potential impacts on the Group's financial statements; | (iii) 審閱會計準則之變動，以及評估對本集團財務報表之潛在影響； |
| (iv) reviewed the continuing connected transactions and comment on the fairness and reasonableness of the transactions; | (iv) 審閱持續關連交易，並就該等交易是否公平合理提出意見； |

- (v) reviewed the Group's internal control system including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget, and discussed the relevant issues including financial, operational and compliance controls and risk management functions; and
- (vi) made recommendation on the appointment or reappointment of the external auditors and approved their terms of engagement.

Remuneration Committee

The Board set up the Remuneration Committee in 2005 with specific written terms of reference which deal clearly with its authority and duties. The terms of reference have been posted on the Company's website. The Remuneration Committee's role is to make recommendations to the Board on the remuneration policy and structure for directors and senior management and to ensure that they are fairly rewarded for their individual contribution to the Group's overall performance, having regard to the interests of shareholders. The principal duties of the Remuneration Committee include determining the specific remuneration packages of all executive directors and senior management as well as reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time.

The members of the Remuneration Committee include:

Mr Chen Zhongfa (*Committee Chairman*)
Mr Yau Wing Yiu
Mr Zhang Feng
Mr Tang Chak Lam, Charlie

- (v) 檢討本集團之內部監控系統，包括本公司在會計及財務匯報職能方面之資源、員工資歷及經驗是否足夠，以及員工所接受之培訓課程及有關預算又是否充足，並就財務、營運與合規監控及風險管理職能等相關議題進行討論；及
- (vi) 就委任或續聘外聘核數師提出建議，並審批其聘用條款。

薪酬委員會

董事會於二零零五年成立薪酬委員會，書面職權範圍已闡明其權力與職責。其職權範圍已於本公司網站上登載。薪酬委員會之角色為按董事及高級管理人員之薪酬政策及架構向董事會提出建議，以及已考慮到股東利益之情況下，確保彼等已按各自對本集團整體表現之貢獻得到公平回報。薪酬委員會之主要職責包括釐定全體執行董事及高級管理人員之指定薪酬待遇，以及參考董事會不時議決之企業目標及宗旨，審閱並審批按表現釐定之酬金。

薪酬委員會成員包括：

陳忠發先生 (*委員會主席*)
邱永耀先生
張峰先生
鄧澤霖先生

Except for Mr Tang Chak Lam, Charlie who is an executive director, all Remuneration Committee members are independent non-executive directors. During the year ended 31 December 2011, three Remuneration Committee meetings were held and the attendance records of members are set out as follows:

除身為執行董事之鄧澤霖先生外，薪酬委員會全體成員均為獨立非執行董事。於截至二零一一年十二月三十一日止年度內，曾舉行三次薪酬委員會會議，成員之出席記錄載列如下：

Members	成員	No. of meetings attended/eligible meetings 出席／合資格出席會議次數
Mr Chen Zhongfa – appointed on 9 September 2011	陳忠發先生 – 於二零一一年九月九日獲委任	1/1
Mr Yau Wing Yiu – appointed on 13 July 2011	邱永耀先生 – 於二零一一年七月十三日獲委任	2/2
Mr Zhang Feng – appointed on 28 June 2011	張峰先生 – 於二零一一年六月二十八日獲委任	2/2
Mr Tang Chak Lam, Charlie	鄧澤霖先生	3/3
Mr Kwok Lam Kwong, Larry, B.B.S., J.P. – resigned on 9 September 2011	郭琳廣先生 銅紫荊星章·太平紳士 – 於二零一一年九月九日辭任	2/2
Mr Cheung Kwok Ming – resigned on 28 June 2011	張國明先生 – 於二零一一年六月二十八日辭任	1/1
Mr Lau Siu Ki, Kevin – resigned on 13 July 2011	劉紹基先生 – 於二零一一年七月十三日辭任	1/1

The Remuneration Committee is accountable to the Board and has approved the remuneration packages and other terms of executive directors' service contracts during the year of 2011.

薪酬委員會向董事會負責及於二零一一年年度內批准執行董事服務合約之薪酬待遇及其他條款。

The main principles of remuneration policy of the Company are:

本公司薪酬政策之主要原則包括：

- | | |
|---|--|
| (i) to retain and motivate executive directors and senior management by linking their compensation with performance as measured against corporate objectives; | (i) 為挽留及激勵執行董事及高級管理人員，將彼等之薪酬與按企業目標之表現掛鉤； |
| (ii) to align executive directors' and senior management's remuneration with shareholders' interests; and | (ii) 將執行董事及高級管理人員之薪酬與股東利益達成一致；及 |
| (iii) to ensure that no director or senior management or any of his associate is involved in deciding his own remuneration. | (iii) 確保並無董事或高級管理人員或其任何聯繫人士參與釐定其本人之薪酬。 |

When fixing the remuneration packages of executive directors, considerations have been given to the qualifications and experience of the executive directors, their duties and responsibilities with and contributions to the Group, the level of directors' remuneration of other comparable listed companies in Hong Kong, the Group's performance and the prevailing market condition. The principal elements of the remuneration packages of executive directors of the Company include salary, director's fee, double pay, discretionary bonus and share options.

Details of the remuneration of each director, on a named basis, are disclosed in Note 15 to the financial statements on pages 105 to 106 of this Annual Report. Reimbursement is allowed for out-of-pocket expenses incurred (including traveling and hotel expenses) in connection with the performance of directors' duties.

RESPONSIBILITY FOR PREPARATION AND REPORTING OF FINANCIAL STATEMENTS

The directors of the Company acknowledge their responsibility for preparing the financial statements of the Group in accordance with statutory requirements and applicable accounting standards. The directors will select suitable accounting policies and apply them consistently, make judgements and estimates that are prudent, fair and reasonable and prepare the financial statements on a going concern basis. The Board's responsibility to present a balanced, clear and understandable assessment extends to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules as well as the information required to be disclosed pursuant to statutory requirements.

The statement of the auditor of the Company regarding their reporting responsibilities for the financial statements of the Group is set out on pages 46 to 47 of this Annual Report.

訂立執行董事之薪酬待遇時，已考慮該等執行董事之資歷及經驗、彼等之職責及責任和對本集團之貢獻、香港其他同類型上市公司之董事薪酬水平、本集團之業績及現行市場情況。本公司執行董事薪酬待遇之主要元素包括薪金、董事袍金、雙糧、酌情花紅及購股權。

有關以記名方式列明每名董事薪酬之詳情，於本年度報告第105頁至第106頁財務報表附註15內披露。彼等亦可獲償付一切於履行董事職責時產生之實報實銷費用（包括差旅及酒店費用）。

編製及呈報財務報表之責任

本公司董事確認彼等編製本集團財務報表之責任，而該等財務報表乃根據法定要求及適用會計準則編製。董事將會揀選合適會計政策及貫徹運用、作出審慎、公平及合理之判斷及估計，並按持續經營為基準編製財務報表。董事會之責任乃清晰公正及明確地評估年度報告及中期報告、其他股價敏感資料之公布及根據上市規則規定須予披露之其他財務資料，以及根據法例規定須予披露之資料。

本公司核數師就彼等有關本集團之財務報表之呈報責任所作之聲明載於本年度報告第46頁至第47頁內。

INTERNAL CONTROLS

The Board has the ultimate responsibility to maintain a sound and effective internal control system for the Group to safeguard the shareholders' investment and the Group's assets and to ensure strict compliance with relevant laws, rules and regulations. The Audit Committee is responsible for reviewing the effectiveness of the internal control system and reporting to the Board.

The Group adopts the principles outlined in *Internal Control and Risk Management – A Basic Framework* issued by the Hong Kong Institute of Certified Public Accountants as yardstick in establishing its control environment. The scope of internal control relates to areas including effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

During the year, the Board has reviewed the effectiveness of the internal control system of the Group through the Audit Committee. The review covers the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, their training programmes and budget, and all material controls, including financial, operational and compliance controls and risk management functions of the Group. No material internal control aspects of any significant problems were noted. Both the Audit Committee and the Board were satisfied that the internal control system of the Group has been functioned effectively during the review year.

內部監控

董事會肩負最終責任確保本集團維持穩健而有效之內部監控系統，以維護股東投資及本集團資產，並確保嚴格遵守有關法律、規則及規例。審核委員會負責檢討內部監控系統之效能，並向董事會匯報。

本集團採納由香港會計師公會發出之「內部監控與風險管理的基本架構」中之原則大綱，作為建立本集團監控環境之標準。內部監控涉及之範疇包括營運之效能及效率、財務報告之可靠性以及遵守適用之法律及規例。

於年內，董事會透過審核委員會已檢討本集團內部監控系統之效能。檢討涵蓋本公司在會計及財務匯報職能方面之資源、員工資歷及經驗是否足夠，以及員工所接受之培訓課程及有關預算又是否充足，以及一切重要監控，包括本集團之財務、營運與合規監控及風險管理職能。概無發現內部監控在重大方面出現任何重大問題。審核委員會及董事會信納本集團之內部監控系統於回顧年度內有效運作。

AUDITOR'S REMUNERATION

PricewaterhouseCoopers is the external auditor of the Company. For the year ended 31 December 2011, the external auditor received the following remuneration for audit and non-audit services provided to the Group:

		HK\$'000 千港元
Audit services	審計服務	1,350
Non-audit services	非審計服務	
Taxation services	稅務服務	407
Review of indebtedness statement	審閱債務聲明	180
		1,937

The Audit Committee received written confirmation from the external auditor on its independence and objectivity as required by the Hong Kong Institute of Certified Public Accountants.

SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

According to the Bye-laws of the Company, shareholders' holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the voting right at general meetings of the Company, can by written requisition to the Board or the Company Secretary of the Company to convene a special general meeting for the transaction of any business specified in such requisition. In compliance with the requirements of the Listing Rules, any annual general meeting, and general meeting at which the passing of a special resolution is to be considered shall be called by at least 20 clear business days' notice, whilst others may be called by at least 10 clear business days' notice.

To further enhance the minority shareholders' right, all resolutions at any general meeting are decided on poll and such practice has been adopted since 2005. The chairman of any general meetings ensures that the shareholders are informed of the detailed procedures for conducting a poll by way of making the explanation at the commencement of the general meetings. The chairman of general meetings also ensures full compliance with the requirements about voting by poll contained in the Listing Rules and the Bye-laws of the Company.

核數師酬金

羅兵咸永道會計師事務所為本公司之外聘核數師。截至二零一一年十二月三十一日止年度，外聘核數師已就向本集團提供之審計及非審計服務收取下列酬金：

審核委員會已接獲外聘核數師就其獨立性及客觀性發出之書面確認書，表示其已符合香港會計師公會之規定。

股東權利及投資者關係

根據本公司之章程細則，任何於發出要求當日持有有權於本公司股東大會上投票之本公司繳足股本不少於十分之一的股東，有權向董事會或本公司公司秘書致函，要求召開股東特別大會，以處理該等要求列明之任何事項。為符合上市規則之規定，任何股東週年大會以及用以考慮通過特別決議案之股東大會須以至少足20個營業日之通知召開，而其他股東大會則須以至少足10個營業日之通知召開。

為進一步提高少數股東之權利，任何股東大會上之一切決議案均以投票方式表決，此常規自二零零五年起已採納。任何股東大會主席須確保已透過於股東大會開始時作出詳細闡釋之方式，使股東知悉以投票方式表決之程序。股東大會主席亦須確保全面符合上市規則及本公司之章程細則中有關以投票方式表決之規定。

In order to maintain an on-going dialogue with shareholders, shareholders are encouraged to attend annual general meeting of the Company at which the Chairman of the Board and the chairmen of the Board committees are available to answer questions related to the Group's business.

Shareholders' comments and suggestions together with any proposals put forward to general meetings at a reasonable time are welcome and such comments and proposals can be sent in writing to the Company Secretary at the Company's address in Hong Kong or by e-mail to the Company's website. The Board endeavors to answer all invaluable questions of the shareholders.

As a channel of further promoting effective communication as well as fulfilling the requirements of the Listing Rules, the corporate website, www.carrywealth.com, is maintained by the Company to disseminate the relevant financial and non-financial information on a timely basis and the published information will be maintained at the above website for at least five years.

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company, as at the date of this Annual Report, the public float of the shares of the Company is sufficient.

為與股東保持持續對話，茲鼓勵股東出席本公司之股東週年大會，而董事會主席及各董事委員會主席均將出席，解答與本集團業務有關之問題。

本公司歡迎股東於合理時間內向股東大會提出意見、提議及建議，而該等意見及建議可以投函至本公司之香港地址予公司秘書，或以電子郵件方式寄往本公司之網站。董事會會盡力解答股東一切寶貴問題。

作為進一步促進有效溝通之渠道，並符合上市規則之規定，本公司已設有公司網站 www.carrywealth.com，以適時發放有關財務及非財務資料，而已公布之資料將於上述網站保留最少五年。

於本年度報告日期，根據本公司可獲得之公開資料及據本公司董事所知，本公司股份之公眾持股量充足。

Report of the Directors 董事會報告

The directors present their report together with the audited financial statements for the year ended 31 December 2011.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in Note 36 to the financial statements.

An analysis of the Group's performance for the year by operating segment is set out in Note 5 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 48.

The directors did not declare any interim dividend for the six months ended 30 June 2011 (2010: nil).

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

RESERVES

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus of the Company shall not be distributed to the shareholders if there are reasonable grounds for believing that:

- (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (ii) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

As at 31 December 2011, the Company had distributable reserves amounting to HK\$115,522,000 (2010: HK\$149,686,000), including the contributed surplus of HK\$147,694,000 (2010: HK\$147,694,000) which is distributable subject to conditions as set out above.

Movements in the reserves of the Group and of the Company during the year are set out in Note 31 to the financial statements.

董事會提呈其報告，連同截至二零一一年十二月三十一日止年度之經審核財務報表。

主要業務及業務之地域分析

本公司之主要業務為投資控股。附屬公司之業務載於財務報表附註36。

本集團於本年度之表現按營運分部之分析載於財務報表附註5。

業績及分派

本集團之本年度業績載於第48頁之綜合收入報表。

董事不宣派截至二零一一年六月三十日止六個月之中期股息（二零一零年：無）。

董事不建議派付截至二零一一年十二月三十一日止年度之末期股息。

儲備

根據一九八一年百慕達公司法（經修訂），在有合理理由相信會出現下列情況下，本公司之繳入盈餘不應分派予股東：

- (i) 本公司無法（或於分派後無法）支付其到期清付之負債；或
- (ii) 本公司資產之可變現值因此低於本公司之負債及已發行股本及股份溢價賬之總值。

於二零一一年十二月三十一日，本公司擁有可供分派儲備115,522,000港元（二零一零年：149,686,000港元），包括繳入盈餘147,694,000港元（二零一零年：147,694,000港元），該款額受上述條件規限下可予分派。

於年內，本集團及本公司儲備之變動情況載於財務報表附註31。

DONATIONS

No charitable donations were made by the Group during the year (2010: HK\$115,000).

PROPERTIES, PLANT AND EQUIPMENT

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

SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in Note 30 to the financial statements.

SUBSIDIARIES

Particulars of the Company's principal subsidiaries are set out in Note 36 to the financial statements.

BANK BORROWINGS

Particulars of bank borrowings of the Group are set out in Note 27 to the financial statements.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 5 of this Annual Report.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

捐款

於年內，本集團並無作出任何慈善捐款（二零一零年：115,000港元）。

物業、廠房及設備

於年內，本集團物業、廠房及設備之變動詳情載於財務報表附註16。

股本

本公司股本之變動詳情載於財務報表附註30。

附屬公司

本公司主要附屬公司之詳細資料載於財務報表附註36。

銀行貸款

本集團銀行貸款之詳細資料載於財務報表附註27。

五年財務摘要

本集團於過去五個財政年度之業績與資產及負債摘要載於本年度報告第5頁。

購買、出售或贖回本公司之上市證券

於年內，本公司及其任何附屬公司並無購買、出售或贖回本公司之任何上市證券。

SHARE OPTIONS

On 8 May 2002, the shareholders of the Company approved the adoption of a share option scheme (the “Scheme”). A summary of the principal terms of the Scheme, as disclosed in accordance with the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), is as follows:

(i) Purpose

The purpose of the Scheme is to provide incentives to qualifying participants to contribute to the Group and/or to enable the Group to recruit and/or to retain high-calibre employees and attract resources that are valuable to the Group.

(ii) Qualifying participants

Any person being an employee, director (including executive or non-executive director), consultant, representative, professional adviser, customer, business partner, joint venture partner, strategic partner, landlord or tenant of, or any supplier or provider of goods or services, to the Group, and any trustee(s) of a discretionary trust of which one or more beneficiaries belong to any of the abovementioned category(ies) of persons.

(iii) Maximum number of shares

The total number of shares available for issue under the Scheme is 12,360,000 which is 2.77% of the issued share capital as at the date of this Annual Report.

(iv) Maximum entitlement of each qualifying participant

No qualifying participant shall be granted an option which, if exercised in full, would result in such person's maximum entitlement exceeding 1% of the aggregate number of shares for the time being issued and issuable under the Scheme.

購股權

於二零零二年五月八日，本公司股東批准採納購股權計劃（「該計劃」）。按照香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）須予披露之該計劃主要條款概要如下：

(i) 目的

該計劃之目的乃為鼓勵合資格參與者向本集團作出貢獻及／或讓本集團可聘用及／或挽留高質素僱員，並吸納寶貴資源為本集團服務。

(ii) 合資格參與者

任何人士為本集團之僱員、董事（包括執行或非執行董事）、顧問、代表、專業顧問、客戶、業務夥伴、合營夥伴、策略夥伴、業主或租客、或向本集團提供貨品或服務之任何供應商或提供者、及任何酌情信託之受託人（該信託之一位或多位受益人須隸屬上述任何一種類別之人士）。

(iii) 最高股份數目

根據該計劃可予發行之股份總數為12,360,000股，相當於本年度報告日期之已發行股本2.77%。

(iv) 每位合資格參與者可獲授權益上限

倘若授予合資格參與者之購股權獲全面行使，將導致該人士可獲授權益上限超逾當時根據該計劃已發行股份及可發行股份總數之1%，則該合資格參與者不獲授予購股權。

(v) Option period

In respect of any particular option, such period commencing on the date of grant or such later date as the directors may decide and expiring on such date as the directors may determine, such period not to exceed 10 years from the date of grant.

(vi) Acceptance of offer

An offer of the grant of an option shall remain open for acceptance for a period of 30 days from the date on which the option is offered. An offer of the grant of the option shall be deemed to have been accepted when the duplicate offer document constituting acceptance of the option duly signed by the grantee together with a remittance in favour of the Company of HK\$1.00 by way of consideration of the grant thereof is received by the Company.

(vii) Subscription price

The subscription price in respect of any particular option shall be such price as the directors may determine at the date of grant of the relevant option but shall not be less than whichever is the greater of:

- (a) The closing price of the Company's shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant;
- (b) The average closing price of the Company's shares as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the date of grant; and
- (c) The nominal value of the Company's shares.

(viii) The remaining life of the Scheme

The directors shall be entitled at any time within 10 years commencing on 8 May 2002 to offer the grant of an option to any qualifying participants.

(v) 購股權有效期

就任何特定之購股權而言，有效期由授出日期或董事決定之較後日期起計，及至董事決定之日期屆滿，惟該有效期由授出購股權日期起計不得超過十年。

(vi) 接納建議

接納授出購股權建議之開放期，由授出購股權建議之日期起計，為期三十日。本公司一經收到由獲授人正式簽署載有接納購股權之函件副本連同付予本公司1.00港元之款項作為授出購股權之代價後，授出購股權建議即被視作已獲接納。

(vii) 認購價

任何特定購股權之認購價為董事於授出相關購股權日期時所釐定之價格，惟不可少於下列三項之最高者：

- (a) 於購股權授出當日，本公司股份在聯交所每日報價表所列之收市價；
- (b) 本公司股份在緊接授出購股權日期前五個營業日在聯交所每日報價表所列之平均收市價；及
- (c) 本公司股份之面值。

(viii) 該計劃尚餘有效期

董事有權於二零零二年五月八日起計十年內隨時向任何合資格參與者建議授出購股權。

Report of the Directors 董事會報告

During the year, on 15 July 2011, the Company granted a total of 11,800,000 share options under the Scheme to the following persons:-

年內，於二零一一年七月十五日，本公司根據該計劃向下列人士授出合共11,800,000份購股權：

Name of grantees	Position held with the Company	Number of share options granted
獲授人姓名	於本公司擔任之職位	已授出之購股權數目
Li Haifeng 李海楓	Chairman and Executive Director 主席兼執行董事	3,700,000
Lee Sheng Kuang, James 李勝光	Managing Director and Executive Director 董事總經理兼執行董事	1,000,000
Huang Xuxian, Flynn 黃旭新	Executive Director 執行董事	3,000,000
Tang Chak Lam, Charlie 鄧澤霖	Executive Director 執行董事	500,000
Xiao Yong 肖勇	Executive Director 執行董事	2,600,000
Rusli Hendrawan	former Chairman and former Executive Director 前主席兼前執行董事	1,000,000

All the above share options granted are exercisable from 15 October 2011 to 14 July 2021 at an exercise price of HK\$0.78 per share. The closing price per share immediately before 15 July 2011 was HK\$0.76.

上述已授出之所有購股權於二零一一年十月十五日至二零二一年七月十四日可予行使，行使價為每股0.78港元。緊接二零一一年七月十五日前之收市價為每股0.76港元。

As approved by the board of directors and agreed by each of the grantees, the grant of the above 11,800,000 share options was cancelled with effect from 22 July 2011 in accordance with the terms of the Scheme.

經董事會批准及各獲授人同意，授出上述11,800,000份購股權已按照該計劃條款取消，由二零一一年七月二十二日生效。

DIRECTORS

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

Mr Li Haifeng (*Chairman*) – appointed on
7 June 2011 and Chairman on 28 June 2011

Mr Lee Sheng Kuang, James (*Managing Director*)

Mr Huang Xuxian, Flynn
– appointed on 7 June 2011

Mr Tang Chak Lam, Charlie

Mr Xiao Yong
– appointed on 7 June 2011

Mr Rusli Hendrawan
– resigned on 28 June 2011

Mr Oey Tjie Ho
– resigned on 7 June 2011

Mr Chen Zhongfa[#]
– appointed on 9 September 2011

Mr Yau Wing Yiu[#]
– appointed on 6 July 2011

Mr Zhang Feng[#]
– appointed on 7 June 2011

Mr Cheung Kwok Ming[#]
– resigned on 28 June 2011

Mr Kwok Lam Kwong, Larry, B.B.S., J.P.[#]
– resigned on 9 September 2011

Mr Lau Siu Ki, Kevin[#]
– resigned on 13 July 2011

[#] Independent Non-Executive Director

Pursuant to Bye-law 86(2) of the Company's Bye-laws, Mr Li Haifeng, Mr Huang Xuxian, Flynn, Mr Xiao Yong, Mr Chen Zhongfa, Mr Yau Wing Yiu and Mr Zhang Feng shall retire from office at the forthcoming annual general meeting and, being eligible, will offer themselves for re-election.

In accordance with Bye-law 87 of the Company's Bye-laws, Mr Lee Sheng Kuang, James shall retire from office by rotation and, being eligible, offer himself for re-election at the forthcoming annual general meeting.

董事

於年內及截至本報告之日期，本公司之董事如下：

李海楓先生 (主席)

– 於二零一一年六月七日獲委任並於
二零一一年六月二十八日出任主席

李勝光先生 (董事總經理)

黃旭新先生

– 於二零一一年六月七日獲委任

鄧澤霖先生

肖勇先生

– 於二零一一年六月七日獲委任

Rusli Hendrawan先生

– 於二零一一年六月二十八日辭任

黃志和先生

– 於二零一一年六月七日辭任

陳忠發先生[#]

– 於二零一一年九月九日獲委任

邱永耀先生[#]

– 於二零一一年七月六日獲委任

張峰先生[#]

– 於二零一一年六月七日獲委任

張國明先生[#]

– 於二零一一年六月二十八日辭任

郭琳廣先生 銅紫荊星章·太平紳士[#]

– 於二零一一年九月九日辭任

劉紹基先生[#]

– 於二零一一年七月十三日辭任

[#] 獨立非執行董事

根據本公司之章程細則第86(2)條，李海楓先生、黃旭新先生、肖勇先生、陳忠發先生、邱永耀先生及張峰先生將於應屆股東週年大會上退任，並符合資格亦願意膺選連任。

根據本公司之章程細則第87條，李勝光先生將輪席退任，並符合資格亦願意於應屆股東週年大會上膺選連任。

DIRECTORS' BIOGRAPHICAL DETAILS

Mr Li Haifeng

Chairman

Mr Li Haifeng, aged 41, was appointed as the Chairman and an executive director in June 2011 and is the Chairman of the Nomination Committee of the Company. He is also the sole director of Dragon Peace Limited, a substantial shareholder of the Company. Mr Li is responsible for overall corporate and business development, and strategic direction of the Group and provides leadership for the board of directors of the Company. Mr Li has extensive experience in information technology and waste water treatment industries. He is currently an executive director and a vice president of Beijing Enterprises Water Group Limited ("BEWG") (a company listed on the main board of the Stock Exchange) and the chairman of the Supervisory Committee of BEWG Environmental Group Co., Ltd (formerly known as Beijing Enterprises Z.K.C. Environmental Co., Ltd.), a wholly owned subsidiary of BEWG, and is mainly responsible for both the PRC and overseas water markets. In addition, Mr Li is also an independent non-executive director of Simsen International Corporation Limited, a company listed on the main board of the Stock Exchange. Mr Li holds a Bachelor degree in Law from the Faculty of Law in Peking University in 1992.

Mr Lee Sheng Kuang, James

Managing Director

Mr Lee Sheng Kuang, James, aged 65, is a founder of the Group and the Managing Director of the Company. Mr Lee is responsible for all day-to-day corporate management matters. He is also responsible for planning and developing the Group's strategy. Mr Lee has over thirty years of experience in the manufacture and distribution of apparel products.

董事簡歷

李海楓先生

主席

李海楓先生，41歲，於二零一一年六月獲委任為本公司主席兼執行董事及為提名委員會之主席。彼亦為本公司主要股東 Dragon Peace Limited之唯一董事。李先生負責本集團之整體企業及業務發展以及策略方針，並領導本公司之董事會。李先生於資訊科技及污水處理行業擁有豐富經驗。彼現為北控水務集團有限公司（「北控水務」）（一家於聯交所主板上市之公司）之執行董事兼副總裁，並為北控中科成環保集團有限公司（前稱北控中科成環保有限公司，北控水務之全資附屬公司）之監事委員會主席，主要負責中國及海外水務市場。此外，李先生亦為天行國際（控股）有限公司（一家於聯交所主板上市之公司）之獨立非執行董事。李先生於一九九二年獲得北京大學法律學系法學學士學位。

李勝光先生

董事總經理

李勝光先生，65歲，乃本集團之創辦人兼本公司董事總經理。李先生專責一切日常企業管理業務。彼亦負責計劃及發展本集團之策略。李先生在生產及分銷成衣產品方面積逾30年經驗。

Mr Huang Xuxian, Flynn*Executive Director*

Mr Huang Xuxian, Flynn, aged 42, was appointed as an executive director in June 2011. Mr Huang is responsible for day-to-day corporate management matters including business development and administration of the Group. He has extensive experience in taxation, accounting and corporate finance. Mr Huang is currently serving as an executive vice president of Paragon Lakewood Group, where he specializes in investment and business development. Mr Huang also serves as a director of Jih Sun Financial Holding Co., Ltd., a company listed on the Taiwan Stock Exchange Corporation. Mr Huang formerly served as the chairman of the board and an executive director of Shang Hua Holdings Limited (currently known as Beijing Enterprises Water Group Limited), a company listed on the main board of the Stock Exchange. Mr Huang also served as a director of the board of First Choice Bank, of which he was one of the co-founders. Mr Huang is a member of the American Institute of Certified Public Accountants and Washington CPA Society. He graduated from University of Washington with a bachelor degree of arts in business administration/accounting in 1993. Mr Huang also holds an International Master of Business Administration from the University of Chicago Booth School of Business.

Mr Tang Chak Lam, Charlie*Executive Director*

Mr Tang Chak Lam, Charlie, aged 50, is a member of the Remuneration Committee of the Company. He is responsible for the overall financial operation of the Group. He has extensive audit experience with one of the big four international accounting firms. Prior to joining the Group in November 1999, Mr Tang was the head of finance and accounting of a conglomerate with subsidiaries listed on the NASDAQ in the United States and the Australian Stock Exchange Limited and the China division of another conglomerate listed on the Stock Exchange. Mr Tang is a certified public accountant in Hong Kong, and is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants in the United Kingdom.

黃旭新先生*執行董事*

黃旭新先生，42歲，於二零一一年六月獲委任為執行董事。黃先生專責日常企業管理業務，包括本集團之業務發展及行政管理。彼於稅務、會計及企業融資擁有豐富經驗。黃先生現為Paragon Lakewood Group之執行副總裁，專責投資及業務發展。黃先生亦為一家於台灣證券交易所股份有限公司上市之公司日盛金融控股股份有限公司之董事。黃先生曾任一家於聯交所主板上市之公司上華控股有限公司（現稱北控水務集團有限公司）之董事會主席兼執行董事。黃先生亦為First Choice Bank之董事會成員兼創辦人之一。黃先生現為美國執業會計師公會及華盛頓執業會計師公會會員。彼畢業於華盛頓大學，於一九九三年獲頒工商管理／會計學士學位。黃先生亦獲芝加哥大學布斯商學院頒發工商管理國際碩士學位。

鄧澤霖先生*執行董事*

鄧澤霖先生，50歲，現為本公司薪酬委員會成員。彼專責本集團之整體財務事宜。彼擁有豐富之審計經驗，曾在四大國際會計師行之一任職。一九九九年十一月加盟本集團前，鄧先生為一間綜合企業之財務及會計部主管，該集團旗下多間附屬公司在美國NASDAQ及澳洲證券交易所有限公司上市，亦曾在另一間在聯交所上市之綜合企業出任中國業務部主管。鄧先生為香港執業會計師，亦為香港會計師公會及英國特許公認會計師公會之資深會員。

Mr Xiao Yong

Executive Director

Mr Xiao Yong, aged 42, was appointed as an executive director in June 2011. Mr Xiao is responsible for business development and exploring business opportunities with growth potential in the PRC for the Group. He has extensive experience in petrochemical and telecommunications industries. He served as the chairman of Shanghai Ace Co., Ltd. ("Shanghai Ace"), a company listed on the Shanghai Stock Exchange, during the period from May 2008 to May 2011. Prior to joining Shanghai Ace, Mr Xiao was a deputy general manager of 天天科技有限公司, a company principally engaged in research and development of electronics and telecommunications related products as well as network engineering investment management. Mr Xiao graduated from Shanghai University of Electric Power with a bachelor degree in business management in 1990. He also holds a master degree in business management from Zhejiang University.

Mr Chen Zhongfa

Independent Non-Executive Director

Mr Chen Zhongfa, aged 62, was appointed as an independent non-executive director in September 2011 and is the Chairman of the Remuneration Committee, a member of the Audit Committee and Nomination Committee of the Company. Mr Chen has extensive experience in enterprise management. During March 1995 to June 2001, Mr Chen had been the vice general manager and general manager of Shanghai Tourism Investment and Development Group Company in the PRC. From July 2001 to March 2010, Mr Chen served as the chief economist, CFO, a director and the vice general manager of China Landed Property Development Group Company in the PRC. Since April 2011, Mr Chen is the vice chairman of the China Commerce Association for Senior Citizens and a senior consultant to the Chinese Overseas Students Development Fund. He is currently an independent non-executive director of China Information Technology Development Limited whose shares are listed on the Growth Enterprise Market of the Stock Exchange. Mr Chen obtained a master degree in International Enterprise Management from the Post Graduate School of the Shanghai Finance and Economic University in 1999. Since February 2009, Mr Chen is a Fellow Member, Chartered Financial Practitioner of the Asia Pacific Financial Services Association.

肖勇先生

執行董事

肖勇先生，42歲，於二零一一年六月獲委任為執行董事。肖先生負責本集團之業務發展，及在國內發掘具發展潛力之商機。彼於石油化工及電訊行業擁有豐富經驗。於二零零八年五月至二零一一年五月期間，彼曾任一家於上海證券交易所上市之公司上海愛使股份有限公司（「上海愛使」）之主席。於加盟上海愛使前，肖先生曾任天天科技有限公司之副總經理，該公司主要從事研發電子及電訊相關產品，以及網絡工程投資管理。肖先生於一九九零年畢業於上海電力學院，持有工商管理學士學位。彼亦獲浙江大學頒授工商管理碩士學位。

陳忠發先生

獨立非執行董事

陳忠發先生，62歲，於二零一一年九月獲委任為獨立非執行董事，並為本公司之薪酬委員會主席、審核委員會及提名委員會成員。陳先生擁有豐富之企業管理經驗。於一九九五年三月至二零零一年六月，陳先生曾任中國上海旅遊投資開發集團公司之副總經理及總經理。彼於二零零一年七月至二零一零年三月於國內任職中國房地產開發集團公司之總經濟師、總會計師、董事及副總經理。自二零一一年四月起，彼擔任中國老齡產業協會副會長，兼任中國留學人才發展基金會高級顧問。彼現時為中國信息科技發展有限公司（其股份於聯交所創業板上市）之獨立非執行董事。陳先生於一九九九年取得中國上海財經大學研究生學歷，碩士學位主修國際企業管理。彼於二零零九年二月起為亞太財務服務協會之特許財務策劃師之資深會員。

Mr Yau Wing Yiu*Independent Non-Executive Director*

Mr Yau Wing Yiu, aged 45, was appointed as an independent non-executive director in July 2011 and is the Chairman of the Audit Committee, a member of the Remuneration Committee and Nomination Committee of the Company. He has extensive experience in financial management, corporate finance and investment. Mr Yau was the partner and Chief Financial Officer of AID Partners Capital Limited which is a private equity investment fund. Mr Yau also worked for various listed companies in Hong Kong and overseas and a number of international investment banks. He is currently an executive director of China Strategic Holdings Limited whose shares are listed on the main board of the Stock Exchange and also an independent non-executive director of HanKore Environment Tech Group Limited whose shares are listed on the Singapore Exchange Securities Trading Limited. Mr Yau is an associate member of American Institute of Certified Public Accountant and an associate member of Hong Kong Institute of Certified Public Accountant. He holds a Master Degree of Business Administration in Finance from The Hong Kong University of Science and Technology, Graduate School of Business and a BA (Hons) in Business Studies from The City University of Hong Kong.

Mr Zhang Feng*Independent Non-Executive Director*

Mr Zhang Feng, aged 43, was appointed as an independent non-executive director in June 2011 and is a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. He is a businessman who has about 19 years of experience in hi-technology industry with areas covering satellite communications, system integrator and other related services. Mr Zhang founded 北京海域天科技發展有限公司 (“海域天科技”) in 1999 and 北京海域天華通信技術有限公司 (“海域天華”) in 2004 respectively. Mr Zhang has been serving as the chairman and general manager of 海域天科技 and the chairman of 海域天華 since their incorporations. He acted as the vice chairman of Aircraft Owners and Pilots Association of China in 2010. Mr Zhang graduated from Hohai University with double bachelor degrees in industrial automation and business management in 1992 and 1994 respectively.

邱永耀先生*獨立非執行董事*

邱永耀先生，45歲，於二零一一年七月獲委任為獨立非執行董事，並為本公司之審核委員會主席、薪酬委員會及提名委員會成員。彼於財務管理、企業融資及投資方面擁有豐富經驗。邱先生曾為私人股本投資基金AID Partners Capital Limited之合夥人兼財務總監。邱先生亦於多間香港及海外上市公司及多間國際投資銀行任職。彼現時為中策集團有限公司（其股份於聯交所主板上市）之執行董事及亦為HanKore Environment Tech Group Limited（其股份於新加坡證券交易所有限公司上市）之獨立非執行董事。邱先生為美國註冊會計師協會會員及香港會計師公會會員。彼持有香港科技大學商學院金融專業工商管理碩士學位，以及香港城市大學商業榮譽學士學位。

張峰先生*獨立非執行董事*

張峰先生，43歲，於二零一一年六月獲委任為獨立非執行董事，並為本公司之審核委員會、薪酬委員會及提名委員會成員。彼為商人，於高科技行業擁有約19年經驗，領域涵蓋衛星通訊、系統整合及其他相關服務。張先生分別於一九九九年創辦北京海域天科技發展有限公司（「海域天科技」），及二零零四年創辦北京海域天華通信技術有限公司（「海域天華」）。自該兩家公司註冊成立以來，張先生一直擔任海域天科技主席兼總經理及海域天華主席之職。於二零一零年，彼出任中國私用航空器擁有者及駕駛員協會副主席。張先生畢業於河海大學，於一九九二年及一九九四年分別獲頒工業自動及工商管理雙學士學位。

DIRECTORS' SERVICE CONTRACTS

None of the directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

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

CONNECTED TRANSACTIONS

On 9 December 2009, Carry Wealth Limited ("CWL"), an indirect wholly-owned subsidiary of the Company, and Shinning Century Limited ("SCL") entered into a management services agreement (the "Management Services Agreement") to renew the terms of the management services agreement dated 13 September 2001 (as amended by the first supplemental agreement dated 6 September 2004 and the second supplemental agreement dated 24 November 2006) which expired on 31 December 2009 so as to comply with Chapter 14A of the Listing Rules for determining the annual cap amounts for the years ending 31 December 2010, 2011 and 2012.

Pursuant to the terms of the Management Services Agreement, CWL provided SCL with management services comprising procurement of sales orders, material sourcing, accounting and finance, shipping and general management services in Hong Kong at a management fee at 6% of the total sales at the invoiced value to customers of SCL for each calendar month. The term of the Management Services Agreement commenced from 1 January 2010 and shall end on 31 December 2012 and thereafter shall be renewed every 3 years unless terminated pursuant to the terms thereof.

As SCL was owned as to 70% by the Company indirectly and 30% by Ms Chen Mei Chuan, Jennifer ("Ms Chen"), the managing director of SCL, SCL was a connected person of the Company under the Listing Rules. The ongoing transactions between CWL and SCL as aforesaid constituted connected transactions for the Company under the Listing Rules.

董事之服務合約

被提名於應屆股東週年大會上重選之董事，概無與本公司訂立任何本公司不能於一年內免付賠償（法定賠償除外）而予以終止之服務合約。

董事於合約之權益

本公司董事概無於本公司或其任何附屬公司訂立而與本集團業務有重大關係，且於本年度結束或於年內任何時間仍然有效之合約中直接或間接擁有重大利益。

關連交易

於二零零九年十二月九日，本公司之間接全資附屬公司近旺有限公司（「近旺」）與耀晴有限公司（「耀晴」）訂立管理服務協議（「管理服務協議」），以重續日期為二零零一年九月十三日並已於二零零九年十二月三十一日屆滿之管理服務協議（經日期為二零零四年九月六日之第一份補充協議及日期為二零零六年十一月二十四日之第二份補充協議修訂），以符合上市規則第14A章就釐定截至二零一零年、二零一一年及二零一二年十二月三十一日止年度之全年上限金額之規定。

根據管理服務協議之條款，近旺於香港向耀晴提供之管理服務包括接單、物料採購、會計及財務、船務與一般管理服務，並向耀晴收取相等於其總銷售額6%之管理費，總銷售額為耀晴於每曆月向客戶供貨之發票值。管理服務協議之年期由二零一零年一月一日開始直至二零一二年十二月三十一日為止，除因根據管理服務協議之條款被終止外，否則將每三年重續一次。

由於耀晴由本公司間接擁有70%權益及由耀晴之董事總經理陳美娟女士（「陳女士」）擁有30%權益，根據上市規則，耀晴為本公司之關連人士。根據上市規則，上述近旺與耀晴之間之持續交易構成本公司之關連交易。

The independent non-executive directors of the Company have reviewed the transactions and confirmed that the transactions have been entered into:

- (i) in the ordinary and usual course of business of the Company and CWL;
- (ii) on normal commercial terms; and
- (iii) in accordance with the Management Services Agreement on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group above in accordance with paragraph 14A.38 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

The aggregate amount of management fees charged by CWL amounted to HK\$685,000 which did not exceed the cap amount of HK\$6,200,000 as disclosed for the year ended 31 December 2011 in the Company's announcement dated 9 December 2009.

On 16 December 2011, Best Sphere Group Limited (a wholly owned subsidiary of the Company) disposed of its 70% interest in SCL to Ms Chen at a consideration comprising cash of HK\$1 and the waiver of debt of HK\$3,382,000 of which Ms Chen had 30% indirect interest. Upon the disposal, the Management Services Agreement and the related continuing connected transactions between CWL and SCL have ceased accordingly. The directors consider that after the disposal, the Group will be better able to rationalize its resources by focusing on the Group's Heshan factory in Mainland China in order to seize business opportunities arising from the more stable and stronger Mainland China markets.

本公司獨立非執行董事已覆核及確認訂立之有關交易：

- (i) 屬本公司及近旺之日常及慣常業務；
- (ii) 按一般商業條款進行；及
- (iii) 根據管理服務協議進行，而交易條款乃公平合理，並且符合本公司股東之整體利益。

根據香港會計師公會發佈的香港鑒證業務準則3000號「歷史財務資料審核或審閱以外的鑒証工作」並參考實務說明740號「香港上市規則規定的持續關連交易的核數師函件」，本公司核數師已受聘對本集團持續關連交易作出報告。根據上市規則第14A.38條，核數師已就本集團以上披露的持續關連交易，發出無保留意見的函件，並載有其發現和結論。本公司已將該核數師函件副本向聯交所提供。

近旺收取之管理費總額685,000港元並無超出本公司日期為二零零九年十二月九日之公布所披露截至二零一一年十二月三十一日止年度之上限6,200,000港元。

於二零一一年十二月十六日，Best Sphere Group Limited（本公司之全資附屬公司）出售其於耀晴之70%權益予陳女士，代價包括現金1港元及放棄收取債務3,382,000港元（陳女士於其中擁有30%間接權益）。於出售時，管理服務協議及近旺與耀晴進行之相關持續關連交易已相應終止。董事認為，於出售後，本集團將更可善用其資源，集中發展本集團位於中國大陸之鶴山廠房，藉此把握來自更為穩健及蓬勃之中國大陸市場之商機。

INTERESTS OF DIRECTORS

As at 31 December 2011, the interests of the directors of the Company in the shares of the Company as recorded in the register required to be kept under section 352 of the Securities and Futures Ordinance (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:

Ordinary shares of HK\$0.10 each in the Company

Name of director	Capacity	Number of ordinary shares					Total interests	Percentage of issued share capital 佔已發行股本百分比
		Personal interests	Family interests	Corporate interests	Other interests	普通股股份數目		
董事姓名	身份	個人權益	家族權益	公司權益	其他權益	總權益		
Mr Li Haifeng 李海楓先生	Interest of a controlled corporation 受控制法團之權益	-	-	236,717,000	-	-	53.05	

Note:

The above shares were held by Dragon Peace Limited, which was wholly owned by Mr Li Haifeng.

All the interests stated above represent long positions. Save as disclosed above, as at 31 December 2011, none of the directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事權益

於二零一一年十二月三十一日，根據證券及期貨條例（「證券及期貨條例」）第352條規定須予備存之登記冊所記錄或根據上市發行人董事進行證券交易的標準守則（「標準守則」）向本公司及聯交所發出之通知，本公司董事擁有本公司股份之權益如下：

本公司每股面值0.10港元普通股

Name of director	Capacity	Number of ordinary shares					Total interests	Percentage of issued share capital 佔已發行股本百分比
		Personal interests	Family interests	Corporate interests	Other interests	普通股股份數目		
董事姓名	身份	個人權益	家族權益	公司權益	其他權益	總權益		
Mr Li Haifeng 李海楓先生	Interest of a controlled corporation 受控制法團之權益	-	-	236,717,000	-	-	53.05	

附註：

上述股份由Dragon Peace Limited持有，而該公司則由李海楓先生全資擁有。

上文所述之所有權益均屬好倉。除上文所披露者外，根據證券及期貨條例第352條規定須予備存之登記冊所記錄或根據標準守則向本公司及聯交所發出之通知，於二零一一年十二月三十一日，本公司董事或最高行政人員概無於本公司或任何相聯法團（按證券及期貨條例第XV部之定義）之股份、相關股份或債權證中擁有任何權益或淡倉。

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2011, the interests of the substantial shareholders (as defined in the Listing Rules), other than directors or chief executives, of the Company in the shares of the Company as recorded in the register required to be kept under section 336 of the SFO were as follows:

Ordinary shares of HK\$0.10 each in the Company

Name of shareholder	Capacity	Number of ordinary shares	Percentage of issued share capital
股東名稱	身份	普通股股份數目	佔已發行股本百分比
Dragon Peace Limited	Beneficial owner 實益擁有人	236,717,000	53.05

Note:

The above shares were held by Dragon Peace Limited, which was wholly owned by Mr Li Haifeng. These interests were duplicated with the interests of Mr Li Haifeng as disclosed in the section headed "INTERESTS OF DIRECTORS".

All the interests stated above represent long positions. Save as disclosed above, as at 31 December 2011, none of the substantial shareholders, other than directors or chief executives, of the Company had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

INTERESTS OF OTHER PERSONS

Save as disclosed in the sections headed "INTERESTS OF DIRECTORS" and "INTERESTS OF SUBSTANTIAL SHAREHOLDERS" above, the register required to be kept under section 336 of the SFO shows that as at 31 December 2011, the Company had not been notified of any other person who had an interest or short position in the shares and underlying shares of the Company.

主要股東權益

於二零一一年十二月三十一日，根據證券及期貨條例第336條規定須予備存之登記冊所記錄，本公司主要股東（定義見上市規則）（除董事或最高行政人員外）擁有本公司股份之權益如下：

本公司每股面值0.10港元普通股

Name of shareholder	Capacity	Number of ordinary shares	Percentage of issued share capital
股東名稱	身份	普通股股份數目	佔已發行股本百分比
Dragon Peace Limited	Beneficial owner 實益擁有人	236,717,000	53.05

附註：

上述股份由Dragon Peace Limited持有，而該公司則由李海楓先生全資擁有。此等權益與「董事權益」一節所披露李海楓先生所佔之權益重複。

上文所述之所有權益均屬好倉。除上文所披露者外，根據證券及期貨條例第336條規定須予備存之登記冊所記錄，於二零一一年十二月三十一日，本公司之主要股東（除董事或最高行政人員外）於本公司股份或相關股份中概無擁有任何權益或淡倉。

其他人士權益

除上文「董事權益」及「主要股東權益」兩節所披露者外，根據證券及期貨條例第336條規定須予備存之登記冊，於二零一一年十二月三十一日，本公司並無獲通知有任何其他人士擁有本公司股份及相關股份之權益或淡倉。

MANAGEMENT CONTRACTS

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

CHANGES IN INFORMATION OF DIRECTORS

The changes in the information of directors of the Company, which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules, are as follows:

Upon expiry of the three year service contracts on 31 December 2011, Mr Lee Sheng Kuang, James and Mr Tang Chak Lam, Charlie has each entered into a new service contract with the Company for a term of three years commencing from 1 January 2012, which may be terminated by either party thereto giving to the other party notice in writing with a notice period of not less than 3 months. Mr Lee Sheng Kuang, James is entitled to have a monthly remuneration of HK\$216,850 while the monthly remuneration for Mr Tang Chak Lam, Charlie remains unchanged at HK\$111,210. All of their emoluments are covered by service contracts.

By virtue of supplemental service agreements dated 9 December 2011, the monthly remuneration of Mr Li Haifeng, Mr Huang Xuxian, Flynn and Mr Xiao Yong has been adjusted to HK\$80,000, HK\$60,000 and HK\$30,000 respectively with effect from 1 January 2012.

Mr Huang Xuxian, Flynn, an executive director of the Company, was appointed as a director of Jih Sun Financial Holding Co., Ltd., a company listed on the Taiwan Stock Exchange Corporation on 1 March 2012.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

管理合約

年內並無訂立或存有有關本公司整體或任何重大部份業務之管理及行政合約。

董事資料之變動

根據上市規則第13.51B(1)條規定，茲披露本公司董事資料之變動如下：

於三年期服務合約在二零一一年十二月三十一日屆滿後，李勝光先生及鄧澤霖先生各自與本公司訂立一份新服務合約，由二零一二年一月一日起計為期三年，該等合約可由任何一方向另一方發出不少於三個月通知期之書面通知予以終止。李勝光先生有權收取每月薪酬216,850港元，而鄧澤霖先生之每月薪酬則維持於111,210港元不變。彼等所有酬金已涵蓋於服務合約內。

根據日期為二零一一年十二月九日之補充服務協議，李海楓先生、黃旭新先生及肖勇先生之每月薪酬已分別調整為80,000港元、60,000港元及30,000港元，由二零一二年一月一日起生效。

本公司執行董事黃旭新先生於二零一二年三月一日獲一家於台灣證券交易所股份有限公司上市之公司日盛金融控股股份有限公司委任為董事。

除上文所披露者外，概無其他資料須根據上市規則第13.51B(1)條而須予披露。

MAJOR SUPPLIERS AND CUSTOMERS

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

(i) Purchases	
– the largest supplier	16%
– five largest suppliers combined	55%
(ii) Sales	
– the largest customer	37%
– five largest customers combined	83%

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

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws or the Laws of Bermuda.

AUDITOR

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

On behalf of the Board
Lee Sheng Kuang, James
Managing Director

Hong Kong, 26 March 2012

主要供應商及客戶

本集團主要供應商及客戶於年內所佔之採購及銷售百分比如下：

(i) 採購	
– 最大供應商	16%
– 五大供應商合計	55%
(ii) 銷售	
– 最大客戶	37%
– 五大客戶合計	83%

本公司董事、彼等之聯繫人士或任何股東（據董事所知於本公司股本中擁有5%以上權益者）於年內任何時間概無於上述主要供應商或客戶中擁有權益。

優先認股權

本公司之章程細則或百慕達法例均無優先認股權之規定。

核數師

本財務報表已經由羅兵咸永道會計師事務所審核，該核數師任滿退任，並表示願意應聘連任。

代表董事會
 董事總經理
李勝光

香港，二零一二年三月二十六日



羅兵咸永道

**TO THE SHAREHOLDERS OF
CARRY WEALTH HOLDINGS LIMITED**
(incorporated in Bermuda with limited liability)

致恒富控股有限公司股東
(於百慕達註冊成立之有限公司)

We have audited the consolidated financial statements of Carry Wealth Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 48 to 132, which comprise the consolidated and company balance sheets as at 31 December 2011, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

本核數師(以下簡稱「我們」)已審計列載於第48頁至第132頁恒富控股有限公司(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,此綜合財務報表包括於二零一一年十二月三十一日的綜合及公司資產負債表與截至該日止年度的綜合收入報表、綜合全面收入報表、綜合權益變動表及綜合現金流轉表,以及主要會計政策概要及其他附註解釋資料。

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.

董事就綜合財務報表須承擔的責任

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

AUDITOR'S RESPONSIBILITY

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

核數師的責任

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

*PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com*

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

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

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

OPINION

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 26 March 2012

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

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

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映貴公司及貴集團於二零一一年十二月三十一日的事務狀況，及貴集團截至該日止年度的虧損及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零一二年三月二十六日

Consolidated Income Statement 綜合收入報表

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

		Note	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
		附註		
Revenues	收益	5	601,843	734,931
Cost of sales	銷貨成本	7	(523,312)	(636,760)
Gross profit	毛利		78,531	98,171
Other gains/(losses) – net	其他收益／(虧損) – 淨額	6	1,459	(2,403)
Selling expenses	銷售開支	7	(23,511)	(36,061)
Administrative expenses	行政開支	7	(99,999)	(117,343)
Operating loss	經營虧損		(43,520)	(57,636)
Finance income	融資收入	8	619	457
Finance costs	融資成本	9	(3,621)	(2,292)
Share of profit/(loss) of associates	分佔聯營公司溢利／ (虧損)		184	(332)
Loss before income tax	除所得稅前虧損		(46,338)	(59,803)
Income tax (expense)/credit	所得稅(開支)／抵免	10	(3,664)	7,023
Loss for the year	年度虧損		(50,002)	(52,780)
Attributable to:	由下列人士應佔：			
Equity holders of the Company	本公司權益持有人	11	(47,401)	(48,829)
Non-controlling interests	非控制性權益		(2,601)	(3,951)
			(50,002)	(52,780)
Loss per share for loss attributable to the equity holders of the Company during the year	年內由本公司權益持有人應佔之虧損之每股虧損			
– basic (HK cents)	– 基本(港仙)	12	(11.74)	(13.13)
– diluted (HK cents)	– 攤薄(港仙)	12	(11.74)	(13.13)
Dividends	股息	13	–	–

The accompanying notes on pages 55 to 132 are an integral part of these consolidated financial statements.

第55頁至第132頁隨附之附註乃此等綜合財務報表一部份。

Consolidated Statement of Comprehensive Income 綜合全面收入報表

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

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Loss for the year	年度虧損	(50,002)	(52,780)
Other comprehensive income:	其他全面收入：		
Fair value gain, net of tax:	公允值收益，扣除稅項：		
– properties, plant and equipment	– 物業、廠房及設備	10,463	5,014
Reserves transferred to retained earnings upon disposal of land and building, net of tax	出售土地及樓宇時轉撥儲備至保留盈利，扣除稅項	206	–
Reserves released to consolidated income statement upon disposal of interest in associates and subsidiaries	出售於聯營公司及附屬公司之權益時解除儲備至綜合收入報表	(8,407)	–
Currency translation differences	匯兌差額	3,437	3,443
Other comprehensive income for the year, net of tax	年度其他全面收入，扣除稅項	5,699	8,457
Total comprehensive loss for the year	年度全面虧損總額	(44,303)	(44,323)
Attributable to:	由下列人士應佔：		
Equity holders of the Company	本公司權益持有人	(40,699)	(40,410)
Non-controlling interests	非控制性權益	(3,604)	(3,913)
		(44,303)	(44,323)

The accompanying notes on pages 55 to 132 are an integral part of these consolidated financial statements.

第55頁至第132頁隨附之附註乃此等綜合財務報表一部份。

Consolidated Balance Sheet 綜合資產負債表

As at 31 December 2011 於二零一一年十二月三十一日

		Note 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Properties, plant and equipment	物業、廠房及設備	16	123,524	140,558
Land use rights	土地使用權	17	15,725	15,282
Interests in associates	於聯營公司之權益	19	–	42,880
Deferred income tax assets	遞延所得稅資產	28	–	5,010
			<u>139,249</u>	<u>203,730</u>
Current assets	流動資產			
Inventories	存貨	22	20,208	106,173
Trade and other receivables	貿易及其他應收款項	23	42,849	125,213
Financial assets at fair value through profit or loss	按公允值計入損益賬之金融資產	20	26	6,180
Income tax receivable	應收所得稅		2,812	–
Bank deposits	銀行存款	24	11,718	31,099
Cash and cash equivalents	現金及現金等值項目	25	111,748	74,554
			<u>189,361</u>	<u>343,219</u>
Total assets	總資產		<u>328,610</u>	<u>546,949</u>
EQUITY	權益			
Capital and reserves attributable to the Company's equity holders	由本公司權益持有人應佔之資本及儲備			
Share capital	股本	30	44,617	37,187
Other reserves	其他儲備	31	95,667	63,952
Retained earnings	保留盈利		103,373	134,922
			<u>243,657</u>	<u>236,061</u>
Non-controlling interests	非控制性權益		<u>167</u>	<u>5,677</u>
Total equity	總權益		<u>243,824</u>	<u>241,738</u>

Consolidated Balance Sheet 綜合資產負債表

As at 31 December 2011 於二零一一年十二月三十一日

			2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Deferred income tax liabilities	遞延所得稅負債	28	15,865	10,943
Current liabilities	流動負債			
Derivative financial instruments	衍生金融工具	26	-	147
Trade and other payables	貿易及其他應付款項	29	33,767	146,817
Income tax payable	應付所得稅		-	2,740
Bank borrowings	銀行貸款	27	35,154	144,564
			68,921	294,268
Total liabilities	總負債		84,786	305,211
Total equity and liabilities	總權益及負債		328,610	546,949
Net current assets	流動資產淨值		120,440	48,951
Total assets less current liabilities	總資產減流動負債		259,689	252,681

Lee Sheng Kuang, James
李勝光
Managing Director
董事總經理

Tang Chak Lam, Charlie
鄧澤霖
Executive Director
執行董事

The accompanying notes on pages 55 to 132 are an integral part of these consolidated financial statements.

第55頁至第132頁隨附之附註乃此等綜合財務報表一部份。

Balance Sheet 資產負債表

As at 31 December 2011 於二零一一年十二月三十一日

		Note 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司之投資	18	92,054	126,220
Amounts due from subsidiaries	附屬公司欠款	21	151,770	104,049
			<u>243,824</u>	<u>230,269</u>
Current assets	流動資產			
Other receivables	其他應收款項	23	837	601
Income tax receivable	應收所得稅		410	–
Cash and cash equivalents	現金及現金等值項目	25	467	523
			<u>1,714</u>	<u>1,124</u>
Total assets	總資產		<u>245,538</u>	<u>231,393</u>
EQUITY	權益			
Capital and reserves attributable to the Company's equity holders	由本公司權益持有人應佔之資本及儲備			
Share capital	股本	30	44,617	37,187
Other reserves	其他儲備	31	232,081	191,216
(Accumulated loss)/ retained earnings	(累計虧損)/保留盈利		(32,172)	1,992
Total equity	總權益		<u>244,526</u>	<u>230,395</u>
LIABILITIES	負債			
Current liabilities	流動負債			
Other payables and accruals	其他應付款項及應計費用	29	1,012	998
Total liabilities	總負債		<u>1,012</u>	<u>998</u>
Total equity and liabilities	總權益及負債		<u>245,538</u>	<u>231,393</u>
Net current assets	流動資產淨值		<u>702</u>	<u>126</u>
Total assets less current liabilities	總資產減流動負債		<u>244,526</u>	<u>230,395</u>

Lee Sheng Kuang, James
李勝光
Managing Director
董事總經理

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鄧澤霖
Executive Director
執行董事

The accompanying notes on pages 55 to 132 are an integral part of these consolidated financial statements.

第55頁至第132頁隨附之附註乃此等綜合財務報表一部份。

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

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

		Attributable to equity holders of the Company 本公司權益持有人應佔				Non- controlling interests 非控制性 權益	Total 總計
		Share capital	Other reserves	Retained earnings			
		股本 HK\$'000 千港元	其他儲備 HK\$'000 千港元	保留盈利 HK\$'000 千港元	HK\$'000 千港元		
Balance at 1 January 2010	於二零一零年一月一日結餘	37,187	55,533	183,751	9,590	286,061	
Comprehensive income	全面收入						
Loss for the year	年度虧損	-	-	(48,829)	(3,951)	(52,780)	
Other comprehensive income	其他全面收入						
Fair value gain, net of tax:	公允價值收益，扣除稅項：						
- properties, plant and equipment	- 物業、廠房及設備	-	4,888	-	126	5,014	
Currency translation differences	匯兌差額	-	3,531	-	(88)	3,443	
Total other comprehensive income	其他全面收入總額	-	8,419	-	38	8,457	
Total comprehensive income/(loss)	全面收入／(虧損)總額	-	8,419	(48,829)	(3,913)	(44,323)	
Balance at 31 December 2010	於二零一零年 十二月三十一日結餘	37,187	63,952	134,922	5,677	241,738	
Balance at 1 January 2011	於二零一一年一月一日結餘	37,187	63,952	134,922	5,677	241,738	
Comprehensive income	全面收入						
Loss for the year	年度虧損	-	-	(47,401)	(2,601)	(50,002)	
Other comprehensive income	其他全面收入						
Fair value gain, net of tax:	公允價值收益，扣除稅項：						
- properties, plant and equipment	- 物業、廠房及設備	-	10,515	-	(52)	10,463	
Reserves transferred upon disposal of land and building, net of tax	出售土地及樓宇時轉撥 儲備，扣除稅項	-	(14,864)	15,852	(782)	206	
Reserves released upon disposal of interests in associates and subsidiaries	出售於聯營公司及 附屬公司之權益時 解除儲備	-	(7,508)	-	(899)	(8,407)	
Currency translation differences	匯兌差額	-	2,707	-	730	3,437	
Total other comprehensive (loss)/income	其他全面(虧損)／收入總額	-	(9,150)	15,852	(1,003)	5,699	
Total comprehensive loss	全面虧損總額	-	(9,150)	(31,549)	(3,604)	(44,303)	
Transactions with owners	與擁有人進行之交易						
Issue of shares	發行股份	7,430	40,865	-	-	48,295	
Dividend paid to non-controlling interests	已付非控制性權益之股息	-	-	-	(1,906)	(1,906)	
Total transactions with owners	與擁有人進行之交易總額	7,430	40,865	-	(1,906)	46,389	
Balance at 31 December 2011	於二零一一年 十二月三十一日結餘	44,617	95,667	103,373	167	243,824	

The accompanying notes on pages 55 to 132 are an integral part of these consolidated financial statements.

第55頁至第132頁隨附之附註乃此等綜合財務報表一部份。

Consolidated Cash Flow Statement 綜合現金流轉表

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

	Note 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	
Cash flows from operating activities	經營活動之現金流轉			
Cash generated from/(used in) operations	經營產生/(所用)之現金	32	43,567	(32,704)
Interest paid	已付利息		(3,621)	(2,292)
Hong Kong profits tax paid	已繳香港利得稅		(5,467)	(512)
Overseas tax paid	已繳海外稅項		(747)	(2,149)
Net cash generated from/(used in) operating activities	經營活動產生/(所用)現金淨額		33,732	(37,657)
Cash flows from investing activities	投資活動之現金流轉			
Decrease/(increase) in bank deposits	減少/(增加)銀行存款		19,381	(27,182)
Purchase of properties, plant and equipment	購置物業、廠房及設備		(2,648)	(7,694)
Proceeds from disposal of properties, plant and equipment	出售物業、廠房及設備所得款項		8,353	1,447
Proceeds from disposal of associates	出售聯營公司所得款項	33	41,363	-
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	34	2,801	-
Payment for land use rights	土地使用權之付款		-	(4,441)
Interest received	已收利息		619	457
Net cash generated from/(used in) investing activities	投資活動產生/(所用)現金淨額		69,869	(37,413)
Cash flows from financing activities	融資活動之現金流轉			
Dividend paid to non-controlling interests	已付非控制性權益之股息		(1,906)	-
Issue of shares	發行股份		48,295	-
Proceeds from bank borrowings	銀行貸款所得款項		257,480	406,610
Repayments of bank borrowings	償還銀行貸款		(366,890)	(335,619)
Net cash (used in)/generated from financing activities	融資活動(所用)/產生現金淨額		(63,021)	70,991
Effect of foreign exchange rate changes	外幣匯率變動之影響		(3,386)	(376)
Net increase/(decrease) in cash and cash equivalents	現金及現金等值項目之淨增加/(減少)		37,194	(4,455)
Cash and cash equivalents at beginning of the year	年初現金及現金等值項目		74,554	79,009
Cash and cash equivalents at end of the year	年終現金及現金等值項目		111,748	74,554

The accompanying notes on pages 55 to 132 are an integral part of these consolidated financial statements.

第55頁至第132頁隨附之附註乃此等綜合財務報表一部份。

1 GENERAL INFORMATION

Carry Wealth Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) manufacture and trade garment products. The Group has production facilities in Indonesia and Mainland China.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company is listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

These consolidated financial statements are presented in units of Hong Kong dollars, unless otherwise stated.

These consolidated financial statements have been approved for issue by the Board of Directors on 26 March 2012.

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”). They have been prepared under the historical cost convention, as modified by the revaluation of land and buildings (Note 16), financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss (Note 20 and 26).

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, and areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

1 一般資料

恒富控股有限公司（「本公司」）及其附屬公司（統稱為「本集團」）生產及買賣成衣產品。本集團於印尼及中國大陸均有生產設施。

本公司是一間於百慕達註冊成立的有限公司。註冊辦事處地址為 Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

本公司於香港聯合交易所有限公司（「聯交所」）上市。

除另有說明外，此等綜合財務報表均以港元為呈列單位。

此等綜合財務報表已於二零一二年三月二十六日獲董事會批准刊發。

2 編製基準及主要會計政策概要

編製此等綜合財務報表所採納之編製基準及主要會計政策載於下文。除另有說明外，此等政策已於所有呈報年度貫徹應用。

2.1 編製基準

本集團之綜合財務報表乃按照香港財務報告準則（「香港財務報告準則」）編製。有關綜合財務報表乃根據歷史成本法而編製，並就重估之土地及樓宇（附註16）及按公允值計入損益賬之金融資產與金融負債（包括衍生工具）（附註20及26）而予以修訂。

編製符合香港財務報告準則之財務報表時作出了若干關鍵會計估算。同時，在應用本集團會計政策之過程中，需要管理層行使其判斷。涉及須作出更多判斷或更複雜之範疇，及對綜合財務報表而言屬重大之假設及估計之範疇於附註4中披露。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (a) *New and amended standards, and interpretations mandatory for the first time for the financial year beginning 1 January 2011 but not currently relevant to the Group (although they may affect the accounting for future transactions and events)*
- HKAS 24 (Revised), 'Related Party Disclosures', effective for annual period beginning on or after 1 January 2011.
 - Amendment to HKAS 32, 'Classification of Rights Issues', effective for annual period beginning on or after 1 February 2010.
 - Amendment to HKFRS 1, 'Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopter', effective for annual period beginning on or after 1 July 2010.
 - Amendment to HK(IFRIC) – Int 14, 'Prepayments of a Minimum Funding Requirement', effective for annual period beginning on or after 1 January 2011.
 - HK(IFRIC) - Int 19, 'Extinguishing Financial Liabilities with Equity Instruments', effective for annual period beginning on or after 1 July 2010.
 - Third improvements to HKFRS (2010) were issued in May 2010 by the HKICPA. All improvements are effective in the financial year of 2011.

2 編製基準及主要會計政策概要 (續)

2.1 編製基準 (續)

- (a) 於二零一一年一月一日開始之財政年度強制規定首次採納但現時與本集團無關之新訂及經修訂準則及詮釋(儘管其可能影響未來交易及事件之會計處理)
- 香港會計準則第24號(經修訂)「關聯方披露」, 於二零一一年一月一日或之後開始之年度期間生效。
 - 香港會計準則第32號「配股之分類」之修訂, 於二零一零年二月一日或之後開始之年度期間生效。
 - 香港財務報告準則第1號「首次採納者披露香港財務報告準則第7號比較資料之有限度豁免」之修訂, 於二零一零年七月一日或之後開始之年度期間生效。
 - 香港(國際財務報告詮釋委員會) – 詮釋第14號「最低資金要求之預付款項」之修訂, 於二零一一年一月一日或之後開始之年度期間生效。
 - 香港(國際財務報告詮釋委員會) – 詮釋第19號「以權益工具抵銷金融負債」, 於二零一零年七月一日或之後開始之年度期間生效。
 - 香港會計師公會於二零一零年五月頒佈對香港財務報告準則之第三批改進(2010)。所有改進均於二零一一年財政年度生效。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(b) New standards, amendments and interpretations that have been issued but are not effective for the financial year beginning 1 January 2011 and have not been early adopted

- Amendment to HKAS 1, 'Presentation of Items of Other Comprehensive Income', effective for annual period beginning on or after 1 July 2012.
- Amendment to HKAS 12, 'Deferred Tax: Recovery of Underlying Assets', effective for annual period beginning on or after 1 July 2012.
- HKAS 19 (2011), 'Employee Benefits', effective for annual period beginning on or after 1 January 2013.
- HKAS 27 (2011), 'Separate Financial Statements', effective for annual period beginning on or after 1 January 2013.
- HKAS 28 (2011), 'Investments in Associates and Joint Ventures', effective for annual period beginning on or after 1 January 2013.
- Amendment to HKAS 32, 'Offsetting Financial Assets and Financial Liabilities', effective for annual period beginning on or after 1 January 2014.
- Amendment to HKFRS 1, 'Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters', effective for annual period beginning on or after 1 July 2011.

2 編製基準及主要會計政策概要 (續)

2.1 編製基準 (續)

(b) 已頒佈但於二零一一年一月一日開始之財政年度尚未生效，且並無提前採納之新訂準則、修訂及詮釋

- 香港會計準則第1號「其他全面收入項目之呈列」之修訂，於二零一二年七月一日或之後開始之年度期間生效。
- 香港會計準則第12號「遞延稅項：相關資產之收回」之修訂，於二零一二年七月一日或之後開始之年度期間生效。
- 香港會計準則第19號(2011)「僱員福利」，於二零一三年一月一日或之後開始之年度期間生效。
- 香港會計準則第27號(2011)「單獨財務報表」，於二零一三年一月一日或之後開始之年度期間生效。
- 香港會計準則第28號(2011)「於聯營公司及合營公司之投資」，於二零一三年一月一日或之後開始之年度期間生效。
- 香港會計準則第32號「金融資產及金融負債之抵銷」之修訂，於二零一四年一月一日或之後開始之年度期間生效。
- 香港財務報告準則第1號「嚴重高通脹及首次採納者取消固定日期」之修訂，於二零一一年七月一日或之後開始之年度期間生效。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(b) New standards, amendments and interpretations that have been issued but are not effective for the financial year beginning 1 January 2011 and have not been early adopted (Continued)

- Amendment to HKFRS 7, 'Disclosures - Transfers of Financial Assets', effective for annual period beginning on or after 1 July 2011.
- Amendment to HKFRS 7, 'Disclosures - Offsetting Financial Assets and Financial Liabilities', effective for annual period beginning on or after 1 January 2013.
- HKFRS 9, 'Financial Instruments', effective for annual period beginning on or after 1 January 2015.
- HKFRS 10, 'Consolidated Financial Statements', effective for annual period beginning on or after 1 January 2013.
- HKFRS 11, 'Joint Arrangements', effective for annual period beginning on or after 1 January 2013.
- HKFRS 12, 'Disclosure of Interests in Other Entities', effective for annual period beginning on or after 1 January 2013.
- HKFRS 13, 'Fair Value Measurement', effective for annual period beginning on or after 1 January 2013.

2 編製基準及主要會計政策概要 (續)

2.1 編製基準 (續)

(b) 已頒佈但於二零一一年一月一日開始之財政年度尚未生效，且並無提前採納之新訂準則、修訂及詮釋 (續)

- 香港財務報告準則第7號「披露－金融資產之轉讓」之修訂，於二零一一年七月一日或之後開始之年度期間生效。
- 香港財務報告準則第7號「披露－金融資產及金融負債之抵銷」之修訂，於二零一三年一月一日或之後開始之年度期間生效。
- 香港財務報告準則第9號「金融工具」，於二零一五年一月一日或之後開始之年度期間生效。
- 香港財務報告準則第10號「綜合財務報表」，於二零一三年一月一日或之後開始之年度期間生效。
- 香港財務報告準則第11號「合營安排」，於二零一三年一月一日或之後開始之年度期間生效。
- 香港財務報告準則第12號「於其他實體之權益披露」，於二零一三年一月一日或之後開始之年度期間生效。
- 香港財務報告準則第13號「公允值計量」，於二零一三年一月一日或之後開始之年度期間生效。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

The Group is in the process of making an assessment of the impact of adoption of the above new standards, amendments and interpretations that have been issued but are not effective for the financial year beginning 1 January 2011 and have not been early adopted.

As at 1 January 2010 and 31 December 2010, an amount of HK\$24,962,000 fixed asset revaluation reserve had been reclassified from exchange reserve. The reclassification has no impact to the total reserves as at both dates.

2.2 Subsidiaries

2.2.1 Consolidation

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise from circumstances such as enhanced minority rights or contractual terms between shareholders, etc.

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

2 編製基準及主要會計政策概要 (續)

2.1 編製基準 (續)

本集團現正評估採納上述已頒佈但於二零一一年一月一日開始之財政年度尚未生效，且本集團並無提前採納之新訂準則、修訂及詮釋之影響。

於二零一零年一月一日及二零一零年十二月三十一日，24,962,000港元之固定資產重估儲備已自匯兌儲備重新分類。重新分類對該兩個日期之總儲備並無影響。

2.2 附屬公司

2.2.1 綜合賬目

附屬公司指本集團有權監管其財務及經營政策的所有實體（包括特別目的實體），一般附帶超過半數投票權之股權。現時可行使或可轉換之潛在投票權之存在及影響，會於評估本集團是否控制另一間實體時考慮。倘若本集團並無擁有超過50%投票權，但按照實際控制權有能力管理財務及經營政策，則本集團亦會評估是否存在控制權。實際控制權可透過提高少數股東權益或股東之間的合約條款等情況產生。

附屬公司於控制權轉移至本集團當日起全面綜合入賬，並自控制權終止當日起停止綜合入賬。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. The financial information of subsidiaries has been changed where necessary to ensure consistency with the policies adopted by the Group.

(a) Business combinations

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

2 編製基準及主要會計政策概要 (續)

2.2 附屬公司 (續)

2.2.1 綜合賬目 (續)

集團內公司間之交易、交易之結餘及進行交易時之收入及開支會予以抵銷。集團內公司間之交易產生並於資產確認之溢利及虧損亦會抵銷。附屬公司之財務資料已在需要時作出相應變動，以確保與本集團所採納之政策符合一致。

(a) 企業合併

本集團應用收購法為企業合併列賬。收購附屬公司之轉讓代價為向所收購公司前擁有人轉讓之資產、產生之負債及本集團所發行股本權益之公允值。所轉讓代價包括或然代價安排產生之任何資產或負債之公允值。在企業合併中所收購可識辨之資產以及所承擔之負債及或然負債，首先以於收購日期之公允值計量。本集團根據逐項收購基準按公允值或非控制性權益佔所收購公司可識辨之資產淨值之已確認金額之比例，確認任何於所收購公司之非控制性權益。收購相關成本於產生時列為開支。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

(a) Business combinations (Continued)

If the business combination is achieved in stages, the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

2 編製基準及主要會計政策概要 (續)

2.2 附屬公司 (續)

2.2.1 綜合賬目 (續)

(a) 企業合併 (續)

倘若企業合併分階段進行，收購公司過往於所收購公司持有之股本權益於損益賬重新計量至收購日期之公允值。

本集團將轉讓之任何或然代價按收購日期之公允值確認。其後或然代價公允值之變動被視為按照香港會計準則第39號於損益賬或作為其他全面收入變動確認之資產或負債。分類為權益之或然代價不予重新計量，而其後之結算於權益內入賬。

商譽首次按所轉讓代價與非控制性權益公允值超出所收購可識辨淨資產及所承擔可識辨淨負債之數額計量。倘若此代價低於所收購附屬公司淨資產之公允值，則差額於損益賬確認。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

(b) *Changes in ownership interests in subsidiaries without change of control*

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) *Disposal of subsidiaries*

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2 編製基準及主要會計政策概要 (續)

2.2 附屬公司 (續)

2.2.1 綜合賬目 (續)

(b) 不涉及控制權變動之於附屬公司擁有權益變動

對於無導致失去控制權之涉及非控制性權益之交易以權益交易入賬，即擁有人以其擁有人身份進行之交易。所支付之任何代價之公允值與所收購附屬公司淨資產有關份額之賬面值兩者之差額乃於權益記賬。向非控制性權益出售之盈虧亦於權益記賬。

(c) 出售附屬公司

倘本集團不再擁有控制權，其於該實體之任何保留權益按其失去控制權當日之公允值重新計量，而賬面值變動則於損益賬內確認。就隨後入賬列作聯營公司、合營公司或金融資產之保留權益而言，此公允值即初步賬面值。此外，先前於其他全面收入內確認與該實體有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。這可能意味著先前在其他全面收入內確認之金額重新分類至損益賬。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries (Continued)

2.2.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend and receivable.

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

2.3 Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

2 編製基準及主要會計政策概要 (續)

2.2 附屬公司 (續)

2.2.2 獨立財務報表

於附屬公司之投資乃按成本扣除減值後入賬。調整成本用作反映修訂或然代價產生之代價變動。成本亦包括投資直接應佔成本。附屬公司之業績乃由本公司按股息及應收款項入賬。

倘若股息超出附屬公司於宣派股息期間之全面收入總額，或倘若獨立財務報表所示之投資賬面值超出綜合財務報表所示所投資公司淨資產（包括商譽）之賬面值，則須於收取有關投資股息時就於附屬公司之投資進行減值測試。

2.3 聯營公司

聯營公司是指本集團對其有重大影響力而無控制權的所有實體，通常附帶有20%至50%投票權的股權。於聯營公司投資以權益會計法入賬。根據權益法，投資初始以成本確認，賬面值可予增減，以確認投資公司於收購日期後應佔所投資公司之損益。本集團於聯營公司之投資包括於收購時識辨之商譽。

倘於聯營公司之擁有權權益減少，但重大影響力仍保留，則先於其他全面收入內確認的金額僅有一定比例部份重新分類至損益賬（如適用）。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Associates (Continued)

The Group's share of post-acquisition profit or loss is recognised in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of loss of associates' in the consolidated income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. The financial information of associates has been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in associates are recognised in the consolidated income statement.

2 編製基準及主要會計政策概要 (續)

2.3 聯營公司 (續)

本集團應佔收購後的損益於綜合收入報表內確認，而應佔收購後其他全面收入的變動則於其他全面收入內確認，並對投資賬面值作出相應調整。如本集團應佔一家聯營公司之虧損等於或超過其在該聯營公司之權益，包括任何其他無抵押應收款項，則本集團不會確認進一步虧損，除非本集團已代聯營公司承擔法定或推定責任或作出付款。

本集團於每個報告日期釐定於聯營公司之投資有否任何客觀減值跡象。如出現有關跡象，本集團會計算減值金額，即聯營公司可收回款額與其賬面值之差額，並將該金額與「分佔聯營公司之虧損」一同於綜合收入報表內確認。

本集團與其聯營公司之間的上下游交易產生之損益，以無關連投資公司於聯營公司之權益為限，在本集團之財務報表確認。除非交易提供證據顯示所轉讓資產減值，否則未變現虧損予以對銷。聯營公司的財務資料已按需要作出改變，以確保與本集團採用的政策符合一致。

聯營公司投資而產生之攤薄盈虧於綜合收入報表內確認。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Segment reporting

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

2.5 Foreign currency translation

(a) 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 (HK\$), which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

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

All foreign exchange gains and losses are presented in the consolidated income statement within 'administrative expenses'.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss.

2 編製基準及主要會計政策概要 (續)

2.4 分部報告

營運分部以與提供予主要營運決策者的內部報告相同的方式報告。董事會被識辨為主要營運決策者，負責分配營運分部的資源及評估分部表現，並作出策略性決定。

2.5 外幣匯兌

(a) 功能及呈列貨幣

本集團各實體之財務報表所列之項目，乃按該實體經營所在地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呈列，而港元則為本公司之功能及本集團之呈列貨幣。

(b) 交易及結餘

外幣交易按交易或項目重新估值當日之匯率換算為功能貨幣。結算此等交易產生的匯兌盈虧以及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧在綜合收入報表確認。

所有匯兌盈虧乃於綜合收入報表之「行政開支」呈列。

非貨幣金融資產及負債（例如按公允值計入損益賬之權益）之匯兌差額將於損益賬確認為公允值盈虧的一部份。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Foreign currency translation (Continued)

(c) Group companies

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

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each consolidated income statement are translated at average exchange rates; and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

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

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

2 編製基準及主要會計政策概要 (續)

2.5 外幣匯兌 (續)

(c) 集團公司

集團旗下所有公司(當中並無持有高通脹經濟體系之貨幣)之功能貨幣倘有別於呈列貨幣,其業績及財務狀況須按如下方式兌換為呈列貨幣:

- (i) 每份呈報的資產負債表所列資產及負債按其結算日之收市匯率換算;
- (ii) 每份綜合收入報表所列收入及開支按平均匯率換算;及
- (iii) 所有由此而產生之匯兌差額均於其他全面收入確認。

於綜合賬目時,因換算於海外業務之淨投資及相關貸款而產生之匯兌差額均計入其他全面收入內。當海外業務部份處置或出售時,記入權益的匯兌差額乃於綜合收入報表確認為出售盈虧的一部份。

收購海外實體時產生之商譽及公允值調整乃作為該海外實體之資產及負債處理,並按收市匯率換算。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Properties, plant and equipment

Land under finance leases and buildings, comprising mainly factories and offices, are shown at fair value, as determined by directors based on valuations by external independent valuers which are performed on an annual basis, less subsequent depreciation for land and buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The carrying amount of the replaced part is derecognised. All other plant and equipment are stated at historical cost less accumulated depreciation and impairment losses.

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

Increases in the carrying amount arising on revaluation of land and buildings are credited to fixed asset revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fixed asset revaluation reserve directly in equity and all other decreases are expensed in the consolidated income statement.

2 編製基準及主要會計政策概要 (續)

2.6 物業、廠房及設備

融資租賃項下之土地及樓宇主要包括工廠及辦公室，並由董事根據外聘獨立估值師之年度估值以公允值列賬減土地及樓宇之其後折舊。於重估日期之任何累計折舊，與資產賬面總值對銷，而淨額則重列至資產的重估金額。被置換部份之賬面值終止確認。所有其他廠房及設備，乃按歷史成本減累計折舊及減值虧損列賬。

歷史成本包括收購該項目直接產生之開支。其後成本只有在與該項目相關之未來經濟利益有可能流入本集團而該項目之成本能可靠計算時，才能包括在資產之賬面值或確認為獨立資產（如合適）。所有其他維修及保養費用，於其產生之財務年度於綜合收入報表扣除。

土地及樓宇重估之賬面值增值部份乃計入權益中之固定資產重估儲備。用以抵銷同一項資產以往增值之減值乃直接扣減權益中之固定資產重估儲備，所有其餘減值則於綜合收入報表支銷。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Properties, plant and equipment (Continued)

Properties, plant and equipment are depreciated at rates sufficient to write off their cost or valuation to their residual values over their estimated useful lives on a straight-line basis. The principal annual rates are as follow:

Leasehold land interests classified as finance leases	Shorter of remaining lease term or useful life
Buildings	Lower of 5% and the estimated useful life
Leasehold improvements	Shorter of the lease term and the estimated useful life
Plant and machinery	10% to 40%
Furniture, office equipment and motor vehicles	10% to 40%

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

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains/(losses) – net' in the consolidated income statement.

When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

2 編製基準及主要會計政策概要 (續)

2.6 物業、廠房及設備 (續)

物業、廠房及設備折舊率需足以按直線法根據該等資產之估計可使用年期撇銷其成本或估值至其餘值。主要年率如下：

分類為融資租賃之租賃土地權益	餘下租期或可使用年期(以較短者為準)
樓宇	5%及估計可使用年期(以較短者為準)
租賃裝修	租期及估計可使用年期(以較短者為準)
廠房及機器	10%至40%
傢俬、辦公室設備及汽車	10%至40%

於每個報告期末，本集團會審閱資產餘值及可使用年期，並作出調整(如適用)。

若資產的賬面值大於其估計可收回價值，該資產的賬面值須即時撇減至其可收回價值。

出售盈虧乃透過將所得款項與賬面值比較而釐定，並在綜合收入報表之「其他收益/(虧損) – 淨額」內確認。

倘若出售重估資產，計入其他儲備之金額將轉撥至保留盈利。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Leasehold land and land use rights

The up-front prepayments made for leasehold land interests recognised as operating leases and land use rights are expensed in the consolidated income statement on a straight-line basis over the periods of the lease or the land use right. When there is impairment, the impairment is expensed in the consolidated income statement.

2.8 Impairment of investments in subsidiaries, associates and other long-term non-financial assets

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

2.9 Financial assets

2.9.1 Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

2 編製基準及主要會計政策概要 (續)

2.7 租賃土地及土地使用權

就確認為經營租賃之租賃土地權益及土地使用權支付之一次性預付款項於租賃或土地使用權期內以直線法在綜合收入報表內列作支出。倘出現減值，則減值於綜合收入報表內列作支出。

2.8 於附屬公司、聯營公司及其他長期非金融資產之投資減值

沒有確定可使用年期之資產如商譽無需作攤銷，但需進行年度減值測試。此外，所有資產在出現顯示可能不能收回賬面值之情況或變化時，須作減值檢討。倘資產之賬面值超出其可收回款額，超出之款項將作減值虧損確認。可收回款額為資產公允值減出售成本或使用價值之較高者。就評估減值而言，資產按可分開識別現金流量之最低級別（現金產生單位）分組。倘商譽以外之非金融資產已減值，須於每個報告日期審查其可能出現之減值撥回。

2.9 金融資產

2.9.1 分類

本集團將其金融資產分類為以下類別：按公允值計入損益賬以及貸款及應收款項。分類視乎購入金融資產之目的而定。管理層會於初步確認時釐定其金融資產分類並於每個報告日期重新評估此項分類。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Financial assets (Continued)

2.9.1 Classification (Continued)

(a) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

(b) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'trade and other receivables', 'bank deposits' and 'cash and cash equivalent' in the balance sheet (Notes 2.13 and 2.14).

2 編製基準及主要會計政策概要 (續)

2.9 金融資產 (續)

2.9.1 分類 (續)

(a) 按公允值計入損益賬之金融資產

按公允值計入損益賬之金融資產為持作買賣之金融資產。倘收購的主要目的為於短期內出售，則金融資產會撥歸此類別。衍生工具亦分類為持作買賣類別，除非其指定作對沖用途，則作別論。倘該類別資產預期將於十二個月內結算，則分類為流動資產；否則該類別資產將分類為非流動資產。

(b) 貸款及應收款項

貸款及應收款項為有固定或可釐定付款額而並非於活躍市場報價之非衍生金融資產。除於報告期末後超過十二個月結算或預期結算之金額會分類為非流動資產外，貸款及應收款項列入流動資產。本集團之貸款及應收款項包括資產負債表內之「貿易及其他應收款項」、「銀行存款」及「現金及現金等值項目」（附註2.13及2.14）。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Financial assets (Continued)

2.9.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transactions costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated income statement. Financial assets are derecognised when the rights to receive cash flows from the investment have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the ‘financial assets at fair value through profit or loss’ category are presented in the consolidated income statement within ‘other gains/(loss) – net’ in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the consolidated income statement as part of finance income when the Group’s right to receive payments is established.

2.10 Offsetting financial instruments

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

2 編製基準及主要會計政策概要 (續)

2.9 金融資產 (續)

2.9.2 確認及計量

金融資產之正常買賣於交易日 (即本集團承諾購買或出售資產當日) 確認。對於並非按公允值計入損益賬之所有金融資產，投資初步按公允值加交易成本確認。按公允值計入損益賬之金融資產乃初步以公允值確認，而交易成本則於綜合收入報表列支。當從投資收取現金流轉之權利屆滿或轉移及本集團大致轉移其擁有權之一切風險及回報時，金融資產即終止確認。按公允值計入損益賬之金融資產其後按公允值列賬。貸款及應收款項乃以實際利率方法按攤銷成本列賬。

因「按公允值計入損益賬之金融資產」類別的公允值變動而產生的盈虧，列入產生期間的綜合收入報表之「其他收益／(虧損) – 淨額」內。於本集團收取股息之權利確立時，來自按公允值計入損益賬之金融資產之股息收入於綜合收入報表確認為融資收入之一部份。

2.10 抵銷金融工具

當具有可合法強制執行之權利將已確認金額對銷，且有意按淨額基準結算或同時變現資產及結算負債時，金融資產及負債予以抵銷，並於資產負債表以淨額報告。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Impairment of financial assets

Assets carried at amortised cost

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

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

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

2 編製基準及主要會計政策概要 (續)

2.11 金融資產減值

按攤銷成本列賬之資產

本集團於每個報告期末評估金融資產或一組金融資產有否任何客觀證據顯示減值跡象。倘有客觀證據，證明因於首次確認資產後發生一項或多項事件（「損失事件」），而該項（或該等）損失事件對金融資產或一組金融資產之估計未來現金流轉產生能可靠估計之影響，則金融資產或一組金融資產方會減值及產生減值虧損。

減值證據可包括下列跡象：多名或一組債務人面對重大財務困難，拖欠利息或本金，彼等可能破產或進行其他財務重組，且有可觀察數據顯示估計未來現金流轉的減幅可計量，例如與違約相關的欠款或經濟狀況變動。

就貸款及應收款項類別而言，虧損金額乃根據資產賬面值與按金融資產原實際利率貼現之估計未來現金流轉（不包括仍未產生之未來信貸虧損）現值兩者的差額計量。資產賬面值予以削減，而虧損金額則在綜合收入報表確認。倘若貸款或持有至到期投資有浮動利率，計量任何減值虧損之貼現率為按合約釐定之當前實際利率。在實際應用中，本集團可利用可觀察市場價格，按工具之公允值計量減值。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Impairment of financial assets (Continued)

Assets carried at amortised cost (Continued)

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

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.13 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.14 Cash and cash equivalents

In the consolidated cash flow statement, cash and cash equivalents include cash in hand, deposits held at call with bank, other short-term highly liquid investments with original maturities of three months or less.

2 編製基準及主要會計政策概要 (續)

2.11 金融資產減值 (續)

按攤銷成本列賬之資產 (續)

倘若減值虧損數額於往後期間減少，而此減少可客觀地涉及確認減值後發生之事件（例如債務人之信用評級改善），則之前已確認之減值虧損可在綜合收入報表撥回。

2.12 存貨

存貨乃按成本或可變現淨值（取較低者）列賬。成本乃按先入先出（「先入先出」）法釐定。製成品及半製成品之成本包括設計成本、原材料、直接勞工、其他直接成本及相關生產費用（依據正常營運能力）。其不包括貸款成本。可變現淨值為於日常業務過程中之估計銷售價減適用之變動銷售開支。

2.13 貿易及其他應收款項

貿易應收款項指就於日常業務過程中出售貨品或履行服務而應收客戶之款項。預期於一年或以內（或於正常業務經營週期（如較長））收回之貿易及其他應收款項分類為流動資產，否則呈列為非流動資產。

貿易及其他應收款項初步按公允值確認，其後以實際利率方法按攤銷成本計算，並扣除減值撥備。

2.14 現金及現金等值項目

於綜合現金流轉表內，現金及現金等值項目包括手頭現金、可隨時提取之銀行存款、其他原到期日為三個月或以內之短期高流動性投資。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Share capital

Ordinary shares are classified as equity.

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

2.16 Trade and other payables

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

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

2.17 Borrowings

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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 end of the reporting period.

2 編製基準及主要會計政策概要 (續)

2.15 股本

普通股被分類為權益。

直接歸屬於發行新股或購股權的新增成本在權益中列為所得款項的減少(扣除稅項)。

2.16 貿易及其他應付款項

貿易及其他應付款項指就於日常業務過程中購買貨品或服務而產生付款予供應商之責任。於一年或以內(或於正常業務經營週期(如較長))到期之款項分類為流動負債,否則呈列為非流動負債。

貿易及其他應付款項初步按公允值確認,其後以實際利率方法按攤銷成本計算。

2.17 貸款

貸款初步乃按公允值(已扣除所產生之交易成本)確認。貸款其後按攤銷成本列賬,扣除交易成本後之所得款項及贖回價值出現差額,則於貸款期內以實際利率方法在綜合收入報表內確認。

為建立貸款融資所付費用乃確認為貸款之交易成本,於很有可能使用部份或所有融資時,該費用將予遞延,直至使用融資。倘並無證據表明部份或所有融資將被使用,則該費用將作為流動性服務之預付款項資本化,並按融資相關之期間攤銷。

除非本集團有無條件權利將負債結算日期遞延至報告期末後至少十二個月,否則貸款將被劃分為流動負債。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair values. Changes in the fair value of those derivative instruments that do not qualify for hedge accounting are recognised immediately in the consolidated income statement within 'other gains/(losses) – net'.

2.19 Current and deferred income tax

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

(a) Current income tax

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

2 編製基準及主要會計政策概要 (續)

2.18 衍生金融工具

衍生工具初步按訂立衍生工具合約當日之公允值確認，其後按公允值重新計量。並不符合以對沖會計處理之衍生工具之公允值變動乃即時於綜合收入報表中之「其他收益／（虧損）－淨額」確認。

2.19 當期及遞延所得稅

期內稅項開支包括當期及遞延稅項。稅項乃於綜合收入報表確認，惟與於其他全面收入或直接於權益確認之項目有關者除外。於此情況下，稅項亦分別於其他全面收入或直接於權益確認。

(a) 當期所得稅

當期所得稅開支根據本公司之附屬公司及聯營公司營運及產生應課稅收入之國家於結算日已頒佈或實質頒佈之稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Current and deferred income tax (Continued)

(b) Deferred income tax

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

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

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

2 編製基準及主要會計政策概要 (續)

2.19 當期及遞延所得稅 (續)

(b) 遞延所得稅

遞延所得稅以負債法，就資產及負債之稅基與其於綜合財務報表內之賬面值所產生之暫時差額確認。然而，倘遞延所得稅負債來自對商譽的初步確認，以及若遞延所得稅在交易（不包括業務合併）中初步確認資產或負債，而在交易時不影響會計損益或應課稅損益，則不作記賬。遞延所得稅乃按結算日已頒佈或實質頒佈，及預期於相關遞延所得稅資產變現或遞延所得稅負債結清時適用之稅率（及法例）釐定。

遞延所得稅資產僅於將來可能出現足以抵銷該等暫時差額之應課稅溢利時予以確認。

遞延所得稅就投資於附屬公司及聯營公司產生之暫時差額而撥備，但假若本集團可以控制暫時差額撥回遞延所得稅負債之時間，而暫時差額在可預見將來可能不會撥回則除外。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Current and deferred income tax (Continued)

(c) Offsetting

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

2.20 Employee benefits

(i) Employee leave entitlements

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

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

(ii) Pension obligations

The Group has defined contribution plans. A defined contribution plan is a pension plan under which the Group pays contributions to publicly or privately administered pension plans on a mandatory or contractual basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due and if applicable, are reduced by contributions forfeited by those employees who leave the scheme or the plan prior to vesting fully in the contributions.

2 編製基準及主要會計政策概要 (續)

2.19 當期及遞延所得稅 (續)

(c) 抵銷

倘具有可合法強制執行之權利，將當期稅項資產與當期稅項負債抵銷，且遞延所得稅資產與負債涉及由同一稅務機關對應課稅實體或不同應課稅實體（有意以淨額基準清償結餘者）徵收之所得稅時，則可將遞延所得稅資產與負債互相抵銷。

2.20 僱員福利

(i) 僱員休假權益

僱員在年假之權益乃於年假應計予僱員時予以確認。已就僱員截至結算日止已提供之服務撥出年假估計負債之準備。

僱員之病假及產假權益於休假時方予確認。

(ii) 退休金責任

本集團設有定額供款計劃。定額供款計劃為一項退休金計劃，本集團可據此按照強制性或合約基準向公共或私人管理退休金計劃繳付供款。支付供款後，本集團再無進一步之支付責任。供款乃於到期時確認為僱員福利開支，倘僱員於有權悉數享有供款前退出該計劃，則所放棄之供款可減低本集團之供款。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Employee benefits (Continued)

(ii) Pension obligations (Continued)

The Group also has defined benefit obligations, which define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognised in the balance sheet in respect of defined benefit obligations is the present value of the obligations at the balance sheet date, together with adjustments for unrecognised past-service costs.

(iii) Share-based compensation

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability, sales growth targets) and non-vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision of original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

2 編製基準及主要會計政策概要 (續)

2.20 僱員福利 (續)

(ii) 退休金責任 (續)

本集團亦負有定額福利責任，界定僱員將於退休時收取之退休金福利金額，一般取決於年齡、服務年期及薪酬等一項或多項因素。就定額福利責任於資產負債表確認之負債，即定額福利責任於結算日之現值，當中已就未確認過往服務成本作出調整。

(iii) 以股份為基礎之報酬

本集團運作一項以權益結算、以股份為基礎之報酬計劃，以本集團之權益工具（購股權）作為實體取得僱員服務之代價。就授出購股權所換取僱員服務之公允值確認為支出。須列作支出之總額乃參考所授予購股權之公允值釐定，惟不計及任何非市場歸屬條件（如盈利能力、銷售增長目標）及非歸屬條件之影響。假設預期歸屬之購股權數目時，須考慮非市場歸屬條件。總開支乃於歸屬期間（即所有指定歸屬條件達成之期間）確認。於每個報告期末，實體修訂預期按非市場歸屬條件歸屬之購股權預計數目，修訂原先估計之影響（如有）於綜合收入報表確認並於權益作相應調整。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Employee benefits (Continued)

(iii) Share-based compensation (Continued)

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

(iv) Termination benefits

Termination benefits are payable upon retirement, when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2.21 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for the future operating losses.

2.22 Revenue and other income

Revenue from the sale of goods is the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. It is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when shipment is made. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

2 編製基準及主要會計政策概要 (續)

2.20 僱員福利 (續)

(iii) 以股份為基礎之報酬 (續)

已收所得款項減任何直接相關交易成本乃於購股權獲行使時計入股本(按面值)及股份溢價。

(iv) 解僱補償

解僱補償在退休時、在本集團於正常退休日期前終止僱用或當僱員接受自願遣散以換取此等福利時應予支付。本集團在可證明如下承諾時確認解僱補償：根據一項詳細的正式計劃終止現有僱員的僱用而沒有撤回的可能；或因為提出一項要約以鼓勵自願遣散而提供的解僱補償。在報告期末後超過十二個月到期的福利貼現為現值。

2.21 撥備

倘本集團需就過去事件承擔現有法律或推定責任而很可能導致資源流出企業以抵償責任，而有關金額能可靠地估計時，則確認有關撥備。並無就日後經營虧損確認撥備。

2.22 收益及其他收入

出售貨品之收益指本集團日常業務活動過程中就出售貨品之已收或應收代價之公允值。其於擁有權之風險及回報轉移時確認，一般與付運時同時發生。收益於扣除增值稅、退貨、回佣及折扣並抵銷本集團內銷售額後列示。

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Revenue and other income (Continued)

Processing income is recognized when services are rendered.

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and using the effective interest method.

Dividend income is recognised when the right to receive payment is established.

2.23 Leases (as the lessee)

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

2.24 Financial guarantee contracts

A financial guarantee contract is a contract that requires the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are initially recognized at fair value on the date the guarantee is given. Subsequently, the liabilities under such guarantees are measured at the higher of the best estimate of the expenditure required to settle any financial obligation arising at the balance sheet date and the initial measurement, less amortization calculated to recognize in the income statement the fee income earned on straight-line basis over the life of the guarantee. These estimates are determined based on experience of similar transactions and debtor's payment history, supplemented by the judgement of management of the Group.

2.25 Dividend distribution

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

2 編製基準及主要會計政策概要 (續)

2.22 收益及其他收入 (續)

加工收入於服務提供時確認。

利息收入按時間比例確認，並計及未清還本金額及使用實際利率方法計算。

股息收入乃於收取款項之權利確定時確認。

2.23 租賃 (作為承租人)

擁有權之大部份風險及回報由出租人保留之租賃，均歸類為經營租賃。根據經營租賃支付之款項在扣除出租人所給予之任何優惠後，於租賃期內以直線法在綜合收入報表中扣除。

2.24 財務擔保合約

財務擔保合約為要求本集團作出特定款項之合約，以於特定債務人未能根據債務工具之原訂或經修訂條款支付到期款項時，補償合約持有人因此招致之損失。

財務擔保合約初步按於提供擔保當日之公允值確認。其後，該等擔保項下之負債按於結算日清償任何產生之財務責任所需開支之最佳估計或初步計量（以較高者為準）計量，並扣除於擔保年期內以直線法攤銷於收入報表確認所賺取費用收入之金額。該等估計乃參考過往類似交易及債務人之付款記錄，經本集團管理層之判斷補充後釐定。

2.25 股息分派

分派予本公司權益持有人之股息於本公司股東批准之年度於本集團及本公司財務報表中確認為負債。

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

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

(a) Market risk

(i) Foreign exchange risk

The Group operates internationally and has factories and offices in Hong Kong, Indonesia and Mainland China. Operating expenses of the Group are primarily denominated in Hong Kong dollar, Indonesian Rupiah and Renminbi whereas the Group's sales are principally denominated in United States dollar. Thus, the Group is exposed to foreign exchange risk arising from these currencies. At 31 December 2010, the Group was also exposed to foreign exchange risk arising from South African Rand as a result of its then operation in Lesotho.

For Renminbi, at 31 December 2011, if United States dollar had strengthened/weakened by 5% (2010: 5%) against this currency with all other variables held constant, the Group's loss for the year would have been HK\$1,000/HK\$1,000 (2010: HK\$273,000/HK\$273,000 higher/lower) lower/higher, mainly as a result of foreign exchange gains/ losses (2010: losses/gains) on translation of monetary assets and liabilities denominated in this currency.

3 財務風險管理

3.1 財務風險因素

本集團經營活動面臨各種財務風險：市場風險（包括外匯風險、利率風險和價格風險）、信貸風險及流動資金風險。本集團之整體風險管理計劃集中於金融市場不可預測之特性，並尋求盡量減低對本集團財務表現之潛在不利影響。

(a) 市場風險

(i) 外匯風險

本集團業務遍佈全球，於香港、印尼及中國大陸均有廠房及辦事處。本集團之經營開支主要以港元、印尼盾及人民幣列值，而本集團之銷售額則主要以美元列值。因此，本集團面對此等貨幣所產生之外匯風險。於二零一零年十二月三十一日，本集團亦因於萊索托之業務而面對南非蘭特所產生之外匯風險。

對於人民幣，於二零一一年十二月三十一日，若美元兌此貨幣升值／貶值5%（二零一零年：5%），而所有其他可變因素保持不變，則本集團之年度虧損將減少／增加1,000港元／1,000港元（二零一零年：增加／減少273,000港元／273,000港元），此乃主要由於換算以此貨幣計值之貨幣資產及負債而產生之外匯收益／虧損（二零一零年：虧損／收益）。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

For Indonesian Rupiah, at 31 December 2011, if United States dollar had strengthened/weakened by 10% (2010: 10%) against this currency with all other variables held constant, the Group's loss for the year would have been HK\$1,029,000/HK\$1,029,000 (2010: HK\$204,000/HK\$204,000) lower/higher, mainly as a result of foreign exchange gains/losses on translation of monetary assets and liabilities denominated in this currency.

The Group has certain investment in foreign operations, whose net assets are exposed to foreign currency translation risks.

For Renminbi, at 31 December 2011, if United States dollar had strengthened/weakened by 5% (2010: 5%) against this currency with all other variables held constant, the Group's net assets at the year end would have been HK\$4,832,000/HK\$4,832,000 (2010: HK\$4,278,000/HK\$4,278,000) lower/higher, respectively, mainly as a result of foreign exchange differences on translation of the foreign operation in Mainland China.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(i) 外匯風險 (續)

對於印尼盾，於二零一一年十二月三十一日，若美元兌此貨幣升值／貶值10%（二零一零年：10%），而所有其他可變因素保持不變，則本集團之年度虧損將減少／增加1,029,000港元／1,029,000港元（二零一零年：204,000港元／204,000港元），此乃主要由於換算以此貨幣計值之貨幣資產及負債而產生之外匯收益／虧損。

本集團投資若干海外業務，該等業務之資產淨值承受外幣匯兌風險。

對於人民幣，於二零一一年十二月三十一日，若美元兌此貨幣升值／貶值5%（二零一零年：5%），而所有其他可變因素保持不變，則本集團於年終之資產淨值將分別減少／增加4,832,000港元／4,832,000港元（二零一零年：4,278,000港元／4,278,000港元），此乃主要由於換算中國大陸海外業務而產生之外匯差額。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

For Indonesian Rupiah, at 31 December 2011, if United States dollar had strengthened/weakened by 10% (2010: 10%) against this currency with all other variables held constant, the Group's net assets at the year end would have been HK\$3,100,000/HK\$3,100,000 (2010: HK\$8,996,000/HK\$8,996,000) lower/higher, mainly as a result of foreign exchange differences on translation of the foreign operation in Indonesia.

The management closely monitors the fluctuations of these and other currencies and may consider entering into foreign forward exchange contracts from time to time so as to better manage these foreign exchange exposures, when required. Currently it does not do so.

(ii) Price risk

At 31 December 2010, the Group was exposed to equity price changes arising from its holdings of financial assets.

The Group is not exposed to price risk as at 31 December 2011 as the Group no longer holds any equity investments.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(i) 外匯風險 (續)

對於印尼盾，於二零一一年十二月三十一日，若美元兌此貨幣升值／貶值10%（二零一零年：10%），而所有其他可變因素保持不變，則本集團於年終之資產淨值將減少／增加3,100,000港元／3,100,000港元（二零一零年：8,996,000港元／8,996,000港元），此乃主要由於換算印尼海外業務而產生之外匯差額。

管理層會不時密切監察此等及其他貨幣之匯率波動情況，並會在需要時考慮訂立遠期外匯合約以減低外匯風險，惟現時並無訂立有關合約。

(ii) 價格風險

於二零一零年十二月三十一日，本集團面對之股票價格變動風險來自所持有之金融資產。

於二零一一年十二月三十一日，由於本集團不再持有任何股本投資，故並無面對任何價格風險。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(iii) Interest rate risk

The Group has interest-bearing bank deposits. However, the Group's income and operating cash flows are substantially independent of changes in market interest rates. At 31 December 2011, if interest rates on the interest-bearing bank deposits had been 10 basis points (2010: 10 basis points) higher/lower with all other variables held constant, the Group's loss for the year would have been HK\$12,000/HK\$12,000 (2010: HK\$11,000/HK\$11,000) lower/higher, respectively, mainly as a result of higher/lower interest incomes on floating rate bank deposits. The Group's interest-rate risk also arises from bank borrowings. At 31 December 2011, borrowings were primarily at floating rates. The Group generally has not used interest rate swaps to hedge its exposure to interest rate risk. The Group regularly seeks out the most favorable interest rates available for its bank borrowings.

At 31 December 2011, if interest rates on the foreign currency dollar-denominated borrowings had been 10 basis points (2010: 10 basis points) higher/lower with all other variables held constant, the Group's loss for the year would have been HK\$35,000/HK\$35,000 (2010: HK\$145,000/HK\$145,000) higher/lower, respectively, mainly as a result of higher/lower interest expenses on floating rate borrowings.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(iii) 利率風險

本集團有計息銀行存款。然而，本集團之收入及經營現金流轉大致上獨立於市場利率變動。於二零一一年十二月三十一日，若計息銀行存款之利率增加／減少10個基點（二零一零年：10個基點），而所有其他可變因素維持不變，則本集團之年度虧損將分別減少／增加12,000港元／12,000港元（二零一零年：11,000港元／11,000港元），此乃主要由於浮動利率銀行存款之利息收入增加／減少所致。本集團之利率風險亦來自銀行貸款。於二零一一年十二月三十一日，貸款主要按浮動利率計息。本集團一般不會使用利率掉期對沖其利率風險。本集團會定期尋找最優惠利率之銀行貸款。

於二零一一年十二月三十一日，若以外幣計值之貸款之利率增加／減少10個基點（二零一零年：10個基點），而所有其他可變因素維持不變，則本集團之年度虧損將分別增加／減少35,000港元／35,000港元（二零一零年：145,000港元／145,000港元），此乃主要由於浮動利率貸款利息開支增加／減少所致。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

Credit risk of the Group mainly arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers such as trade receivables. The carrying amount of these balances in the balance sheet represents the Group's maximum exposure to credit risk in relation to its financial assets.

The Group's bank deposits are placed with banks and financial institutions which are highly reputable with multinational presences. Management does not expect any losses from non-performance by these banks and financial institutions as they have no default history in the past.

Debtors of the Group may be affected by the unfavorable economic conditions and the lower liquidity situation, which could in turn impact their ability to repay the amounts owed. Deteriorating operating conditions for debtors may also have an impact on management's cash flow forecasts and assessment of the impairment of receivables. To the extent that information is available, management has properly reflected revised estimate of expected future cash flows in their impairment assessments.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險

本集團之信貸風險主要來自現金及現金等值項目、在銀行及金融機構之存款以及向客戶提供之信貸，包括貿易應收款項。此等資產負債表內之款項之賬面值乃本集團有關金融資產之最高信貸風險。

本集團之銀行存款存於知名跨國銀行及金融機構。管理層並不預期會因該等銀行及金融機構不能履行合約而產生任何虧損，此乃由於彼等於過往並無違約紀錄。

本集團之債務人可能因不利經濟狀況及流動資金緊絀而受到影響，繼而影響彼等償還欠款之能力。債務人之經營環境惡化，亦可能影響管理層對現金流轉之預測及對應收款項減值之評估。在管理層能夠掌握資料之情況下，其減值評估已適當反映對預期未來現金流轉之修訂估計。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

The credit quality of the customers is assessed based on their financial position, past experience and other factors. The Group has policies in place to ensure that sales of products are made to customers with appropriate credit histories.

As at 31 December 2011, the Group had a concentration of credit risk given that the top 5 customers accounted for 86% (2010: 73%) of the Group's total year end trade receivable balance. However, the Group does not believe that the credit risk in relation to these customers is significant because they have no history of default in recent years.

The Group performs periodic credit evaluations of its customers. The Group's historical experience in collection of trade and other receivables is good and management is of the opinion that provision for uncollectible receivables is not necessary.

(c) Liquidity risk

The Group meets its day to day working capital requirements, capital expenditure and financial obligations through cash inflow from operating activities and the facilities obtained from banks.

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

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

客戶之信貸質素乃根據彼等之財務狀況、過往經驗及其他因素而作出評估。本集團之政策確保將產品售予具備良好信貸記錄之客戶。

於二零一一年十二月三十一日，本集團之信貸風險甚為集中，此乃由於五名最大客戶佔本集團年結日貿易應收款項結餘總額達86%（二零一零年：73%）。然而，本集團不認為此等客戶存在重大信貸風險，此乃由於彼等近年並無違約紀錄。

本集團向其客戶進行定期信貸檢討。本集團過往收回貿易及其他應收款項之經驗不俗，而管理層認為無須就未收回之應收款項作出撥備。

(c) 流動資金風險

本集團透過經營活動之現金流入額及銀行融資應付日常營運資金所需、資本開支及財務責任。

下表分析本集團之金融負債，按照相關之到期組別，根據由結算日至合約到期日之剩餘期間進行分析。下表披露之金額為合約未貼現現金流。由於貼現之影響不大，故此在十二個月內到期之結餘相等於其賬面值。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

Specifically, for bank loans which contain a repayment on demand clause which can be exercised at the banks' sole discretion, the analysis shows the cash outflow based on the earliest period in which the Group can be required to pay.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 流動資金風險 (續)

具體來說，若銀行貸款中載有要求還款條文，而有關係文可由銀行全權酌情行使，則分析會顯示根據本集團須付款之最早期間而產生的現金流出額。

		On demand 按 要求 時 HK\$'000 千 港 元	Group 本 集 團 Within 1 year 一 年 內 HK\$'000 千 港 元	Total 總 計 HK\$'000 千 港 元
Trust receipt loans	信託收據貸款	-	4,431	4,431
Bank borrowings	銀行貸款	30,723	-	30,723
Bank interest payables	應付銀行利息	413	-	413
Trade and other payables	貿易及其他 應付款項	-	33,767	33,767
At 31 December 2011	於二零一一年 十二月三十一日	<u>31,136</u>	<u>38,198</u>	<u>69,334</u>
Trust receipt loans	信託收據貸款	-	73,279	73,279
Bank borrowings	銀行貸款	51,535	19,750	71,285
Bank interest payables	應付銀行利息	1,447	-	1,447
Trade and other payables	貿易及其他應付款項	-	146,817	146,817
At 31 December 2010	於二零一零年 十二月三十一日	<u>52,982</u>	<u>239,846</u>	<u>292,828</u>

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

Other payables and accruals, at 31 December 2011	其他應付款項及應計費用，於二零一一年十二月三十一日
Other payables and accruals, at 31 December 2010	其他應付款項及應計費用，於二零一零年十二月三十一日

The table below summarises the maturity analysis of bank borrowings with a repayment on demand clause based on agreed scheduled repayments set out in the loan agreements, while interest payments are computed using contractual rates. Taking into account the Group's financial position, the directors do not consider that it is probable that the banks will exercise their discretion to demand immediate repayment. The directors believe that such bank borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 流動資金風險 (續)

Company 本公司	
Within 1 year 一年內	Total 總計
HK\$'000 千港元	HK\$'000 千港元

1,012	1,012
998	998

下表概列附有要求還款條文之銀行貸款根據貸款協議所載之協定還款時間表作出之到期分析。利息付款按合約利率計算。計及本集團之財務狀況，董事並不認為銀行將行使要求即時還款的酌情權。董事相信，有關銀行貸款將會根據貸款協議所載之預定還款日期償還。

		Group 本集團			
		Within 1 year 一年內	Between 1 and 2 years 一至兩年內	Between 2 and 5 years 兩至五年內	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Bank borrowings	銀行貸款	30,723	-	-	30,723
Bank interest payables	應付銀行利息	413	-	-	413
At 31 December 2011	於二零一一年十二月三十一日	31,136	-	-	31,136
Bank borrowings	銀行貸款	59,452	9,000	2,833	71,285
Bank interest payables	應付銀行利息	1,271	157	19	1,447
At 31 December 2010	於二零一零年十二月三十一日	60,723	9,157	2,852	72,732

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Capital risk management

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

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

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is "capital and reserves attributable to the Company's equity holders" as shown in the consolidated balance sheet.

On 27 July 2011, the Company completed a private placement of issuing 74,300,000 ordinary shares at a price of HK\$0.65 per share with a total cash receipt of HK\$48,295,000. The private placement has improved the Group's gearing ratio as at 31 December 2011.

3 財務風險管理 (續)

3.2 資金風險管理

本集團的資金管理政策，是保障本集團能繼續營運，以為股東提供回報和為其他權益持有人提供利益，同時維持最佳的資本結構以減低資金成本。

為了維持或調整資本結構，本集團可能會調整支付予股東之股息數額、向股東分派的資本返還、發行新股或出售資產以減低債務。

本集團按資本負債比率之基準監察資本。該比率乃按負債淨額除以總資本計算。負債淨額乃按總貸款減現金及現金等值項目計算。總資本為於綜合資產負債表所示之「由本公司權益持有人應佔之資本及儲備」。

於二零一一年七月二十七日，本公司完成涉及按每股0.65港元之價格發行74,300,000股普通股之私人配售，總現金收款48,295,000港元。私人配售已改善本集團於二零一一年十二月三十一日的資本負債比率。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Capital risk management (Continued)

The gearing ratios at 31 December 2011 and 2010 were as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Total borrowings	總貸款	35,154	144,564
Less: cash and cash equivalents	減：現金及現金等值項目	<u>(111,748)</u>	<u>(74,554)</u>
		<u>(76,594)</u>	<u>70,010</u>
Capital and reserves attributable to the Company's equity holders	由本公司權益持有人應佔之資本及儲備	<u>243,657</u>	<u>236,061</u>
Gearing ratio	資本負債比率	<u>(31.4%)</u>	<u>29.7%</u>

3.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

3 財務風險管理 (續)

3.2 資金風險管理 (續)

於二零一一年及二零一零年十二月三十一日的資本負債比率如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Total borrowings	總貸款	35,154	144,564
Less: cash and cash equivalents	減：現金及現金等值項目	<u>(111,748)</u>	<u>(74,554)</u>
		<u>(76,594)</u>	<u>70,010</u>
Capital and reserves attributable to the Company's equity holders	由本公司權益持有人應佔之資本及儲備	<u>243,657</u>	<u>236,061</u>
Gearing ratio	資本負債比率	<u>(31.4%)</u>	<u>29.7%</u>

3.3 公允值之估值

下表以估值法分析按公允值列賬之金融工具。不同級別之定義如下：

第一級	相同資產或負債於交投活躍市場之報價 (未經調整)
第二級	除納入第一級之報價外，資產或負債之可觀察直接 (即價格) 或間接 (即源自價格) 輸入資料
第三級	並非根據可觀察市場資料釐定之資產或負債之輸入資料 (即不可觀察之輸入資料)

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

The following table presents the Group's assets that are measured at fair value at 31 December 2011.

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
ASSETS	資產			
Financial assets at fair value through profit or loss	按公允值計入損益賬之金融資產			
– Leveraged foreign forward exchange contracts	– 槓桿式遠期外匯合約	–	26	26

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2010.

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
ASSETS	資產			
Financial assets at fair value through profit or loss	按公允值計入損益賬之金融資產			
– Securities listed on the Stock Exchange	– 於聯交所上市之證券	6,180	–	6,180
LIABILITIES	負債			
Derivative financial instruments	衍生金融工具			
– Leveraged foreign forward exchange contracts	– 槓桿式遠期外匯合約	–	(147)	(147)
		6,180	(147)	6,033

下表呈列本集團於二零一一年十二月三十一日按公允值計量之資產。

下表呈列本集團於二零一零年十二月三十一日按公允值計量之資產及負債。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

The leveraged foreign forward exchange contract is not traded in an active market, and the fair value is determined by using the quoted price provided by the counterparty financial institution at the balance date. As all significant inputs required to measure the fair value of this instrument is observable, it is included in level 2.

At 31 December 2010, the fair value of securities listed on the Stock Exchange was based on quoted market prices at the balance sheet date and it was included in level 1. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group was the current bid price.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

3 財務風險管理 (續)

3.3 公允值之估值 (續)

槓桿式遠期外匯合約並非於交投活躍之市場內買賣，故使用於結算日由對手金融機構提供之報價釐定公允值。由於計量此項工具之公允值所需之一切重要輸入資料均可從觀察得知，故納入第二級。

於二零一零年十二月三十一日，於聯交所上市之證券之公允值根據於結算日之市場報價計算，並納入第一級。倘報價可隨時及經常從交易所、交易商、經紀、產業集團、股價服務機構或監管機構獲得，而該等價格為按公平原則定期進行之真實市場交易，則有關市場被視為交投活躍。本集團所持金融資產所用之市場報價為現時買入價。

4 關鍵會計估算及判斷

估算及判斷會被持續評估，並以過往經驗及其他因素為基準，包括在目前情況下相信為合理之預期日後事件。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Income taxes and deferred tax

The Group is subject to income taxes in a number of jurisdictions. Significant judgement is required in determining the provision for income taxes. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised as the management of the Group considers it is probable that future taxable profits will be available against which temporary differences or tax losses can be utilised. Where the expectations are different from the original estimates, such differences will impact the recognition of deferred tax assets in the period in which such estimates have been changed.

(b) Estimated write-downs of inventories to net realisable value

The Group writes down inventories to net realisable value based on an assessment of the realisability of inventories. Write-downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgment and estimates. Where the expectations are different from the original estimates, such differences will impact the carrying value of inventories in the period in which such estimates have been changed.

4 關鍵會計估算及判斷 (續)

本集團就未來作出估算和假設。產生之會計估算將(按定義)甚少等同於相關實際結果。下文討論有相當大機會導致下個財政年度資產和負債賬面值須作出重大調整之估算和假設。

(a) 所得稅及遞延稅項

本集團須繳納多個司法權區之所得稅。釐定所得稅撥備時需要作出重大判斷。本集團按照會否出現額外到期稅項之估計確認預期稅項審計事宜所產生之負債。倘若該等事宜之最終稅項結果與初始記錄金額不同，則有關差額將會影響作出決定期間之當期及遞延所得稅資產及負債。

有關若干臨時差額及稅項虧損之遞延稅項資產，乃於本集團管理層認為日後可能會出現應課稅溢利以用作抵銷臨時差額或稅項虧損時確認。倘若該等預期與原來估計有差異，該等差額將影響更改有關估計期間所確認之遞延稅項資產。

(b) 撇減存貨至可變現淨值之估計

本集團根據存貨可變現程度之評估撇減存貨至可變現淨值。一旦事件發生或情況改變顯示結餘可能未能變現時，則記錄存貨撇減。識別撇減需要作出判斷及估計。倘若該等預期與原來估計有差異，該等差額將影響更改有關估計期間之存貨賬面值。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(c) Estimated impairment of receivables

The Group makes provision for impairment of receivables based on an assessment of the recoverability of the receivables. Provisions are applied to receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of impairment of receivables requires the use of judgment and estimate. Management uses the repayment history of the customers to assess the credit quality of the receivables. Where the expectations are different from the original estimates, such differences will impact the carrying value of receivables in the period in which such estimates have been changed.

(d) Useful lives, residual values and depreciation of property, plant and equipment

The management of the Group determines the estimated useful lives, residual values and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The management of the Group will increase the depreciation charge where useful lives are less than previously estimated lives, it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives; actual residual values may differ from estimated residual values. Periodic review could result in a change in depreciable lives and residual values and therefore depreciation expense in the future period.

4 關鍵會計估算及判斷 (續)

(c) 應收款項估計減值

本集團根據對應收款項可收回程度之評估作出應收款項減值撥備。一旦事件發生或情況改變顯示結餘可能未能收回時，則就應收款項作出撥備。識別應收款項減值需要作出判斷及估計。管理層利用客戶之還款記錄評估應收款項之信貸質素。倘若該等預期與原來估計有差異，該等差額將影響更改有關估計期間之應收款項賬面值。

(d) 物業、廠房及設備之可使用年期、剩餘價值及折舊

本集團管理層就其物業、廠房及設備決定估計可使用年期、剩餘價值及相關折舊開支。此項估計乃按照性質及用途相似之物業、廠房及設備之實際可使用年期之過往經驗而作出。本集團管理層將於可使用年期少於過往之估計年期時增加折舊開支，撇銷或撇減技術上陳舊或非策略性而已遭廢棄或出售的資產。實際經濟年期或會與估計可使用年期有所不同；實際剩餘價值亦可能會與估計剩餘價值有所不同。定期審閱可導致可予折舊年期及剩餘價值有所更改，從而導致未來期間之折舊開支有所更改。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(e) Estimated impairment of property, plant and equipment and land use rights

The Group assesses annually whether property, plant and equipment and land use rights have any indication of impairment. The recoverable amounts, if required, are determined based on value-in-use calculations or market valuations. These calculations require the use of judgment and estimates.

Management judgement is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset value may not be recoverable; (ii) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs to sell or net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates, could materially affect the net present value used in the impairment test and as a result affect the Group's financial position and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the income statement.

(f) Land and buildings in properties, plant and equipment carried at valuation

Land and buildings in properties, plant and equipment, comprise mainly of factories and offices, are shown at fair values determined by directors based on valuations performed by external independent valuers on an annual basis. In arriving at the valuations, significant judgement, assumptions and economic estimates have to be made.

4 關鍵會計估算及判斷 (續)

(e) 物業、廠房及設備及土地使用權之估計減值

本集團每年評估物業、廠房及設備及土地使用權有否減值跡象。可收回金額（如有規定）乃根據使用價值計算方法或市場估值釐定。該等計算需要作出判斷及估計。

管理層釐定資產減值須運用判斷，尤其為評定：(i)是否已出現可能顯示有關資產值或無法收回之事件；(ii)可收回金額（即公允值減出售成本或估計繼續在業務中使用資產所帶來之未來現金流轉現值淨額二者之較高者）是否足以支持資產賬面值；及(iii)編製現金流轉預測所用之主要假設是否恰當，包括該等現金流轉預測是否以適當利率貼現。管理層於評估減值時選擇之假設（包括貼現率）若有所變化，或會對減值測試所用之現值淨額帶來重大影響，從而影響本集團之財務狀況及經營業績。倘預測表現及所得之未來現金流轉預測出現重大不利變動，則可能須於收入報表中計提減值開支。

(f) 物業、廠房及設備中按估值列賬之土地及樓宇

物業、廠房及設備中之土地及樓宇主要包括工廠及辦公室，並由董事根據外聘獨立估值師之年度估值以公允值列賬。於釐定估值時，須作出重大判斷、假設及經濟估計。

5 REVENUES AND SEGMENT INFORMATION

The Group is principally engaged in garment manufacturing and trading. Revenues recognised during the year are as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Turnover	營業額		
Sale of garment products	銷售成衣產品	579,869	718,596
Processing income	加工收入	14,343	16,335
		594,212	734,931
Sale of scrap materials	銷售廢棄物料	7,631	-
		601,843	734,931

Management has determined the operating segments based on the reports reviewed by the board of directors that are used to make strategic decisions.

The Group's management considers the business principally from a geographic perspective. Business reportable operating segments by location of the Group's customers are identified in five main geographical areas namely the United States of America, Mainland China, Europe, Canada and rest of the world.

The Group's management assesses the performance of the operating segments based on a measure of adjusted operating results. This measurement basis includes results of the operating segments before corporate administrative expenses, finance income, finance cost, share of results of associated companies and tax, but excludes material gain or loss which is capital in nature or non-recurring nature such as impairment.

5 收益及分部資料

本集團主要從事成衣製造及貿易。於年內確認之收益如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Turnover	營業額		
Sale of garment products	銷售成衣產品	579,869	718,596
Processing income	加工收入	14,343	16,335
		594,212	734,931
Sale of scrap materials	銷售廢棄物料	7,631	-
		601,843	734,931

管理層根據經董事會審閱之報告（用以作出策略性決定）釐定營運分部。

本集團之管理層主要從地區層面考慮業務。業務可報告營運分部按本集團客戶所在地劃分，確認為五大地區，包括美國、中國大陸、歐洲、加拿大及世界其他地區。

本集團之管理層根據經調整經營業績評估營運分部之表現。此評估基準包括未計企業行政開支、融資收入、融資成本、分佔聯營公司業績及稅項前之營運分部業績，但不包括屬資本性質或非經常性質之重大收益或虧損，如減值。

5 REVENUES AND SEGMENT INFORMATION (Continued)

An analysis of the Group's segment information for the year by geographical segment is as follows:

Geographical segments by location of customers

		Turnover		Adjusted operating results for reportable segments	
		營業額		可報告分部之經調整經營業績	
		2011	2010	2011	2010
		二零一一年	二零一零年	二零一一年	二零一零年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
United States of America	美國	368,909	523,091	(16,510)	9,681
Mainland China	中國大陸	121,757	98,670	6,542	(6,024)
Europe	歐洲	44,918	43,874	(1,627)	137
Canada	加拿大	20,141	25,405	(1,041)	444
Rest of the world	世界其他地區	38,487	43,891	(2,907)	45
		594,212	734,931	(15,543)	4,283

Revenues of approximately HK\$218,893,000 (2010: HK\$243,367,000), HK\$84,750,000 (2010: HK\$122,110,000), HK\$67,382,000 (2010: HK\$74,428,000) and HK\$62,478,000 (2010: HK\$31,461,000) were derived from the top four external customers respectively.

5 收益及分部資料 (續)

本集團於年內按地區分部劃分之分部資料分析如下：

按客戶所在地劃分之地區分部

約218,893,000港元(二零一零年：243,367,000港元)、84,750,000港元(二零一零年：122,110,000港元)、67,382,000港元(二零一零年：74,428,000港元)及62,478,000港元(二零一零年：31,461,000港元)之收益乃分別源自四大外部客戶。

5 REVENUES AND SEGMENT INFORMATION (Continued)

Geographical segments by location of customers (Continued)

A reconciliation of the segments' adjusted operating results to loss for the year is provided as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Adjusted operating (loss)/profits for reportable segments	可報告分部之經調整經營(虧損)/溢利	(15,543)	4,283
Sale of scrap materials	銷售廢棄物料	7,631	-
Other gains/(losses) – net	其他收益/(虧損) – 淨額	1,459	(2,403)
Impairment of properties, plant and equipment	物業、廠房及設備減值	(4,464)	(5,348)
Corporate administrative expenses	企業行政開支	(32,603)	(54,168)
Operating loss	經營虧損	(43,520)	(57,636)
Finance income	融資收入	619	457
Finance costs	融資成本	(3,621)	(2,292)
Share of profit/(loss) of associates	分佔聯營公司溢利/(虧損)	184	(332)
Loss before income tax	除所得稅前虧損	(46,338)	(59,803)
Income tax (expense)/credit	所得稅(開支)/抵免	(3,664)	7,023
Loss for the year	年度虧損	(50,002)	(52,780)

5 收益及分部資料(續)

按客戶所在地劃分之地區分部(續)

分部之經調整經營業績與年度虧損對賬如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Adjusted operating (loss)/profits for reportable segments	可報告分部之經調整經營(虧損)/溢利	(15,543)	4,283
Sale of scrap materials	銷售廢棄物料	7,631	-
Other gains/(losses) – net	其他收益/(虧損) – 淨額	1,459	(2,403)
Impairment of properties, plant and equipment	物業、廠房及設備減值	(4,464)	(5,348)
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Income tax (expense)/credit	所得稅(開支)/抵免	(3,664)	7,023
Loss for the year	年度虧損	(50,002)	(52,780)

5 REVENUES AND SEGMENT INFORMATION (Continued)

Geographical segments by location of customers (Continued)

Reportable segment's assets, which represent accounts receivable by geographical locations of customers, are reconciled to total assets as follows:

		Segment assets 分部資產	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
United States of America	美國	11,449	52,434
Mainland China	中國大陸	17,044	27,928
Europe	歐洲	2,203	1,523
Canada	加拿大	103	1,723
Rest of the world	世界其他地區	1,743	12,157
		32,542	95,765
Unallocated:	不能分攤：		
Properties, plant and equipment	物業、廠房及設備	123,524	140,558
Land use rights	土地使用權	15,725	15,282
Interests in associates	於聯營公司之權益	–	42,880
Deferred income tax assets	遞延所得稅資產	–	5,010
Inventories	存貨	20,208	106,173
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	10,307	29,448
Financial assets at fair value through profit or loss	按公允值計入損益賬之金融資產	26	6,180
Income tax receivable	應收所得稅	2,812	–
Bank deposits	銀行存款	11,718	31,099
Cash and cash equivalents	現金及現金等值項目	111,748	74,554
Total assets per balance sheet	資產負債表所列之總資產	328,610	546,949

5 收益及分部資料 (續)

按客戶所在地劃分之地區分部 (續)

可報告分部資產指按客戶所在地區劃分之應收款項。可報告分部資產與總資產對賬如下：

		Segment assets 分部資產	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
United States of America	美國	11,449	52,434
Mainland China	中國大陸	17,044	27,928
Europe	歐洲	2,203	1,523
Canada	加拿大	103	1,723
Rest of the world	世界其他地區	1,743	12,157
		32,542	95,765
Unallocated:	不能分攤：		
Properties, plant and equipment	物業、廠房及設備	123,524	140,558
Land use rights	土地使用權	15,725	15,282
Interests in associates	於聯營公司之權益	–	42,880
Deferred income tax assets	遞延所得稅資產	–	5,010
Inventories	存貨	20,208	106,173
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	10,307	29,448
Financial assets at fair value through profit or loss	按公允值計入損益賬之金融資產	26	6,180
Income tax receivable	應收所得稅	2,812	–
Bank deposits	銀行存款	11,718	31,099
Cash and cash equivalents	現金及現金等值項目	111,748	74,554
Total assets per balance sheet	資產負債表所列之總資產	328,610	546,949

6 OTHER GAINS /(LOSSES) – NET

6 其他收益／（虧損）－淨額

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Net fair value gains/(losses) on derivative financial instruments:	衍生金融工具之公允淨值收益／（虧損）：		
Leveraged foreign forward exchange contracts – not yet matured	槓桿式遠期外匯合約 — 尚未到期	173	(147)
Net fair value losses on financial assets at fair value through profit or loss:	按公允值計入損益賬之金融資產之公允淨值虧損：		
Listed equity securities	上市股本證券	-	(2,145)
Foreign currency linked structured notes	與外幣掛鈎之結構性票據	-	(111)
		-	(2,256)
Gain on disposal of listed equity securities	出售上市股本證券之收益	312	-
Loss on disposal of properties, plant and equipment	出售物業、廠房及設備之虧損	(2,680)	-
Gain on disposal of interest in associates	出售於聯營公司之權益之收益	3,452	-
Gain on disposal of interest in subsidiaries	出售於附屬公司之權益之收益	202	-
Total other gains/(losses) – net	其他總收益／（虧損）－淨額	1,459	(2,403)

7 EXPENSES BY NATURE

Operating loss is stated after crediting and charging the following:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Raw materials used	使用之原材料	263,020	407,637
Changes in inventories of finished goods and work in progress	製成品及半製成品之存貨變動	56,597	(12,101)
Depreciation of properties, plant and equipment	物業、廠房及設備折舊	21,103	21,601
Impairment of properties, plant and equipment	物業、廠房及設備減值	4,464	5,348
Gain on disposal of properties, plant and equipment	出售物業、廠房及設備之收益	-	(345)
Amortisation of land use rights	土地使用權攤銷	342	306
Employee benefit expense (excluding directors' emoluments) (Note 14)	僱員福利開支 (不包括董事酬金) (附註14)	184,720	215,491
Operating lease rentals - land and buildings	經營租賃租金 - 土地及樓宇	5,980	6,620
Auditors' remuneration	核數師酬金	1,953	1,893
Net exchange (gain)/losses	匯兌(收益)/虧損淨額	(755)	280
Others	其他	109,398	143,434
		<u>646,822</u>	<u>790,164</u>
Total cost of sales, selling expenses and administrative expenses	銷貨成本、銷售開支及行政開支總額		

7 按性質分類之開支

經營虧損已計入及扣除下列各項呈列如下：

8 FINANCE INCOME

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Finance income on short-term bank deposits	短期銀行存款之融資收入	619	409
Dividend income on listed equity securities	上市股本證券之股息收入	-	48
		<u>619</u>	<u>457</u>

8 融資收入**9 FINANCE COSTS**

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Interest expenses - bank borrowings	利息開支 - 銀行貸款	3,621	2,292

9 融資成本

10 INCOME TAX EXPENSE/(CREDIT)

Hong Kong profits tax has been provided at the rate of 16.5% (2010: 16.5%) on the estimated assessable profit for the year. Income taxes on profit derived from operations in Indonesia and Lesotho are provided at the rates of 25% (2010: 25%) and 15% (2010: 15%) respectively. The operation in Mainland China was granted a tax holiday of 2-year full exemption and 3-year 50% reduction and 2011 is the second year of 50% reduction.

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

Current income tax	當期所得稅
- Hong Kong profits tax	- 香港利得稅
Over-provision in prior years	以往年度超額撥備
Deferred income tax (Note 28)	遞延所得稅(附註28)
Income tax expense/(credit)	所得稅開支/(抵免)

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities:

Loss before income tax	所得稅前虧損
Tax calculated at domestic tax rates applicable to loss in the respective countries	所在國家之虧損按當地適用稅率計算之稅項
Income not subject to tax	無須課稅之收入
Expenses not deductible for tax	不可扣稅之開支
Unrecognised deferred tax assets	未確認遞延稅項資產
Over-provision in prior years	以往年度超額撥備

10 所得稅開支/(抵免)

香港利得稅乃根據年內估計應課稅溢利，按稅率16.5%（二零一零年：16.5%）計算準備。印尼及萊索托業務所產生溢利分別按25%（二零一零年：25%）及15%（二零一零年：15%）之稅率計提所得稅準備。中國大陸業務獲授免稅期，可於兩年全面豁免及其後三年減免一半稅項，而二零一一年為第二年減免一半稅項年度。

扣自/(計入)收入報表之所得稅金額為：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Current income tax	839	654
Over-provision in prior years	(210)	(6,487)
Deferred income tax (Note 28)	3,035	(1,190)
Income tax expense/(credit)	3,664	(7,023)

本集團除所得稅前虧損之稅項有別於採用綜合實體溢利適用之加權平均稅率所產生之理論金額：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Loss before income tax	(46,338)	(59,803)
Tax calculated at domestic tax rates applicable to loss in the respective countries	(11,257)	(12,997)
Income not subject to tax	(1,753)	(1,065)
Expenses not deductible for tax	5,924	4,500
Unrecognised deferred tax assets	10,960	9,026
Over-provision in prior years	(210)	(6,487)
	3,664	(7,023)

11 LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The loss attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of loss of approximately HK\$34,164,000 (2010: loss of HK\$37,880,000).

12 LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year. As the Company has no dilutive potential ordinary shares during the years ended 31 December 2011 and 2010, the diluted loss per share equals to the basic loss per share.

11 本公司權益持有人應佔之虧損

計入本公司財務報表之本公司權益持有人應佔虧損約為虧損34,164,000港元(二零一零年:虧損37,880,000港元)。

12 每股虧損

每股基本虧損乃根據本公司權益持有人應佔虧損除以年內已發行普通股股數之加權平均數計算。本公司於截至二零一一年及二零一零年十二月三十一日止年度內並無潛在攤薄性普通股，故每股攤薄虧損相等於每股基本虧損。

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Loss attributable to equity holders of the Company	本公司權益持有人應佔虧損	<u>(47,401)</u>	<u>(48,829)</u>
Weighted average number of ordinary shares in issue (thousands)	已發行普通股股數之加權平均數(千股)	<u>403,833</u>	<u>371,874</u>
Basic and diluted loss per share (HK cents per share)	每股基本及攤薄虧損(每股港仙)	<u>(11.74)</u>	<u>(13.13)</u>

13 DIVIDENDS

The Company did not declare dividends for the years ended 31 December 2011 and 2010.

13 股息

本公司不宣派截至二零一一年及二零一零年十二月三十一日止年度之股息。

14 EMPLOYEE BENEFIT EXPENSE (EXCLUDING DIRECTORS' EMOLUMENTS)

Wages and salaries
Termination benefits
Pension costs

薪金及酬金
解僱補償
退休金成本

14 僱員福利開支(不包括董事酬金)

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
		147,266	204,373
		32,126	1,580
		5,328	9,538
		<u>184,720</u>	<u>215,491</u>

14 EMPLOYEE BENEFIT EXPENSE (EXCLUDING DIRECTORS' EMOLUMENTS) (Continued)

Forfeited contributions to the mandatory provident fund scheme (the "MPF Scheme") totaling HK\$174,000 (2010: HK\$12,000) were utilised during the year.

There is no contribution payable in relation to the MPF Scheme at the year end (2010: Nil).

The Group operates/participates in the following pension and post retirement plans:

- (i) The MPF Scheme for employees in Hong Kong, under which the Group and its employee each make a monthly contribution to the scheme at 5% of the qualifying earnings of the employee, subject to a monthly cap of HK\$1,000.
- (ii) The Group's Indonesia subsidiaries do not operate any pension plan in Indonesia. However, according to the labor law in Indonesia, the employer is required to pay retirement benefits to the employees upon their retirement and the retirement benefits are calculated based on the final monthly basic salary and the years of service. During the year, all the related benefits have been paid to the employees following the temporary cessation of the factory operations in Indonesia. As at 31 December 2011, the Group is not liable to any material liabilities arising from retirement benefits.
- (iii) The Group's subsidiaries in Mainland China contribute approximately 11% of the basic salaries of their employees to retirement schemes operated by municipal governments. Other than the mandatory contributions, the Group has no further obligations for the actual pension payments or any post retirement benefits. The retirement schemes are responsible for the entire pension obligations payable to retired employees. In addition, according to the labor law in Mainland China, the employer is required to pay retirement benefits to the employees when employment is terminated by the employer before the normal retirement date.

14 僱員福利開支(不包括董事酬金)(續)

年內已動用之已沒收強制性公積金計劃(「強積金計劃」)供款合共174,000港元(二零一零年:12,000港元)。

於年底並無有關強積金計劃之應付供款(二零一零年:無)。

本集團實行/參與以下退休金及退休後計劃:

- (i) 為香港僱員而設之強積金計劃規定,本集團及其僱員均須按僱員合資格入息之5%向計劃作每月供款,惟每月供款額上限為1,000港元。
- (ii) 本集團之印尼附屬公司並無於印尼實施退休金計劃。然而,根據印尼之勞工法,僱主須於僱員退休時為僱員支付退休福利,而退休福利乃按照最後基本月薪及服務年期計算。年內,所有相關福利已於印尼廠房暫時終止營運後支付予僱員。於二零一一年十二月三十一日,本集團無須承擔因退休福利產生之任何重大負債。
- (iii) 本集團為於中國大陸之附屬公司對市政府設立之退休計劃作出之供款為僱員基本薪金約11%。除強制性供款外,本集團並無其他實質退休金或退休後福利之承擔。該等退休計劃負責全部應付予退休僱員之退休金承擔。此外,按照中國大陸之勞動法,僱主若於僱員正常退休日期前終止聘用僱員,則須向僱員支付退休福利。

15 EMPLOYEE BENEFIT EXPENSE – DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

The remuneration of every Director for the year ended 31 December 2011 is set out below:

Name of Director	Fees	Salary	Other benefits	Employer's contribution to the MPF Scheme	Total	
董事姓名	袍金 HK\$'000 千港元	薪酬 HK\$'000 千港元	其他福利 HK\$'000 千港元	僱主供款 強積金計劃 HK\$'000 千港元	總計 HK\$'000 千港元	
Mr Li Haifeng (appointed on 7 June 2011)	李海楓先生 (於二零一一年六月七日獲委任)	70	493	29	6	598
Mr Lee Sheng Kuang, James Mr Huang Xuxian, Flynn (appointed on 7 June 2011)	李勝光先生 黃旭新先生 (於二零一一年六月七日獲委任)	100	1,281	3,021	12	4,414
Mr Tang Chak Lam, Charlie Mr Xiao Yong (appointed on 7 June 2011)	鄧澤霖先生 肖勇先生 (於二零一一年六月七日獲委任)	70	347	21	6	444
Mr Tang Chak Lam, Charlie Mr Xiao Yong (appointed on 7 June 2011)	鄧澤霖先生 肖勇先生 (於二零一一年六月七日獲委任)	100	1,346	48	12	1,506
Mr Xiao Yong (appointed on 7 June 2011)	肖勇先生 (於二零一一年六月七日獲委任)	70	199	13	-	282
Mr Rusli Hendrawan (resigned on 28 June 2011)	Rusli Hendrawan先生 (於二零一一年六月二十八日辭任)	65	1,780	651	-	2,496
Mr Oey Tjie Ho (resigned on 7 June 2011)	黃志和先生 (於二零一一年六月七日辭任)	70	197	111	4	382
Mr Chen Zhongfa (appointed on 9 September 2011)	陳忠發先生 (於二零一一年九月九日獲委任)	37	-	-	-	37
Mr Yau Wing Yiu (appointed on 6 July 2011)	邱永耀先生 (於二零一一年七月六日獲委任)	58	-	-	-	58
Mr Zhang Feng (appointed on 7 June 2011)	張峰先生 (於二零一一年六月七日獲委任)	68	-	-	-	68
Mr Cheung Kwok Ming (resigned on 28 June 2011)	張國明先生 (於二零一一年六月二十八日辭任)	83	-	-	-	83
Mr Kwok Lam Kwong, Larry (resigned on 9 September 2011)	郭琳廣先生 (於二零一一年九月九日辭任)	137	-	-	-	137
Mr Lau Siu Ki, Kevin (resigned on 13 July 2011)	劉紹基先生 (於二零一一年七月十三日辭任)	106	-	-	-	106

The remuneration of every Director for the year ended 31 December 2010 is set out below:

Name of Director	Fees	Salary	Other benefits	Employer's contribution to the MPF Scheme	Total	
董事姓名	袍金 HK\$'000 千港元	薪酬 HK\$'000 千港元	其他福利 HK\$'000 千港元	僱主供款 強積金計劃 HK\$'000 千港元	總計 HK\$'000 千港元	
Mr Rusli Hendrawan	Rusli Hendrawan先生	100	3,103	83	-	3,286
Mr Lee Sheng Kuang, James	李勝光先生	100	1,498	2,802	12	4,412
Mr Oey Tjie Ho	黃志和先生	100	767	11	12	890
Mr Tang Chak Lam, Charlie	鄧澤霖先生	100	1,346	33	12	1,491
Mr Cheung Kwok Ming	張國明先生	168	-	-	-	168
Mr Kwok Lam Kwong, Larry	郭琳廣先生	198	-	-	-	198
Mr Lau Siu Ki, Kevin	劉紹基先生	198	-	-	-	198

15 僱員福利開支 – 董事及高級管理人員之酬金

(a) 董事酬金

截至二零一一年十二月三十一日止年度各董事之酬金列載如下：

Name of Director	Fees	Salary	Other benefits	Employer's contribution to the MPF Scheme	Total	
董事姓名	袍金 HK\$'000 千港元	薪酬 HK\$'000 千港元	其他福利 HK\$'000 千港元	僱主供款 強積金計劃 HK\$'000 千港元	總計 HK\$'000 千港元	
Mr Li Haifeng (appointed on 7 June 2011)	李海楓先生 (於二零一一年六月七日獲委任)	70	493	29	6	598
Mr Lee Sheng Kuang, James Mr Huang Xuxian, Flynn (appointed on 7 June 2011)	李勝光先生 黃旭新先生 (於二零一一年六月七日獲委任)	100	1,281	3,021	12	4,414
Mr Tang Chak Lam, Charlie Mr Xiao Yong (appointed on 7 June 2011)	鄧澤霖先生 肖勇先生 (於二零一一年六月七日獲委任)	70	347	21	6	444
Mr Tang Chak Lam, Charlie Mr Xiao Yong (appointed on 7 June 2011)	鄧澤霖先生 肖勇先生 (於二零一一年六月七日獲委任)	100	1,346	48	12	1,506
Mr Xiao Yong (appointed on 7 June 2011)	肖勇先生 (於二零一一年六月七日獲委任)	70	199	13	-	282
Mr Rusli Hendrawan (resigned on 28 June 2011)	Rusli Hendrawan先生 (於二零一一年六月二十八日辭任)	65	1,780	651	-	2,496
Mr Oey Tjie Ho (resigned on 7 June 2011)	黃志和先生 (於二零一一年六月七日辭任)	70	197	111	4	382
Mr Chen Zhongfa (appointed on 9 September 2011)	陳忠發先生 (於二零一一年九月九日獲委任)	37	-	-	-	37
Mr Yau Wing Yiu (appointed on 6 July 2011)	邱永耀先生 (於二零一一年七月六日獲委任)	58	-	-	-	58
Mr Zhang Feng (appointed on 7 June 2011)	張峰先生 (於二零一一年六月七日獲委任)	68	-	-	-	68
Mr Cheung Kwok Ming (resigned on 28 June 2011)	張國明先生 (於二零一一年六月二十八日辭任)	83	-	-	-	83
Mr Kwok Lam Kwong, Larry (resigned on 9 September 2011)	郭琳廣先生 (於二零一一年九月九日辭任)	137	-	-	-	137
Mr Lau Siu Ki, Kevin (resigned on 13 July 2011)	劉紹基先生 (於二零一一年七月十三日辭任)	106	-	-	-	106

截至二零一零年十二月三十一日止年度各董事之酬金列載如下：

Name of Director	Fees	Salary	Other benefits	Employer's contribution to the MPF Scheme	Total	
董事姓名	袍金 HK\$'000 千港元	薪酬 HK\$'000 千港元	其他福利 HK\$'000 千港元	僱主供款 強積金計劃 HK\$'000 千港元	總計 HK\$'000 千港元	
Mr Rusli Hendrawan	Rusli Hendrawan先生	100	3,103	83	-	3,286
Mr Lee Sheng Kuang, James	李勝光先生	100	1,498	2,802	12	4,412
Mr Oey Tjie Ho	黃志和先生	100	767	11	12	890
Mr Tang Chak Lam, Charlie	鄧澤霖先生	100	1,346	33	12	1,491
Mr Cheung Kwok Ming	張國明先生	168	-	-	-	168
Mr Kwok Lam Kwong, Larry	郭琳廣先生	198	-	-	-	198
Mr Lau Siu Ki, Kevin	劉紹基先生	198	-	-	-	198

15 EMPLOYEE BENEFIT EXPENSE – DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

(a) Directors' emoluments (Continued)

Other benefits include leave pay, housing allowances and termination benefits.

During the year, no director has waived any emoluments (2010: Nil).

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include three (2010: three) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2010: two) individuals during the year are as follows:

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Basic salaries, housing allowances, other allowances and benefits-in-kind	1,658	2,182
Contributions to the MPF Scheme	43	48
	1,701	2,230

The emoluments fell within the following bands:

	Number of individuals 人數	
	2011 二零一一年	2010 二零一零年
Emolument bands		
HK\$500,000 – HK\$999,999	1	–
HK\$1,000,000 – HK\$1,500,000	1	2
	1	2

15 僱員福利開支 – 董事及高級管理人員之酬金 (續)

(a) 董事酬金 (續)

其他福利包括有薪假、房屋津貼及解僱補償。

於年內，概無董事放棄彼等之任何酬金 (二零一零年：無)。

(b) 五名最高薪酬人士

本集團之五名最高薪酬人士包括三名 (二零一零年：三名) 董事，彼等之酬金已於上文呈列之分析中反映。年內應付予餘下兩名 (二零一零年：兩名) 人士之酬金如下：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Basic salaries, housing allowances, other allowances and benefits-in-kind	1,658	2,182
Contributions to the MPF Scheme	43	48
	1,701	2,230

酬金範圍如下：

	Number of individuals 人數	
	2011 二零一一年	2010 二零一零年
Emolument bands		
500,000港元 – 999,999港元	1	–
1,000,000港元 – 1,500,000港元	1	2
	1	2

16 PROPERTIES, PLANT AND EQUIPMENT

16 物業、廠房及設備

		Land and buildings	Leasehold improvements	Plant and machinery	Furniture, office equipment and motor vehicles	Total
		土地及樓宇 HK\$'000 千港元	租賃裝修 HK\$'000 千港元	廠房及機器 HK\$'000 千港元	傢俬、辦公室 設備及汽車 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2010	於二零一零年一月一日					
Cost or valuation	成本或估值	79,360	26,439	56,966	51,565	214,330
Accumulated depreciation	累計折舊	-	(3,709)	(22,633)	(35,289)	(61,631)
Net book amount	賬面淨值	79,360	22,730	34,333	16,276	152,699
Year ended 31 December 2010	截至二零一零年 十二月三十一日 止年度					
Opening net book amount	期初賬面淨值	79,360	22,730	34,333	16,276	152,699
Additions	添置	-	37	719	6,938	7,694
Disposals	出售	-	-	(2)	(1,100)	(1,102)
Depreciation	折舊	(7,173)	(1,903)	(5,879)	(6,646)	(21,601)
Revaluation surplus	重估盈餘	7,063	-	-	-	7,063
Exchange differences	匯兌差額	526	-	131	496	1,153
Impairment	減值	(5,045)	-	(235)	(68)	(5,348)
Closing net book amount	期末賬面淨值	74,731	20,864	29,067	15,896	140,558
At 31 December 2010	於二零一零年 十二月三十一日					
Cost or valuation	成本或估值	74,731	26,476	57,814	53,156	212,177
Accumulated depreciation and impairment	累計折舊及減值	-	(5,612)	(28,747)	(37,260)	(71,619)
Net book amount	賬面淨值	74,731	20,864	29,067	15,896	140,558

16 PROPERTIES, PLANT AND EQUIPMENT
(Continued)

16 物業、廠房及設備 (續)

		Land and buildings	Leasehold improvements	Plant and machinery	Furniture, office equipment and motor vehicles	Total
		土地及樓宇 HK\$'000 千港元	租賃裝修 HK\$'000 千港元	廠房及機器 HK\$'000 千港元	傢俬、辦公室 設備及汽車 HK\$'000 千港元	總計 HK\$'000 千港元
Year ended 31 December 2011	截至二零一一年 十二月三十一日 止年度					
Opening net book amount	期初賬面淨值	74,731	20,864	29,067	15,896	140,558
Additions	添置	-	1,316	1,250	82	2,648
Disposals	出售	(8,732)	-	-	(2,301)	(11,033)
Disposal of subsidiaries (Note 34)	出售附屬公司 (附註34)	-	(871)	(4,294)	-	(5,165)
Depreciation	折舊	(7,411)	(1,283)	(6,182)	(6,227)	(21,103)
Revaluation surplus	重估盈餘	17,700	-	-	-	17,700
Exchange differences	匯兌差額	1,318	1,003	1,228	834	4,383
Impairment	減值	-	-	(4,464)	-	(4,464)
Closing net book amount	期末賬面淨值	77,606	21,029	16,605	8,284	123,524
At 31 December 2011	於二零一一年 十二月三十一日					
Cost or valuation	成本或估值	77,606	27,781	45,373	44,010	194,770
Accumulated depreciation and impairment	累計折舊及減值	-	(6,752)	(28,768)	(35,726)	(71,246)
Net book amount	賬面淨值	77,606	21,029	16,605	8,284	123,524

The Group's land and buildings were revalued at 31 December 2011. Valuations were made with reference to sales comparison approach or depreciated replacement cost approach. The valuations were carried out by:

- (i) Vigers Appraisal and Consulting Limited, an independent qualified surveyor for the building held in Mainland China; and
- (ii) KJPP Susan Widjojo & Partners, an independent qualified surveyor for the land and buildings held in Indonesia.

The revaluation surplus net of applicable deferred income taxes was credited to fixed assets revaluation reserve in shareholders' equity.

本集團土地及樓宇已於二零一一年十二月三十一日重新估值。估值乃參考銷售比較法或折舊代替成本法作出。估值由下列各方進行：

- (i) 獨立合資格測量師威格斯資產評估顧問有限公司(為於中國大陸持有之樓宇進行估值); 及
- (ii) 獨立合資格測量師KJPP Susan Widjojo & Partners(為於印尼持有之土地及樓宇進行估值)。

重估盈餘扣除適用遞延所得稅乃計入股東權益中之固定資產重估儲備。

16 PROPERTIES, PLANT AND EQUIPMENT (Continued)

Depreciation of HK\$6,764,000 (2010: HK\$7,018,000) has been expensed to cost of goods sold, HK\$1,323,000 (2010: HK\$1,255,000) has been expensed to selling expenses; and HK\$13,016,000 (2010: HK\$13,328,000) has been expensed to administrative expenses.

If land and buildings were stated on the historical cost basis, the amounts would be as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Cost	成本	184,360	261,039
Accumulated depreciation	累計折舊	<u>(146,618)</u>	<u>(200,203)</u>
Net book amount	賬面淨值	<u>37,742</u>	<u>60,836</u>

The analysis of the cost or valuation at 31 December 2011 of the above assets is as follows:

16 物業、廠房及設備 (續)

折舊已分別於銷貨成本支銷6,764,000港元(二零一零年:7,018,000港元)、於銷售開支支銷1,323,000港元(二零一零年:1,255,000港元)及於行政開支支銷13,016,000港元(二零一零年:13,328,000港元)。

倘土地及樓宇乃按歷史成本列賬，其金額如下：

上述資產於二零一一年十二月三十一日之成本或估值分析如下：

		Land and buildings 土地及樓宇 HK\$'000 千港元	Leasehold improvements 租賃裝修 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Furniture, office equipment and motor vehicles 傢俬、辦公室 設備及汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At cost	按成本	-	27,781	45,373	44,010	117,164
At 2011 valuation	按二零一一年估值	<u>77,606</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,606</u>
		<u>77,606</u>	<u>27,781</u>	<u>45,373</u>	<u>44,010</u>	<u>194,770</u>

16 PROPERTIES, PLANT AND EQUIPMENT (Continued)

The analysis of the cost or valuation at 31 December 2010 of the above assets is as follows:

		Land and buildings	Leasehold improvements	Plant and machinery	Furniture, office equipment and motor vehicles	Total
		土地及樓宇	租賃裝修	廠房及機器	傢俬、辦公室設備及汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At cost	按成本	-	26,476	57,814	53,156	137,446
At 2010 valuation	按二零一零年估值	74,731	-	-	-	74,731
		<u>74,731</u>	<u>26,476</u>	<u>57,814</u>	<u>53,156</u>	<u>212,177</u>

Net book value of land and buildings is analysed as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Outside Hong Kong, held on:	於香港以外持有：		
- Leases of between 10 to 50 years	— 租約年期介乎10至50年	54,500	47,577
- Leases of less than 10 years	— 租約年期少於10年	23,106	27,154
		<u>77,606</u>	<u>74,731</u>

17 LAND USE RIGHTS

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

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
In Mainland China held on:	於中國大陸持有：		
- Leases of between 10 to 50 years	— 租約年期介乎10至50年	15,725	15,282

16 物業、廠房及設備 (續)

上述資產於二零一零年十二月三十一日之成本或估值分析如下：

土地及樓宇之賬面淨值分析如下：

17 土地使用權

本集團之土地使用權代表預付經營租賃款項，其賬面淨值分析如下：

17 LAND USE RIGHTS (Continued)

17 土地使用權 (續)

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Balance as at 1 January	於一月一日之結餘	15,282	11,147
Additions	添置	-	4,441
Amortisation of prepaid operating lease payments	攤銷預付經營租賃款項	(342)	(306)
Exchange differences	匯兌差額	785	-
Balance as at 31 December	於十二月三十一日之結餘	<u>15,725</u>	<u>15,282</u>

18 INVESTMENTS IN SUBSIDIARIES

18 於附屬公司之投資

		Company 本公司 2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Cost, unlisted shares	成本·非上市股份	165,938	165,938
Provision for impairment loss	減值虧損撥備	(73,884)	(39,718)
		<u>92,054</u>	<u>126,220</u>

Details of principal subsidiaries are set out in Note 36 to the financial statements.

主要附屬公司之詳細資料載於財務報表附註36。

19 INTERESTS IN ASSOCIATES

19 於聯營公司之權益

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Beginning of the year	年初	39,880	40,212
Share of profit/(loss)	分佔溢利/(虧損)	184	(332)
Exchange differences	匯兌差額	1,982	-
End of the year	年終	42,046	39,880
Amount due from an associate	聯營公司欠款	3,000	3,000
Disposal	出售	45,046 (45,046)	42,880 -
		<u>-</u>	<u>42,880</u>

20 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss include the following:

Listed equity securities – securities listed on the Stock Exchange	上市股本證券 – 於聯交所 上市之證券
Derivatives – leveraged foreign forward exchange contracts	衍生工具 – 槓桿式遠期外匯合約

The fair values of all listed equity securities were based on their current bid prices in an active market. All the listed equity securities were disposed during the year.

The above assets are denominated in the following currencies:

Hong Kong dollar	港元
United States dollar	美元

20 按公允值計入損益賬之金融資產

按公允值計入損益賬之金融資產包括下列各項：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
	–	6,180
	26	–
	26	6,180

所有上市股本證券之公允值均以彼等現時於活躍市場之競投價為基準。所有上市股本證券已於年內出售。

上述資產以下列貨幣列值：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
	–	6,180
	26	–
	26	6,180

21 AMOUNTS DUE FROM SUBSIDIARIES

As at 31 December 2011 and 2010, the amounts due from subsidiaries are unsecured and interest-free. Repayment will not be required within the next twelve months.

21 附屬公司欠款

於二零一一年及二零一零年十二月三十一日，附屬公司欠款為無抵押及免息，且毋須於未來十二個月內償還。

22 INVENTORIES

22 存貨

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Raw materials	原材料	2,778	32,146
Work in progress	半製成品	9,580	59,825
Finished goods	製成品	7,850	14,202
		20,208	106,173

The cost of inventories recognised as expenses and included in cost of goods sold amounted to approximately HK\$319,617,000 (2010: HK\$395,536,000).

確認為開支及計入銷貨成本之存貨成本約為319,617,000港元(二零一零年: 395,536,000港元)。

23 TRADE AND OTHER RECEIVABLES

23 貿易及其他應收款項

		Group 本集團		Company 本公司	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Trade receivables	貿易應收款項	32,542	95,765	-	-
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	10,307	29,448	837	601
		42,849	125,213	837	601

The carrying amounts of the trade receivables, deposits and other receivables approximate their fair values.

貿易應收款項、按金及其他應收款項之賬面值與其公允值相若。

23 TRADE AND OTHER RECEIVABLES (Continued)

The majority of the Group's sales to customers are on open account basis, with credit terms ranging from 30 to 45 days. The remaining sales are on letter of credit at sight to 90 days. The ageing of trade receivables is as follows:

Within 30 days	30日內
31-60 days	31-60日
61-90 days	61-90日
Over 90 days	超過90日

As at 31 December 2011, the trade receivables from the Group's five largest customers accounted for 86% (2010: 73%) of the total trade receivables. The Group's approach to managing credit risk is disclosed in Note 3.

The ageing of trade receivables past due but not considered to be impaired is shown below. These relate to a number of independent customers for whom there is no recent history of default.

Within 30 days	30日內
31-60 days	31-60日
61-90 days	61-90日
Over 90 days	超過90日

At 31 December 2011, there were no provisions for impairment of trade receivables (2010: Nil).

23 貿易及其他應收款項 (續)

本集團大部分銷售予客戶之款額均以記賬方式進行，信貸期介乎30至45日。餘下銷售款額以即期至90日信用狀付款。貿易應收款項之賬齡如下：

		Group 本集團	
		2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元
Within 30 days	30日內	30,032	66,467
31-60 days	31-60日	2,264	26,260
61-90 days	61-90日	73	2,043
Over 90 days	超過90日	173	995
		32,542	95,765

於二零一一年十二月三十一日，本集團五大客戶之貿易應收款項佔貿易應收款項總額86%（二零一零年：73%）。本集團管理信貸風險之方式於附註3披露。

已逾期但被視為無減值之貿易應收款項賬齡如下。其與若干並無近期欠款紀錄之獨立客戶有關。

		Group 本集團	
		2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元
Within 30 days	30日內	2,384	8,105
31-60 days	31-60日	74	310
61-90 days	61-90日	11	759
Over 90 days	超過90日	67	10
		2,536	9,184

於二零一一年十二月三十一日，並無就貿易應收款項作出減值撥備（二零一零年：無）。

23 TRADE AND OTHER RECEIVABLES (Continued)

The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above. The Group does not hold any collateral as security.

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

		Group 本集團	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Hong Kong dollar	港元	-	1,304
Renminbi	人民幣	17,043	27,928
United States dollar	美元	15,499	66,533
		32,542	95,765

The carrying amounts of deposits and other receivables are denominated in the following currencies:

		Group 本集團		Company 本公司	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Hong Kong dollar	港元	2,646	3,809	837	601
Indonesian Rupiah	印尼盾	6,444	4,943	-	-
Renminbi	人民幣	407	4,302	-	-
South African Rand	南非蘭特	-	2,569	-	-
Others	其他	-	1,063	-	-
		9,497	16,686	837	601

23 貿易及其他應收款項 (續)

貿易及其他應收款項內其他類別並不包含已減值資產。

於匯報日期之最高信貸風險為上述各類別應收款項之賬面值。本集團並無持有任何抵押品作抵押。

貿易應收款項之賬面值乃以下列貨幣列值：

按金及其他應收款項之賬面值乃以下列貨幣列值：

24 BANK DEPOSITS

As of 31 December 2011, the effective interest rate of the bank deposits is 0.5% (2010: 0.89%) per annum. These deposits have maturities of 81 days (2010: 104 to 172 days). These bank deposits are pledged as securities for bank borrowings amounting to HK\$10,241,000 (2010: HK\$27,414,000) (Note 27).

The carrying amount of the bank deposit is denominated in United States dollar.

25 CASH AND CASH EQUIVALENTS

The effective interest rate on short-term bank deposits is 0.6% (2010: 0.4% to 9%) per annum where the deposits have maturities of 46 days (2010: 3 days to 17 days).

The carrying amount of the cash and cash equivalents are denominated in the following currencies:

		Group 本集團		Company 本公司	
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Cash at bank and in hand	銀行及手頭現金	96,248	61,130	467	523
Short-term bank deposits	短期銀行存款	15,500	13,424	-	-
		111,748	74,554	467	523

24 銀行存款

於二零一一年十二月三十一日，銀行存款之實際年利率為0.5厘（二零一零年：0.89厘），此等存款之到期日為81日（二零一零年：104至172日）。此等銀行存款乃用作銀行貸款10,241,000港元（二零一零年：27,414,000港元）（附註27）之抵押。

銀行存款之賬面值以美元列值。

25 現金及現金等值項目

短期銀行存款之實際年利率為0.6厘（二零一零年：0.4厘至9厘），其到期日為46日（二零一零年：3至17日）。

現金及現金等值項目之賬面值乃以下列貨幣列值：

		Group 本集團		Company 本公司	
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Hong Kong dollar	港元	9,486	10,288	467	523
Indonesian rupiah	印尼盾	4,086	12,533	-	-
Renminbi	人民幣	13,979	8,638	-	-
United States dollar	美元	83,918	42,893	-	-
Others	其他	279	202	-	-
		111,748	74,554	467	523

26 DERIVATIVE FINANCIAL INSTRUMENTS

As at 31 December 2010, derivative financial instruments comprise a leveraged foreign forward exchange contract.

The Group relies on valuations from the counterparty financial institutions to determine the fair value of the leveraged foreign forward exchange contract, which in turn is based on the forward foreign exchange rate at the balance sheet date.

27 BANK BORROWINGS

Trust receipts loans
Portion of bank loans due for repayment within one year
Portion of bank loans due for repayment after one year which contain a repayment on demand clause

信託收據貸款
於一年內到期償還之
銀行貸款部分
於一年後到期償還載有
要求還款條文之
銀行貸款部分

Total borrowings

總貸款

At 31 December, interest-bearing bank loans and trust receipt loans are due for repayment as follows:

Trust receipts loans
Portion of bank loans due for repayment within one year

Bank loans due for repayment after one year (Note 1):
After 1 year but within 2 years
After 2 years but within 5 years

信託收據貸款
於一年內到期償還之銀行
貸款部分

於一年後到期償還之銀行
貸款(附註1):
一年後但兩年內
兩年後但五年內

Total borrowings

總貸款

Note 1: The amounts due are based on the scheduled repayment dates set out in the loan agreements and ignore the effect of any repayment on demand clause.

26 衍生金融工具

於二零一零年十二月三十一日，衍生金融工具包括槓桿式遠期外匯合約。

本集團依賴交易對手金融機構之估值以釐定槓桿式遠期外匯合約之公允值，有關估值乃使用於結算日之遠期匯率為基準。

27 銀行貸款

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
----------------------------------	----------------------------------

4,431	73,279
30,723	59,452
-	11,833
35,154	144,564

於十二月三十一日，到期償還之計息銀行貸款及信託收據貸款如下：

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
----------------------------------	----------------------------------

4,431	73,279
30,723	59,452
35,154	132,731
-	9,000
-	2,833
35,154	144,564

附註1：應付款項乃根據貸款協議所載預訂還款日期計算，並無計入任何要求還款條文之影響。

27 BANK BORROWINGS (Continued)

At 31 December, the bank loans and trust receipts loans are secured as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Bank loans – secured	銀行貸款－有抵押	30,723	27,414
Bank loans – unsecured	銀行貸款－無抵押	–	43,871
Trust receipts loans – unsecured	信託收據貸款－無抵押	4,431	73,279
Total borrowings	總貸款	35,154	144,564

As at 31 December 2011, bank borrowings amounting to HK\$10,241,000 and HK\$20,482,000 are secured by the bank deposits of HK\$11,718,000 (Note 24) and land use rights located at Heshan, Mainland China of HK\$15,725,000, respectively. As at 31 December 2010, bank borrowings amounting to HK\$27,414,000 were secured by the bank deposits of the Group (Note 24).

The exposures of the Group's borrowings to interest rate changes and the contractual repricing dates as of the balance sheet are as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
6 months or less	6個月或以下	35,154	144,564

The carrying amounts of the bank borrowings are denominated in the following currencies:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Hong Kong dollar	港元	–	38,876
Renminbi	人民幣	30,723	27,414
United States dollar	美元	4,431	78,274
Total borrowings	總貸款	35,154	144,564

27 銀行貸款 (續)

於十二月三十一日，銀行貸款及信託收據貸款之抵押詳情如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
於二零一一年十二月三十一日，銀行貸款10,241,000港元及20,482,000港元分別以本集團銀行存款11,718,000港元(附註24)及位於中國大陸鶴山市之土地使用權15,725,000港元作為抵押。於二零一零年十二月三十一日，銀行貸款27,414,000港元乃以本集團銀行存款(附註24)作為抵押。		30,723	27,414
		–	43,871
		4,431	73,279
總貸款		35,154	144,564

於二零一一年十二月三十一日，銀行貸款10,241,000港元及20,482,000港元分別以本集團銀行存款11,718,000港元(附註24)及位於中國大陸鶴山市之土地使用權15,725,000港元作為抵押。於二零一零年十二月三十一日，銀行貸款27,414,000港元乃以本集團銀行存款(附註24)作為抵押。

於結算日，本集團貸款因利率變動及合約再定息日期而承受之風險如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
銀行貸款之賬面值乃以下列貨幣列值：		35,154	144,564

銀行貸款之賬面值乃以下列貨幣列值：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
銀行貸款之賬面值乃以下列貨幣列值：		–	38,876
		30,723	27,414
		4,431	78,274
總貸款		35,154	144,564

27 BANK BORROWINGS (Continued)

The bank loans bear interest at rates ranging from 4.6% to 6.4% per annum for Renminbi denominated loans (2010: 4.8% to 5.8% per annum). As at 31 December 2010, the bank loans bear interest rates ranging from 1.8% to 5.5% per annum for United States dollar denominated loans and 1.8% to 2.0% per annum for Hong Kong dollar denominated loans.

The trust receipts loans bear interest at rates ranging from 2.8% to 3.6% per annum for United States dollar denominated loans (2010: 1.8% to 2.3% per annum). As at 31 December 2010, the trust receipt loans bear interest rates ranging from 1.8% to 2.3% per annum for Hong Kong dollar denominated loans.

The carrying amounts of bank borrowings approximate their fair values as the effect of discounting is not significant.

28 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Deferred income tax assets	遞延所得稅資產	-	5,010
Deferred income tax liabilities	遞延所得稅負債	<u>(15,865)</u>	<u>(10,943)</u>
		<u>(15,865)</u>	<u>(5,933)</u>

27 銀行貸款 (續)

銀行貸款方面，人民幣計值之貸款按年利率介乎4.6厘至6.4厘（二零一零年：4.8厘至5.8厘）計息。於二零一零年十二月三十一日，以美元計值之貸款按年利率介乎1.8厘至5.5厘計息，而以港元計值之貸款則按年利率介乎1.8厘至2.0厘計息。

信託收據貸款方面，以美元計值之貸款按年利率介乎2.8厘至3.6厘（二零一零年：1.8厘至2.3厘）計息。於二零一零年十二月三十一日，以港元計值之信託收據貸款則按年利率介乎1.8厘至2.3厘計息。

銀行貸款因折現影響不大，故其賬面值與其公允值相若。

28 遞延所得稅

當有法定可執行權利將當期稅項資產與當期稅項負債抵銷，且遞延所得稅涉及同一財政機關，則可將遞延所得稅資產及負債抵銷。所抵銷之金額如下：

28 DEFERRED INCOME TAX (Continued)

The net movements on the deferred income tax account are as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Balance as at 1 January	於一月一日之結餘	(5,933)	(5,225)
Deferred income tax (debited)/ credited to income statement (Note 10)	於收入報表(扣除)/計入 之遞延所得稅(附註10)	(3,035)	1,190
Deferred income tax charged to equity	於權益扣除之遞延所得稅	(7,031)	(2,049)
Exchange differences	匯兌差額	134	151
Balance as at 31 December	於十二月三十一日之結餘	(15,865)	(5,933)

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets of HK\$37,383,000 (2010: HK\$28,688,000) in respect of losses amounting to HK\$169,926,000 (2010: HK\$135,197,000) that can be carried forward against future taxable income. Cumulative tax losses of HK\$59,987,000 (2010: HK\$64,709,000) can be carried forward indefinitely while tax losses of HK\$109,939,000 (2010: HK\$70,488,000) will expire in five years.

28 遞延所得稅(續)

遞延所得稅賬目之變動淨額如下：

遞延所得稅資產僅會於有關之稅項利益有可能透過未來應課稅溢利變現時，就結轉稅項虧損確認。本集團並無確認涉及169,926,000港元(二零一零年：135,197,000港元)之虧損之遞延所得稅資產37,383,000港元(二零一零年：28,688,000港元)，其可供結轉用以抵銷日後應課稅收入。累計稅項虧損59,987,000港元(二零一零年：64,709,000港元)可無限期結轉，而稅項虧損109,939,000港元(二零一零年：70,488,000港元)將於五年內到期。

28 DEFERRED INCOME TAX (Continued)

The movements in deferred income tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year are as follows:

Deferred income tax assets

		Provision for post- employment benefits 僱員結束 服務後之 福利撥備 HK\$'000 千港元
At 1 January 2010	於二零一零年一月一日	3,820
Credited to income statement	於收入報表中計入	1,003
Exchange differences	匯兌差額	187
At 31 December 2010	於二零一零年十二月三十一日	5,010
At 1 January 2011	於二零一一年一月一日	5,010
Debited to income statement	於收入報表中扣除	(5,138)
Exchange differences	匯兌差額	128
At 31 December 2011	於二零一一年十二月三十一日	-

Deferred income tax liabilities**遞延所得稅負債**

		Fair value gains of land and buildings 土地及樓宇之 公允價值收益 HK\$'000 千港元	Accelerated tax depreciation 增速稅項折舊 HK\$'000 千港元	Withholding tax for undistributed retained earnings 未分派 保留盈利之 預扣稅項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance as at 1 January 2010	於二零一零年一月一日之結餘	6,126	1,192	1,727	9,045
Credited to income statement	於收入報表中計入	-	(187)	-	(187)
Charged to equity	於權益扣除	2,049	-	-	2,049
Exchange differences	匯兌差額	-	36	-	36
At 31 December 2010	於二零一零年十二月三十一日	8,175	1,041	1,727	10,943
Balance as at 1 January 2011	於二零一一年一月一日之結餘	8,175	1,041	1,727	10,943
Credited to income statement	於收入報表中計入	-	(376)	(1,727)	(2,103)
Charged to equity	於權益扣除	7,031	-	-	7,031
Exchange differences	匯兌差額	-	(6)	-	(6)
At 31 December 2011	於二零一一年十二月三十一日	15,206	659	-	15,865

29 TRADE AND OTHER PAYABLES

29 貿易及其他應付款項

		Group 本集團		Company 本公司	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Trade payables	貿易應付款項	16,549	79,874	-	-
Other payables and accruals	其他應付款項及應計費用	17,218	66,943	1,012	998
		33,767	146,817	1,012	998

The ageing of the trade payables, based on invoice date, was as follows:

貿易應付款項按發票日期之賬齡如下：

		Group 本集團	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Within 30 days	30日內	5,052	51,450
31-60 days	31-60日	5,027	19,251
61-90 days	61-90日	3,669	6,210
Over 90 days	超過90日	2,801	2,963
		16,549	79,874

Trade payables are denominated in the following currencies:

貿易應付款項乃以下列貨幣列值：

		Group 本集團	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Hong Kong dollar	港元	936	27,987
Indonesian Rupiah	印尼盾	-	2,347
Renminbi	人民幣	12,986	29,838
United States dollar	美元	2,627	19,603
Others	其他	-	99
		16,549	79,874

**29 TRADE AND OTHER PAYABLES
(Continued)**

Other payables and accruals are denominated in the following currencies:

		Group 本集團		Company 本公司	
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Hong Kong dollar	港元	2,429	11,832	1,012	998
Indonesian Rupiah	印尼盾	886	26,476	-	-
Renminbi	人民幣	13,903	26,829	-	-
South African Rand	南非蘭特	-	1,806	-	-
		17,218	66,943	1,012	998

The carrying amounts of trade and other payables approximate their fair values due to their short term nature.

其他應付款項及應計費用乃以下列貨幣列值：

貿易及其他應付款項因屬短期性質，故其賬面值與公允值相若。

30 SHARE CAPITAL

		2011 二零一一年	2011 二零一一年	2010 二零一零年	2010 二零一零年
		Number of Shares 股份數目 (thousands) (千股)	Ordinary shares 普通股 HK\$'000 千港元	Number of Shares 股份數目 (thousands) (千股)	Ordinary shares 普通股 HK\$'000 千港元
At 1 January	於一月一日	371,874	37,187	371,874	37,187
Issue of shares	發行股份	74,300	7,430	-	-
At 31 December	於十二月三十一日	446,174	44,617	371,874	37,187

The total authorised number of ordinary shares is 2,000,000,000 (2010: 2,000,000,000) shares with a par value of HK\$0.10 per share (2010: HK\$0.10 per share).

On 25 July 2011, the Board of Directors of the Company passed a resolution to approve the allotment and issue of 74,300,000 ordinary shares for a private placement to six independent third parties. On 27 July 2011, the Company completed the private placement and issued an aggregate of 74,300,000 ordinary shares at a price of HK\$ 0.65 per share.

法定普通股總數為2,000,000,000股（二零一零年：2,000,000,000股），每股面值0.10港元（二零一零年：每股面值0.10港元）。

於二零一一年七月二十五日，本公司董事會通過一項決議案，批准配發及發行74,300,000股普通股，以供私人配售予六名獨立第三方。於二零一一年七月二十七日，本公司完成私人配售，並按每股0.65港元之價格發行合共74,300,000股普通股。

31 OTHER RESERVES

31 其他儲備

		Share premium	Exchange translation reserve	Fixed assets revaluation reserve	Merger reserve (i)	Total
		股份溢價	匯兌儲備	固定資產 重估儲備	合併儲備(i)	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Balance as at 1 January 2010	於二零一零年一月一日之結餘	43,522	(31,161)	43,372	(200)	55,533
Exchange differences arising on the translation of the financial statements of overseas subsidiaries and associates	換算海外附屬公司及聯營公司財務報表產生之匯兌差額	-	3,531	-	-	3,531
Fair value changes, net of deferred tax	公允值變動·扣除遞延稅項	-	-	4,888	-	4,888
At 31 December 2010	於二零一零年十二月三十一日	43,522	(27,630)	48,260	(200)	63,952
Balance as at 1 January 2011	於二零一一年一月一日之結餘	43,522	(27,630)	48,260	(200)	63,952
Exchange differences arising on the translation of the financial statements of overseas subsidiaries and associates	換算海外附屬公司及聯營公司財務報表產生之匯兌差額	-	2,707	-	-	2,707
Fair value changes, net of deferred tax	公允值變動·扣除遞延稅項	-	-	10,515	-	10,515
Issue of shares	發行股份	40,865	-	-	-	40,865
Reserves transferred upon disposal of land and building, net of tax	出售土地及樓宇時轉撥儲備·扣除稅項	-	-	(14,864)	-	(14,864)
Reserves released upon disposal of interests in associates and subsidiaries	出售於聯營公司及附屬公司之權益時解除儲備	-	(7,508)	-	-	(7,508)
At 31 December 2011	於二零一一年十二月三十一日	84,387	(32,431)	43,911	(200)	95,667

31 OTHER RESERVES (Continued)

31 其他儲備(續)

		Share premium 股份溢價 HK\$'000 千港元	Company 本公司 Contributed surplus (ii) 繳入盈餘(ii) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2010	於二零一零年一月一日	43,522	147,694	191,216
At 31 December 2010	於二零一零年十二月三十一日	43,522	147,694	191,216
At 1 January 2011	於二零一一年一月一日	43,522	147,694	191,216
Issue of shares	發行股份	40,865	-	40,865
At 31 December 2011	於二零一一年十二月三十一日	84,387	147,694	232,081

Notes:

- (i) The merger reserve of the Group represents the difference between the nominal value of the shares of a subsidiary acquired and the nominal value of the Company's shares issued in exchange therefor.
- (ii) The contributed surplus of the Company represents the difference between the consolidated shareholders' funds of the subsidiary acquired and the nominal value of the Company's shares issued in exchange therefor.

附註:

- (i) 本集團之合併儲備乃指所購入一間附屬公司股份之面值與本公司用作交換而發行股份之面值之差額。
- (ii) 本公司之繳入盈餘乃指所購入該附屬公司之綜合股東資金與本公司用作交換而發行股份之面值之差額。

32 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

Reconciliation of loss before income tax to net cash generated from/(used in) operations is as follows:

32 綜合現金流轉表附註

除所得稅前虧損與經營產生/(所用)之現金淨額之對賬如下:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Loss before income tax	除所得稅前虧損	(46,338)	(59,803)
Depreciation of properties, plant and equipment	物業、廠房及設備折舊	21,103	21,601
Loss/(gain) on disposal of properties, plant and equipment	出售物業、廠房及設備之虧損/(收益)	2,680	(345)
Impairment of properties, plant and equipment	物業、廠房及設備減值	4,464	5,348
Amortisation of land use rights	土地使用權攤銷	342	306
Share of (profit)/loss of associates	分佔聯營公司(溢利)/虧損	(184)	332
Gain on disposal of interest in associates (Note 33)	出售於聯營公司之權益之收益(附註33)	(3,452)	-
Gain on disposal of interest in subsidiaries (Note 34)	出售於附屬公司之權益之收益(附註34)	(202)	-
Dividend income on listed equity securities	上市股本證券之股息收入	-	(48)
Finance income	融資收入	(619)	(409)
Finance costs	融資成本	3,621	2,292
		(18,585)	(30,726)
Changes in working capital:	營運資金變動:		
Inventories	存貨	85,236	(5,398)
Trade and other receivables	貿易及其他應收款項	74,784	(14,066)
Trade and other payables	貿易及其他應付款項	(103,875)	5,132
Financial assets at fair value through profit or loss	按公允值計入損益賬之金融資產	6,180	12,207
Derivative financial instruments	衍生金融工具	(173)	147
Net cash generated from/(used in) operations	經營產生/(所用)現金淨額	43,567	(32,704)

33 DISPOSAL OF ASSOCIATES

During the year, the Group entered into share purchase agreements: – (a) to dispose of its 40% interest in ShanDong WeiQiao HengFu Textile Limited to an independent third party for a cash consideration of HK\$38,363,000; and (b) to dispose of its 20% interest in Fortune Champ Group Limited, which holds 55% interest in Yi Feng Petrochemical Limited, to an independent third party at a cash consideration of HK\$3,000,000.

Details in respect of the above disposals are as follows:

33 出售聯營公司

年內，本集團訂立購股協議：(a)向一名獨立第三方出售其於山東魏橋恒富針織印染有限公司之40%權益，現金代價為38,363,000港元；及(b)向一名獨立第三方出售其於兆冠集團有限公司（持有毅丰石化企業有限公司55%權益）之20%權益，現金代價為3,000,000港元。

有關上述出售事宜之詳情如下：

		2011 二零一一年 HK\$'000 千港元
Investment in associate disposed of	所出售於聯營公司之投資	45,046
Release of exchange reserve upon disposal of an associate	出售聯營公司時解除匯兌儲備	(7,135)
		37,911
Gain on the disposal	出售收益	3,452
		41,363
Consideration:	代價：	
Satisfied by:	支付方式：	
– Cash	– 現金	41,363
An analysis of the net inflow of cash and cash equivalents in respect of the disposal of associates are as follows:	有關出售聯營公司之現金及現金等值項目流入淨額分析如下：	
– Cash consideration	– 現金代價	41,363
Net inflow of cash and cash equivalents in respect of the disposal of associates	有關出售聯營公司之現金及現金等值項目流入淨額	41,363

34 DISPOSAL OF SUBSIDIARIES

During the year, the Group disposed of its subsidiaries as follows: – (a) Hipmode Investment Limited (“Hipmode Investment”), a subsidiary, to an independent third party at a cash consideration of HK\$9,250,000; (b) Queentime International Limited (“Queentime”), a subsidiary, to the shareholder of the minority shareholder of Cityshine Investments Limited (“Cityshine”), a subsidiary of the Group at an aggregate consideration of HK\$ 2,605,000, which was settled by a cash consideration of HK\$1 and waiver of a loan due by Cityshine to the minority shareholder of Cityshine amounting to HK\$2,605,000; and (c) Shinning Century Limited (“Shinning Century”), a 70% owned subsidiary, to the 30% non-controlling interest of the disposed company at an aggregate consideration of HK\$ 3,382,000, which was settled by a cash consideration of HK\$1 and waiver by the purchaser of an amount due from a subsidiary of the Company to Shinning Century.

Details in respect of the disposals of these subsidiaries during the year are as follows:

34 出售附屬公司

年內，本集團出售其下列附屬公司：(a)向一名獨立第三方出售附屬公司翊旺投資有限公司（「翊旺投資」），現金代價為9,250,000港元；(b)向本集團附屬公司Cityshine Investments Limited（「Cityshine」）少數股東之股東出售附屬公司君泰國際有限公司（「君泰」），總代價為2,605,000港元，以現金代價1港元及豁免Cityshine應付Cityshine少數股東貸款2,605,000港元方式支付；及(c)向附屬公司耀晴有限公司（「耀晴」，本集團擁有其70%權益）之30%非控制性權益出售該公司，總代價為3,382,000港元，以現金代價1港元及買方豁免耀晴應收本公司附屬公司款項之方式支付。

有關年內出售該等附屬公司之詳情如下：

		2011 二零一一年 HK\$'000 千港元
Net liabilities disposed of	所出售之淨負債	
– Property, plant and equipment (Note 16)	– 物業、廠房及設備（附註16）	5,165
– Inventory	– 存貨	86
– Trade and other receivables	– 貿易及其他應收款項	7,588
– Cash and cash equivalents	– 現金及現金等值項目	6,449
– Amount due to subsidiaries of the Company – net	– 應付本公司附屬公司款項 – 淨額	(19,690)
– Trade and other payables	– 貿易及其他應付款項	(6,363)
– Non-controlling interests	– 非控制性權益	(899)
		(7,664)
Release of exchange reserve upon disposal of subsidiaries	出售附屬公司時解除匯兌儲備	(373)
Waiver by the subsidiaries of the Company for amounts due by Hipmode Investment and Queentime	本公司附屬公司豁免翊旺投資及君泰結欠之款項	23,072
Gain on the disposal	出售收益	202
		15,237

34 DISPOSAL OF SUBSIDIARIES (Continued) 34 出售附屬公司(續)

		2011 二零一一年 HK\$'000 千港元
Consideration:	代價:	
Satisfied by:	支付方式:	
- Cash	- 現金	9,250
- Waiver by the purchaser of an amount due from a subsidiary of the Company	- 買方豁免應收本公司附屬公司款項	3,382
- Waiver of a loan due to the minority shareholder of a subsidiary of the Company	- 豁免應付本公司附屬公司少數股東之貸款	2,605
		15,237
An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:	有關出售附屬公司之現金及現金等值項目流入淨額分析如下:	
- Cash consideration	- 現金代價	9,250
- Cash disposed of	- 所出售現金	(6,449)
		2,801
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	有關出售附屬公司之現金及現金等值項目流入淨額	2,801

35 COMMITMENTS**Commitments under operating leases**

The Group had future aggregate minimum lease payments for land and buildings under non-cancellable operating leases as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Not later than one year	一年內	3,434	8,035
Later than one year and not later than five years	一年後但不遲於五年	3,923	23,886
Later than five years	五年後	251	8,425
		7,608	40,346

35 承擔**經營租賃承擔**

本集團根據不可撤銷經營租賃而須於未來就土地及樓宇支付之最低租金總額如下:

36 SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 December 2011:

36 附屬公司

本公司於二零一一年十二月三十一日之主要附屬公司如下：

Company name 公司名稱	Place of incorporation/ Place of operation 註冊成立/ 經營地點	Principal activities 主要業務	Particulars of issued share capital 已發行股本資料	Percentage of interest held 所持權益百分比
Shares held directly: 直接持有股份：				
Topwell Group Development Ltd.	British Virgin Islands 英屬處女群島	Investment holding 投資控股	1,000 ordinary shares of US\$1 each 1,000股每股面值1美元之普通股	100
Shares held indirectly: 間接持有股份：				
Carry Wealth Limited	Hong Kong	Garment trading, marketing and provision of management services 成衣貿易、市場推廣及提供管理服務	4,000,000 ordinary shares of HK\$1 each 4,000,000股每股面值1港元之普通股	100
近旺有限公司	香港			
Hillwealth International Limited 領溢國際有限公司	Hong Kong 香港	Garment trading and marketing 成衣貿易及市場推廣	1 ordinary share of HK\$1 1股面值1港元之普通股	100
Mass Wealth Investments Limited 尚豪投資有限公司	Hong Kong 香港	Investment holding 投資控股	1 ordinary share of HK\$1 1股面值1港元之普通股	100

36 SUBSIDIARIES (Continued)

36 附屬公司(續)

Company name 公司名稱	Place of incorporation/ Place of operation 註冊成立/ 經營地點	Principal activities 主要業務	Particulars of issued share capital 已發行股本資料	Percentage of interest held 所持權益百分比
PT Caterindo Garment Industri	Indonesia 印尼	Manufacture of knit products 生產針織服裝	15,000 ordinary shares of Rp1 million each 15,000股每股面值一百萬印尼盾之普通股	95
鶴山恒富製衣有限公司 (Heshan Carry Wealth Garment Limited)	People's Republic of China 中華人民共和國	Manufacture of knit products 生產針織服裝	US\$10,500,000 10,500,000美元	100

37 RELATED PARTY TRANSACTIONS

- (a) As at 31 December 2011, 236,662,000 shares (53.04%) of the Company were held by Dragon Peace Limited, which was ultimately owned by Mr Li Haifeng, a director of the Company. The directors consider Dragon Peace Limited, a company incorporated in the British Virgin Islands, to be the Company's ultimate holding company.
- (b) During the year, the Group had the following transaction with its associate, ShanDong WeiQiao HengFu Textile Limited:

37 關連方交易

- (a) 於二零一一年十二月三十一日，本公司236,662,000股股份(53.04%)由Dragon Peace Limited持有，本公司董事李海楓先生最終擁有該公司。董事認為，Dragon Peace Limited(於英屬處女群島註冊成立之有限公司)為本公司之最終控股公司。
- (b) 於年內，本集團與其聯營公司山東魏橋恒富針織印染有限公司有以下交易：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Purchases of raw materials 購買原材料	80	408

**37 RELATED PARTY TRANSACTIONS
(Continued)****(c) Key management compensation**

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Salaries and other short-term employee benefits	薪酬及其他短期僱員福利	10,082	10,043
Contributions to the MPF Scheme	強積金計劃供款	40	36

(d) At 31 December 2011, the Company had provided guarantees to certain banks in respect of the banking facilities of its subsidiaries amounting to approximately HK\$248,000,000 (2010: HK\$471,820,000). The facilities utilised by the subsidiaries at 31 December 2011 amounted to HK\$4,431,000 (2010: HK\$117,150,000).

(e) In June 2011, the Group disposed of its wholly owned subsidiary, Queentime, to the shareholder of the minority shareholder of Cityshine, a subsidiary of the Group at an aggregate consideration of HK\$ 2,605,000 (Note 34).

(f) In December 2011, the Group disposed of its 70% interest in Shinning Century to the 30% minority shareholder of the disposed company at an aggregate consideration of HK\$3,382,000 (Note 34).

37 關連方交易 (續)**(c) 主要管理人員酬金**

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Salaries and other short-term employee benefits	10,082	10,043
Contributions to the MPF Scheme	40	36
	10,122	10,079

(d) 於二零一一年十二月三十一日，本公司已就其附屬公司之銀行信貸為數約248,000,000港元（二零一零年：471,820,000港元）向若干銀行提供擔保。該等附屬公司於二零一一年十二月三十一日已動用之信貸額為4,431,000港元（二零一零年：117,150,000港元）。

(e) 於二零一一年六月，本集團向本集團附屬公司Cityshine少數股東之股東出售其全資附屬公司君泰，總代價為2,605,000港元（附註34）。

(f) 於二零一一年十二月，本集團向耀晴之少數股東（擁有該公司30%權益）出售該公司之70%權益，總代價為3,382,000港元（附註34）。

締造**恒**優品質

源於**豐**富人材



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