

KEE
JUST FOR YOU



開易控股有限公司

KEE Holdings Company Limited

(於開曼群島註冊成立的有限公司)

(Incorporated in the Cayman Islands with limited liability)

- 股份代號 Stock Code : 2011
- 2011年報 Annual Report



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Corporate Information

公司資料

DIRECTORS

Executive Directors

Mr. Xu Xipeng (*Chairman*)

Mr. Xu Xinan (*Chief Executive Officer*)

Mr. Chow Hoi Kwang, Albert (re-designated from
Non-executive Director to Executive Director on 1 April 2012)

Non-executive Director

Mr. Yang Shaolin (re-designated from Executive Director
to Non-executive Director on 1 April 2012)

Independent Non-executive Directors

Mr. Lin Bin

Mr. Kong Hing Ki

Mr. Tam Yuk Sang, Sammy

REGISTERED OFFICE

3rd Floor, Queensgate House
113 South Church Street
P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

HEADQUARTERS IN THE PRC

Xiahengtian Industrial Zone
Shachong Lishui Town
Nanhai District
Foshan
Guangdong Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2101A, Tower 2
China Hong Kong City
33 Canton Road
Tsimshatsui
Kowloon
Hong Kong

董事

執行董事

許錫鵬先生(主席)

許錫南先生(首席執行官)

周浩光先生(於2012年4月1日由非執行董事
調任為執行董事)

非執行董事

楊少林先生(於2012年4月1日由執行董事
調任為非執行董事)

獨立非執行董事

林 斌先生

江興琪先生

譚旭生先生

註冊辦事處

3rd Floor, Queensgate House
113 South Church Street
P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

中國總辦事處

中國
廣東省
佛山市
南海區
里水鎮沙涌
下亨田工業區

香港主要經營地點

香港
九龍
尖沙咀
廣東道33號
中港城
第2座2101A室

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Harneys Services (Cayman) Limited
3rd Floor, Queensgate House
113 South Church Street
P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

HONG KONG SHARE REGISTRAR

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

COMPLIANCE ADVISER

Shenyin Wanguo Capital (H.K.) Limited

AUDITOR

KPMG
Certified Public Accountants

PRINCIPAL BANKERS

The Hong Kong and Shanghai Banking Corporation Limited
China Merchants Bank
Agricultural Bank of China
China Construction Bank
The Bank of East Asia Limited

開曼群島股份過戶登記總處

Harneys Services (Cayman) Limited
3rd Floor, Queensgate House
113 South Church Street
P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

香港證券登記處

卓佳證券登記有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心
26樓

合規顧問

申銀萬國融資(香港)有限公司

核數師

畢馬威會計師事務所
執業會計師

主要往來銀行

香港上海滙豐銀行有限公司
招商銀行
中國農業銀行
中國建設銀行
東亞銀行有限公司

Financial Summary 財務概要

FIVE-YEAR FINANCIAL HIGHLIGHTS

五年財務概要

For the year ended 31 December	截至12月31日止年度	2011	2010	2009	2008	2007
Operating Results	經營業績					
Gross profit margin (%)	毛利率 (%)	32.8	40.4	40.5	42.4	41.3
Operating profit margin (%)	經營利潤率 (%)	13.2	19.8	28.7	2.9	31.5
Net profit margin (%) (Note 1)	淨利率 (%) (附註1)	10.7	15.1	23.2	0.3	28.4
Return on equity (%)	股本回報率 (%)	6.7	22.1	38.5	0.6	58.8
Financial Position	財務狀況					
Total assets (HK\$'000)	總資產 (千港元)	329,045	197,409	165,963	160,594	129,476
Cash and cash equivalents (HK\$'000)	現金及現金等價物 (千港元)	76,928	15,584	23,493	19,349	22,764
Total bank loans (HK\$'000)	銀行貸款總額 (千港元)	–	28,205	23,850	26,477	–
Total equity attributable to equity shareholders of the Company (HK\$'000)	本公司權益股東應佔權益總額 (千港元)	306,869	135,839	97,055	50,581	44,192
Financial Ratios	財務比率					
Current ratio (times)	流動比例 (倍)	8.4	1.45	1.11	0.62	0.92
Quick ratio (times)	速動比例 (倍)	7.4	1.14	0.87	0.47	0.76
Gearing ratio (%) (Note 2)	負債比率 (%) (附註2)	–	20.8	23.7	51.9	–
Turnover Ratios	周轉比率					
Inventory turnover (days)	存貨周轉 (日)	63	54	61	80	70
Debtors turnover (days)	應收賬款周轉 (日)	77	62	49	55	61
Creditors turnover (days)	應付賬款周轉 (日)	38	36	45	35	29
Operating cycle (days)	經營週期 (日)	102	80	65	100	102

Notes:

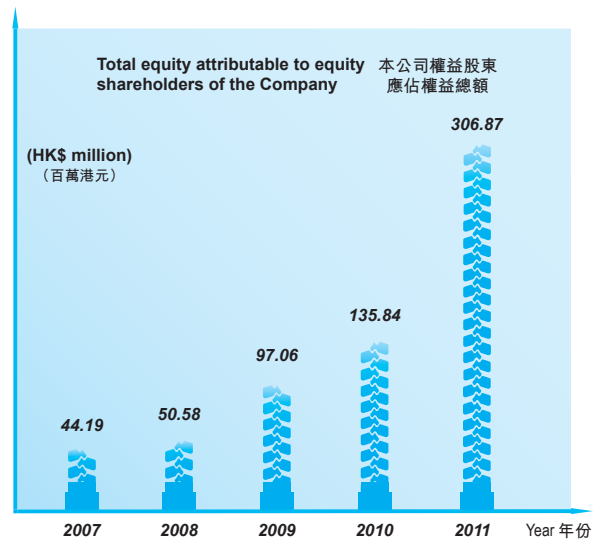
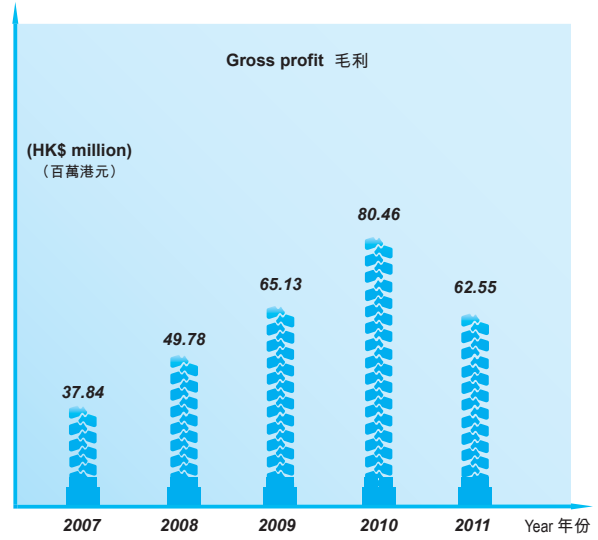
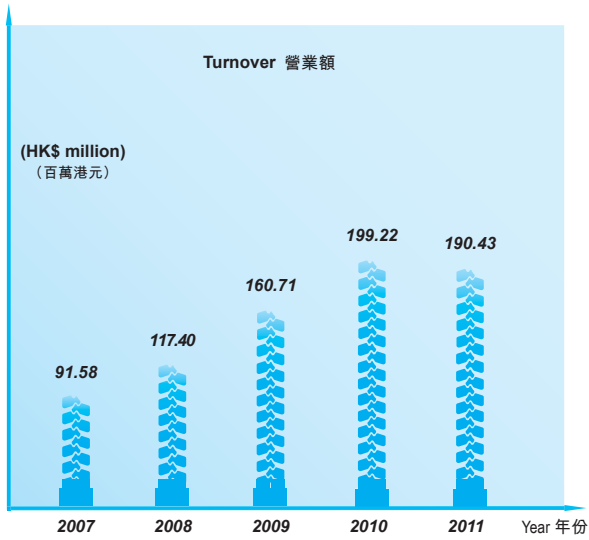
(1) Net profit represents profit attributable to the equity shareholders of the Company.

(2) Gearing ratio is calculated as total borrowings divided by total equity as shown in the consolidated statement of financial position.

附註：

(1) 淨利指本公司權益股東應佔溢利。

(2) 負債比率按借貸總額除以權益總額計算而成(如綜合財務狀況報表所示)。



Financial Summary 財務概要

The following is a summary of the consolidated income statement and consolidated statement of financial position of the Group:

以下為本集團之綜合收益表及綜合財務狀況表之摘要：

CONSOLIDATED INCOME STATEMENT

綜合收益表

		2011	2010	2009	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
For the year ended 31 December		千港元	千港元	千港元	千港元	千港元
截至12月31日止年度						
Turnover	營業額	190,433	199,224	160,714	117,399	91,577
Cost of sales	銷售成本	(127,888)	(118,765)	(95,582)	(67,624)	(53,735)
Gross Profit	毛利	62,545	80,459	65,132	49,775	37,842
Other revenue	其他收益	7,204	1,093	305	176	146
Net realised and unrealised gain/(loss) on investments in listed equity securities	於上市股本證券投資已變現及未變現的收益/(虧損)淨額	-	-	6,841	(22,370)	10,910
Other net (loss)/income	其他(虧損)/盈利淨額	(373)	290	(370)	(490)	(629)
Distribution costs	分銷成本	(12,788)	(9,570)	(7,446)	(7,417)	(7,360)
Administrative expenses	行政開支	(31,389)	(32,885)	(18,323)	(16,230)	(12,048)
Profit from operations	經營溢利	25,199	39,387	46,139	3,444	28,861
Finance costs	融資成本	(261)	(1,614)	(1,885)	(913)	-
Profit before taxation	除稅前溢利	24,938	37,773	44,254	2,531	28,861
Income tax	所得稅	(4,516)	(7,000)	(3,979)	(4,601)	(1,481)
Profit/(loss) for the year	年內溢利/(虧損)	20,422	30,773	40,275	(2,070)	27,380
Attributable to:	以下各項應佔：					
Equity shareholders of the Company	本公司權益股東	20,422	30,071	37,350	312	25,990
Non-controlling interests	非控股權益	-	702	2,925	(2,382)	1,390

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

		2011	2010	2009	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 31 December	於 12 月 31 日止	千港元	千港元	千港元	千港元	千港元
Non-current assets	非流動資產	142,483	107,980	94,097	93,867	53,079
Fixed assets	固定資產					
–Property, plant and equipment	–物業、廠房及設備	107,540	98,139	87,199	83,076	46,777
–Lease prepayment	–租賃預付	4,395	4,285	4,232	4,316	4,151
Intangible assets	無形資產	7,463	4,511	–	–	–
Long-term receivables	長期應收款項	–	–	847	1,055	918
Prepayment for fixed and intangible assets	固定及無形資產的預付款項	21,551	489	875	474	1,111
Deferred tax assets	遞延稅項資產	1,534	556	944	1,544	122
Other financial assets	其他金融資產	–	–	–	3,402	–
Current assets	流動資產	186,562	89,429	71,866	66,727	76,397
Inventories	存貨	22,995	19,281	15,432	16,283	13,306
Trade and other receivables	貿易及其他應收款項	40,793	53,349	29,688	22,099	20,530
Investments in listed equity securities	於上市股本證券投資	–	–	–	8,996	19,797
Amount due from related parties	應收關聯方款項	–	–	1,034	–	–
Current tax recoverable	即期可收回稅項	2,297	1,215	2,219	–	–
Cash and cash equivalents	現金及現金等價物	76,928	15,584	23,493	19,349	22,764
Deposits with banks	銀行定期存款	43,549	–	–	–	–
Total assets	資產總值	329,045	197,409	165,963	160,594	129,476

Financial Summary

財務概要

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

		2011	2010	2009	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 31 December	於12月31日止	千港元	千港元	千港元	千港元	千港元
Current liabilities	流動負債	22,176	61,570	64,863	107,501	82,899
Trade and other payables	貿易及其他應付款項	20,172	30,445	24,964	27,101	27,261
Amount due to related parties	應付關聯方款項	-	-	11,051	47,367	53,984
Bank loans	銀行貸款	-	28,205	23,850	26,477	-
Obligation under finance lease	融資租賃責任	-	-	-	1,354	-
Current tax payable	即期應付稅項	2,004	2,920	4,998	5,202	1,654
Net current assets/(liabilities)	流動資產/(負債)淨額	164,386	27,859	7,003	(40,773)	(6,501)
Total assets less current liabilities	資產總值減流動負債	306,869	135,839	101,100	53,093	46,577

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

		2011	2010	2009	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 31 December	於12月31日止	千港元	千港元	千港元	千港元	千港元
Non-current liabilities	非流動負債	-	-	631	2,040	-
Obligation under finance lease	融資租賃責任	-	-	-	1,566	-
Deferred tax liabilities	遞延稅項負債	-	-	631	474	-
Net assets	資產淨值	306,869	135,839	100,469	51,053	46,577
Capital and reserves	資本及儲備	306,869	135,839	97,055	50,581	44,192
Share capital	股本	4,150	-	1,000	1,000	1,000
Reserves	儲備	302,719	135,839	96,055	49,581	43,192
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額	306,869	135,839	97,055	50,581	44,192
Non-controlling interests	非控股權益	-	-	3,414	472	2,385
Total equity	權益總額	306,869	135,839	100,469	51,053	46,577

Chairman's Statement 主席報告



On behalf of the Board, I am pleased to present the annual report of KEE Holdings Company Limited for the year ended 31 December 2011.

BUSINESS REVIEW

For the year 2011, we recorded a slight decrease in the sales of finished zipper products in the PRC and overseas markets. Our turnover decreased by approximately 4.4% from HK\$199.22 million to HK\$190.43 million on a year-on-year basis, primarily due to weakened sales from our Group's certain branded customers and the deterioration of the global economic environment. Notwithstanding the unfavourable business environment, we still successfully commenced cooperation with 20 new apparel brand owners, comprising nine local brands and 11 international brands. As at the end of 2011, we cooperated with 80 apparel brand owners, out of which 32 are brands from mainland China and 48 are international brands. We will zealously serve and maintain a close working relationship with apparel brand owners and believe we have the capability to increase our sales to them

本人謹代表董事會，欣然提呈開易控股有限公司截至2011年12月31日止年度的年報。

業務回顧

在2011年，我們之條裝拉鏈產品銷售在中國及海外市場錄得輕微下跌。本公司營業額自1.9922億港元減少至1.9043億港元，按年減少約4.4%。此乃由於本集團若干品牌客戶的銷售減少，以及全球經濟環境衰退所致。儘管在不利的經營環境下，我們仍成功跟20個新服裝品牌商開始合作，包括九個本地品牌及11個國際品牌。截至2011年年終，我們與80個服裝品牌商合作，其中32個品牌來自中國內地及48個品牌為國際品牌。我們會熱誠為服裝品牌商提供服務及與他們維繫緊密之合作關係，並相信我們有能力向其增加銷

going forward through our ability to provide value adding solutions which include (i) sharing ideas on how to better utilise zippers with different distinctive designs, colours and functionalities and to enhance the appearance and unique characters of apparel; (ii) coping with the rapidly changing trends and tastes of the apparel retail market by producing zippers with tailor-made designs and specific functionalities within a short period of production lead time; and (iii) offering to design and providing different kinds of premium items to apparel brand owners in order to complement their marketing activities.

Our gross profit margin decreased from 40.4% in year 2010 to 32.8% in year 2011 due to (i) the increase in prices of major raw materials (such as copper and zinc alloy) over the year 2011; (ii) increase in labour costs; (iii) increase in sales tax and surcharges due to cancellation of some tax concession policies applicable to wholly-owned foreign enterprises in China; and (iv) increase in costs for environmental protection measures. For the same reasons, the profit attributable to Shareholders decreased by approximately 32.1% from HK\$30.07 million in 2010 to HK\$20.42 million in 2011. We imposed the following measures to overcome the effect of such increase in costs through (i) increased production efficiency by means of further automation in the production process; (ii) better cost control on the outsourced electroplating process; (iii) the introduction of measures to reduce scrapping; and (iv) adjustment of the number of staff in accordance with the demands for labour in peak and trough seasons respectively.

售額，這可通過我們提供增值解決方案之能力來實現，包括(i)分享應如何更佳地運用不同之獨特設計、顏色和功能的拉鍊，並加強服裝之外觀及其特性；(ii)在極短的生產週期內，利用生產度身訂造設計及特定功能之拉鍊，以滿足服裝零售市場的迅速變化的趨勢和品味；及(iii)向服裝品牌商設計及提供不同之禮品，供他們進行市場推廣活動使用。

由於(i)主要原料(例如：銅及鋅合金)的價格在2011年度上升；(ii)人工成本增加；(iii)由於若干適用於中國全資外資企業的稅項寬免政策的取消以致銷售稅及附加費增加；及(iv)環保措施成本增加，本集團的毛利率自2010年的40.4%下跌至2011年的32.8%。由於相同的原因，股東應佔溢利自2010年的3,007萬港元，下跌至2011年的2,042萬港元，下跌約32.1%。我們實施以下措施，以克服該等成本上漲的影響：(i)生產工序進一步推行自動化而提升生產效益；(ii)對外判電鍍工序成本實施更有效控制；(iii)引入措施減少報廢；及(iv)分別按旺季及淡季不同的員工需求調整員工人數。

Chairman's Statement 主席報告

CHALLENGES AHEAD

In 2011, operating costs have risen greatly for enterprises in China in general. This is due to factors such as soaring prices of raw materials, shortage in manufacturing labour, increased costs in environmental protection and cancellation of some tax concession policies applicable to wholly-owned foreign enterprises in China.

For year 2012, we anticipate continued uncertainties in the global economy extending from the euro debt crisis in 2011. Decline in purchasing power in western countries is expected to lead to decline in demand for apparel, and thus that for zippers. Furthermore, newly introduced environmental protection standards by the European Union prompt higher standards in environmental friendliness, eco-friendliness and safety standards. This will prompt us to further improve our production standards.

Nevertheless, we remain optimistic regarding the prospects of our Group, in particular in China's consumer market.

未來的挑戰

2011年，對中國企業整體而言，經營成本大幅增加。此乃由於原材料價格上漲、缺乏製造業員工、環保成本增加及若干適用於中國全資外資企業的稅項寬免政策的取消。

對於2012年，我們預期延續自2011年的歐債危機將使全球經濟繼續不明朗。西方國家購買力下降預期引發對服裝需求減少，因此對拉鍊需求亦減少。此外，由歐盟引入的新環保標準將促使於環保、生態保護及安全標準方面有更高的標準，並促使我們進一步改進我們的生產標準。

然而，對於本集團的前景，特別是中國消費市場的前景，我們仍然保持樂觀。

APPRECIATION

I would like to take this opportunity to express my thanks and gratitude to our Group's management and staff who dedicated their endless efforts and devoted services, and to our Shareholders, suppliers, customers, bankers and other professional parties for their continuous support.

Xu Xipeng
Chairman

Hong Kong, 16 March 2012

感謝

本人謹此機會，向本集團管理層及員工作出的不懈努力及奉獻，以及我們的股東、供應商、客戶、銀行及其他專業機構持續不斷的支持致以衷心感謝。

主席
許錫鵬

香港，2012年3月16日

Management Discussion and Analysis 管理層討論及分析



OVERVIEW

The Group is a producer of finished zippers in China. The Group's customers for zippers are OEMs who manufacture apparel products for (i) apparel brands in China; and (ii) some well known international apparel labels. The Group maintains a close working relationship with apparel brand owners on the design of zippers to be applied on the apparel products. The apparel brand owners usually select zipper suppliers for their OEMs and request such OEMs to source zippers from the Group when placing orders.

概覽

本集團是中國條裝拉鏈的生產商。本集團的拉鏈客戶是為(i)中國服裝品牌；以及(ii)部分國際知名服裝品牌生產服裝產品的OEM。本集團與服裝品牌商在設計應用於服裝產品的拉鏈上維持緊密工作關係。服裝品牌商通常會為其OEM選擇拉鏈供應商並當向該等OEM發出訂單時，要求該等OEM向本集團採購拉鏈。

The Group also supplies sliders, components of zippers (including continuous zipper chains and stops) and moulds to other zipper manufacturers and designs and supplies premium items such as glasses, backpacks and watches exclusively to apparel brand owners to meet the promotional needs for their products. During the year 2011, approximately 90.1% of the turnover was derived from sales in China. Other regions to which the Group sold its products include France, Germany, Korea, India, Thailand, Vietnam, Morocco, Kenya and Tunisia. In particular, the Group is a supplier of sliders to a European zipper producer who manufactures zippers for well known fashion brands.

The Group is a vertically integrated producer for zippers, except for the electroplating process which is outsourced to an independent third party. The Group believes the advantages of vertical integration that the Group benefits from include (i) lower transaction costs; (ii) higher certainty in the quality of products; (iii) improved supply chain coordination; (iv) the capture of upstream and downstream profit margins; and (v) an increase in barriers to entry for potential competitors. The Group is also capable of developing its own custom-made production machinery and modifying conventional machinery so that zippers can be produced more efficiently and with greater consistency in quality.

The Group's turnover decreased by approximately 4.4% in the year 2011 partly due to (i) the euro debt crisis which led to the global economic downturn; (ii) weakened consumer demand for apparel products due to tightened macroeconomic policies in China; (iii) increased competition from international apparel brands that entered the China market on a massive scale during the year; and (iv) weakened sales from the Group's certain branded customers, which affected sales orders placed with the Group.

本集團亦向其他拉鏈製造商供應拉頭、拉鏈配件(包括碼裝拉鏈及止)及模具及專門為服裝品牌商設計及供應禮品(如眼鏡、背包及手錶)以滿足其推廣產品的需要。於2011年期間,本集團約90.1%的營業額乃來自中國的銷售。本集團產品銷往其他地區包括法國、德國、韓國、印度、泰國、越南、摩洛哥、肯尼亞及突尼斯。值得一提的是,本集團向為著名服裝品牌製造拉鏈的一家歐洲拉鏈生產商供應拉頭。

本集團是垂直整合的拉鏈生產商,惟電鍍工序外判予獨立第三方。本集團相信,本集團從垂直整合獲得的優勢包括以下各方面(i)減少交易成本;(ii)產品質量更加可靠;(iii)改進供應鏈協調性;(iv)獲取上游及下游邊際利潤;以及(v)提高潛在競爭對手的入行門檻。本集團亦有能力開發本身的訂製生產機器及改裝常規機器,讓本集團能夠以更具效率的方式生產質量更加穩定的拉鏈。

本集團於2011年的營業額減少4.4%,部分乃由於以下各項的影響:(i)歐債危機以致全球經濟衰退;(ii)中國緊縮宏觀經濟政策削減了消費者對服裝產品的需求;(iii)年內國際服裝品牌大舉加入中國市場以致競爭加劇;及(iv)來自本集團若干品牌客戶的銷售減少,從而影響了向本集團所發出之銷售訂單。

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To increase market share in target markets and grasp opportunities for growth, the Group will focus on the following: (i) enhance its customer portfolio by seeking opportunities to work with more international brands; and (ii) research and develop new products with new functionalities. To further increase the competitiveness of the Group, the Group will enhance its production process by (i) automation; (ii) optimizing the production flow and reduce scrapping; (iii) improving personnel training to increase efficiency; (iv) improving efficiency by using the SAP system to better control inventory, loans and other assets, and (v) developing a new office automation process to enhance internal communications.

The Group also has plans to construct a production plant in Jingmen, Hubei Province, PRC, which will provide accessories for apparel to our customers. The plant is expected to start production in year 2013.

為增加於目標市場的市場份額並抓緊增長機遇，本集團致力於開展下列事項：(i) 透過尋找與更多國際品牌合作的機會，提升本集團的客戶組合；及(ii) 研究及發展新功能的新產品。為進一步加強本集團的競爭力，本集團將透過下列事項提升本集團生產工序：(i) 自動化；(ii) 優化生產流程及減少報廢；(iii) 改善員工培訓以增加效率；(iv) 透過使用SAP系統，更有效地控制存貨、貸款及其他資產，以改善效率；及(v) 開發新的辦公室自動化系統，改良內部溝通。

本集團亦計劃於中國湖北省荊門市建設生產廠房，該廠房將為本集團客戶的服裝提供配件。該廠房預計於2013年開始生產。

The gross profit margin for the year 2011 decreased to 32.8% from 40.4% for the year 2010. The Directors believe that the decrease in gross profit margin is attributed to (i) increased prices of major raw materials (such as copper and zinc alloy); (ii) increase in labour costs; (iii) increase in sales tax and surcharges due to the cancellation of some tax concession policies applicable to wholly-owned foreign enterprises in China; and (iv) increase in costs for environmental protection measures. The Group imposed the following measures to overcome the effect of such increases in costs through (i) the Group's increased production efficiency by means of further automation in the production process; (ii) better cost control on the outsourced electroplating process; (iii) the introduction of measures to reduce scrapping; and (iv) adjustment of the number of staff in accordance with the demands for labour in peak and trough seasons respectively.

PROSPECTS

Along with the continuous economic growth in China, consumer purchasing power will gradually increase, thus leading to increasing demands for products that make use of zippers such as apparel, bags, upholstery furnishings, camping equipment and sports equipment, and increasing expectations on quality for zippers.

Built on the Group's existing brand portfolio, the Directors intend to diversify the brand portfolio with both local and international labels with a view to increasing the Group's market share for quality zippers for both local and international apparel. To this end, the Group is actively reviewing plans for setting up a branch office in Europe and increasing experienced marketing and design personnel in each of the Group's major geographic regions in China. The Group has a sales and marketing team consisting of one assistant marketing director, one senior sales manager, seven sales managers and 46 sales assistants, who are assigned to serve all customers in three geographical regions: (i) southern China; (ii) eastern China; and (iii) overseas.

2011年的毛利率由2010年的40.4%下跌至32.8%。董事認為，毛利率下跌的原因乃由於：(i)主要原材料(例如：銅及鋅合金)價格增加；(ii)人工成本增加；(iii)若干適用於中國全資外資企業的稅項寬免政策的取消以致銷售稅及附加費增加；及(iv)環保措施成本增加。本集團實施以下措施，以克服該等成本上漲的影響：(i)生產工序進一步推行自動化而提升生產效益；(ii)對外判電鍍工序成本實施更有效成本控制；(iii)引入措施減少報廢；及(iv)分別按旺季及淡季不同的員工需求調整員工人數。

前景

隨著中國經濟持續增長，客戶購買力將逐漸增加，以致對使用拉鍊產品，例如服裝、袋子、室內裝飾陳設、野營設備及運動器材的需求增加，並對拉鍊質素的要求增加。

在本集團現有品牌組合的基礎上，董事擬將品牌組合分散至本地及國際品牌，旨在提高本集團對本地及國際服裝的優質拉鍊的市場佔有率。為此，本集團正積極評估在歐洲成立分支機構的計劃，及本集團於中國主要地區每區增加有經驗的市場推廣及設計人員。本集團設有銷售及市場推廣團隊，包括一名助理營銷總監、一名高級銷售經理、七名銷售經理及46名銷售助理，該等人員服務三大地區的所有客戶：(i)華南；(ii)華東；以及(iii)海外。

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In accordance with the typical industry cycle, the China zipper industry would experience a period of consolidation in the near future. While those enterprises with less competitiveness will be eliminated by market forces, enterprises with stronger core competencies, higher qualities, larger economic scale and higher brand recognition would grow, leading to a higher market concentration. This would raise the barrier of entry for the industry. The Directors aim to further strengthen the Group's position in the quality zipper market and the Group will continue to strive to achieve growth of business and ensure that the Group remains competitive through (i) targeted marketing to apparel brand owners to increase brand awareness in the market, including plans to set up a branch office in Europe and better training for sales personnel; (ii) expansion and diversification of finished zipper offerings in terms of design materials, workmanship, functions and usages such as finished zippers for footwear

按照一般行業週期，中國拉鍊行業於不久將來將經歷整合期。競爭力較弱的企業將會遭市場力量淘汰，而擁有較強核心競爭力、較高質素、較大經濟規模及較高品牌知名度的企業則會增長，以致出現較高的市場集中度，提升了進入行業的壁壘。董事亦旨在進一步鞏固本集團在優質拉鍊市場的地位，本集團將會繼續致力實現業務增長及確保本集團透過以下各項保持競爭力：(i) 針對服裝品牌商的市場推廣，包括計劃於歐洲設立分支機構及加強營業員的培訓；(ii) 條裝拉鍊在設計材料、工藝、功能及用途等方面的擴展及多元化，例如在鞋類產品、野營設備、袋子及室內裝飾陳設使用的條裝拉鍊；(iii) 透過增加具備適當資歷的設計師及技術人員的數目及派遣彼等海外到訪、參加會議及研討會以

products, camping equipments, bags and upholstery furnishings; (iii) strengthening product design, research and development capabilities by increasing the number of designers and technical personnel with appropriate qualifications and sending them to overseas visits, conferences and seminars in order to enhance their international exposure to the apparel industry; (iv) improving production facilities to increase automation and shorten production time; and (v) making more extensive and better use of SAP and other automation systems which enables the Company's subsidiaries and functional departments to better communicate with one another, better control purchases and inventory levels, and better monitor deliveries.

The Shares were successfully listed on the Main Board of the Hong Kong Stock Exchange on 12 January 2011. The net proceeds received from the initial public offering, including the exercise of the over-allotment option and after deducting related expenses, were approximately HK\$130 million. Such net proceeds were deposited at the Group's bank account and have thus far been used in the manner consistent with that mentioned in the section headed "Future plans and proposed use of proceeds" of the Prospectus. In the event that the Directors decide to use such net proceeds in a manner different from that stated in the Prospectus, the Company will issue a further announcement in compliance with the Listing Rules.

TURNOVER

The Group's turnover for the year 2011 amounted to HK\$190.43 million, representing a slight decrease of 4.4% as compared to the year 2010 primarily as a result of (i) the euro debt crisis which led to the global economic downturn; (ii) weakened consumer demand for apparel products due to tightened macroeconomic policies in China; (iii) increased competition from international apparel brands that entered the China market on a massive scale during the year; and (iv) weakened sales from the Group's certain branded customers.

增強產品設計、研發能力，從而提升彼等對服裝行業的國際接觸面；(iv)改善生產設施以增加自動化及削減生產時間；以及(v)更廣泛及更佳地使用SAP及其他自動化系統，可令本公司的附屬公司及各部門能更佳地進行溝通，更有效地監控採購及存貨水平，及更好地監察產品交付。

股份於2011年1月12日在香港聯交所主板成功上市。首次公開發售所得款項淨額(包括行使超額配股權及經扣除有關費用後)約為130,000,000港元。該等所得款項淨額存入本集團的銀行賬戶並到目前已根據招股章程內「未來計劃及所得款項擬定用途」一節所述的方式使用。如董事決定以有別於招股章程所列的方式動用該所得款項淨額，本公司將會遵照上市規則另行刊發公佈。

營業額

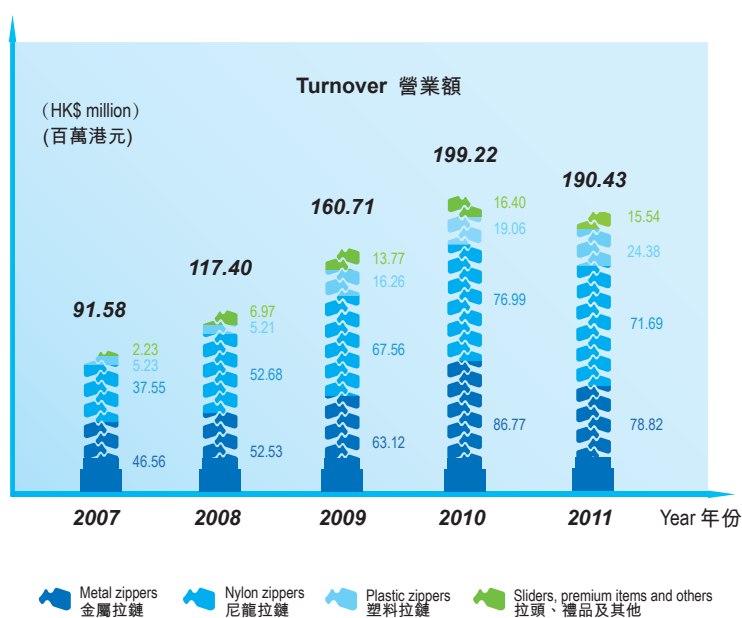
本集團於2011年的營業額為190,430,000港元，較2010年輕微減少4.4%，主要由於以下各項的影響：(i)歐債危機以致全球經濟衰退；(ii)中國緊縮宏觀經濟政策削減了消費者對服裝產品的需求；(iii)年內國際服裝品牌大舉加入中國市場以致競爭加劇；及(iv)來自本集團若干品牌客戶的銷售減少。

Management Discussion and Analysis 管理層討論及分析

Turnover analysis by product category:

按產品類別劃分的營業額分析：

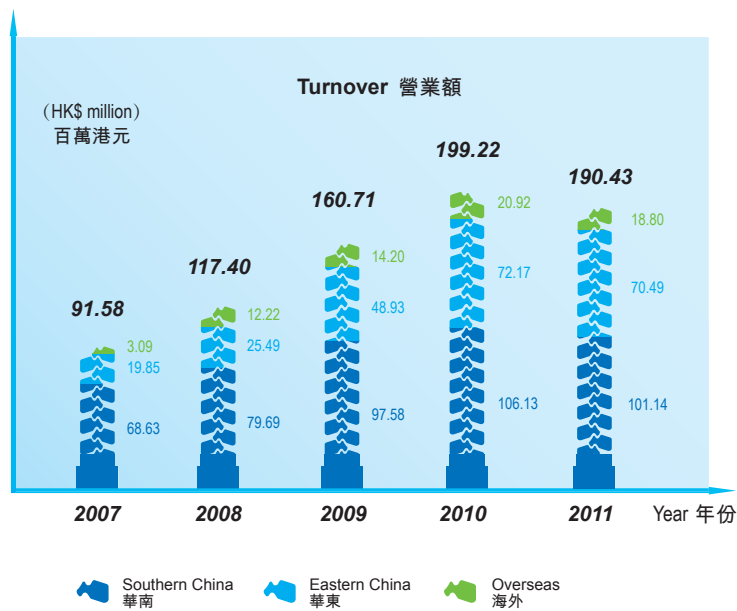
		Year ended 31 December 截至 12月 31 日止年度			
		2011		2010	
		HK\$ million	%	HK\$ million	%
		百萬港元		百萬港元	
Finished zippers	條裝拉鏈				
Metal zippers	金屬拉鏈	78.82	41.4	86.77	43.6
Nylon zippers	尼龍拉鏈	71.69	37.6	76.99	38.6
Plastic zippers	塑膠拉鏈	24.38	12.8	19.06	9.6
		174.89	91.8	182.82	91.8
Sliders	拉頭	4.87	2.6	5.58	2.8
Premium items	禮品	3.71	1.9	3.06	1.5
Others	其他	6.96	3.7	7.76	3.9
Total turnover	總營業額	190.43	100.0	199.22	100.0



Turnover analysis by geographic location:

按地理位置劃分的營業額分析：

		Year ended 31 December 截至 12 月 31 日止年度			
		2011		2010	
		HK\$ million	%	HK\$ million	%
		百萬港元		百萬港元	
Southern China	華南	101.14	53.1	106.13	53.3
Eastern China	華東	70.49	37.0	72.17	36.2
Overseas	海外	18.80	9.9	20.92	10.5
Total turnover	總營業額	190.43	100.0	199.22	100.0



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FINISHED ZIPPERS

Revenue from sales of finished zippers decreased by approximately HK\$7.93 million or 4.3% to HK\$174.89 million for the year 2011 (2010: HK\$182.82 million) primarily due to a decrease in sales volume. Such decrease was a result of: (i) the euro debt crisis which led to the global economic downturn; (ii) weakened consumer demand for apparel products due to tightened macroeconomic policies in China; (iii) increased competition from international apparel brands that entered the China market on a massive scale during the year; and (iv) weakened sales from the Group's certain branded customers, which affected sales orders placed with the Group. 20 apparel brand owners, comprising nine local brands and 11 international brands, commenced cooperation with the Group for the year ended 31 December 2011 as a result of the Group's successful sales and marketing strategies.

條裝拉鏈

銷售條裝拉鏈收入於2011年減少約7,930,000港元或減少4.3%至174,890,000港元(2010年: 182,820,000港元), 主要由於銷售量減少所致。上述減少乃由於以下各項的影響: (i) 歐債危機以致全球經濟衰退; (ii) 中國緊縮宏觀經濟政策削減了消費者對服裝產品的需求; (iii) 年內國際服裝品牌大舉加入中國市場以致競爭加劇; 及(iv) 本集團若干品牌客戶銷售減少, 從而影響了向本集團所發出的銷售訂單。截至2011年12月31日止年度, 共有20個服裝品牌商開始與本集團合作, 當中九個為國內品牌, 11個為國際品牌, 此乃由於本集團銷售及市場推廣策略成功所致。

SLIDERS

Sales of sliders decreased by approximately 12.7% to HK\$4.87 million for the year 2011 (2010: HK\$5.58 million) due to a decrease in sales orders for sliders from a European zipper producer who manufactures zippers for well known fashion brands.

PREMIUM ITEMS

Sales of premium items (such as glasses, backpacks and watches) increased by approximately 21.2% to HK\$3.71 million for the year 2011 (2010: HK\$3.06 million) due to stronger demand for premium items by our branded customers for their marketing purposes.

OTHERS

Others represent items such as scrap materials, zipper components and moulds. Sales of other items decreased by approximately 10.3% to HK\$6.96 million for the year 2011 (2010: HK\$7.76 million) due to a decrease in sales of moulds.

COST OF SALES AND GROSS PROFIT

In 2011, the overall cost of sales for the Group amounted to approximately HK\$127.89 million (2010: HK\$118.77 million), representing an increase of approximately 7.7%. The overall gross profit of the Group decreased by approximately 22.3% from HK\$80.46 million in 2010 to HK\$62.55 million in 2011. The overall gross profit margin in 2011 was 32.8% (2010: 40.4%), which

拉頭

拉頭銷售於2011年減少約12.7%至4,870,000港元(2010年：5,580,000港元)，乃由於為著名服裝品牌製造拉鏈的一家歐洲拉鏈生產商的拉頭銷售訂單減少所致。

禮品

禮品(如眼鏡、背包及手錶)銷售於2011年增加約21.2%至3,710,000港元(2010年：3,060,000港元)，乃由於本公司品牌客戶為了市場推廣，對禮品殷切需求所致。

其他

其他類別包括廢料、拉鏈配件及模具。其他類別的銷售於2011年減少約10.3%至6,960,000港元(2010年：7,760,000港元)，是由於模具銷售減少所致。

銷售成本及毛利

於2011年，本集團整體銷售成本約為127,890,000港元(2010年：118,770,000港元)，增幅為約7.7%。本集團整體毛利由2010年的80,460,000港元減少約22.3%至2011年的62,550,000港元。2011年整體毛利率為32.8%(2010年：40.4%)，乃由於(i)

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was attributable to (i) increased prices of major raw materials (such as copper and zinc alloy); (ii) increase in labour costs; (iii) increase in sale tax and surcharges due to cancellation of some tax concession policies applicable to wholly-owned foreign enterprises in China; and (iv) increase in costs for environmental protection measures.

Gross profit analysis by product category:

原材料(例如：銅及鋅合金)價格上升；(ii)人工成本增加；(iii)若干適用於中國全資外資企業的稅項寬免政策的取消以致銷售稅及附加費增加；及(iv)環保措施成本增加所致。

按產品類別劃分的毛利分析：

		Year ended 31 December 截至12月31日止年度			
		2011		2010	
		HK\$ million	%	HK\$ million	%
		百萬港元		百萬港元	
Finished zippers	條裝拉鍊	59.75	95.5	76.20	94.7
Sliders	拉頭	1.49	2.4	1.64	2.0
Premium items	禮品	0.91	1.5	0.49	0.6
Others	其他	0.40	0.6	2.13	2.7
Total gross profit	總毛利	62.55	100.0	80.46	100.0

FINISHED ZIPPERS

Gross profit for finished zippers decreased by approximately 21.6% from HK\$76.20 million in 2010 to HK\$59.75 million in 2011. Gross profit margin decreased from approximately 41.7% to 34.2%, which was attributable to (i) increase in raw materials' prices (such as copper and zinc alloy); (ii) increase in labour costs; and (iii) increase in costs for environmental protection measures.

條裝拉鍊

條裝拉鍊之毛利由2010年的76,200,000港元減少約21.6%至2011年的59,750,000港元。毛利率由約41.7%下跌至34.2%，乃主要由於(i)原材料(例如：銅及鋅合金)價格上升；(ii)人工成本增加；及(iii)環保措施成本增加所致。

SLIDERS

Gross profit for sliders decreased by approximately 9.1% from HK\$1.64 million in 2010 to HK\$1.49 million in 2011. Gross profit margin, on the other hand, increased from approximately 29.4% to 30.6%, which was primarily due to the introduction of measures to reduce scrapping.

PREMIUM ITEMS

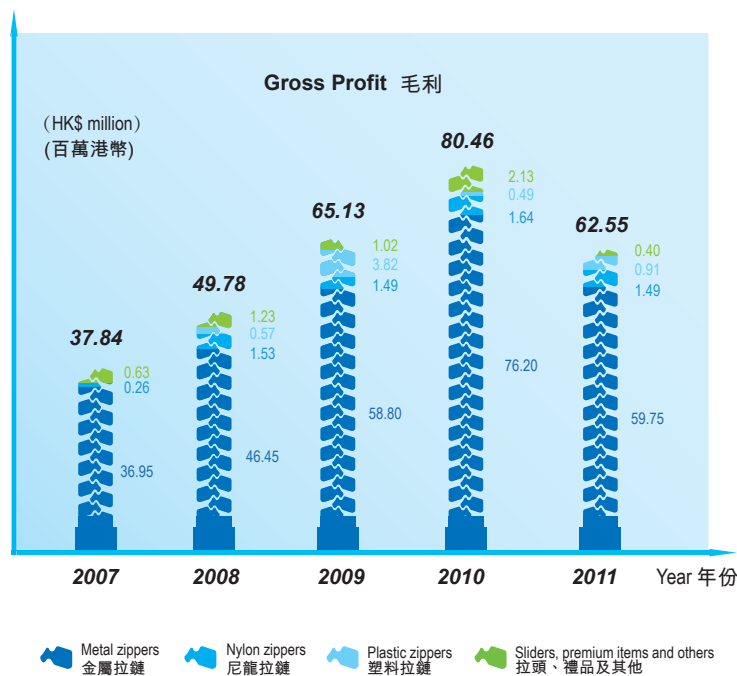
Gross profit for premium items increased by approximately 85.7% from HK\$0.49 million in 2010 to HK\$0.91 million in 2011. Gross profit margin increased from approximately 16.0% to 24.5%, which was primarily attributable to stronger demand for premium items by the branded customers of the Group for their marketing purposes.

拉頭

拉頭的毛利由2010年的1,640,000港元減少約9.1%至2011年的1,490,000港元。另一方面，毛利率由約29.4%上升至30.6%，主要由於公司引入措施減少報廢。

禮品

禮品毛利由2010年的490,000港元增加約85.7%至2011年的910,000港元。毛利率由約16.0%上升至24.5%，主要由於本集團品牌客戶為了市場推廣，對禮品殷切需求所致。



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OTHERS

Gross profit for other items decreased by approximately 81.2% from HK\$2.13 million in 2010 to HK\$0.40 million in 2011. Gross profit margin decreased from approximately 27.4% to 5.7%, which was because the portion of sales of scrap materials to third parties as a percentage over total sales of the “others” category increased, and the gross margin for such sales is significantly lower among the products within the “others” category.

DISTRIBUTION COSTS

Distribution costs mainly represent (i) staff costs relating to sales and marketing personnel; (ii) transportation costs for delivery of the Group’s products to customers; and (iii) advertising and promotion expenses. In 2011, the Group’s distribution costs amounted to approximately HK\$12.79 million (2010: HK\$9.57 million), accounting for approximately 6.7% of the Group’s turnover (2010: 4.8%). The increase in distribution costs was mainly due to (i) increase in salaries of sales staff; (ii) increase in commission expenses in order to expand the Group’s market share; and (iii) the expenses incurred for the Group’s participations in overseas sales exhibitions.

其他

其他類別的毛利由2010年的2,130,000港元減少約81.2%至2011年的400,000港元。毛利率亦由約27.4%下降至5.7%，此乃由於部分銷售予第三方的廢料於「其他」類別總銷售之百分比增加，而該等銷售的毛利相對「其他」類別的其他產品明顯較低。

分銷成本

分銷成本主要指(i)有關銷售及市場推廣人員的員工成本；(ii)向客戶交付本集團產品的運輸成本；以及(iii)宣傳及促銷費用。於2011年，本集團分銷成本約為12,790,000港元(2010年：9,570,000港元)，佔本集團營業額的約6.7%(2010年：4.8%)。分銷成本增加主要由於(i)銷售員工薪金增加；(ii)為擴大本集團的市場份額，以致佣金開支增加；以及(iii)本集團參加海外銷展會而產生開支。

ADMINISTRATIVE EXPENSES

Administrative expenses primarily consist of (i) salary and welfare expenses for management and administrative personnel; (ii) depreciation and amortisation; (iii) auditors' remuneration; (iv) other administrative expenses including professional fees; and (v) research and development expenses. In 2011, the Group's administrative expenses amounted to approximately HK\$31.39 million (2010: HK\$32.89 million), which accounted for approximately 16.5% of the Group's turnover (2010: 16.5%). The decrease in administrative expenses was mainly due to the one-off expenses incurred in 2010 in connection with the listing of the Shares in January 2011, and the decrease in professional fees and other expenses.

FINANCE COSTS

Finance costs represent interest expenses on the Group's bank borrowings, which were all settled during the year.

INCOME TAX

Income tax mainly represents the tax expenses incurred in relation to the operations of the Group in the PRC and Hong Kong.

行政開支

行政開支主要包括(i)管理及行政人員的薪資及福利費用；(ii)折舊及攤銷；(iii)核數師酬金；(iv)其他行政開支(包括專業費用)；及(v)研發費用。於2011年，本集團行政開支約為31,390,000港元(2010年：32,890,000港元)，佔本集團營業額約16.5%(2010年：16.5%)。行政開支減少主要由於股份於2011年1月上市，以致於2010年產生的一筆過相關開支，及專業費用及其他開支減少。

財務費用

財務費用指本集團銀行借貸的利息開支，有關貸款已於年內悉數清償。

所得稅

所得稅主要指就本集團於中國及香港之營運產生的相關稅項開支。

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PROFITABILITY

In 2011, the Group's profit attributable to Shareholders amounted to HK\$20.42 million (2010: HK\$30.07 million), representing a decrease of 32.1% as compared to 2010. The decrease was due to (i) the increase in prices of major raw materials (such as copper and zinc alloy) over the year 2011; (ii) increase in labor costs; (iii) increase in sales tax and surcharges due to the cancellation of some tax concession policies applicable to wholly-owned foreign enterprises in China; and (iv) increase in costs for environmental protection measures. Margin of profit attributable to Shareholders for the year was 10.7% (2010: 15.1%), representing a decrease of 4.4 percentage points as compared to 2010.

During the year, the Group's return on equity was 6.7% (2010: 22.1%), representing a decrease of 15.4 percentage points as compared to 2010. The Group's relatively lower return on equity recorded was a result of a decrease in the Group's profit attributable to Shareholders due to reasons mentioned above and an increase in the Group's equity as a result of the listing of the Shares in January 2011.

盈利能力

於2011年，本集團股東應佔溢利為20,420,000港元（2010年：30,070,000港元），較2010年減少32.1%。減少乃由於(i) 主要原材料（例如：銅及鋅合金）的價格在2011年度上升；(ii) 人工成本增加；(iii) 由於若干適用於中國全資外資企業的稅項寬免政策的取消以致銷售稅及附加費增加；(iv) 環保措施成本增加。年內股東應佔溢利率為10.7%（2010年：15.1%），較2010年下降4.4個百分點。

年內，本集團股本回報率為6.7%（2010年：22.1%），較2010年下降15.4個百分點。所錄得的本集團相對偏低的股本回報率乃由於上述因素造成本集團股東應佔溢利減少，及由於股份於2011年1月上市以致本集團股本增加。

INVENTORIES

Inventories are one of the principal components of the Group's current assets. The value of inventories accounted for approximately 21.6% and 12.3% of the Group's total current assets as at 31 December 2010 and 2011 respectively.

Inventories increased by approximately 19.3% from HK\$19.28 million as at 31 December 2010 to HK\$23.00 million as at 31 December 2011 due to the increase in zipper components manufactured to be further used in future production.

The increase in average inventory turnover days from 54 days in 2010 to 63 days in 2011 was primarily due to the increase in zipper components manufactured to be further used in future production.

The write-down on inventories for the year 2011 was HK\$1.49 million (2010: HK\$203,000) because of a decrease in the estimated net realisable value of certain slow-moving inventories.

TRADE DEBTORS

The Group's policy in respect of allowance for doubtful debts for 2011 was the same as that in 2010. As at 31 December 2011, the allowance for doubtful debts was HK\$715,000 (31 December 2010: HK\$106,000), accounting for 1.9% of the Group's total trade debtors (2010: 0.2%).

The Group's trade debtors (net) decreased by around 16.7% from approximately HK\$43.30 million as at 31 December 2010 to HK\$36.05 million as at 31 December 2011 mainly due to the decrease in sales.

存貨

存貨乃本集團流動資產的主要組成部份之一。存貨價值分別佔本集團於2010年及2011年12月31日的總流動資產約21.6%及12.3%。

存貨由2010年12月31日的19,280,000港元增加約19.3%至2011年12月31日的23,000,000港元，是由於留作日後生產進一步使用而生產的拉鏈配件增加所致。

平均存貨周轉日由2010年的54日增加至2011年的63日，主要由於留作日後生產進一步使用而生產的拉鏈配件增加所致。

2011年存貨撇減為1,490,000港元(2010年：203,000港元)，是由於若干周轉較慢存貨之估計可變現淨值減少所致。

貿易應收賬款

於2011年，本集團就呆賬準備的政策與2010年相同。於2011年12月31日，呆賬累計撥備為715,000港元(2010年12月31日：106,000港元)，佔本集團貿易應收賬款總額的1.9%(2010年：0.2%)。

本集團貿易應收賬款(淨額)由2010年12月31日的約43,300,000港元減少約16.7%至2011年12月31日的36,050,000港元，主要由於銷售減少所致。

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The increase in average trade debtors turnover days from 62 days in 2010 to 77 days in 2011 was primarily due to the weakened demand in the apparel industry, which affected businesses of our customers and in turn led to delayed payments by customers.

TRADE CREDITORS

The Group's trade creditors primarily relate to purchases of raw materials from suppliers, with credit terms of 7 to 45 days from trade creditors.

The Group's trade creditors increased by around 36.5% from approximately HK\$5.45 million as at 31 December 2010 to HK\$7.44 million as at 31 December 2011. The average trade creditors turnover days increased from 36 days in 2010 to 38 days in 2011.

平均貿易應收賬款周轉日由2010年的62日增加至2011年的77日，主要由於服裝業的需求趨弱，對本公司客戶的業務造成影響，因此造成客戶延遲付款。

貿易應付賬款

本集團貿易應付賬款主要與供應商採購原材料(貿易應付賬款的信用期由7至45日不等)有關。

本集團貿易應付賬款由2010年12月31日的約5,450,000港元增加約36.5%至2011年12月31日的7,440,000港元。平均貿易應付賬款周轉日由2010年的36日增加至2011年的38日。

OTHER PAYABLES

Other payables mainly represent (i) payroll and staff benefits payable; (ii) accrued expenses for utilities; (iii) audit and professional fees; (iv) commission charges; (v) payables for taxes other than income tax; and (vi) transportation costs. The balance of other payables decreased by approximately 49.1% to HK\$12.73 million as at 31 December 2011 (2010: HK\$24.99 million) because the expenses incurred as a result of the listing of the Shares had been settled in 2011.

AMOUNT DUE TO RELATED PARTIES

There was no amount due to related parties as at 31 December 2011.

其他應付款項

其他應付款項主要指(i)工資及應付員工福利；(ii)水電應計費用；(iii)審計及專業費用；(iv)佣金費用；(v)應付稅項(除所得稅外)；及(vi)運輸成本。其他應付款項結餘減少約49.1%至2011年12月31日的12,730,000港元(2010年：24,990,000港元)乃由於股份上市所產生的相關開支已於2011年清償。

應付關聯方款項

於2011年12月31日並無應付關聯方款項。

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LIQUIDITY AND CAPITAL RESOURCES

The following table is a summary of cash flow data for the two years ended 31 December 2011:

流動資金及資本資源

下表為截至2011年12月31日止兩個年度的現金流量資料摘要：

		Year ended 31 December	
		截至12月31日止年度	
		2011	2010
		HK\$ million	HK\$ million
		百萬港元	百萬港元
Net cash generated from operating activities	經營活動所得現金淨額	32.43	24.11
Net cash used in investing activities	投資活動所用現金淨額	(85.56)	(6.97)
Net cash generated/(used) in financing activities	融資活動所得/(所用)現金淨額	111.78	(25.66)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	58.65	(8.52)
Cash and cash equivalents at 1 January	於1月1日的現金及現金等價物	15.58	23.49
Effect of foreign exchange rate changes	外匯匯率變動的影響	2.70	0.61
Cash and cash equivalents at 31 December	於12月31日的現金及現金等價物	76.93	15.58

The Group's net cash inflow from operating activities for the year 2011 amounted to HK\$32.43 million (2010: HK\$24.11 million). As at 31 December 2011, cash and cash equivalents amounted to HK\$76.93 million, representing a net increase of HK\$61.35 million as compared with the position as at 31 December 2010. The increase was mainly due to the proceeds received from the issuance of Shares in the Company's initial public offering in January 2011.

本集團於2011年經營活動現金流入淨額為32,430,000港元(2010年: 24,110,000港元)。於2011年12月31日, 現金及現金等價物為76,930,000港元, 較於2010年12月31日之狀況增加淨額61,350,000港元。該增加主要由於本公司於2011年1月首次公開發售發行股份所得款項所致。



As at 31 December 2011, the Group had no short-term bank loans, compared to approximately HK\$28.21 million as at 31 December 2010.

As at 31 December 2011, the Group had unutilised bank facilities amounting to HK\$103.61 million. During the year 2011, the Group did not hedge its exposure to interest rate risks. The gearing ratio, which was calculated by dividing total bank borrowings by total equity, decreased from approximately 20.8% as at 31 December 2010 to 0% as at 31 December 2011.

於2011年12月31日，本集團並無短期銀行貸款，於2010年12月31日短期銀行貸款為約28,210,000港元。

於2011年12月31日，本集團未動用銀行融資約103,610,000港元。於2011年，本集團並無對沖其利率風險。資本負債比率（由銀行貸款總額除以權益總額計算而成）由2010年12月31日約20.8%下降至2011年12月31日的0%。

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NET CURRENT ASSETS

As at 31 December 2011, the Group had net current assets of approximately HK\$164.39 million. The key components of current assets as at 31 December 2011 included inventories of approximately HK\$23.00 million, trade and other receivables of approximately HK\$40.79 million, deposits with banks of approximately HK\$43.55 million and cash and cash equivalents of approximately HK\$76.93 million. The key components of current liabilities included trade and other payables of approximately HK\$20.17 million.

The net current assets increased from HK\$27.86 million as at 31 December 2010 to HK\$164.39 million as at 31 December 2011 primarily due to (i) the increase in cash and cash equivalents of approximately HK\$61.35 million as a result of the Company's initial public offering in January 2011; (ii) the increase in deposits with banks of approximately HK\$43.55 million; and (iii) the decrease in bank loans of approximately HK\$28.21 million.

PLEDGE OF ASSETS

As at 31 December 2011, buildings with net book value of HK\$30.59 million (31 December 2010: HK\$30.61 million) and lease prepayments with net book value of HK\$4.40 million (31 December 2010: HK\$4.28 million) of the Group were pledged to secure certain unutilised bank facilities of the Group.

流動資產淨值

於2011年12月31日，本集團錄得流動資產淨值約164,390,000港元。於2011年12月31日的流動資產主要包括存貨約23,000,000港元、貿易及其他應收款項約40,790,000港元、銀行定期存款約43,550,000港元，以及現金及現金等價物約76,930,000港元。流動負債主要組成部分包括貿易及其他應付款項約20,170,000港元。

流動資產淨額由2010年12月31日的27,860,000港元增加至2011年12月31日的164,390,000港元，主要由於(i)本公司於2011年1月首次公開發售以致現金及現金等價物增加約61,350,000港元；(ii)銀行定期存款增加約43,550,000港元；及(iii)銀行貸款減少約28,210,000港元。

資產抵押

於2011年12月31日，本集團抵押賬面淨值30,590,000港元(2010年12月31日：30,610,000港元)的樓宇及賬面淨值4,400,000港元(2010年12月31日：4,280,000港元)的租賃預付，以取得本集團若干未動用銀行融資。

CONTINGENT LIABILITIES

As at 31 December 2011, the Group did not have any material contingent liabilities.

CAPITAL COMMITMENTS

Capital commitments mainly represent the Group's commitments in relation to the acquisition of the land use right on a piece of land in Jingmen, Hubei, PRC. The capital commitments as at 31 December 2010 and 2011 not provided for in the financial statements were HK\$2.01 million and HK\$11.62 million respectively.

FOREIGN CURRENCY RISK

Individual companies within the Group have limited foreign currency risk as most of the transactions are denominated in the same currency as the functional currency of the operations in which they relate. The Group did not hedge its exposure to risks arising from fluctuations in exchange rates during the year 2011.

或然負債

於2011年12月31日，本集團並無任何重大或然負債。

資本承擔

資本承擔主要指本集團有關收購中國湖北省荊門一幅土地的土地使用權的承擔。於2010年及2011年12月31日未於財務報表撥備的資本承擔分別為2,010,000港元及11,620,000港元。

外幣風險

本集團內個別公司的外幣風險有限，乃由於大部份交易均以與彼等營運有關的功能貨幣的相同貨幣計值。本集團並未對沖因2011年匯率波動而產生的風險。

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EMPLOYEES

As at 31 December 2011, the Group had 739 full-time employees (31 December 2010: 923 full-time employees). The Group reviews remuneration and benefits of its employees annually according to the relevant market practice and individual performance of the employees. Save for the social insurance in China and the mandatory provident fund scheme in Hong Kong, the Group has not set aside or accrued any amount of money to provide for retirement or similar benefits for its employees. The staff costs incurred in the year 2011 were approximately HK\$51.14 million (2010: HK\$41.01 million).

USE OF NET PROCEEDS RECEIVED FROM THE INITIAL PUBLIC OFFERING

In January 2011, net proceeds received from the initial public offering, including the exercise of the over-allotment option and after deducting related expenses, were approximately HK\$130 million. Such net proceeds were deposited at the Group's bank account and have thus far been used in the manner consistent with that mentioned in the section headed "Future plans and proposed use of proceeds" of the Prospectus.

僱員

於2011年12月31日，本集團擁有739名全職僱員（2010年12月31日：923名全職僱員）。本集團根據有關市場慣例及僱員個人表現每年檢討其僱員的薪酬及福利。除中國的社保及香港強制性公積金計劃外，本集團並無留置或累計任何金額的資金，以為其僱員的退休或相若福利進行撥備。於2011年產生的員工成本為約51,140,000港元（2010年：41,010,000港元）。

首次公開發售收取所得款項淨額用途

於2011年1月，首次公開發售所得款項淨額（包括行使超額配股權及經扣除有關費用後）為約130,000,000港元。該等所得款項淨額存入本集團的銀行賬戶且到目前為止已根據本公司於招股章程內「未來計劃及所得款項擬定用途」一節所述的方式使用。

ACQUISITION OF LAND USE RIGHT IN THE PRC

On 22 December 2011, KEE (Jingmen) Garment Accessories Limited (開易(荊門)服裝配件有限公司), a wholly-owned subsidiary of KEE Guangdong, successfully bid for the acquisition of the land use right of a piece of land in Jingmen Economic Development Zone, Jingmen, Hubei Province, PRC. The production plant to be constructed on this land will provide accessories for apparel to our customers. The plant is expected to start production in year 2013.

收購位於中國的土地使用權

於2011年12月22日，開易廣東的全資附屬公司開易(荊門)服裝配件有限公司成功中標收購位於中國湖北省荊門經濟開發區一幅土地的土地使用權。將於該土地建設之生產廠房將為本集團客戶的服裝提供配件。該廠房預計於2013年開始生產。

Corporate Governance Report 企業管治報告



CORPORATE GOVERNANCE PRACTICES

The Group is committed to achieving high standards of corporate governance to safeguard the interests of Shareholders and to enhance corporate value and accountability. The Company has applied the principles as set out in the CG Code. In the opinion of the Board, the Company has complied with all the code provisions and certain recommended best practices as set out in the CG Code throughout the period from 12 January 2011 (the Date of Listing) to 31 December 2011 (the “**CG Period**”).

The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time to ensure that they comply with the CG Code and align with the latest developments.

企業管治常規

本集團致力達致高標準的企業管治以保障股東的利益及提升企業價值及問責性。本公司已採納企業管治守則所載的原則。董事會認為，本公司自2011年1月12日(上市日期)至2011年12月31日期間(「企業管治期間」)遵守企業管治守則所載所有守則條文及若干建議的最佳慣例。

本公司將繼續提高對開展業務及業務增長合適的企業管治常規，並不時檢討該等常規以確保彼等符合企業管治守則及與最近期發展一致。

THE BOARD

The Company is headed by an effective Board which currently comprises seven members, consisting of three executive Directors, one non-executive Director and three independent non-executive Directors. The Board assumes responsibility for leadership and control of the Group and is collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs. All Directors take decisions objectively in the interests of the Company.

The Board met six times during the CG Period for reviewing and approving the financial and operating performance, and considering and approving the overall strategies and policies of the Company. Details of the attendance records are set out below:

<i>Executive Directors</i>	<i>Attendance</i>
Mr. Xu Xipeng	6/6
Mr. Xu Xinan	6/6
Mr. Yang Shaolin	5/6
<i>Non-executive Director</i>	
Mr. Chow Hoi Kwang, Albert	4/6
<i>Independent non-executive Directors</i>	
Mr. Lin Bin	5/6
Mr. Kong Hing Ki	5/6
Mr. Tam Yuk Sang, Sammy	5/6

The Board has a balance of skills and experience appropriate for the requirements of the business of the Company. The Board includes a balanced composition of executive and non-executive Directors (including independent non-executive Directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

董事會

本公司由一個有效率的董事會領導，董事會目前包括七名成員，其中有三名執行董事、一名非執行董事及三名獨立非執行董事。董事會負責領導及控制本集團並同時指導及監督本公司的事務，從而共同促進本公司的成功。本公司所有董事以本公司利益為本，客觀地作決策。

董事會於企業管治期間舉行六次會議，審閱及批准財務及營運績效，並考慮及批准本公司的整體策略及政策。出席記錄的詳情載列如下：

<i>執行董事</i>	<i>出席次數</i>
許錫鵬先生	6/6
許錫南先生	6/6
楊少林先生	5/6
<i>非執行董事</i>	
周浩光先生	4/6
<i>獨立非執行董事</i>	
林 斌先生	5/6
江興琪先生	5/6
譚旭生先生	5/6

董事會應根據本公司業務需要而具備適當技巧和經驗。董事會中執行董事與非執行董事（包括獨立非執行董事）的組合應該保持均衡，以使董事會上有強大的獨立元素，能夠有效地作出獨立判斷。

Corporate Governance Report 企業管治報告



The list of all Directors is set out under “Corporate Information” on page 2 and the independent non-executive Directors are expressly identified in all corporate communications pursuant to the Listing Rules.

The relationships among the members of the Board are disclosed under “Biographies of Directors and Senior Management” on pages 50 to 56.

全體董事之名單載於第2頁「公司資料」內，而遵照上市規則，各獨立非執行董事已在所有企業通訊中列明。

董事會成員之間關係於第50至56頁「董事及高級管理層履歷」內披露。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

There are two key aspects of the management of the Company – the management of the Board and the day-to-day management of the Company’s business. There is a clear division of responsibilities at the Company’s Board level to ensure a balance of power and authority so that power is not concentrated in any one individual.

The chairman of the Board is Mr. Xu Xipeng, who provides leadership for the Board and is responsible for chairing the meetings, managing the operations of the Board, and ensuring that all major and appropriate issues are discussed by the Board in a timely and constructive manner. The chief executive officer of the Group is Mr. Xu Xinan, who is responsible for running the Company’s businesses and implementing the Group’s strategic plans and business goals.

RESPONSIBILITIES OF DIRECTORS

Directors are required to keep abreast of their responsibilities as a director of the Company and of the Company’s conduct, business activities and development. Given the essential unitary nature of the Board, non-executive Director has the same duties of care and skill and fiduciary duties as executive directors. Non-executive Director brings a wide range of business and financial expertise, experience and independent judgement to the Board. Functions of non-executive Director include (but are not limited to):

主席及首席執行官

本公司的管理有兩大方面：董事會的管理及本公司的日常業務管理。本公司董事會的職責分配清晰，以確保權力及授權兩者分布均衡，權力不會集中在任何個別人士。

董事會主席為許錫鵬先生，其率領董事會，負責主持會議、管理董事會的運作，並確保所有重要及適當事項均由董事會作出適時及具建設性的討論。本集團的首席執行官為許錫南先生，彼負責本公司的業務經營，並實行本集團的策略性計劃及業務目標。

董事的職責

各董事須瞭解其作為本公司董事的職責，以及本公司的經營方式、業務活動及發展。由於董事會本質上是個一體組織，非執行董事應有與執行董事相同的受信責任以及以應有謹慎態度和技能行事的責任。非執行董事為董事會帶來各種不同之商業及財務專業知識、經驗及獨立判斷。非執行董事的職責包括但不限於：

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- participating in Board meetings to bring independent judgement;
 - taking the lead where potential conflict of interests may arise;
 - serving on Board committees if invited; and
 - scrutinizing the Group's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance.
- 參與董事會會議，並提供獨立的意見；
 - 在出現潛在利益衝突時發揮牽頭引導作用；
 - 應邀出任董事委員會；及
 - 細查本集團的表現是否達到既定的企業目標和目的，並監察匯報表現的事宜。

INDEPENDENT NON-EXECUTIVE DIRECTORS

In compliance with Rule 3.10(1) of the Listing Rules, the Company has appointed three independent non-executive Directors. All the independent non-executive Directors have the appropriate qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules. The Company has received from each of the independent non-executive Directors an annual confirmation of his independence as required under the Listing Rules. Independence of each of the independent non-executive Directors has been assessed by the Board and the Board considers that all independent non-executive Directors are independent as required under the Listing Rules.

獨立非執行董事

遵照上市規則第3.10(1)條之規定，本公司委任三名獨立非執行董事。所有獨立非執行董事根據上市規則第3.10(2)條之規定擁有合適之會計專業資格或相關財務管理專業知識。本公司已收到各獨立非執行董事根據上市規則規定而發出之年度獨立確認書。各獨立非執行董事之獨立性乃由董事會評估，董事會認為，根據上市規則之規定所有獨立非執行董事均屬獨立人士。

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of the Directors has been appointed for a term of three years and shall be subject to retirement by rotation once every three years.

In accordance with the Company's articles of association, all Directors are subject to retirement by rotation at least once every three years and any new director appointed to fill a causal vacancy or as an addition to the Board shall submit himself for re-election by shareholders at the first general meeting after appointment.

INDUCTION AND CONTINUING DEVELOPMENT OF DIRECTORS

Each newly appointed director receives induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors are continually updated on the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. Continuing briefing and professional development for directors will be arranged where necessary.

董事委任及連任

各董事獲委任任期為三年，並須最少每三年輪席退任一次。

根據本公司之組織章程細則，所有董事均須最少每三年輪席退任一次，而填補臨時空缺或加入董事會而被委任之任何新董事均須於委任後首次股東大會上由股東重選。

董事之培訓及持續發展

每名新委任之董事在其首度獲委任時獲提供入職培訓，藉以確保其對本公司之業務及運作有適當之理解，以及完全知道其在上市規則及有關監管規定下董事之職責及責任。

董事定期獲得最新之法規及監管發展，以及業務環境，以幫助履行其責任。於有需要時將會為董事安排持續之簡報會及專業發展計劃。

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ACCOUNTABILITY AND AUDIT

The Directors are responsible for overseeing the preparation of financial statements of the Company with a view to ensuring that such financial statements give a true and fair view of the state of affairs of the Group and that relevant statutory and regulatory requirements and applicable accounting standards are complied with.

The internal control system of the Group is designed to facilitate effective and efficient operations, to ensure reliability of financial reporting and compliance with applicable laws and regulations, to identify and manage potential risks and to safeguard assets of the Group. The internal auditor reviews and evaluates the control process, monitors any risk factors on a regular basis, and reports to the audit committee on any findings and measures to address the variances and identified risks.

During the CG Period, the Board, through the audit committee, conducted a review of the effectiveness of the internal control system of the Company. The review covered the financial reporting and compliance procedures of the Group. The Board also reviewed the qualifications and experience of staff of the Company's accounting and financial reporting function.

問責及審核

董事負責監察本公司財務報表之編製，確保該等財務報表公平真實反映本集團之財務狀況，並符合相關法規規定及適用之會計準則。

本集團的內部監控系統旨在促進有效及有效率之運作，以確保財務報告的可靠程度及遵守適用法例及規則、識別及管理潛在風險以及保障本集團的資產。內部核數師須定期檢討及評估監控程序，並定期監察任何風險因素，以及就任何調查結果及應付變動及已識別風險之措施向審核委員會報告。

於企業管治期間，董事會已透過審核委員會檢討本公司內部監控制度之效用。該檢討涵蓋本集團之財務申報及合規程序。董事會亦檢討本公司會計及財務匯報職能部門員工資格及經驗。

EXTERNAL AUDITORS

The statement of the external auditors of the Company about their reporting responsibilities for the financial statements is set out in the “Independent Auditor’s Report” on pages 73 and 74.

The remuneration paid to the Company’s external auditors, KPMG, is shown in note 5(c) of the “Notes to the Consolidated Financial Statements” on page 120.

BOARD COMMITTEES

The Board has established three committees, namely the audit committee, remuneration committee and nomination committee, for overseeing particular aspects of the Company’s affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees are posted on the Company’s website and are available to Shareholders upon request.

AUDIT COMMITTEE

The roles and functions of the audit committee include the following:

- to review the financial statements and reports and consider any significant or unusual items raised by the internal auditor or external auditors before submission to the Board;
- to review the relationship with the external auditors by reference to the work performed by the auditors, their fees and terms of engagement, and make recommendation to the Board on the appointment, re-appointment and removal of external auditors; and
- to review the adequacy and effectiveness of the Company’s financial reporting system, internal control system and risk management system and associated procedures.

外聘核數師

本公司外聘核數師有關其財務報表報告責任之聲明載於第 73 頁及 74 頁之「獨立核數師報告」。

支付予本公司外聘核數師畢馬威會計師事務所之酬金於第 120 頁之「財務報表附註」之附註 5(c) 列示。

董事會轄下委員會

董事會已成立三個委員會，即審核委員會、薪酬委員會及提名委員會，監督特定範疇內的本公司事務。本公司全部董事會轄下委員會在成立時均具備書面職權範圍。董事會轄下委員會的職權範圍於本公司網站上刊登並可應要求供股東查閱。

審核委員會

審核委員會之職責及職能包括下列各項：

- 於提交董事會前審閱財務報表及報告並考慮內部核數師或外聘核數師提出之任何重大或非經常性項目；
- 參考核數師進行之工作，檢討與外聘核數師之關係，其酬金及聘用條款，以及就外聘核數師之聘用、續聘及罷免向董事會作出推薦意見；及
- 檢討本公司之財務申報系統、內部監控系統及風險管理系統以及相關程序之適用性及成效。

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The audit committee comprises three independent non-executive Directors, namely, Mr. Lin Bin (Chairman), Mr. Kong Hing Ki and Mr. Tam Yuk Sang, Sammy, who possess the appropriate professional qualifications or accounting or related financial management expertise. None of the members of the audit committee is a former partner of the Company's existing external auditors. The audit committee has separate and independent access to the advice and services of the senior management of the Company, and is able to seek independent professional advice at the Company's expense upon reasonable request.

The audit committee held five meetings during the CG Period and reviewed the Group's annual results and report for the year ended 31 December 2011, the financial reporting and compliance procedures, the report of internal auditor from the management on the Company's internal control and risk management review and processes, and the re-appointment of the external auditors, subject to approval by the Shareholders at the forthcoming annual general meeting.

Details of the attendance records of the audit committee members are set out below:

<i>Member</i>	<i>Attendance</i>
Mr. Lin Bin	5/5
Mr. Kong Hing Ki	5/5
Mr. Tam Yuk Sang, Sammy	4/5

審核委員會包括三名獨立非執行董事(即林斌先生(主席)、江興琪先生及譚旭生先生), 彼等具備適當的專業資格或會計或相關財務管理專業知識。審核委員會的任何成員並非本公司現有外聘核數師之前任合夥人。審核委員會可透過獨立途徑自行取得本公司高級管理層的意見及服務, 而在合理要求下亦可尋求獨立專業意見, 有關費用由本公司承擔。

審核委員會於企業管治期間舉行五次會議, 並審閱本集團截至2011年12月31日止年度之年度業績及報告、財務申報及合規程序、內部核數師就本公司內部監控及風險管理評估與程序之管理發出之報告及續聘外聘核數師(須於應屆股東週年大會上獲股東批准)。

審核委員會成員的出席記錄詳情載列如下:

<i>成員</i>	<i>出席次數</i>
林 斌先生	5/5
江興琪先生	5/5
譚旭生先生	4/5

REMUNERATION COMMITTEE

The roles and functions of the remuneration committee include the following:

- making recommendations on and approving the remuneration policy and structure and remuneration packages of the executive directors and the senior management;
- establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his associates will participate in deciding his own remuneration; and
- determining annual remuneration packages by reference to the performance of the individual and the Company as well as market practice and conditions.

During the CG Period, the remuneration committee comprises three members, namely, Mr. Xu Xipeng (Chairman), Mr. Lin Bin and Mr. Tam Yuk Sang, Sammy, the majority of which are independent non-executive Directors. Details of the attendance records of the remuneration committee members are set out below:

<i>Member</i>	<i>Attendance</i>
Mr. Xu Xipeng	1/1
Mr. Lin Bin	1/1
Mr. Tam Yuk Sang, Sammy	1/1

薪酬委員會

薪酬委員會之職責及職能包括下列各項：

- 就執行董事及高級管理層之薪酬政策和架構以及薪酬待遇提供推薦意見及加以審批；
- 制訂具透明度的程序，以制訂有關薪酬政策及架構，確保任何董事或其任何聯繫人士不得參與訂定其本身的薪酬；及
- 按個人及公司表現以及市場常規和狀況釐定每年薪酬。

於企業管治期間，薪酬委員會包括三名成員，即許錫鵬先生(主席)、林斌先生及譚旭生先生，大部分為獨立非執行董事。有關薪酬委員會成員出席紀錄詳情載列如下：

<i>成員</i>	<i>出席次數</i>
許錫鵬先生	1/1
林斌先生	1/1
譚旭生先生	1/1

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NOMINATION COMMITTEE

The roles and functions of the nomination committee include the following:

- reviewing the Board structure;
- monitoring the nomination and appointment and succession planning of Directors; and
- assessing the independence of independent non-executive Directors.

During the CG Period, the nomination committee comprises three members, namely Mr. Xu Xinan (Chairman), Mr. Lin Bin and Mr. Kong Hing Ki, the majority of which are independent non-executive Directors. Details of the attendance records of the nomination committee members are set out below:

<i>Member</i>	<i>Attendance</i>
Mr. Xu Xinan	1/1
Mr. Lin Bin	1/1
Mr. Kong Hing Ki	1/1

COMPLIANCE WITH THE MODEL CODE ON SHARE DEALINGS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules. Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the CG Period.

提名委員會

提名委員會之職責及職能包括下列各項：

- 檢討董事會架構；
- 監督董事提名及委任以及續任計劃；及
- 評估獨立非執行董事的獨立性。

於企業管治期間，提名委員會包括三名成員，即許錫南先生(主席)、林斌先生及江興琪先生，大部分為獨立非執行董事。有關提名委員會成員出席紀錄詳情載列如下：

<i>成員</i>	<i>出席次數</i>
許錫南先生	1/1
林 斌先生	1/1
江興琪先生	1/1

遵守股份買賣的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)。本公司已向所有董事作出特定查詢，董事均確認於企業管治期間彼等已遵守標準守則。

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The general meetings of the Company provide a forum for communication between the Board and the Shareholders. The Chairman of the Board as well as chairmen of the Nomination Committee, Remuneration Committee and Audit Committee or, in their absence, other members of the respective committees are available to answer questions at shareholder meetings.

The 2011 Annual General Meeting (“AGM”) was held on 27 May 2011. The notice of AGM was sent to shareholders at least 20 clear business days before the AGM.

To promote effective communication, the Company maintains a website at www.kee.com.cn, where up-to-date information and updates on the Company’s financial information, corporate governance practices and other information are posted.

SHAREHOLDER RIGHTS

To safeguard Shareholder interests and rights, a separate resolution is proposed for each substantially separate issue at shareholder meetings, including the election of individual directors.

All resolutions put forward at Shareholder meetings will be voted on by poll pursuant to the Company’s Articles of Association and poll results will be posted on the websites of the Company and of the Hong Kong Stock Exchange after each Shareholder meeting.

與股東及投資者之溝通

本公司股東大會提供董事會與股東溝通之平臺。董事會主席連同提名委員會、薪酬委員會及審核委員會主席及(如其未克出席)各委員會其他成員，可於股東大會上解答提問。

本公司2011年股東週年大會(「股東週年大會」)已於2011年5月27日舉行。股東週年大會通告已於股東週年大會舉行日期至少20個足日前寄發予股東。

為促進有效溝通，本公司亦設立網站 www.kee.com.cn，該網站刊載本公司最新資料及最新之財務資料、企業管治運作及其他資料。

股東權利

為保障股東權益及權利，本公司將就各重大個別事宜(包括選舉個別董事)於股東大會提呈獨立決議案。

股東大會上提呈之所有決議案將根據本公司章程進行投票表決，且投票表決之結果將於股東大會結束後在本公司及香港聯交所網站上刊載。

Biographies of Directors and Senior Management 董事及高級管理層履歷



As at the date of this annual report, the Board consists of seven Directors, including three executive Directors, one non-executive Director and three independent non-executive Directors.

EXECUTIVE DIRECTORS

Mr. Xu Xipeng (許錫鵬), aged 46, is an executive Director, chairman of the Board, one of the founders of the Group and an elder brother of Mr. Xu Xinan. Mr. Xu is responsible for the formulation of development strategies, overseeing of the overall business of the Group and the operation of the Board. Mr. Xu has over 19 years of experience in the zipper industry, especially the overall management and production supervision. He was appointed as an executive Director on 6 July 2010.

於本年報日期，董事會由七名董事組成，包括三名執行董事、一名非執行董事及三名獨立非執行董事。

執行董事

許錫鵬先生，46歲，執行董事、本集團董事會主席兼創辦人之一，並為許錫南先生的胞兄。許先生負責制定發展策略、監管本集團的整體業務及董事會的運營。許先生在拉鏈行業擁有逾19年經驗，特別是在整體管理及生產監督方面。彼於2010年7月6日獲委任為執行董事。

Mr. Xu Xinan (許錫南), aged 41, is an executive Director, the chief executive officer, one of the founders of the Group and the younger brother of Mr. Xu Xipeng. Mr. Xu is responsible for the implementation of the decisions of the Board and the overall guidance and supervision of our business. Mr. Xu has over 19 years of experience in the zipper industry, especially the overall management, and sales and marketing. He was appointed as an executive Director on 6 July 2010.

Mr. Yang Shaolin (楊少林)*, aged 38, is an executive Director, the chief financial officer and one of the joint company secretaries. He is responsible for the overall financial planning of the Group, and managing the finance and accounting department and the information technology department. Mr. Yang joined the Group in December 2008 and has over 14 years' experience in corporate management and financial management. Mr. Yang worked as an accountant and later as a finance manager in various manufacturing enterprises (including 廣州金源行金屬有限公司 (Guangzhou KYH Metal Co., Ltd.) for over two and a half years) prior to joining the Group. He obtained a Bachelor's Degree in Economics majoring in accounting from 北京物資學院 (Beijing Wuzi University) in 1997. Mr. Yang is also a member of The Chinese Institute of Certified Public Accountants and a registered tax agent in the PRC. He was appointed as an executive Director on 6 July 2010.

* Mr. Yang was re-designated to be the non-executive Director and resigned as the chief financial officer and joint company secretary of the Company on 1 April 2012.

許錫南先生，41歲，執行董事、本集團首席執行官兼創辦人之一，並為許錫鵬先生的胞弟。許先生負責執行董事會的決策以及整體指導及監管我們的業務。許先生在拉鏈行業擁有逾19年經驗，特別是在整體管理及銷售與市場推廣方面。彼於2010年7月6日獲委任為執行董事。

楊少林先生*，38歲，執行董事，我們的首席財務官及本公司聯席秘書之一。彼負責本集團的整體財務規劃，以及管理我們的財務及會計部門及信息技術部門。楊先生於2008年12月加入本集團，擁有逾14年的企業管理及財務管理經驗。加入本集團之前，楊先生在多家製造企業（包括於廣州金源行金屬有限公司工作逾兩年半）擔任會計師，之後出任財務經理。彼於1997年自北京物資學院取得經濟學學士學位，主修會計學專業。楊先生亦為中國註冊會計師協會會員及中國註冊稅務師。彼於2010年7月6日獲委任為執行董事。

* 楊先生於2012年4月1日調任為非執行董事並辭任首席財務官及聯席公司秘書。

Biographies of Directors and Senior Management 董事及高級管理層履歷

NON-EXECUTIVE DIRECTOR

Mr. Chow Hoi Kwang, Albert (周浩光)[#], aged 60, was appointed as a non-executive Director on 6 July 2010. Mr. Chow joined the Group in 2005 and has advised the Group on business strategy and internal controls. Mr. Chow has over 20 years' experience in corporate management and holds a Bachelor Degree of Commerce from McMaster University in Canada. Mr. Chow is also a member of The Society of Management Accountants of Canada (also known as CMA Canada). Mr. Chow's work experience prior to joining the Company includes:

- from 1988 to 1991, as the regional finance director of Frank Small & Associates Limited, an Australian market research company;
- from 1992 to 1996, as chief operating officer and director and one of the founders of Asia Market Intelligence Limited, a market research company in Hong Kong; and
- from 1999 until the date of this annual report, as the managing director, the founder and the sole shareholder of Inetol Cyber Limited (力圖聯網有限公司) of Hong Kong, a company engaged in manufacturing and trading of headwear.

[#] Mr. Chow was re-designated to be an executive Director on 1 April 2012.

非執行董事

周浩光先生[#]，60歲，於2010年7月6日獲委任為非執行董事。周先生於2005年加入本集團，並就本集團的業務策略及內部監控提供意見。周先生在企業管理方面擁有逾20年經驗，持有加拿大麥克馬斯特大學商業學士學位。周先生亦為加拿大註冊管理會計師公會（英文簡稱CMA Canada）會員。周先生在加入本公司前的工作經驗包括：

- 1988年至1991年，擔任澳大利亞市場調查公司Frank Small & Associates Limited的區域財務總監；
- 1992年至1996年，擔任香港市場調查公司Asia Market Intelligence Limited的營運總監、董事兼創辦人之一；及
- 1999年至本年報日期，擔任從事生產及買賣頭飾的香港公司力圖聯網有限公司的董事總經理、創辦人及唯一股東。

[#] 周先生於2012年4月1日調任為執行董事。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lin Bin (林斌), aged 49, was appointed as an independent non-executive Director on 10 August 2010. Mr. Lin graduated from 江西財經大學 (Jiangxi University of Finance and Economics) in 1984 with a Bachelor's Degree in Economics majoring in industrial accounting. Mr. Lin obtained his Doctorate Degree in Economics (Accountancy) from 廈門大學 (the University of Xiamen) in 1997. Mr. Lin has served in various positions as tutor, lecturer and associate professor in the Faculty of Economics and Management in 華東交通大學 (East China Jiaotong University). Currently, Mr. Lin is a professor and a director of the department of accountancy and also a director of 會計碩士專業教育中心 (the Education Centre of Master of Professional Accounting) of 中山大學 (Sun Yat-Sen University). His roles in public services include:

- the vice chairman of 廣東省內部審計協會 (the Association of Internal Audit of Guangdong Province);
- the vice chairman of 廣東省審計學會 (the Audit Society of Guangdong Province);
- a committee member of 中國會計學會會計教育專業委員會 (the Committee of Accounting Education of the Accounting Society of China); and
- a member of 中華人民共和國財政部企業內部控制標準委員會諮詢專家組 (the Consultation Team for Enterprise Internal Control Standards of the Ministry of Finance of the PRC).

獨立非執行董事

林斌先生，49歲，於2010年8月10日獲委任為獨立非執行董事。林先生於1984年畢業於江西財經大學，取得經濟學學士學位，主修工業財會專業。林先生於1997年自廈門大學取得經濟(會計)博士學位。林先生曾在華東交通大學經濟管理學院先後擔任導師、講師及副教授等職務。林先生現為中山大學會計學教授、會計系主任及會計碩士專業教育中心主任。林先生的公眾服務角色包括：

- 廣東省內部審計協會副主席；
- 廣東省審計學會副主席；
- 中國會計學會會計教育專業委員會委員；及
- 中華人民共和國財政部企業內部控制標準委員會諮詢專家組成員。

Biographies of Directors and Senior Management 董事及高級管理層履歷

Mr. Lin also acts as an independent non-executive director of:

- 廣州白雲國際機場股份有限公司 (Guangzhou Baiyun International Airport Company Limited), a company whose shares are listed on the Shanghai Stock Exchange;
- 深圳市愛施德股份有限公司 (Shenzhen Aisidi Company Limited), a company whose shares are listed on the Shenzhen Stock Exchange; and
- 安徽桑樂金股份有限公司 (Auhui SaunaKing Company Limited), a company whose shares are listed on the Shenzhen Stock Exchange.

Mr. Kong Hing Ki (江興琪), aged 41, was appointed as an independent non-executive Director on 24 November 2010. He has over 11 years' experience in accounting, auditing and finance, gained from international accountancy and commercial firms. Currently, he is a financial controller of a company whose ultimate holding company is listed on the main board of the Singapore Exchange Securities Trading Limited, and is an independent non-executive director and the audit committee chairman of Hing Lee (HK) Holdings Limited (stock code: 396), a company whose shares are listed on the Main Board, and also an independent non-executive director of RENHENG Enterprise Holdings Limited (stock code: 8012), a company whose shares are listed on the Growth Enterprise Market of the Hong Kong Stock Exchange. Mr. Kong obtained a Bachelor's Degree in Commerce from The Australian National University and a Master of Business Administration Degree from Deakin University, which is a joint program of Deakin University and CPA Australia conducted in Hong Kong. He is a fellow of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia.

林先生亦擔任下列公司的獨立非執行董事：

- 廣州白雲國際機場股份有限公司(其股份於上海證券交易所上市的公司)；
- 深圳市愛施德股份有限公司(其股份於深圳證券交易所上市的公司)；及
- 安徽桑樂金股份有限公司(其股份於深圳證券交易所上市的公司)。

江興琪先生，41歲，於2010年11月24日獲委任為獨立非執行董事。江先生擁有自國際會計及商業公司獲得逾11年的會計、審核及財務經驗。彼現任一間公司的財務總監，該公司的最終控股公司於新加坡證券交易所有限公司主板上市。彼亦任興利(香港)控股有限公司(其股份於香港聯交所主板上市，股份代號：396)的獨立非執行董事兼審核委員會主席。彼亦任仁恆實業控股有限公司(其股份於香港聯交所創業板上市，股份代號：8012)之獨立非執行董事。江先生持有澳大利亞國立大學商業學士學位及迪肯大學工商管理碩士學位，而迪肯大學工商管理碩士學位乃迪肯大學與澳洲會計師公會聯合在香港舉辦的課程。彼現為香港會計師公會資深會員及澳洲會計師公會會員。

Mr. Tam Yuk Sang, Sammy (譚旭生), aged 48, was appointed as an independent non-executive Director on 10 August 2010. Mr. Tam graduated from the Hong Kong Polytechnic University with a Professional Diploma in Accountancy in 1986 and is a fellow of The Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He has over 21 years' experience in accounting, auditing and finance. He is currently president of Essentack Limited, a corporate strategy and management advisory company. He is also an independent non-executive director and the audit committee chairman of Kith Holdings Limited (stock code: 1201), a company whose shares are listed on the Hong Kong Stock Exchange, and also an independent non-executive director and the nomination committee chairman of Renheng Enterprise Holdings Limited (stock code: 8012), a company whose shares are listed on the Stock Exchange.

SENIOR MANAGEMENT

The senior management are responsible for the day-to-day management of the Group's business.

Mr. Hsieh Chin Fong (謝慶豐), aged 67, is the chief technical officer responsible for overseeing various aspects of product design, and research and development departments. He has many years of experience in the zipper industry including zipper production and the development of zipper production machinery. Prior to joining the Group in November 2004, Mr. Hsieh had worked for several zipper manufacturers in Taiwan. Mr. Hsieh acted as a senior specialist in 宏大拉鏈股份有限公司 (Max Zipper Co., Ltd) from 1987 to 1993 and acted as a general manager in 冠宇拉鏈股份有限公司 (Unitech Zipper & Machinery Co. Ltd) from 1992 to 2004.

譚旭生先生，48歲，於2010年8月10日獲委任為獨立非執行董事。譚先生於1986年畢業於香港理工大學，持有會計專業文憑，為英國特許公認會計師公會及香港會計師公會資深會員。彼在會計、審核及財務方面擁有逾21年經驗。彼現時為企業策略及管理顧問公司Essentack Limited的總裁，亦為僑威集團有限公司(其股份於香港聯交所上市，股份代號：1201)的獨立非執行董事及審核委員會主席。彼亦為仁恒實業控股有限公司(其股份於聯交所上市，股份代號：8012)的獨立非執行董事兼提名委員會主席。

高級管理層

高級管理層負責本集團業務的日常管理。

謝慶豐先生，67歲，為技術總監，負責監督指導產品設計及研發部門的各方面工作。彼於拉鏈行業擁有多年經驗，包括拉鏈生產及開發拉鏈生產機器方面。謝先生於2004年11月加入本集團，之前曾在台灣多間拉鏈生產企業任職。謝先生於1987年至1993年任宏大拉鏈股份有限公司高級專家，於1992年至2004年任冠宇拉鏈股份有限公司總經理。

Biographies of Directors and Senior Management 董事及高級管理層履歷

Ms. Mo Qiuye (莫秋葉), aged 33, was appointed as senior sales manager in December 2009. She is responsible for the management of the Group's China sales and customer service. Ms. Mo joined the Group in March 1999 as a sales assistant. In 2007, she was appointed as a sales manager. Ms. Mo has more than 12 years' experience in the sale of zippers and garment accessories and has an in-depth knowledge in the apparel business.

莫秋葉女士，33歲，於2009年12月獲委任為我們的高級銷售經理。彼負責管理本集團中國銷售及客戶服務。莫女士於1999年3月加入本集團，擔任銷售助理。2007年，莫女士獲委任為銷售經理。莫女士在銷售拉鏈及服裝配飾方面擁有逾12年經驗，並在服裝業務方面擁有豐富知識。

JOINT COMPANY SECRETARIES

Mr. Yang Shaolin (楊少林)*, aged 38, an executive Director and our chief financial officer, was appointed as a joint company secretary of the Company on 25 November 2010. For details of his biography, please refer to the section headed "Biographies of Directors and Senior Management — Executive Directors".

聯席公司秘書

楊少林先生*，38歲，執行董事兼我們的首席財務官，於2010年11月25日獲委任為本公司聯席公司秘書。其履歷詳情，請參閱「董事及高級管理層－執行董事」一節。

Ms. Li Yan Wing, Rita (李昕穎), aged 46, was appointed as a joint company secretary of the Company on 25 November 2010. Ms. Li is a director of the corporate services division of Tricor Services Limited and an associate of both The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries. She has over 22 years' experience in corporate advisory services. Prior to joining Tricor Services Limited, Ms. Li served as a senior manager of the company secretarial department of Tengis Limited. Ms. Li has provided various secretarial and corporate services to many listed companies.

李昕穎女士，46歲，於2010年11月25日獲委任為本公司聯席公司秘書。李女士為卓佳專業商務有限公司企業服務分部董事，亦為英國特許秘書及行政人員公會及香港特許秘書公會資深會員，擁有逾22年企業顧問服務經驗。加入卓佳專業商務有限公司之前，李女士曾任登捷時有限公司公司秘書事務部高級經理。李女士曾向多間上市公司提供各種秘書及企業服務。

* Mr. Yang was re-designated to be a non-executive Director and resigned as the chief financial officer and joint company secretary of the Company on 1 April 2012.

* 楊先生於2012年4月1日調任為非執行董事並辭任首席財務官及聯席公司秘書。

Report of the Directors 董事會報告書

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

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are design, manufacture and sale of finished zippers in China. The Group's customers for zippers are OEMs who manufacture apparel products for (i) apparel brands in China; and (ii) some well known international apparel labels.

The Group also supplies sliders, components of zippers (including continuous zipper chains and stops) and moulds to other zipper manufacturers and designs and supplies premium items such as glasses, backpacks and watches exclusively to apparel brand owners to meet the promotional needs for their products.

SUBSIDIARIES

Particulars of the Company's subsidiaries as at 31 December 2011 are set out in note 14 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2011 are set out in the "Consolidated Income Statement" on page 75 of this annual report.

The Directors recommend the payment of a final dividend of HK1.25 cents per Share (2010: nil) in respect of the year 2011 to the Shareholders.

Upon approval at the annual general meeting on 25 May 2012, the proposed final dividend will be paid on or about Monday, 18 June 2012 to Shareholders whose names appear on the register of members of the Company on Friday, 1 June 2012.

董事謹此提呈彼等的報告，連同截至2011年12月31日止年度的經審核財務報表。

主要業務

本公司為投資控股公司。其附屬公司的主要業務為於中國設計、製造及銷售條裝拉鏈。本集團的拉鏈客戶是為(i)中國服裝品牌；以及(ii)部分國際知名服裝品牌生產服裝產品的OEM。

本集團亦向其他拉鏈製造商供應拉頭、拉鏈配件(包括碼裝拉鏈及止)及模具及專門為服裝品牌商設計及供應禮品(如眼鏡、背包及手錶)以滿足其推廣產品的需要。

附屬公司

本公司附屬公司於2011年12月31日的詳情載於綜合財務報表附註14。

業績及股息

本集團於截至2011年12月31日止年度的業績載於本年報第75頁的「綜合收益表」。

董事建議向股東派付2011年每股1.25港仙(2010：無)的末期股息。

待取得2012年5月25日行的股東週年大會批准後，建議末期股息將於2012年6月18日(星期一)前後派付於2012年6月1日(星期五)名列本公司股東名冊之股東。

Report of the Directors 董事會報告書

RESERVES

As at 31 December 2011, distributable reserves of the Company amounted to HK\$138.26 million (2010: nil). Details of movements in reserves of the Group during the year are set out in consolidated statement of changes in equity to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

Sales and purchases of the Group attributable to its major customers and suppliers respectively in the financial year were as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2011	2010
		% of total turnover 佔總營業額的 百分比	% of total turnover 佔總營業額的 百分比
The largest customer	最大客戶	6.4	6.2
Five largest customers	五大客戶	17.4	17.0
		% of total purchase 佔總採購的 百分比	% of total purchase 佔總採購的 百分比
The largest supplier	最大供應商	26.1	22.6
Five largest suppliers	五大供應商	70.4	70.7

All of the above five largest suppliers of the Group are independent third parties. To the best knowledge of the Directors, none of the Directors, their associates or any Shareholder holding more than 5% of the issued share capital of the Company, has any interest in any of the Group's five largest suppliers as disclosed above.

儲備

於2011年12月31日，本公司可分派儲備為138,260,000港元(2010年：無)。本集團年內儲備的變動詳情載於綜合財務報表的綜合權益變動表內。

主要客戶及供應商

本集團於財政年度度分別向主要客戶及供應商作出的銷售量及採購量如下：

本集團上述五大供應商均為獨立第三方。據董事所深知，概無持有本公司已發行股本5%以上的董事、彼等之聯繫人士或任何股東於上述披露的本集團任何五大供應商中擁有任何權益。

BANK BORROWINGS

As at 31 December 2011, the Group had no short-term bank loans (2010: HK\$28.21 million).

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the Group's property, plant and equipment during the year are set out in note 12 to the consolidated financial statements.

ORDINARY SHARES

Details of movements in ordinary shares of the Company during the year are set out in consolidated statement of changes in equity to the consolidated financial statements.

FIVE-YEAR FINANCIAL HIGHLIGHTS

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on pages 4 to 9 of this annual report.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands where the Company is incorporated.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the period from 12 January 2011, being the date of listing of the Shares, to 31 December 2011.

銀行借貸

於2011年12月31日，本集團並無短期銀行貸款(2010年：28,210,000港元)。

物業、廠房及設備

本集團物業、廠房及設備於年內的變動詳情載於綜合財務報表附註12。

普通股

本公司普通股於年內的變動詳情載於綜合財務報表的綜合權益變動表。

五年財務概要

本集團過去五個財政年度的業績、資產及負債概要載於本年報第4至9頁。

優先權

本公司的組織章程細則或本公司註冊成立所在開曼群島的法例並無優先權的條文。

購買、出售或贖回股份

自2011年1月12日(即股份上市日期)至2011年12月31日止期間，本公司及其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

Report of the Directors 董事會報告書

DIRECTORS

The Directors of the Company during the year and up to the date of this report are as follows:

Executive Directors

Mr. Xu Xipeng (*Chairman*)

Mr. Xu Xinan (*Chief Executive Officer*)

Mr. Yang Shaolin

Non-executive Director

Mr. Chow Hoi Kwang, Albert

Independent Non-executive Directors

Mr. Lin Bin

Mr. Kong Hing Ki

Mr. Tam Yuk Sang, Sammy

In accordance with articles 87(1) and (2) of the Company's articles of association, Mr. Xu Xipeng, Mr. Xu Xinan and Mr. Yang Shaolin will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographies of Directors and senior management of the Group are set out on pages 50 to 56 of this annual report.

董事

年內及截至本報告日期的本公司董事如下：

執行董事

許錫鵬先生(主席)

許錫南先生(首席執行官)

楊少林先生

非執行董事

周浩光先生

獨立非執行董事

林 斌先生

江興琪先生

譚旭生先生

根據本公司組織章程細則第87(1)及(2)條，許錫鵬先生、許錫南先生及楊少林先生將於應屆股東週年大會上退任，並合資格膺選連任。

董事及高級管理層履歷

本集團董事及高級管理層履歷載於本年報第50至56頁。

DIRECTORS' SERVICE CONTRACTS

None of the Directors has any unexpired service contract which is not determinable by the Company or its subsidiaries within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTEREST IN CONTRACTS

Save as disclosed in this report, no contracts of significance in relation to the Company's business to which the Company or its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted as at the end of the year or any time during the year.

NON-COMPETITION UNDERTAKINGS

Each of the Controlling Shareholders has confirmed to the Company of his/her compliance with the non-competition undertakings provided to the Company under a deed of non-competition in favour of the Company entered into on 30 December 2010 (details are disclosed in the Prospectus under the section headed "Relationship with the Controlling Shareholders"). The independent non-executive Directors have reviewed the status of compliance and confirmed that all the undertakings under the deed of non-competition have been complied with by the Controlling Shareholders.

董事服務合約

概無董事訂有本公司或其附屬公司不可於一年內終止而毋須作出賠償(法定賠償除外)的未屆滿服務合約。

董事的合約權益

除本報告披露者外，董事概無於本公司或其任何附屬公司所訂立而於年終時或年內任何時間有效的重大合約中直接或間接擁有重大權益。

不競爭承諾

各控股股東已向本公司確認，彼已根據2010年12月30日訂立以本公司為受益人的不競爭契據(詳情披露於招股章程「與控股股東的關係」一節)遵守向本公司作出的不競爭承諾。獨立非執行董事已審閱有關遵守情況，並確認控股股東已遵守不競爭契據下的所有承諾。

Report of the Directors 董事會報告書

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors is or was interested in any business apart from the Group's business, which competes or competed or is or was likely to compete, either directly or indirectly, with the Group's business at any time during the year ended 31 December 2011 and up to and including the date of this annual report.

PENSION SCHEME

In the PRC, the Group contributes to social insurance on a monthly basis for its employees. The Group has no further obligation for payment of post-retirement benefits to employees beyond the aforesaid contributions made by the Group.

The Group also participates in mandatory provident fund scheme (the "MPF Scheme") in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group and are under the control of an independent trustee. Both the Group and its employees are required to contribute 5% of the employees' monthly salaries. The mandatory contributions required to be made respectively by the Group and an employee are each capped at HK\$1,000 per month. Members are entitled to 100% of the employers' mandatory contributions as soon as they are paid to the MPF Scheme but all benefits derived from the mandatory contributions must be preserved until an employee reaches the retirement age of 65 or in accordance with the rules of the MPF Scheme.

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 ended 31 December 2011.

董事於競爭業務中的權益

於截至2011年12月31日止年度直至本年報日期(包括該日)內的任何時間,概無董事在與本集團業務直接或間接存在或曾存在或很可能存在或曾很可能存在競爭的任何業務(本集團業務除外)中擁有或曾擁有任何權益。

退休金計劃

在中國,本集團為其僱員每月作出社會保險供款。除本集團作出上述供款外,本集團毋須承擔向僱員支付其他退休後福利責任。

本集團亦於香港參與強制性公積金計劃(「強積金計劃」)。強積金計劃之資產由獨立信託人控制,與本集團之資產分開。本集團及其僱員須從其有關入息中扣除5%作為供款。強積金須由本集團及其僱員分別作出強制性供款,每月上限為1,000港元。會員有權在有關強積金計劃供款後取得僱主之100%強制性供款,但所有強制性供款所產生之利益必須保存至僱員達65歲退休年齡或根據強積金計劃之規例為止。

管理合約

截至2011年12月31日止年度內,並無訂立或存在有關本公司全部或任何重大部分業務之管理及行政合約。

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

As at 31 December 2011, the interests of the Directors in the shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept under Section 352 of the SFO or as notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code contained in the Listing Rules, are as follows:

LONG POSITIONS IN THE SHARES

Director 董事	Nature of Interest 權益性質	Number of Shares 股數	Percentage 百分比
Mr. Xu Xipeng 許錫鵬先生	Corporate 公司	300,000,000	72.29%
Mr. Xu Xinan 許錫南先生	Corporate 公司	300,000,000	72.29%
Mr. Yang Shaolin 楊少林先生	Corporate 公司	2,120,000	0.51%

LONG POSITIONS IN THE SHARES AND UNDERLYING SHARES OF ASSOCIATED CORPORATION

Director 董事	Name of Associated Corporation 相聯法團名稱	Percentage 百分比
Mr. Xu Xipeng 許錫鵬先生	Nicco	49.75%
Mr. Xu Xinan 許錫南先生	Nicco	49.75%
Mr. Chow Hoi Kwang, Albert 周浩光先生	Nicco	0.50%

As at 31 December 2011, the Directors do not hold any short positions in shares, underlying shares or debentures of the Company or any of its associated corporations.

董事於本公司或其任何相聯法團之股份、相關股份或債權證中之權益及／或淡倉

於2011年12月31日，董事於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）根據證券及期貨條例第352條須記錄或根據上市規則所載上市發行人董事進行證券交易標準守則須知會本公司及香港聯交所之股份之權益如下：

於股份之好倉

於相聯法團之股份及相關股份之好倉

於2011年12月31日，董事並無於本公司或其任何相聯法團之股份、相關股份或債權證中持有任何淡倉。

Report of the Directors 董事會報告書

Save as disclosed above, none of the Directors, chief executives or any of their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations were recorded in the register required to be kept under Section 352 of the SFO as at 31 December 2011.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES OR UNDERLYING SHARES OF THE COMPANY

As at 31 December 2011, the register of substantial Shareholders maintained under section 336 of the SFO shows that the Company had been notified of the following substantial Shareholders' interests and short positions, representing 5% or more of the Company's issued share capital:

Name 名稱	Number of Shares 股數	Percentage 百分比
Nicco	300,000,000	72.29%
Mr. Xu Xipeng 許錫鵬先生 (Note 附註 1)	300,000,000	72.29%
Mr. Xu Xinan 許錫南先生 (Note 附註 2)	300,000,000	72.29%
Ms. Ke Saixia 柯賽霞女士 (Note 附註 1)	300,000,000	72.29%
Ms. Lu Jiehong 盧潔虹女士 (Note 附註 2)	300,000,000	72.29%
Atlantis Capital Holdings Limited	24,948,000	6.01%
Ms. Liu Yang 劉央女士 (Note 附註 3)	24,948,000	6.01%

Notes:

- As Nicco is beneficially owned as to 49.75% by Mr. Xu Xipeng, Mr. Xu Xipeng is deemed to be interested in the shares held by Nicco by virtue of Part XV of the SFO. Ms. Ke Saixia, being Mr. Xu Xipeng's spouse, is deemed to be interested in the shares held by Nicco under Part XV of the SFO.

除上文所披露者外，於2011年12月31日，董事、主要行政人員或彼等之任何聯繫人士概無於本公司或其任何相聯法團之股份、相關股份及債權證中擁有根據證券及期貨條例第352條記錄於須存置之登記冊之任何權益或淡倉。

主要股東於本公司之股份或相關股份之權益及淡倉

於2011年12月31日，根據證券及期貨條例第336條存置之主要股東登記冊顯示，本公司獲知會下列主要股東之權益及淡倉佔本公司之已發行股本5%或以上：

附註：

- 由於 Nicco 由許錫鵬先生實益擁有 49.75%，故根據證券及期貨條例第 XV 部，許錫鵬先生被視為於 Nicco 持有的股份中擁有權益。柯賽霞女士作為許錫鵬先生的配偶根據證券及期貨條例第 XV 部將被視為於 Nicco 所持的股份中擁有權益。

2. As Nicco is beneficially owned as to 49.75% by Mr. Xu Xinan, Mr. Xu Xinan is deemed to be interested in the shares held by Nicco by virtue of Part XV of the SFO. Ms. Lu Jiehong, being Mr. Xu Xinan's spouse, is deemed to be interested in the shares held by Nicco under Part XV of the SFO.
3. These shares are owned by Atlantis Capital Holdings Limited, which is 100% beneficially owned by Ms. Liu Yang.

Save as disclosed above, no person had registered an interest of a short position in the shares and underlying shares or debentures of the Company that was required to be recorded under Section 336 of Part XV of the SFO.

CONTINUING CONNECTED TRANSACTIONS

Both Mr. Xu Xipeng and Mr. Xu Xinan are executive Directors and Controlling Shareholders and therefore are connected persons of the Company. Mr. Xu Xipeng and Mr. Xu Xinan (as lessors) and KEE Guangdong, a wholly-owned subsidiary of the Company (as lessee), entered into a lease agreement (the "**Lease Agreement**") on 12 August 2010 pursuant to which Mr. Xu Xipeng and Mr. Xu Xinan have agreed to lease to KEE Guangdong the production base in Foshan City of Guangdong Province at a monthly rental of RMB260,000 payable within the first 10 working days of each month for an initial term of three years commencing on 1 January 2010 to 31 December 2012. An independent property valuer, Asset Appraisal Limited, advised that the monthly rental of RMB260,000 is fair and reasonable with reference to the market rate. For each of the three years ending 31 December 2012, the annual rental paid and payable by the Group (the "**Annual Cap**") under the Lease Agreement was and will be as follows:

	RMB 人民幣	HK\$ 港元
Year ended 31 December 2010 截至2010年12月31日止年度	3,120,000	3,761,472
Year ended 31 December 2011 截至2011年12月31日止年度	3,120,000	3,761,472
Year ending 31 December 2012 截至2012年12月31日止年度	3,120,000	3,761,472

2. 由於 Nicco 由許錫南先生實益擁有 49.75%，故根據證券及期貨條例第 XV 部，許錫南先生被視為於 Nicco 持有的股份中擁有權益。盧潔虹女士作為許錫南先生的配偶根據證券及期貨條例第 XV 部將被視為於 Nicco 所持的股份中擁有權益。
3. 此等股份由 Atlantis Capital Holdings Limited 擁有，上述公司由劉央女士實益擁有 100%。

除上文所披露者外，概無任何人士於本公司之股份及相關股份或債權證中擁有根據證券及期貨條例第 XV 部第 336 條須予記之已登記淡倉權益。

持續關連交易

許錫鵬先生及許錫南先生為執行董及控股股東，故為本公司的關連人士。於 2010 年 8 月 12 日，許錫鵬先生及許錫南先生（作為出租人）與本公司的全資附屬公司開易廣東（作為承租人）訂立租賃協議（「租賃協議」），據此，許錫鵬先生及許錫南先生同意以每月人民幣 260,000 元月租（於每月首十個工作日內支付）向開易廣東出租廣東省佛山市生產基地，由 2010 年 1 月 1 日起至 2012 年 12 月 31 日止初步為期三年。獨立估值師資產評值顧問有限公司建議，月租人民幣 260,000 元經參考市場費率後公平合理。截至 2012 年 12 月 31 日止三個年度各年，本集團根據租賃協議已支付及應支付的年租（「年度上限」）及為將為如下：

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Given the annual rental amount payable by KEE Guangdong, the Lease Agreement, which constitutes a continuing connected transaction under Rule 14A.34, falls within the ambit of Rule 14A.35 of the Listing Rules and is only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules, the annual review requirements set out in Rules 14A.37 to 14A.40 of the Listing Rules and the requirements set out in Rules 14A.35(1) and 14A.35(2) of the Listing Rules. A waiver from the announcement requirements set out in Rule 14A.47 of the Listing Rules was granted by the Hong Kong Stock Exchange since the details of the Lease Agreement have been disclosed in the Prospectus under the section headed "Connected Transaction".

The Company has complied with the relevant requirements under Chapter 14A of the Listing Rules, including the Annual Cap, and will re-comply with the relevant rules of Chapter 14A of the Listing Rules (including independent Shareholders' approval requirements) if the waiver from the Hong Kong Stock Exchange expires or the Annual Cap is exceeded, or when the Lease Agreement expires or is renewed or when there is a material change to the terms of the Lease Agreement.

ANNUAL REVIEW

The Directors (including the independent non-executive Directors) have reviewed the above continuing connected transactions and confirmed that these transactions were entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms; and
- (iii) in accordance with the Lease Agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

鑑於開易廣東應付的年租金額，租賃協議（根據第14A.34條構成持續關連交易）屬於上市規則第14A.35條的適用範圍，僅須遵守上市規則第14A.45至14A.47條所載的申報及公佈規定、上市規則第14A.37條至14A.40條所載年度審核規定以及上市規則第14A.35(1)條及第14A.35(2)條所載規定。由於租賃協議之詳情已於招股章程「關連交易」一節內披露，香港聯交所授予豁免，豁免遵守上市規則第14A.47條所載公佈規定。

倘香港聯交所所授予的豁免到期或年度上限被超逾，或倘租賃協議到期或獲續期或租賃協議的條款有重大變動，本公司遵守上市規則第14A章的有關規定（包括年度上限），並將重新遵守上市規則第14A章的有關規則（包括獨立股東批准規定）。

年度檢討

董事（包括獨立非執行董事）已檢討上述持續關連交易並確認此等交易乃根據以下基準訂立：

- (i) 於本集團日常及一般業務過程中；
- (ii) 符合正常商業條款；及
- (iii) 遵照租賃協議條款，而有關條款乃公平合理並符合股東的整體利益。

KPMG, the auditors of the Company, was engaged to report on the above 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 Rules” issued by the Hong Kong Institute of Certified Public Accountants and reported their findings to the Board that the transactions:

- (i) have been approved by the Board;
- (ii) have been entered into in accordance with the Lease Agreement during the year; and
- (iii) have not exceeded the Annual Caps.

OTHER RELATED-PARTY TRANSACTIONS

Apart from the aforesaid continuing connected transactions, the related-party transactions set out in note 26 to the consolidated financial statements also include transactions which did not constitute continuing connected transactions under Chapter 14A of the Listing Rules. Details of other related-party transactions entered into by the Group during the year ended 31 December 2011, which did not constitute connected transactions under Chapter 14A of the Listing Rules are set out in notes 26 to the consolidated financial statements.

SHARE OPTION SCHEME

The Company’s share option scheme (the “Share Option Scheme”) was conditionally adopted by the written resolutions of the sole Shareholder of the Company passed on 14 December 2010, pursuant to which the Board may, at its absolute discretion and on such terms as it may think fit, grants options to any employee(s) (whether full time or part time including any Director) of any member of the Group at the exercise price for such number of Shares as it may determine in accordance with the terms of the

本公司核數師畢馬威會計師事務所獲委聘根據香港會計師公會頒佈之香港核證委聘準則第3000號「審核或審閱過去財務資料以外之核證委聘」及參照實務說明第740號「關於香港上市規則所述持續關連交易之核數師函件」就上述持續關連交易作出報告，並向董事會匯報其結果，交易：

- (i) 已獲董事會批准；
- (ii) 於年內按照租賃協議訂立；及
- (iii) 並無超逾年度上限。

其他關連方交易

除上述之持續關連交易外，綜合財務報表附註26所載關連方交易亦包括根據上市規則第14A章並未構成持續關連交易之交易。截至2011年12月31日止年度，本集團訂立之其他關連方交易（根據上市規則第14A章並未構成關連交易）詳情載於綜合財務報表附註26。

購股權計劃

本公司的購股權計劃（「購股權計劃」）由本公司唯一股東於2010年12月14日通過的書面決議案有條件採納，據此，董事會可全權根據其認為適合的條款向任何僱員（不論全職或兼職，包括任何董事）授出購股權，供彼等按行使價認購根據購股權計劃的條款所釐

Report of the Directors 董事會報告書

Share Option Scheme. The purpose of the Share Option Scheme is to enable the Board to grant options to selected employee(s) as incentives or rewards for their contribution or potential contribution to the Group.

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 40,000,000 Shares which represents approximately 9.6% of the Shares in issue on the date of this report. The maximum number of Shares issued and to be issued upon exercise of options granted and to be granted under the Share Option Scheme and any other share option schemes of the Company to any employee(s) (including cancelled, exercised and outstanding options), in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue from time to time.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine but in any event shall not exceed 10 years from the date of grant. Save as determined by the Board and provided in the offer of the grant of the relevant options, there is no minimum holding period before an option is exercisable.

An offer for the grant of options must be accepted within twenty-one days inclusive of the day on which such offer was made. The amount payable to our Company on acceptance of the offer for the grant of an option is HK\$1.00.

The exercise price is to be determined by the Board provided always that it shall be at least the higher of (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Hong Kong Stock Exchange on the date of offer for the grant of the option, which must be a trading day; and (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Hong Kong Stock Exchange for the five business days immediately preceding the date of grant, provided that the exercise price shall in no event be less than the nominal amount of one Share.

定數目的股份。購股權計劃旨在使董事會可向經甄選的僱員授出購股權，作為彼等對本集團作出或可能作出貢獻的獎勵或報酬。

因行使根據購股權計劃及本公司任何其他購股權計劃所授所有購股權而可能發行的股份數目上限，合共不得超過40,000,000股股份（於本報告日期佔已發行股份約9.6%）。在截至授出日期止的任何12個月期間內，任何僱員因行使根據購股權計劃及本公司任何其他購股權計劃已授出及將授出的購股權（包括已註銷、已行使和尚未行使的購股權）而發行及將予發行的股份數目上限，不得超過不時已發行股份的1%。

可於由董事會指定的期間內，隨時根據購股權計劃的條款行使購股權，但無論如何不得超過授出日期起計10年。除非董事會另有決定，並於授出有關購股權的建議上規定，否則購股權於可予行使前並無最短的持有期間。

授出購股權的建議必須於提出有關建議之日（包括當日）起計的21日內接納。於接納授出購股權的建議時須向本公司支付金額1.00港元。

行使價將由董事會釐定，但於一切情況下不得低於下列較高者：(i) 香港聯交所每日報價表所報股份於提出授出購股權的建議當日（須為交易日）的收市價；及(ii) 香港聯交所每日報價表所報股份於緊接授出日期前5個營業日的平均收市價，惟行使價無論如何不得低於一股股份的面值。

During the year ended 31 December 2011, 24,880,000 share options were granted. Details of the share options granted under the Share Option Scheme are as follows:

於截至2011年12月31日止年度，共授出24,880,000股購股權。有關根據購股權計劃授出的購股權詳情載列如下：

As at 31 December 2011, the executive Directors, non-executive Directors and employees of the Group have the following interests under the Share Option Scheme.

於2011年12月31日，本集團執行董事、非執行董事及僱員根據購股權計劃擁有以下權益。

Director 董事姓名	Date of Offer 發售日期	Exercise Price 行使價	Outstanding at 1.1.2011 於2011年1月1日結存	Granted During the Year 年內授出	Exercised During the Year 年內行使	Lapsed During the Year 年內失效	Outstanding at 31.12.2011 於2011年12月31日結存	Exercise Period 行使期	Closing Price of the Securities Immediately before the Date on Which the Options were Offered 緊接購股權發售日前證券收市價
Yang Shaolin 楊少林	27.05.2011	1.39	-	318,000	-	-	318,000	From the day after the 2011 annual results being announced to the day the 2016 annual results being announced 由2011年年度業績公告當日至2016年年度業績公告當日	1.25
	27.05.2011	1.39	-	318,000	-	-	318,000	From the day after the 2012 annual results being announced to the day the 2016 annual results being announced 由2012年年度業績公告當日至2016年年度業績公告當日	1.25

Report of the Directors

董事會報告書

Director 董事姓名	Date of Offer 發售日期	Exercise Price 行使價	Outstanding at 1.1.2011 於2011年 1月1日結存	Granted During the Year 年內授出	Exercised During the Year 行內行使	Lapsed During the Year 年內失效	Outstanding at 31.12.2011 於2011年 12月31日結存	Exercise Period 行使期	Closing Price of the Securities Immediately before the Date on Which the Options were Offered 緊接購股權發售日前證券收市價
	27.05.2011	1.39	-	424,000	-	-	424,000	From the day after the 2013 annual results being announced to the day the 2016 annual results being announced 由2013年年度業績公告當日至2016年年度業績公告當日	1.25
	27.05.2011	1.39	-	424,000	-	-	424,000	From the day after the 2014 annual results being announced to the day the 2016 annual results being announced 由2014年年度業績公告當日至2016年年度業績公告當日	1.25
	27.05.2011	1.39	-	636,000	-	-	636,000	From the day after the 2015 annual results being announced to the day the 2016 annual results being announced 由2015年年度業績公告當日至2016年年度業績公告當日	1.25
Employees in aggregate 累計僱員	27.05.2011	1.39	-	3,414,000	-	978,000	2,436,000	From the day after the 2011 annual results being announced to the day the 2016 annual results being announced 由2011年年度業績公告當日至2016年年度業績公告當日	1.25

Employees in aggregate 累計僱員	Date of Offer 發售日期	Exercise Price 行使價	Outstanding at 1.1.2011 於2011年1月1日結存	Granted During the Year 年內授出	Exercised During the Year 行內行使	Lapsed During the Year 年內失效	Outstanding at 31.12.2011 於2011年12月31日結存	Exercise Period 行使期	Closing Price of the Securities Immediately before the Date on Which the Options were Offered 緊接購股權發售日前證券收市價
	27.05.2011	1.39	-	3,414,000	-	978,000	2,436,000	From the day after the 2012 annual results being announced to the day the 2016 annual results being announced 由2012年年度業績公告當日至2016年年度業績公告當日	1.25
	27.05.2011	1.39	-	4,552,000	-	1,304,000	3,248,000	From the day after the 2013 annual results being announced to the day the 2016 annual results being announced 由2013年年度業績公告當日至2016年年度業績公告當日	1.25
	27.05.2011	1.39	-	4,552,000	-	1,304,000	3,248,000	From the day after the 2014 annual results being announced to the day the 2016 annual results being announced 由2014年年度業績公告當日至2016年年度業績公告當日	1.25
	27.05.2011	1.39	-	6,828,000	-	1,956,000	4,872,000	From the day after the 2015 annual results being announced to the day the 2016 annual results being announced 由2015年年度業績公告當日至2016年年度業績公告當日	1.25

Report of the Directors 董事會報告書

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the knowledge of the Directors as at the date of this report, the Company has maintained the prescribed public float of not less than 25% of the issued Shares as required under the Listing Rules since the listing of the Shares on 12 January 2011.

AUDITOR

KPMG will retire as auditors of the Company and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditor of the Company will be proposed at the annual general meeting.

By order of the Board

Xu Xipeng

Chairman

Hong Kong, 16 March 2012

公眾持股量

於本報告日期，根據本公司之公開資料以及據董事所知，自2011年1月12日股份上市以來，本公司一直維持上市規則所訂明不少於25%已發行股份之公眾持股量。

核數師

畢馬威會計師事務所將退任本公司之核數師，惟符合資格並願意膺選連任。續聘畢馬威會計師事務所為本公司核數師之決議案將於股東週年大會上提呈。

承董事會命

主席

許錫鵬

香港，2012年3月16日

Independent Auditor's Report 獨立核數師報告



Independent auditor's report to the shareholders of KEE Holdings Company Limited

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of KEE Holdings Company Limited (the "Company") and its subsidiaries (together "the Group") set out on pages 75 to 178, which comprise the consolidated and company statements of financial position as at 31 December 2011, 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.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致開易控股有限公司各股東 之獨立核數師報告

(於開曼群島註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核刊於第75頁至第178頁有關開易控股有限公司(「貴公司」)連同其附屬公司(統稱為「貴集團」)的綜合財務報表,此綜合財務報表包括於2011年12月31日的綜合及公司的財務狀況表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表,以及主要會計政策概要及其他說明資料。

董事就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,編製真實而意見公允的綜合財務報表,以及維護董事認為必要的內部監控,以確保綜合財務報表的列報不會存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們審核工作的結果,對該等綜合財務報表提出意見,僅向整體股東報告。除此以外,我們的報告書不可用作其他用途。我們概不會就本報告書的內容,對任何其他人士負責或承擔法律責任。

Independent Auditor's Report 獨立核數師報告

AUDITOR'S RESPONSIBILITY (CONTINUED)

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the 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 profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

16 March 2012

核數師的責任(續)

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

審核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核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師會考慮與該公司編製真實而意見公允的綜合財務報表相關的內部監控，以便設計適當的審核程序，但此並非為對公司的內部監控的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證能充足和適當地為下列審核意見建立基礎。

意見

我們認為，上述綜合財務報表已根據《香港財務報告準則》真實和公允地反映貴公司及貴集團於2011年12月31日的財政狀況和貴集團截至該日止年度的盈利及現金流量，並已按照香港《公司條例》的披露規定妥善編製。

畢馬威會計師事務所

執業會計師
香港中環
遮打道10號
太子大廈八樓

2012年3月16日

Consolidated Income Statement 綜合收益表

For the year ended 31 December 2011
(Expressed in Hong Kong dollars)
截至2011年12月31日止年度(以港元列示)

		Note	2011 \$'000 千元	2010 \$'000 千元
		附註		
Turnover	營業額	3	190,433	199,224
Cost of sales	銷售成本		(127,888)	(118,765)
Gross profit	毛利		62,545	80,459
Other revenue	其他收益	4	7,204	1,093
Other net (loss)/income	其他(虧損)/盈利淨額		(373)	290
Distribution costs	分銷成本		(12,788)	(9,570)
Administrative expenses	行政開支		(31,389)	(32,885)
Profit from operations	經營溢利		25,199	39,387
Finance costs	融資成本	5(a)	(261)	(1,614)
Profit before taxation	除稅前溢利	5	24,938	37,773
Income tax	所得稅	6	(4,516)	(7,000)
Profit for the year	年內溢利		20,422	30,773
Attributable to:	以下各項應佔：			
Equity shareholders of the Company	本公司權益股東		20,422	30,071
Non-controlling interests	非控股權益		–	702
Profit for the year	年內溢利		20,422	30,773
Basic and diluted earnings per share (\$)	每股基本及攤薄盈利(港元)	10	0.05	0.10

The notes on pages 84 to 178 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 23.

第84至178頁之附註構成本財務報表之一部分。有關年內溢利中應付本公司權益股東之股息，其詳情載於附註23。

**Consolidated Statement of
Comprehensive Income**
綜合全面收益表

For the year ended 31 December 2011
(Expressed in Hong Kong dollars)
截至2011年12月31日止年度(以港元列示)

	Note 附註	2011 \$'000 千元	2010 \$'000 千元
Profit for the year	年內溢利	20,422	30,773
Other comprehensive income for the year	年內其他全面收入		
Exchange differences on translation of financial statements of subsidiaries	換算附屬公司的財務報表 時產生的匯兌差額	12,736	4,597
Total comprehensive income for the year	年內全面收入總額	33,158	35,370
Attributable to:	以下各項應佔：		
Equity shareholders of the Company	本公司權益股東	33,158	34,616
Non-controlling interests	非控股權益	—	754
Total comprehensive income for the year	年內全面收入總額	33,158	35,370

The notes on pages 84 to 178 form part of these financial statements.

第84至178頁之附註構成本財務報表之一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2011
(Expressed in Hong Kong dollars)
於 2011 年 12 月 31 日 (以港元列示)

		Note	2011	2010
		附註	\$'000	\$'000
			千元	千元
Non-current assets	非流動資產			
Fixed assets	固定資產	12		
– Property, plant and equipment	– 物業、廠房及設備		107,540	98,139
– Lease prepayments	– 租賃預付		4,395	4,285
			111,935	102,424
Intangible assets	無形資產	13	7,463	4,511
Prepayments for fixed and intangible assets	固定及無形資產的預付款項	15	21,551	489
Deferred tax assets	遞延稅項資產	18(b)	1,534	556
			142,483	107,980
Current assets	流動資產			
Inventories	存貨	16	22,995	19,281
Trade and other receivables	貿易及其他應收款項	17	40,793	53,349
Current tax recoverable	即期可收回稅項	18(a)	2,297	1,215
Cash and cash equivalents	現金及現金等價物	19	76,928	15,584
Deposits with banks	銀行定期存款	19	43,549	–
			186,562	89,429

**Consolidated Statement of
Financial Position**
綜合財務狀況表

At 31 December 2011
(Expressed in Hong Kong dollars)
於 2011 年 12 月 31 日 (以港元列示)

		Note	2011	2010
		附註	\$'000	\$'000
			千元	千元
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	20	20,172	30,445
Bank loans	銀行貸款		–	28,205
Current tax payable	即期應付稅項	18(a)	2,004	2,920
			22,176	61,570
Net current assets	流動資產淨額		164,386	27,859
Net assets	資產淨值		306,869	135,839
Capital and reserves	資本及儲備	23		
Share capital	股本		4,150	–
Reserves	儲備		302,719	135,839
Total equity	權益總額		306,869	135,839

Approved and authorised for issue by the board of directors on 16 March 2012.

董事會於 2012 年 3 月 16 日批准並授權刊發。

Xu Xipeng
Director

Xu Xinan
Director

董事
許錫鵬

董事
許錫南

The notes on pages 84 to 178 form part of these financial statements.

第 84 至 178 頁之附註構成本財務報表之一部分。

Statement of Financial Position 財務狀況表

At 31 December 2011
(Expressed in Hong Kong dollars)
於 2011 年 12 月 31 日 (以港元列示)

		Note	2011	2010
		附註	\$'000	\$'000
			千元	千元
Non-current assets	非流動資產			
Interest in a subsidiary	於附屬公司之權益	14	–	–
Current assets	流動資產			
Amount due from a subsidiary	應收一間附屬公司之款項	26(d)	143,174	–
Other receivables	其他應收款項	17	270	6,495
Cash and cash equivalents	現金及現金等價物		403	–
			143,847	6,495
Current liabilities	流動負債			
Amount due to a subsidiary	應付一間附屬公司之款項	26(d)	–	9,350
Other payables	其他應付款項	20	625	8,471
			625	17,821
Net assets/(liabilities)	資產/(負債)淨額		143,222	(11,326)
Capital and reserves	資本及儲備	23		
Share capital	股本		4,150	–
Reserves	儲備		139,072	(11,326)
Total equity	權益總額		143,222	(11,326)

Approved and authorised for issue by the board of directors on 16 March 2012.

董事會於 2012 年 3 月 16 日批准並授權刊發。

Xu Xipeng
Director

Xu Xinan
Director

董事
許錫鵬

董事
許錫南

The notes on pages 84 to 178 form part of these financial statements.

第 84 至 178 頁之附註構成本財務報表之一部分。

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

For the year ended 31 December 2011
(Expressed in Hong Kong dollars)
截至2011年12月31日止年度(以港元列示)

		Attributable to equity shareholders of the Company 本公司權益股東應佔						Non-controlling interests		Total equity
		Share capital	Share premium	Capital reserve	Statutory reserve	Exchange reserve	Retained earnings	Total	Non-controlling interests	Total equity
		股本	股份溢價	資本儲備	法定儲備	匯兌儲備	保留盈利	總計	非控股權益	權益總額
Note		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
附註		千元	千元	千元	千元	千元	千元	千元	千元	千元
At 1 January 2010	於 2010年1月1日	1,000	-	10,264	10,459	13,070	62,262	97,055	3,414	100,469
	Profit for the year	-	-	-	-	-	30,071	30,071	702	30,773
	Other comprehensive income	-	-	-	-	4,545	-	4,545	52	4,597
	Total comprehensive income for the year	-	-	-	-	4,545	30,071	34,616	754	35,370
	Appropriation to statutory reserve	-	-	-	3,412	-	(3,412)	-	-	-
	Acquisition of non-controlling interests by contribution from the equity shareholder of the Company	-	-	4,168	-	-	-	4,168	(4,168)	-
	Reserve arising from the reorganisation	(1,000)	-	1,000	-	-	-	-	-	-
	Disposal of subsidiaries	-	-	-	(827)	(1,951)	2,778	-	-	-
At 31 December 2010 and 1 January 2011	於 2010年12月31日 及 2011年1月1日	-	-	15,432	13,044	15,664	91,699	135,839	-	135,839
Changes in equity for 2011:	2011年權益變動:									
	Profit for the year	-	-	-	-	-	20,422	20,422	-	20,422
	Other comprehensive income	-	-	-	-	12,736	-	12,736	-	12,736
	Total comprehensive income for the year	-	-	-	-	12,736	20,422	33,158	-	33,158
	Appropriation to statutory reserve	-	-	-	2,597	-	(2,597)	-	-	-
	Issuance of shares by share offer	23	4,150	138,096	-	-	-	142,246	-	142,246
	Dividends declared and paid	23	-	-	-	-	(5,188)	(5,188)	-	(5,188)
	Equity settled share-based transactions	23(f)	-	-	814	-	-	814	-	814
At 31 December 2011	於 2011年12月31日	4,150	138,096	16,246	15,641	28,400	104,336	306,869	-	306,869

The notes on pages 84 to 178 form part of these financial statements.

第84至178頁之附註構成本財務報表之一部分。

Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 2011
(Expressed in Hong Kong dollars)
截至2011年12月31日止年度(以港元列示)

		Note	2011	2010
		附註	\$'000	\$'000
			千元	千元
Operating activities	經營活動			
Profit before taxation	除稅前溢利		24,938	37,773
Adjustments for:	調整：			
Depreciation and amortisation	折舊及攤銷	5(c)	12,436	9,922
Impairment loss on doubtful debts	呆賬減值虧損	5(c)	1,075	25
Write down of inventories	存貨撇減	16	1,487	203
Finance costs	融資成本	5(a)	261	1,614
Interest income	利息收入	5(c)	(1,869)	(90)
Net loss on disposal of fixed assets	出售固定資產的虧損淨額	5(c)	237	233
Equity-settled share-based payment expenses	以權益結算股份支付的開支	5(b)	814	–
Foreign exchange loss	外匯虧損		4,469	1,554
			43,848	51,234
Changes in working capital	營運資金變動			
Increase in inventories	存貨增加		(5,201)	(4,052)
Decrease/(increase) in trade and other receivables	貿易及其他應收款項減少/(增加)		5,869	(20,281)
(Decrease)/increase in trade and other payables	貿易及其他應付款項(減少)/增加		(4,571)	1,766
Decrease in long-term receivables	長期應收款項減少		–	847
Cash generated from operations	經營所得現金		39,945	29,514
Income tax paid	已付所得稅	18(a)	(7,519)	(5,402)
Net cash generated from operating activities	經營活動所得現金淨額		32,426	24,112

Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 2011
(Expressed in Hong Kong dollars)
截至2011年12月31日止年度(以港元列示)

	Note	2011	2010
	附註	\$'000	\$'000
		千元	千元
Investing activities			
Investing activities			
Payment for purchase of property, plant and equipment		(18,740)	(19,923)
Payment for purchase of lease prepayments		(21,061)	–
Proceeds from sale of property, plant and equipment		149	2,950
Payment for purchase of intangible assets	13	(3,331)	(4,788)
Repayment of advances to related parties		–	1,034
Interest received		968	90
Acquisition of a subsidiary, net of cash acquired		–	8
Disposal of subsidiaries, net of cash disposed		–	13,664
Increase in deposits with banks		(43,549)	–
Net cash used in investing activities		(85,564)	(6,965)

Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 2011
(Expressed in Hong Kong dollars)
截至2011年12月31日止年度(以港元列示)

			2011	2010
		Note	\$'000	\$'000
		附註	千元	千元
Financing activities	融資活動			
Proceeds from new bank loans	新造銀行貸款所得款項		–	27,557
Repayment of bank loans	償還銀行貸款		(28,205)	(24,112)
Repayment of advances from related parties	償還關連方墊款		–	(24,308)
Interest paid	已付利息		(261)	(1,614)
Payment of share issuing cost	股份發行成本的付款		(7,511)	(3,193)
Proceeds from issuance of shares	股份發行所得款項	23(d)	152,950	–
Dividends paid to equity shareholders of the Company	派付予本公司 權益股東的股息	23(b)	(5,188)	–
Net cash generated/(used) in financing activities	融資活動所得/(所用) 現金淨額		111,785	(25,670)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物 增加/(減少)淨額		58,647	(8,523)
Cash and cash equivalents at 1 January	於1月1日的現金 及現金等價物		15,584	23,493
Effect of foreign exchange rate changes	匯率變動的影響		2,697	614
Cash and cash equivalents at 31 December	於12月31日的現金 及現金等價物		76,928	15,584

The notes on pages 84 to 178 form part of these financial statements.

第84至178頁之附註構成本財務報表之一部分。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

1 SIGNIFICANT ACCOUNTING POLICIES

(a) STATEMENT OF COMPLIANCE

The consolidated financial statements for the year ended 31 December 2011 comprise KEE Holdings Company Limited (“the Company”) and its subsidiaries (together referred to as the “Group”).

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“The Hong Kong Stock Exchange”). A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

1 主要會計政策

(a) 合規聲明

截至2011年12月31日止年度的綜合財務報表包括開易控股有限公司(「本公司」)及其附屬公司(統稱為「本集團」)。

此等財務報表是按照香港會計師公會頒佈之所有適用香港財務報告準則(「香港財務報告準則」)，該統稱包括所有適用的單獨的《香港財務報告準則》、《香港會計準則》(「香港會計準則」)及詮釋、香港公認會計原則及香港《公司條例》之披露規定而編製。此外，此等財務報表亦已遵照香港聯合交易所有限公司(「香港聯交所」)證券上市規則中適用的披露規定。本集團所採用之主要會計政策撮要載列如下。

香港會計師公會頒佈了若干新訂及經修訂之香港財務報告準則，有關準則自本集團及本公司的本會計期間開始生效或可供提前採用。於本期間及過往會計期間，由於初次運用上述與本集團有關之新訂及經修訂香港財務報告準則而導致會計政策變動之影響已反映於財務報表中。其資料載於財務報表附註二內。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The Company was incorporated in the Cayman Islands on 6 July 2010 as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Pursuant to a group reorganisation completed on 25 November 2010 (the “Reorganisation”), the Company became the holding company of the companies now comprising the Group. The Company has not carried on any business since the date of its incorporation save for the aforementioned Reorganisation and application of listing.

The Reorganisation has been accounted for in accordance with paragraph 5 of *Accounting Guideline 5, Merger accounting for common control combinations*, issued by the HKICPA, which requires the use of a principle similar to that for a reverse acquisition as set out in *Hong Kong Financial Reporting Standard 3, Business combinations*. The issue of shares of the Company in exchange for the entire interest in KEE International BVI Limited (“KEE International BVI”) and the issue of shares of KEE International BVI in exchange for the entire interest in KEE Zippers Corporation Limited (“KEE Zippers”) resulted in the Company becoming the intermediate holding company of KEE Zippers. The financial statements have been prepared as a continuation of KEE Zippers and the assets and liabilities of KEE Zippers are recognised and measured at their historical carrying values prior to the Reorganisation.

1 主要會計政策(續)

(b) 財務報表編制基準

本公司於2010年7月6日根據開曼群島公司法第22章(1961年第3號法例，經綜合及修訂)在開曼群島註冊成立為一家獲豁免有限責任公司。根據於2010年11月25日完成的集團重組(「重組」)，本公司成為本集團現時旗下各公司的控股公司。除上述重組和申請上市外，本公司自其註冊成立日期以來尚未開展任何業務。

重組已根據香港會計師公會頒佈的會計指引第5號第5段*共同控制合併的合併會計法列賬*，按規定採用與*香港財務報告準則第3號業務合併*所載反向收購相似的原則。發行本公司股份以換取開易國際BVI有限公司(「開易國際BVI」)的全部權益以及發行開易國際BVI股份以換取開易拉鏈有限公司(「開易拉鏈」)的全部權益導致本公司成為開易拉鏈的中介控股股東。財務資料乃按開易拉鏈持續經營而編製，而開易拉鏈的資產及負債按其重組前的歷史賬面值確認及計量。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

The consolidated financial statements comprise the Company and its subsidiaries and have been prepared as if the Group had always been in existence.

The measurement basis used in the preparation of the financial statements is the historical cost basis.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

1 主要會計政策(續)

(b) 財務報表編制基準(續)

綜合財務報表包括本公司及其附屬公司，及編制時假設本集團一直存在。

編製財務報表採用的計量基準為歷史成本基準。

管理層在編製符合香港財務報告準則的財務報表時，須作出對政策的應用及對資產、負債、收入及支出的呈報金額造成影響的判斷、估計和假設。該等估計和相關假設是根據過往經驗和管理層因應當時情況認為合理的各種其他因素為基礎，而所得結果成為管理層在無法從其他渠道獲得資產和負債的賬面值時作出判斷的依據。實際結果可能有別於該等估計。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 28.

(c) SUBSIDIARIES AND NON-CONTROLLING INTERESTS

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

1 主要會計政策(續)

(b) 財務報表編制基準(續)

管理層會持續審閱該等估計及相關假設。倘若會計估計的修訂僅對作出修訂的期間產生影響，則有關修訂會在該期間內確認；倘若該項修訂對當前及未來期間均有影響，則在作出修訂的期間及未來期間確認。

有關管理層就採納香港財務報告準則所作出對此等財務資料有重大影響的判斷，以及估計不確定性的主要來源，於附註28討論。

(c) 附屬公司及非控股權益

附屬公司是指受本集團控制的實體。控制是指本集團有權支配一間實體的財務及經營政策，並藉此從其業務中取得利益。在評估控制存在與否時，需要考慮目前可行使的潛在表決權。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) SUBSIDIARIES AND NON-CONTROLLING INTERESTS (CONTINUED)

An investment in a subsidiary is consolidated into the financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the group can elect to measure any non-controlling interests either at fair value or at their proportionate share of the subsidiary's net identifiable assets.

1 主要會計政策(續)

(c) 附屬公司及非控股權益(續)

於附屬公司的投資自控制權開始當日計入財務報表，直至控制權終止當日為止。集團內公司間的結餘及交易，以及集團內公司間交易所產生的任何未變現溢利，在編製此等財務報表時均全數抵銷。集團內公司間交易所產生的未變現虧損則僅在無出現減值跡象的情況下以與抵銷未變現溢利相同的方法予以抵銷。

非控股權益是指非由本公司直接或間接應佔之附屬公司股權，而本集團未與該等權益的持有者達成任何附加協議，致令本集團整體上對該等權益產生符合金融負債定義的合約義務。就各業務合併而言，本集團可選擇按公允價值或按彼等佔附屬公司的可識別淨資產的比例而計量非控股權益。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) SUBSIDIARIES AND NON-CONTROLLING INTERESTS (CONTINUED)

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the group are presented on the face of the consolidated income statement and the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 1 (j) or (l) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

1 主要會計政策(續)

(c) 附屬公司及非控股權益(續)

非控股權益呈列於綜合財務狀況表中的權益一項，與本公司權益股東應佔權益分開呈列。本集團業績中的非控股權益乃作為年內溢利或虧損總額及全面收入總額在非控股權益與本公司權益股東之間的分配於綜合收益表及綜合全面收益內列賬。本公司從非控股權益持有人獲得的貸款及對這些持有人的其他法定義務已按照附註1(j)或(l)釐或按其性質列示於綜合財務狀況表中的金融負債項目內。

本集團之附屬公司權益變動(不會導致失去控制權)計作股權交易，而控股及非控股權益之金額將於綜合權益內作出調整，以反映相關權益之變動，惟不會對商譽作出調整，亦不會確認任何損益。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) SUBSIDIARIES AND NON-CONTROLLING INTERESTS (CONTINUED)

When the group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or jointly controlled entity.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 1(g)(i)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(d) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated in the statement of financial position at cost less accumulated depreciation and impairment losses (note 1(g)(ii)).

Cost includes expenditures that are directly attributable to the acquisition of an asset. The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads.

1 主要會計政策(續)

(c) 附屬公司及非控股權益(續)

倘本集團失去附屬公司之控制權，有關交易將會當作出售有關附屬公司之全部權益入賬，而所得盈虧將於損益表中確認入賬。於失去控制權當日在該前附屬公司仍然保留之任何權益將按公允價值確認入賬，而此金額將被視為財務資產於首次確認時之公允價值或(倘適用)於聯營公司或共同控制實體之投資在首次確認時之成本值。

在本公司之財務狀況表內，於附屬公司之投資按成本值減去任何減值虧損(見附註1(g)(i))列賬；惟如有關投資已被列作待售投資(或計入列作持作出售之出售組別)則除外。

(d) 物業、廠房及設備

物業、廠房及設備在資產財務狀況表內按成本減累計折舊及減值虧損列值(附註1(g)(ii))。

成本包括收購資產直接應佔的費用。自建物業、廠房及設備項目的成本包括物料成本、直接工資、拆卸及搬遷項目以及恢復項目所在地原貌的成本的初步估計(倘有關)和適當比例的生產經常費用。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- Buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 20 years after the date of completion.
- Leasehold improvement is depreciated over the shorter of the unexpired term of lease and their estimated useful lives of 1 to 10 years.
- Machinery 10 years
- Vehicles and other equipment 5 years

1 主要會計政策(續)

(d) 物業、廠房及設備(續)

報廢或出售物業、廠房及設備項目的盈虧，乃出售所得款項淨額與有關項目賬面值的差額，並於報廢或出售日期在損益中確認。

折舊乃將物業、廠房及設備項目的成本減其估計剩餘價值(如有)，按下述估計可使用年期內以直線法計算而撇銷：

- 於租賃土地上的樓宇，其折舊乃以未滿租約期與估計可使用年期較短者計算(即於竣工日期後不超過20年)。
- 租賃裝修的折舊乃以未滿租約期與估計可使用年期(1至10年)較短者計算。
- 機器 10年
- 車輛及其他設備 5年

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Construction in progress (“CIP”) represents property, plant and equipment under construction and pending installation, and is stated at cost less any impairment losses (note 1(g)(ii)).

Cost comprises direct costs of construction during the construction period. Capitalisation of these costs ceases and the CIP is transferred to property, plant and equipment when the asset is substantially ready for its intended use.

1 主要會計政策(續)

(d) 物業、廠房及設備(續)

倘物業、廠房及設備任何項目其中一部份有不同的可使用年期，該部份與其他部份所佔項目成本或估值按合理準則分配，而各部份須分開計提折舊。資產的可使用年期及其剩餘價值(如有)均每年檢討一次。

在建工程(「在建工程」)是指興建中和待安裝的物業、廠房及設備，並按成本減去任何減值虧損(附註1(g)(ii)列示)。

成本包括建築期間的直接建築成本。在資產大致上可作擬定用途時，該等成本將停止資本化，在建工程則撥入物業、廠房及設備項目內。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) INTANGIBLE ASSETS

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources and the intention to complete development. The expenditure capitalised includes the costs of materials, direct labour, and an appropriate proportion of overheads and borrowing cost, where applicable. Capitalised development costs are stated at cost less accumulated amortization and impairment loss (see note 1(g)(ii)). Other development expenditure is recognised as an expense in the period in which it is incurred.

Other intangible assets that are acquired by the Group are stated in the statement of financial position at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 1(g)(ii)).

1 主要會計政策(續)

(e) 無形資產

研究活動的開支乃於產生期間確認作開支。倘產品或過程在技術上及商業上可行，且本集團具備充裕資源並有意完成開發工作，則開發活動的開支會予以資本化。資本化的開支包括物料成本、直接勞工以及適當比例的間接成本及借款成本(如適用)。資本化的開發成本乃按成本值減累計攤銷及減值虧損(見附註1(g)(ii))列賬。其他開發開支乃於產生期間確認作開支。

本集團所購入的其他無形資產乃於財務狀況表內按成本值減累計攤銷(倘屬有限估計可使用年期)及減值虧損(見附註1(g)(ii))列賬。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
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(除另有註明外，所有金額以港元計算)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) INTANGIBLE ASSETS (CONTINUED)

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible asset with finite useful life is amortised from the date it is available for use and its estimated useful life is as follow:

– Software	10 years
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Both the period and method of amortisation are reviewed annually.

(f) LEASED ASSETS

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) *Classification of assets leased to the Group*

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

1 主要會計政策(續)

(e) 無形資產(續)

有限可使用年期的無形資產攤銷乃於資產估計可使用年期內以直線法在損益中扣除。以下具有有限可使用年期的無形資產由可供使用當日起攤銷，其估計可使用年期如下：

– 軟件	10年
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攤銷的年期及方法均每年進行檢討。

(f) 租賃資產

倘本集團決定有關一項或一連串交易的安排將特定資產的使用權按協定期間轉移以換取一筆或多筆款項，則有關安排屬或包含租賃。有關決定乃按評估安排的性質作出，而不論有關安排是否屬法定形式的租賃。

(i) *租予本集團的資產的分類*

本集團根據租約持有的資產，且租約使所有權的絕大部分風險和回報均轉移至本集團，則有關資產會分類為根據融資租賃持有。不會轉移所有權的絕大部分風險和回報的租約乃分類為經營租賃。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) LEASED ASSETS (CONTINUED)

(ii) *Operating lease charges*

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term.

(g) IMPAIRMENT OF ASSETS

(i) *Impairment of investments in equity securities and trade and other receivables*

Investments in equity securities and other current and non-current receivables that are stated at cost or amortised cost are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

1 主要會計政策(續)

(f) 租賃資產(續)

(ii) 經營租賃費用

當本集團使用經營租賃資產，除非有其他更具代表性的基準以衡量從該等經營租賃資產獲得利益的模式，否則租賃付款按該租賃期所涵蓋的會計年期以等額分期記入損益賬。收到的租賃激勵措施均在損益賬中確認為租賃淨付款總額的組成部分。或有租金在其產生的會計期內在損益賬扣除。

取得以經營租賃持有土地的成本按直線法在租賃期內攤銷。

(g) 資產減值

(i) *股本證券投資以及貿易及其他應收款項的減值*

以成本或攤銷成本列賬的股本證券投資及其他流動及非流動應收款項，會在每個報告期終檢討，以確定有否客觀減值證據。減值的客觀證據包括以下一項或多項引起本集團注意的虧損事件的可觀察資料：

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) IMPAIRMENT OF ASSETS (CONTINUED)

(i) *Impairment of investments in equity securities and trade and other receivables (continued)*

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

If any such evidence exists, any impairment loss is determined and recognised as follows:

For investments in subsidiaries, the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note 1(g)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with note 1(g)(ii).

1 主要會計政策(續)

(g) 資產減值(續)

(i) *股本證券投資以及貿易及其他應收款項的減值(續)*

- 債務人重大財困；
- 違反合約，例如拖欠或逾期償還利息或本金付款；
- 債務人很可能破產或進行其他財務重組；
- 技術、市場、經濟或法律環境的重大改變對債務人有不利影響；及
- 於股本工具的投資的公允值大幅或長期下跌至低於其成本。

倘有憑證顯示出現減值，則會按下列方法釐定及確認任何減值虧損：

就附屬公司之投資，減值虧損以比較投資按照附註1(g)(ii)得出可收回金額與賬面值予以計量。若用於按照附註1(g)(ii)釐定可收回金額之估計出現可觀轉變，則可撥回減值虧損。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) IMPAIRMENT OF ASSETS (CONTINUED)

(i) *Impairment of investments in equity securities and trade and other receivables (continued)*

For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

1 主要會計政策(續)

(g) 資產減值(續)

(i) *股本證券投資以及貿易及其他應收款項的減值(續)*

對於按攤銷成本列賬的貿易及其他流動應收款項以及其他金融資產，減值虧損按該項資產賬面值與估計未來現金流量現值的差額計算，再按有關金融資產原先的實際利率(即按最初確認該等資產計算出的實際利率)折現(倘折現影響屬重大)。所有按攤銷成本列賬的金融資產若擁有類似風險性質(如相近的逾期未付情況)和沒有被獨立評估為已減值，均按集體基準予以評估。該等按集體基準被評估為已減值的金融資產的未來現金流量乃根據擁有相似信貸風險性質的資產過往的虧損經驗評估。

若於其後的期間，減值虧損數額減少，而有關減少可客觀地與在確認減值虧損後發生的事件聯繫，則減值虧損會透過損益轉回。減值虧損轉回不得導致資產賬面值超過過往年度並無確認減值虧損而應得者。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) IMPAIRMENT OF ASSETS (CONTINUED)

(i) *Impairment of investments in equity securities and trade and other receivables (continued)*

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(ii) *Impairment of other assets*

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

1 主要會計政策(續)

(g) 資產減值(續)

(i) *股本證券投資以及貿易及其他應收款項的減值(續)*

因包含在貿易及其他應收款項中的應收賬款的可收回性被視為難以預料而並非甚微，就其確認的減值虧損不會從相應的資產中直接撇銷。在此情況下，呆賬的減值虧損以撥備賬記錄。倘本集團確認能收回應收賬款的機會甚微，則視為不可收回金額會直接從應收賬款中撇銷，而在撥備賬中就該債務保留的任何金額會被撥回。倘之前計入撥備賬的款項在其後收回，則有關款項於撥備賬撥回。撥備賬的其他變動及其後收回先前直接撇銷的款項均於損益中確認。

(ii) *其他資產的減值*

本集團於每個報告期終檢討內外資料來源，以鑒定以下資產可有減值或原已確認的減值虧損不再存在或可有減少的跡象：

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) IMPAIRMENT OF ASSETS (CONTINUED)

(ii) *Impairment of other assets (continued)*

- property, plant and equipment;
- intangible assets; and
- pre-paid interests in leasehold land classified as being held under an operating lease.

If any such indication exists, the asset's recoverable amount is estimated.

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

1 主要會計政策(續)

(g) 資產減值(續)

(ii) 其他資產的減值(續)

- 物業、廠房及設備；
- 無形資產；及
- 分類為以經營租賃持有的租賃土地權益的預付款項。

倘若任何此等跡象存在，則會估計有關資產的可收回金額。

- 計算可收回金額

資產的可收回金額為其公允值減去銷售成本與其使用價值兩者中的較高者。評估使用價值時，本集團以除稅前的折現率計算估計未來現金流量的現值，而該折現率反映當時市場對貨幣時間價值及該項資產的特有風險的評估。如某項資產產生的現金流量不能獨立於其他資產所產生的現金流量，則可收回金額按可獨立產生現金流量的最小資產組合(即現金產生單位)計算。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) IMPAIRMENT OF ASSETS (CONTINUED)

(ii) Impairment of other assets (continued)

- Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

- Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

1 主要會計政策(續)

(g) 資產減值(續)

(ii) 其他資產的減值(續)

- 確認減值虧損

每當資產(或其所屬的現金產生單位)的賬面值超過其可收回金額，即會在損益賬確認減值虧損。就現金產生單位確認的減值虧損，獲分配以按比例減少單位(或該組單位)資產的賬面值，惟資產賬面值不會減少至低於其本身的公允值減銷售成本或使用價值(若能釐定)。

- 減值虧損回撥

當釐定可收回金額時採納的估計有正面改變時，減值虧損將會回撥。減值虧損的回撥金額以假設過往年度並無確認減值虧損而計算的資產賬面值為限。減值虧損的回撥於確認回撥當年計入損益賬。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) IMPAIRMENT OF ASSETS (CONTINUED)

(iii) *Interim financial reporting and impairment*

Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 1(g)(i) and (ii)).

(h) INVENTORIES

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1 主要會計政策(續)

(g) 資產減值(續)

(iii) *中期財務報告及減值*

根據香港聯合交易所有限公司證券上市規則，本集團須遵守香港會計準則第34號中期報告就財政年度首六個月編制一份中期報告。本集團於中期期間末所採納之減值測試、確認及撥回標準，與財政年度末將採納的相同(見附註1(g)(i)及(ii))。

(h) 存貨

存貨以成本及可變現淨值的較低者列賬。

成本乃按加權平均成本法計算，並包括所有採購成本、加工成本及其他使存貨達致其現時地點及狀況而產生的成本。

可變現淨值指正常業務過程中的估計售價減估計完成成本及估計所需的銷售費用。

於售出存貨時，該等存貨的賬面值在相關收益確認的期間確認為支出。任何撇減存貨至可變現淨值的金額及存貨的所有虧損於撇減或出現虧損的期間內確認為支出。回撥任何撇減存貨的金額於出現回撥的期間確認為存貨支出的減額。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) TRADE AND OTHER RECEIVABLES

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, less allowance for impairment of doubtful debts (see note 1(g)(ii)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts (see note 1(g)(ii)).

(j) INTEREST-BEARING BORROWINGS

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(k) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

1 主要會計政策(續)

(i) 貿易及其他應收款項

貿易及其他應收款項初步按公允價值確認，其後則採用實際利率法按攤銷成本減呆賬減值撥備列賬（見附註1(g)(i)），惟倘應收款項為給予關連方的無任何固定償還期的免息貸款，或貼現影響並不重大者則除外。於此等情況下，應收款項按成本減呆賬減值撥備列賬（見附註1(g)(i)）。

(j) 計息借款

計息借款初步按公允價值減應佔交易成本確認。初步確認後，計息借款以攤銷成本列賬，而初步確認金額與贖回價值之間的任何差額連同任何應付利息及費用均以實際利率法於借款期內在損益賬中確認。

(k) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行與其他金融機構的活期存款及可轉換為已知數額現金的短期高流動性投資，而該等投資的價值變動風險較低，且於購入起計三個月內到期。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) TRADE AND OTHER PAYABLES

Trade and other payables are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(m) EMPLOYEE BENEFITS

(i) *Short term employee benefits and contributions to defined contribution retirement plans*

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) *Share-based payments*

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the binomial lattice model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

1 主要會計政策(續)

(l) 貿易及其他應付款項

貿易及其他應付款項初步按公允價值確認，其後則按攤銷成本列賬，除非倘貼現的影響並不重大，於此情況下，則按成本列賬。

(m) 僱員福利

(i) *短期僱員福利及定額供款計劃的供款*

薪金、年度花紅、有薪年假、指定供款退休計劃的供款及非金錢福利成本均於僱員提供相關服務的年度計算。倘上述款項或福利遞延支付或提供，而有關影響重大，則該等款項均按現值入賬。

(ii) *以股份支付的支出*

僱員獲授予的股份期權按公允價值確認為僱員成本，而權益中的資本儲備亦會相應增加。公允價值是在授予日以栢力克－舒爾斯－莫頓期權定價模型計量，並考慮期權授予條款和條件。如果僱員須符合可行權條件才能無條件地享有股份期權的權利，在考慮到期權行權的可能性後，估計授予股份期權的公允價值便會在整個行權等待期內分攤。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) EMPLOYEE BENEFITS (CONTINUED)

(ii) *Share-based payments (continued)*

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

1 主要會計政策(續)

(m) 僱員福利(續)

(ii) 以股份支付的支出(續)

本公司會在行權等待期內審閱預期行權的股份期權數目。已於以往年度確認的累計公允值的任何調整會在審閱當年在損益中扣除／計入；但如果原來的僱員支出符合確認為資產的資格，便會對資本儲備作出相應的調整。已確認為支出的數額會在可行權日作出調整，以反映所行權股份期權的實際數目（同時對資本儲備作出相應的調整）；但只會在無法符合與本公司股份市價相關的可行權條件時才會放棄之股份期權除外。權益數額在資本儲備中確認，直至期權獲行使（轉入股份溢價賬）或期權到期（直接轉入盈餘儲備）時為止。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) INCOME TAX

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to business combinations, or items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

1 主要會計政策(續)

(n) 所得稅

本年度所得稅包括即期稅項及遞延稅項資產和負債的變動。即期稅項及遞延稅項資產和負債的變動均在損益賬內確認，但與業務合併或確認為其他全面收益項目或與直接確認為權益項目相關的，有關稅項金額分別確認為其他全面收益或直接確認為權益。

即期稅項是本年度應課稅收入按於財務狀況表日已頒佈或實質頒佈的稅率計算的預期應付稅項，加上以往年度應付稅項的任何調整。

遞延稅項資產和負債分別由可抵扣和應課稅暫時差異產生。暫時差異是指資產和負債就財務申報目的的賬面值與該等資產和負債的計稅基礎的差異。遞延稅項資產也可以由未利用稅項虧損和未利用稅項抵減產生。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) INCOME TAX (CONTINUED)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

1 主要會計政策(續)

(n) 所得稅(續)

除某些例外情況外，所有遞延稅項負債和遞延稅項資產(只限於很可能獲得能利用該遞延稅項資產來抵扣的未來應課稅溢利)均會確認。支持確認由可抵扣暫時差異所產生遞延稅項資產的未來應課稅利潤包括因轉回目前存在的應課稅暫時差異而產生的數額；但這些轉回的差異必須與同一稅務機關及同一應課稅實體有關，並預期在可抵扣暫時差異預計轉回的同一年間或遞延稅項資產所產生可抵扣虧損可向後期或向前期結轉的期間內轉回。在決定目前存在的應課稅暫時差異是否足以支持確認由未利用可抵扣虧損和未利用稅款抵減所產生的遞延稅項資產時，亦會採用同一準則，即差異是否與同一稅務機關及同一應課稅實體有關，並預期是否在能使用可抵扣虧損和未利用稅款抵減回撥的同一年間內轉回。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) INCOME TAX (CONTINUED)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each financial position date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

1 主要會計政策(續)

(n) 所得稅(續)

不確認為遞延稅項資產和負債的暫時差異產生自以下有限的例外情況：不可在稅務方面獲得扣減的商譽；不影響會計或應課稅溢利的資產或負債的初始確認（如屬業務合併的一部分則除外）；以及投資附屬公司的暫時差異（如屬應課稅差異，只限於本集團可以控制回撥的時間，而且在可預見的將來不大可能回撥的暫時差異；或如屬可抵扣差異，則只限於很可能在將來回撥的差異）。

遞延稅項額是按照資產和負債賬面值的預期實現或清償方式，根據於報告期終已頒佈或實質頒佈的稅率計量。遞延稅項資產和負債均不折現計算。

本集團會在每個財務狀況表日評估遞延稅項資產的賬面值。如果不再可能獲得足夠的應課稅溢利以利用相關的稅務利益，該遞延稅項資產的賬面值便會調低；但是如果日後可能獲得足夠的應課稅溢利，有關減額便會轉回。

因派付股息而產生的額外所得稅，於確認支付有關股息的負債時確認入賬。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) INCOME TAX (CONTINUED)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

1 主要會計政策(續)

(n) 所得稅(續)

即期及遞延稅項結餘和其變動額會分開列示，並且不予抵銷。即期和遞延稅項資產只會在本集團有法定行使權以即期稅項資產抵銷即期稅項負債，並且符合以下附帶條件的情況下，才可以分別抵銷即期和遞延稅項負債：

- 即期稅項資產和負債，本集團計劃按淨額基準結算，或同時變現該資產和清償該負債；或
- 遞延稅項資產和負債：該等資產和負債如與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一應課稅實體；或
 - 不同的應課稅實體：該等實體計劃在預期有大額遞延稅項負債需要清償或遞延稅項資產可以收回的每個未來期間，按淨額基準實現即期稅項資產和清償即期稅項負債，或同時變現該資產和清償該負債。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) PROVISIONS AND CONTINGENT LIABILITIES

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

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

(p) REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

1 主要會計政策(續)

(o) 撥備及或然負債

當本集團或本公司因過去事項須承擔法定責任或推定責任，而履行該責任很可能需要付出經濟利益及能可靠估計時，本集團會就未能確定時間或金額的負債確認撥備。倘有關款項的貨幣時間價值重大，則撥備會以預期履行義務所需支出的現值入賬。

倘不大可能需要導致流出經濟利益，或其數額未能可靠地估計，則該責任將列作或然負債，惟經濟利益流出的機會極微則除外。潛在責任（其實現與否完全視乎一個或數個未來事項發生與否）亦會列作或然負債，惟經濟利益流出的機會極微則除外。

(p) 收益確認

收益按已收或應收代價的公允值衡量。倘經濟利益可能流入本集團，而收入及成本（如適用）能夠可靠計算時，下列各項收入會在損益中確認：

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) REVENUE RECOGNITION (CONTINUED)

(i) Sale of goods

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

(ii) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognised in profit or loss as the asset is depreciated or amortised. These grants are recognised as deferred income that is amortised as the related asset is depreciated or amortised.

1 主要會計政策(續)

(p) 收益確認(續)

(i) 銷售貨品

收益在貨物送達客戶場地，而且客戶接納貨物及其所有權相關的風險及回報時確認。收益不包括增值稅或其他銷售稅，且須及經扣除任何貿易折讓。

(ii) 政府補助金

倘可合理確定能夠收取政府補助金，而本集團將符合政府補助金所附帶之條件，則政府補助金將初步在財務狀況表中確認。補償本集團所產生開支之補助金於產生開支之同一期間有系統地於損益表中確認為收益。補償本集團資助成本之補助金當資產折舊或攤銷時於損益賬確認。當相關資產折舊或攤銷時，此等資助確認為已攤銷之遞延收入。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) TRANSLATION OF FOREIGN CURRENCIES

For the purpose of presenting these financial statements, the Group adopted Hong Kong dollars (“HK\$”) as its presentation currency. The functional currencies of the KEE Zippers and the subsidiaries incorporated in Hong Kong are HK\$ and the functional currencies of the subsidiaries established in The People’s Republic of China (the “PRC”) are Renminbi (“RMB”).

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

1 主要會計政策(續)

(q) 外幣換算

就呈列此等財務報表而言，本集團採用港幣作為其呈列貨幣。開易拉鏈及於香港註冊成立的附屬公司的功能貨幣乃港元(「港元」)，而於中華人民共和國(「中國」)成立的附屬公司的功能貨幣為人民幣(「人民幣」)。

年內的外幣交易已按交易日的匯率換算。以外幣計值的貨幣資產及負債已按報告期終的匯率換算。匯兌盈虧已於損益中確認。

以外幣按歷史成本計量的非貨幣資產及負債乃採用交易日的匯率換算。以外幣按公允值入賬的非貨幣資產及負債乃按釐定公允值當日的匯率換算。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) TRANSLATION OF FOREIGN CURRENCIES (CONTINUED)

The results of foreign operations are translated into HK\$ at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into HK\$ at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(r) BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

1 主要會計政策(續)

(q) 外幣換算(續)

外國經營業務業績按與交易當日的匯率相若的匯率換算為港元。資產負債表項目按結算日的收市匯率換算為港元。所導致的匯兌差額已於分別確認為其他全面收益及在權益中的匯兌儲備內累積。

出售外國經營業務時，若有確認出售產生的溢利或虧損，則有關外國經營業務的匯兌差額累積金額由權益重新分類為溢利或虧損。

(r) 借款成本

凡直接與購置、建造或生產某項資產(該資產須一段長時間方可撥作其既定用途或銷售)所分佔的借款成本，均資本化為該項資產的一部分成本。其他借款成本則於產生期內支銷。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) RELATED PARTIES

(a) *A person, or a close member of that person's family, is related to the Group if that person:*

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

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

- (i) The entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

1 主要會計政策(續)

(s) 關連方

(a) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 為本公司或本公司母公司的主要管理層成員。

(b) 倘符合下列任何條件，即實體與本集團有關連：

- (i) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）；

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) RELATED PARTIES (CONTINUED)

(b) *An entity is related to the Group if any of the following conditions applies: (continued)*

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

1 主要會計政策(續)

(s) 關連方(續)

(b) 倘符合下列任何條件，即實體與本集團有關連：
(續)

- (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)；
- (iii) 兩間實體均為同一第三方的合營企業；
- (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
- (v) 實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃；
- (vi) 實體受(a)所識別人士控制或受共同控制；
- (vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) RELATED PARTIES (CONTINUED)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(t) SEGMENT REPORTING

Operating segments, and the amounts of each segment item reported in these financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for the financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

1 主要會計政策(續)

(s) 關連方(續)

任何人士的近親是指與該實體交易時預期可影響該名人士或受該人士影響的家庭成員。

(t) 分部報告

業務分部及此等財務報表所呈列各分部的金額，乃從為向本集團各項業務及地理位置分配資源及評估其業績而定期向大多數高級管理人員提供的財務信息當中識別出來。

個別重要的經營分部不會合計以供財務報告之用，但如該等經營分部的產品和服務性質、生產工序性質、客戶類別或階層、分銷產品或提供服務的方法以至監管環境的本質等經濟特性均屬類似，則作別論。個別不重要的經營分部如果符合以上大部分條件，則可以合計為一個報告分部。

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(除另有註明外，所有金額以港元計算)

2 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of amendments to HKFRSs and one new Interpretation that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group's financial statements:

- HKAS 24 (revised 2009), *Related party disclosures*
- Improvements to HKFRSs (2010)

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The developments resulted in changes in accounting policy but none of these changes in policy have a material impact on the current or comparative periods, for the following reasons:

- HKAS 24 (revised 2009) revises the definition of a related party. As a result, the Group has re-assessed the identification of related parties and concluded that the revised definition does not have any material impact on the Group's related party disclosures in the current and previous period.

2 會計政策變動

香港會計師公會已頒佈若干經修訂香港財務報告準則及一項新詮釋，並於本集團及本公司的本會計期間首次生效。其中下列變動與本集團的財務報表有關：

- 香港會計準則第24號(2009年經修訂)，關連方披露
- 香港財務報告準則的改進(2010年)

本集團並無採用本會計期間尚未生效的任何新準則或詮釋。

上述發展導致會計政策變動，但該等政策變動概無對本期或比較期間造成重大影響，原因如下：

- 香港會計準則第24號(2009年經修訂)對關連方之定義作出修訂。因此，本集團已重新評估關連方之識別方法，並認為該經修訂定義對本集團於本期間及過往期間之關連方披露並無任何重大影響。

2 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

- Improvements to HKFRSs (2010) omnibus standard introduces a number of amendments to the disclosure requirements in HKFRS 7, Financial instruments: Disclosures. The disclosures about the Group's financial instruments in note 24 have been conformed to the amended disclosure requirements. These amendments do not have any material impact on the classification, recognition and measurements of the amounts recognised in the financial statements in the current and previous periods.

The Group changed its accounting policy for the measurement of inventory cost from first-in first-out to weighted average method during the year, which is considered to better reflect the Group's inventory costs. There is no material impact on the opening balance of the Group's inventories as a result of such change. Therefore, comparative amounts have not been restated.

2 會計政策變動(續)

- 香港財務報告準則的改進(2010年)綜合準則對香港財務報告準則第7號金融工具：披露之披露規定作出多項修訂。有關本集團金融工具的披露已經遵照了修訂的披露要求。該等修訂對本期間及過往期間於財務報表內確認金額之分類、確認及計量並無任何重大影響。

年內，本集團變更存貨成本計量的會計政策，由先進先出法變更為加權平均法，本集團認為此變動更好反映本集團的存貨成本。該變動對本集團存貨的期初結餘並無任何重大影響。因此，比較金額並未重列。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

3 TURNOVER

The principal activities of the Group are manufacture and sale of zippers and other related products such as sliders, tapes and other products.

Turnover represents the sales value of goods supplied to customers. The amount of each significant category of revenue recognised in turnover during the year is as follows:

		2011	2010
		\$'000	\$'000
		千元	千元
Metal zippers	金屬拉鏈	78,816	86,768
Nylon zippers	尼龍拉鏈	71,689	76,992
Plastic zippers	塑膠拉鏈	24,384	19,060
Sliders	拉頭	4,867	5,580
Premium items	禮品	3,713	3,055
Others	其他	6,964	7,769
		190,433	199,224

No individual customer had transactions exceeded 10% of the Group's turnover.

3 營業額

本集團的主要業務為製造及銷售拉鏈及其他相關產品，例如拉頭、布帶及其他產品。

營業額指向客戶供應貨品所得銷售價值。於年內，在營業額中確認的每一主要類別的收益金額如下：

概無個別客戶的交易額超過本集團營業額的10%。

4 OTHER REVENUE

4. 其他收入

		2011	2010
		\$'000	\$'000
		千元	千元
Government grants	政府補助金	5,335	953
Interest income and others	利息及其他收入	1,869	140
		7,204	1,093

The Group received various government grants in form of cash subsidies from local government during the year, including subsidies of HK\$4,998,000 (2010: Nil) for the Company's successful listing on The Hong Kong Stock Exchange.

本集團於年內獲得當地政府多項政府現金補助，包括本公司於香港聯交所成功上市的4,998,000港元(2010年：無)補助。

Notes to the Financial Statements 財務報表附註

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5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) FINANCE COSTS

	2011 \$'000 千元	2010 \$'000 千元
Interest on bank borrowings wholly repayable within five years	261	1,614
銀行借款(須於五年內全數償還)利息		

(b) STAFF COSTS*

	2011 \$'000 千元	2010 \$'000 千元
Salaries, wages and other benefits	47,058	38,378
Contributions to defined contribution retirement plans	3,268	2,630
Equity-settled share-based payment expenses (note 22)	814	-
工資、薪水及其他福利		
向定額供款退休計劃作出的供款		
以權益結算股份支付的開支(附註22)		
	51,140	41,008

5 除稅前溢利

除稅前溢利已扣除/(計入)下列各項：

(a) 融資成本

	2011 \$'000 千元	2010 \$'000 千元
	261	1,614

(b) 員工成本*

	2011 \$'000 千元	2010 \$'000 千元
	47,058	38,378
	3,268	2,630
	814	-
	51,140	41,008

5 PROFIT BEFORE TAXATION (CONTINUED)

(c) OTHER ITEMS

		2011 \$'000 千元	2010 \$'000 千元
Depreciation and amortisation*	折舊及攤銷*		
– lease prepayments (note 12)	– 租賃預付款(附註12)	100	92
– fixed assets (note 12)	– 固定資產(附註12)	11,672	9,449
– intangible assets (note 13)	– 無形資產(附註13)	664	381
Subtotal	小計	12,436	9,922
Impairment losses	減值虧損		
– trade and other receivables (note 17)	– 貿易及其他應收 款項(附註17)	1,075	25
Operating lease charges	經營租賃開支	4,169	4,057
Net foreign exchange loss	匯兌虧損淨額	108	163
Net loss on disposal of fixed assets	出售固定資產 虧損淨額	237	233
Interest income	利息收入	(1,869)	(90)
Auditors' remuneration	核數師酬金	1,163	932
Listing expenses	上市開支	1,000	9,820
Research and development	研發成本	3,242	857
Cost of inventories*	存貨成本*	127,888	118,765

* Cost of inventories includes HK\$44,030,000 (2010: HK\$34,889,000) relating to staff costs and depreciation and amortisation expenses, which amounts are also included in the respective total amounts disclosed separately above or in note 5(b) for each of these types of expenses.

5 除稅前溢利(續)

(c) 其他項目

* 存貨成本內44,030,000港元(2010年:34,889,000港元)與員工成本、折舊及攤銷費用有關，該等金額亦包括於上文或附註5(b)所披露各類費用的總額內。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
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6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

6 綜合收益表內的所得稅

(a) INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT REPRESENTS:

(a) 綜合收益表內的所得稅指：

		2011 \$'000 千元	2010 \$'000 千元
Current tax – PRC corporate income tax	即期稅項 – 中國 企業所得稅		
Provision for the year	年內撥備	5,297	5,914
Current tax – Hong Kong Profits Tax	即期稅項 – 香港利得稅		
Provision for the year	年內撥備	169	1,324
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時性差異的 產生及撥回	(950)	(238)
		4,516	7,000

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (CONTINUED)

(b) RECONCILIATION BETWEEN TAX EXPENSE AND ACCOUNTING PROFIT AT APPLICABLE TAX RATES:

		2011 \$'000 千元	2010 \$'000 千元
Profit before taxation	除稅前溢利	24,938	37,773
Notional tax on profit before taxation, calculated at the rates applicable to profits in the jurisdiction concerned (note i)	除稅前溢利的名義稅項，按各相關司法權區溢利適用的稅率計算(附註i)	6,548	12,009
Effect of non-deductible expenses	不可扣減開支的影響	1,089	202
Effect of unused tax losses not recognised	未確認的未使用稅項虧損的影響	105	157
Effect of tax concessions (note ii)	稅務優惠的影響(附註ii)	(3,258)	(5,368)
Effect on deferred tax balances at 1 January resulting from a change in tax rate	稅率變動對1月1日之遞延稅項結餘的影響	32	-
Actual tax expense	實際稅項開支	4,516	7,000

6 綜合收益表內的所得稅(續)

(b) 稅項開支與按適用稅率計算的會計溢利的對賬列載如下：

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
unless otherwise indicated)
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6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (CONTINUED)

(b) RECONCILIATION BETWEEN TAX EXPENSE AND ACCOUNTING PROFIT AT APPLICABLE TAX RATES: (continued)

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Group is not subject to any income tax in the Cayman Islands or the BVI.

KEE Zippers is subject to Hong Kong Profits Tax at 16.5% in 2011 and 2010. The payments of dividends by Hong Kong companies are not subject to any Hong Kong withholding tax.

The PRC statutory income tax rate applicable to the Company’s subsidiaries is 25% effective from 1 January 2008.

- (ii) KEE (Guangdong) Garment Accessories Limited (“KEE Guangdong”) and KEE (Zhejiang) Garment Accessories Limited (“KEE Zhejiang”), being production-oriented FIEs with operating periods of 10 years or more, were entitled to two-year exemption from income tax followed by three-year 50% reduction in income tax rate commencing from the first profit-making year from PRC income tax perspective (“2+3 tax holiday”). KEE Guangdong commenced its 2+3 tax holiday in 2006 which ended in 2010 and KEE Zhejiang commenced its 2+3 tax holiday in 2008.

6 綜合收益表內的所得稅(續)

(b) 稅項開支與按適用稅率計算的會計溢利的對賬列載如下：(續)

- (i) 根據開曼群島及英屬處女群島(「英屬處女群島」)的法例法規，本集團毋須於開曼群島及英屬處女群島繳納任何所得稅。

開易拉鏈於2011年及2010年須按16.5%稅率繳納香港利得稅。香港公司派付股息毋須繳納任何預扣稅。

本公司附屬公司適用的中國法定所得稅稅率為25%，由2008年1月1日起生效。

- (ii) 開易(廣東)服裝配件有限公司(「開易廣東」)及開易(浙江)服裝配件有限公司(「開易浙江」)均為生產型外資企業，且經營期間達10年或以上，故各有權自其各自的首個獲利年度起，於首兩年獲豁免繳納企業所得稅，並於其後三年獲寬減50%企業所得稅(「兩免三減半」稅收優惠)。開易廣東於2006年開始其「兩免三減半」稅收優惠，有關優惠已於2010完結。而開易浙江於2008年開始其「兩免三減半」稅收優惠。

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (CONTINUED)

(b) RECONCILIATION BETWEEN TAX EXPENSE AND ACCOUNTING PROFIT AT APPLICABLE TAX RATES: (continued)

- (ii) (continued)
- KEE Guangdong was recognized as an enterprise of new and high technology and obtained the approval in June 2011 from local tax authority to enjoy a preferential income tax rate of 15% for the two financial years ending 31 December 2012 according to relevant regulations for enterprise of new and high technology in the PRC.
- (iii) Pursuant to the Corporate Income Tax Law of the PRC and its relevant regulations, PRC-resident enterprises are levied withholding income tax at 10% on dividends to their non-PRC-resident corporate investors for earnings accumulated beginning on 1 January 2008. Undistributed earnings generated prior to 1 January 2008 are exempted from such withholding tax. Under the Sino-Hong Kong Double Tax Arrangement and its relevant regulations, a qualified Hong Kong tax resident which is the “beneficial owner” and holds 25% or more of the equity interest of a PRC-resident enterprise is entitled to a reduced withholding tax rate of 5%.

6 綜合收益表內的所得稅(續)

(b) 稅項開支與按適用稅率計算的會計溢利的對賬列載如下：(續)

- (ii) (續)
- 開易廣東獲認可為高新技術企業及根據中國高新技術企業的有關法規，開易廣東於2011年6月獲地方稅務部門批准，截至2012年12月31日止兩個財政年度可享受15%的優惠所得稅稅率。
- (iii) 根據中國企業所得稅法及其相關條例，中國居民企業就自2008年1月1日起的累計收益向其非中國居民企業投資者派付股息，須繳納10%的預扣稅。於2008年1月1日前產生的未分派盈利獲豁免預扣稅。根據內地與香港避免雙重徵稅和防止偷漏稅的安排及其有關法規，作為「實益擁有人」並持有中國居民企業25%或以上股本權益的獲認可香港稅務居民可按減免預扣稅稅率5%繳稅。

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(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

7 DIRECTORS' REMUNERATION

7 董事薪酬

		For the year ended 31 December 2011 截至2011年12月31日止年度					
		Salaries, allowances and benefits in kind	Retirement scheme contribution	Share-based payment (note) 以權益結算 股份支付 (附註)	Sub-Total	Total	
		Directors' fees 董事袍金	薪金、津貼 及實物福利	退休 計劃供款	小計	總計	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	
Executive directors	執行董事						
Xu Xipeng	許錫鵬	200	364	3	567	567	
Xu Xinan	許錫南	200	307	3	510	510	
Yang Shaolin	楊少林	200	413	3	616	710	
Non-executive director	非執行董事						
Chow Hoi Kwang, Albert	周浩光	300	-	-	300	300	
Independent non-executive directors	獨立非執行董事						
Lin Bin	林 斌	140	-	-	140	140	
Kong Hing Ki	江興琪	120	-	-	120	120	
Tam Yuk Sang, Sammy	譚旭生	120	-	-	120	120	
		1,280	1,084	9	2,373	2,467	

7 DIRECTORS' REMUNERATION (CONTINUED)

7 董事薪酬(續)

For the year ended 31 December 2010

截至2010年12月31日止年度

		Salaries, allowances and benefits in kind			Retirement scheme contribution	Share-based payment (note)		Total
		Directors' fees	薪金、津貼及實物福利	退休計劃供款	Sub-Total	股份支付(附註)	Total	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
		千元	千元	千元	千元	千元	千元	
Executive directors	執行董事							
Xu Xipeng	許錫鵬	17	432	11	460	–	460	
Xu Xinan	許錫南	17	362	11	390	–	390	
Yang Shaolin	楊少林	17	464	11	492	–	492	
Non-executive director	非執行董事							
Chow Hoi Kwang, Albert	周浩光	300	–	–	300	–	300	
Independent non-executive directors	獨立非執行董事							
Lin Bin	林 斌	12	–	–	12	–	12	
Kong Hing Ki	江興琪	10	–	–	10	–	10	
Tam Yuk Sang, Sammy	譚旭生	10	–	–	10	–	10	
		383	1,258	33	1,674	–	1,674	

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7 DIRECTORS' REMUNERATION (CONTINUED)

Note:

These represent the estimated value of share options granted to the directors under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in note 1(m)(ii).

The details of these benefits in kind, including the principal terms and number of options granted, are set out in note 22.

There were no amounts paid or payable by the Group to the directors or any of the highest paid individuals set out in note 8 below as an inducement to join or upon joining the Group or as a compensation for loss of office. There was no arrangement under which a director has waived or agreed to waive any emoluments.

8 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (2010: two) are directors, whose emoluments are disclosed in note 7. The aggregate of the emoluments in respect of the other two (2010: three) individuals are as follows:

		2011 \$'000 千元	2010 \$'000 千元
Salaries and other emoluments	薪金及其他薪酬	749	1,137
Discretionary bonuses	酌情花紅	36	152
Retirement scheme contributions	退休計劃供款	23	44
		808	1,333

7 董事薪酬(續)

註:

該等數額指根據本公司購股權計劃董事獲授購股權之估計價值。該等購股權之價值乃根據附註1(m)(ii)所載本集團有關以權益結算股份支付之交易之會計政策計算。

該等實物利益之詳情(包括已授出購股權的主要條款及數目)於附註22中披露。

本集團概無已付或應付予董事或下文附註8所述最高薪酬人士中任何人士酬金以吸引彼等加盟本集團或作為加入後的獎金或離職補償。概無董事放棄或同意放棄任何酬金的安排。

8 最高薪酬人士

五名最高薪酬人士中，有3名為董事(2010年：2名)，彼等的薪酬於附註7中披露。另外2名(2010年：3名)最高薪酬人士的薪酬總額如下：

8 INDIVIDUALS WITH HIGHEST EMOLUMENTS (CONTINUED)

The emoluments of the two (2010: three) individuals with the highest emoluments are within the following band:

		2011 Number of individuals 人數	2010 Number of individuals 人數
Nil to HK\$1,000,000	零港元至1,000,000港元	2	3

9 PROFIT/(LOSS) ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated profit attributable to equity shareholders of the Company includes a profit of HK\$16,676,000 (2010: Loss of HK\$11,326,000) which has been dealt with in the financial statements of the Company.

Reconciliation of the above amount to the Company's profit/(loss) for the year:

		2011 \$'000 千元	2010 \$'000 千元
Amount of consolidated loss attributable to equity shareholders dealt with in the Company's financial statements	計入本公司財務報表內之權益股東應佔綜合虧損	(324)	(11,326)
Final dividends from subsidiary attributable to the profits of previous financial years	就以前財政年度應佔附屬公司溢利之末期股息	17,000	-
Company's profit/(loss) for the year (note 23(a))	本公司年內溢利/(虧損) (附註23(a))	16,676	(11,326)

Details of dividends paid to equity shareholders of the Company are set out in note 23(b).

8 最高薪酬人士(續)

2名(2010年:3名)最高薪酬人士的薪酬介乎以下範圍:

9 本公司權益股東應佔溢利/(虧損)

本公司權益股東應佔綜合溢利包括16,676,000元之溢利(2010年:11,326,000元之虧損)已計入本公司之財務報表內。

上述金額與本公司年內溢利/(虧損)之對賬:

有關派付予本公司權益股東之股息之詳情載於附註23(b)。

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10 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$20,422,000 (2010: HK\$30,071,000) and the weighted average of 410,562,000 ordinary shares (2010: 300,000,000) in issue during the year.

The effects of potential ordinary shares during the year are anti-dilutive and, therefore, diluted earnings per share are the same as the basic earnings per share.

11 SEGMENT REPORTING

The Group manages its businesses by geographical areas. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Southern China and overseas: this segment manufactures zipper products and mainly sells to customers in Southern China and overseas market. Currently its activities are mainly carried out in Guangdong province and Hong Kong.

10 每股盈利

每股基本盈利乃根據本公司權益股東應佔溢利20,422,000港元(2010年: 30,071,000港元)普通股之加權平均數及年內已發行之410,562,000股(2010年: 300,000,000股)計算。

年內，潛在普通股之影響為反稀釋效果，因此，每股攤薄盈利與每股基本盈利相同。

11 分部報告

本集團按地域管理其業務。基於向本集團最高管理人員內部呈報資料以供資源分配及評核業績相一致的方式，本集團已呈報下列三個可呈報分部。並無經營分部綜合組成以下可呈報分部。

- 華南及海外：該分部製造拉鏈產品，並主要銷售予華南及海外市場客戶，其業務現時主要於廣東省及香港進行。

11 SEGMENT REPORTING (CONTINUED)

- Eastern China: this segment manufactures zipper products and mainly sells to customers in Eastern China. Currently its activities are mainly carried out in Zhejiang province.
- Central China: this segment manufactures zipper products and mainly sells to customers in Central China. Currently its activities are mainly carried out in Hubei province.

(a) SEGMENT RESULTS AND SEGMENT ASSETS

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results and assets attributable to each reportable segment on the following bases:

Segment assets include all assets with the exception of investments in financial assets and deferred tax assets.

The measure used for reporting segment profit is "adjusted profit before taxation" i.e. "turnover less cost of sales, distribution costs, administrative expenses and finance costs". Items not specifically attributed to individual segment are excluded from the calculation of segment profit. The Group's senior executive management is provided with segment information concerning segment revenue, profit and assets. Segment liabilities are not reported to the Group's senior executive management regularly.

11 分部報告(續)

- 華東：該分部製造拉鏈產品，並主要銷售予華東客戶，其業務現時主要於浙江省進行。
- 華中：該分部製造拉鏈產品，並主要銷售予華中客戶，其業務現時主要於湖北省進行。

(a) 分部業績及分部資產

就評估分部表現及於分部間分配資源而言，本集團高級管理人員按以下基礎監控各報告分部應佔的業績及資產：

分部資產包括所有資產，惟金融資產投資及遞延稅項資產除外。

用於報告分部溢利的方法為「經調整除稅前溢利」，即「營業額減銷售成本、分銷成本、行政開支及融資成本」。計算分部溢利時，並不計入非指定屬於個別分部的項目。本集團會向高級管理人員提供有關分部收益、溢利及資產的分部資料。本集團不會定期向高級管理人員呈報分部負債。

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11 SEGMENT REPORTING (CONTINUED)

(a) SEGMENT RESULTS AND SEGMENT ASSETS (CONTINUED)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for 2011 and 2010 respectively is set out below:

11 分部報告(續)

(a) 分部業績及分部資產(續)

分別就2011年及2010年的資源分配及評估分部表現向本集團最高管理人員提供有關本集團可呈報分部的資料載列如下：

		Year ended 31 December 2011 截至2011年12月31日止年度			
		Southern China and overseas 華南及海外	Eastern China 華東	Central China 華中	Total 總計
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Revenue from external customers	來自外界客戶收益	119,939	70,494	-	190,433
Inter-segment revenue	分部間收益	18,532	11,907	-	30,439
Reportable segment revenue	可呈報分部收益	138,471	82,401	-	220,872
Reportable segment profit/(loss)	可呈報分部溢利/(虧損)	13,094	11,350	(351)	24,093
Interest expense	利息開支	1	(262)	-	(261)
Depreciation and amortisation for the year	年內折舊 及攤銷	(7,705)	(4,731)	-	(12,436)
Reportable segment assets at year end	年終的可呈報分部資產	203,326	114,313	12,240	329,879

11 SEGMENT REPORTING (CONTINUED)

(a) SEGMENT RESULTS AND SEGMENT ASSETS (CONTINUED)

11 分部報告(續)

(a) 分部業績及分部資產(續)

Year ended 31 December 2010

截至2010年12月31日止年度

		Southern			Total 總計
		China and overseas 華南及海外	Eastern China 華東	Central China 華中	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Revenue from external customers	來自外界客戶收益	127,052	72,172	–	199,224
Inter-segment revenue	分部間收益	22,946	319	–	23,265
Reportable segment revenue	可呈報分部收益	149,998	72,491	–	222,489
Reportable segment profit	可呈報分部溢利	30,354	17,269	–	47,623
Interest expense	利息開支	(668)	(946)	–	(1,614)
Depreciation and amortisation for the year	年內折舊及攤銷	(6,267)	(3,655)	–	(9,922)
Reportable segment assets at year end	年終的可呈報分部資產	107,820	86,150	–	193,970

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11 SEGMENT REPORTING (CONTINUED)

(b) RECONCILIATIONS OF REPORTABLE SEGMENT REVENUES, PROFIT OR LOSS AND ASSETS

11 分部報告(續)

(b) 可呈報分部收益、溢利或虧損及資產的對賬

		2011 \$'000 千元	2010 \$'000 千元
Revenue	收益		
Reportable segment revenue	可呈報分部收益	220,872	222,489
Elimination of inter-segment revenue	對銷分部間收益	(30,439)	(23,265)
Consolidated turnover	綜合營業額	190,433	199,224
		2011 千元 \$'000	2010 千元 \$'000
Profit	溢利		
Reportable segment profit	可呈報分部溢利	24,093	47,623
Elimination of unrealised profit of inter-segment purchase of inventories and fixed assets	對銷分部間購買存貨及固定資產的未變現溢利	571	(465)
Reportable segment profit derived from Group's external customers	來自本集團外界客戶的可呈報分部溢利	24,664	47,158
Other revenue and other net loss	其他收益及其他虧損淨額	6,831	1,383
Unallocated head office and corporate expenses	未分配總部及企業開支	(6,557)	(10,768)
Consolidated profit before taxation	綜合除稅前溢利	24,938	37,773

11 SEGMENT REPORTING (CONTINUED)

(b) RECONCILIATIONS OF REPORTABLE SEGMENT REVENUES, PROFIT OR LOSS AND ASSETS (CONTINUED)

11 分部報告(續)

(b) 可呈報分部收益、溢利或虧損及資產的對賬(續)

		2011	2010
		\$'000	\$'000
		千元	千元
Assets	資產		
Reportable segment assets	可呈報分部資產	329,879	193,970
Elimination of unrealised profit of inter-segment purchase of inventories	對銷分部間購買存貨的未變現溢利	(1,884)	(711)
Elimination of unrealised profit of inter-segment purchase of fixed assets	對銷分部間購買固定資產的未變現溢利	(1,156)	(2,901)
		326,839	190,358
Deferred tax assets	遞延稅項資產	1,534	556
Unallocated head office and corporate assets	未分配總部及企業資產	672	6,495
Consolidated assets	綜合資產	329,045	197,409

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12 FIXED ASSETS THE GROUP

12 固定資產 本集團

	Buildings	Machinery	Vehicles and other equipment	Leasehold imp- rovement	Construction in progress	Sub-total	Lease prepayments	Total	
	樓宇	機器	汽車及 其他設備	租賃裝修	在建工程	小計	租賃預付	總計	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
	千元	千元	千元	千元	千元	千元	千元	千元	
Cost:	成本：								
At 1 January 2010	於2010年1月1日	33,445	60,398	7,141	5,549	-	106,533	4,541	111,074
Exchange adjustments	匯兌調整	1,164	2,336	255	308	84	4,147	158	4,305
Acquisition of a subsidiary	收購一間附屬公司	-	-	32	-	-	32	-	32
Additions	添置	30	6,738	1,185	182	12,094	20,229	-	20,229
Disposals	出售	-	(3,392)	(130)	-	-	(3,522)	-	(3,522)
Transfer from CIP	自在建工程轉出	-	3,836	-	4,691	(8,527)	-	-	-
At 31 December 2010 and 1 January 2011	於2010年12月31日 及2011年1月1日	34,639	69,916	8,483	10,730	3,651	127,419	4,699	132,118
Exchange adjustments	匯兌調整	1,723	3,861	427	533	187	6,731	233	6,964
Additions	添置	159	6,291	1,770	43	8,095	16,358	-	16,358
Disposals	出售	(8)	(883)	(217)	(4)	-	(1,112)	-	(1,112)
Transfer from CIP	自在建工程轉出	-	7,750	-	-	(7,750)	-	-	-
At 31 December 2011	於2011年12月31日	36,513	86,935	10,463	11,302	4,183	149,396	4,932	154,328

12 FIXED ASSETS (CONTINUED)

THE GROUP (CONTINUED)

12 固定資產(續)

本集團(續)

		Buildings	Machinery	Vehicles	Leasehold Construction		Sub-total	Lease	Total
				and other	imp-	in			
				equipment	rovement	progress			
				汽車及	租賃裝修	在建工程	小計	租賃預付	總計
		\$'000	\$'000	其他設備	\$'000	\$'000	\$'000	\$'000	\$'000
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元
Accumulated depreciation:	累計折舊：								
At 1 January 2010	於2010年1月1日	(2,377)	(12,161)	(3,770)	(1,026)	-	(19,334)	(309)	(19,643)
Exchange adjustments	匯兌調整	(119)	(515)	(144)	(58)	-	(836)	(13)	(849)
Charge for the year	年內支出	(1,532)	(5,628)	(1,380)	(909)	-	(9,449)	(92)	(9,541)
Written back on disposals	於出售時撥回	-	298	41	-	-	339	-	339
At 31 December 2010	於2010年12月31日								
and 1 January 2011	及2011年1月1日	(4,028)	(18,006)	(5,253)	(1,993)	-	(29,280)	(414)	(29,694)
Exchange adjustments	匯兌調整	(238)	(989)	(260)	(143)	-	(1,630)	(23)	(1,653)
Charge for the year	年內支出	(1,670)	(6,672)	(1,372)	(1,958)	-	(11,672)	(100)	(11,772)
Written back on disposals	於出售時撥回	8	535	183	-	-	726	-	726
At 31 December 2011	於2011年12月31日	(5,928)	(25,132)	(6,702)	(4,094)	-	(41,856)	(537)	(42,393)
Carrying amount:	賬面值：								
At 31 December 2011	於2011年12月31日	30,585	61,803	3,761	7,208	4,183	107,540	4,395	111,935
At 31 December 2010	於2010年12月31日	30,611	51,910	3,230	8,737	3,651	98,139	4,285	102,424

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12 FIXED ASSETS (CONTINUED)

THE GROUP (CONTINUED)

- (a) The lease prepayments are for land use right held on a medium-term lease of 50 years in the PRC.
- (b) Certain lease prepayments and buildings with an aggregate carrying value of HK\$34,980,000 (2010: HK\$34,897,000) were pledged as securities for un-utilised bank facilities of the Group as at 31 December 2011.

13 INTANGIBLE ASSETS

12 固定資產(續)

本集團(續)

- (a) 租賃預付乃於中國按50年中期租賃持有的土地使用權。
- (b) 於2011年12月31日，總賬面值為34,980,000港元(2010年：34,897,000港元)的若干租賃預付及樓宇已就本集團的未動用銀行融資作抵押。

13 無形資產

		The Group Software 本集團軟件 \$'000 千元
Cost:	成本：	
At 1 January 2010	於2010年1月1日	-
Exchange adjustments	匯兌調整	113
Additions	增添	4,788
At 31 December 2010 and 1 January 2011	於2010年12月31日及2011年1月1日	4,901
Exchange adjustments	匯兌調整	320
Additions	增添	3,331
At 31 December 2011	於2011年12月31日	8,552
Accumulated amortisation:	累計攤銷：	
At 1 January 2010	2010年1月1日	-
Exchange adjustments	匯兌調整	(9)
Amortisation for the year	年內攤銷	(381)
At 31 December 2010 and 1 January 2011	於2010年12月31日及2011年1月1日	(390)
Exchange adjustments	匯兌調整	(35)
Amortisation for the year	年內攤銷	(664)
At 31 December 2011	於2011年12月31日	(1,089)
Carrying amount:	賬面值：	
At 31 December 2011	於2011年12月31日	7,463
At 31 December 2010	於2010年12月31日	4,511

14 INTEREST IN A SUBSIDIARY

14 於附屬公司的權益

		The Company 本公司	
		2011 \$'000 千元	2010 \$'000 千元
Unlisted shares, at cost	非上市股份，按成本	-	-

The balance represents the Company's equity interest in KEE International BVI, authorised and issued share capital of which as of 31 December 2011 are USD 50,000 (ordinary shares of 50,000 of USD 1 each) and USD 2 respectively.

該結餘指本公司於KEE國際BVI的股本權益，其截至2011年12月31日的法定及已發行股本分別為50,000美元（50,000股每股面值1美元的普通股）及2美元。

As at 31 December 2011, the Company has direct or indirect interests in the following subsidiaries, which are private companies or, if established/incorporated outside Hong Kong, have substantially the same characteristics as a Hong Kong private company. The particulars of these subsidiaries are set out below:

於2011年12月31日，本公司於以下附屬公司（為私人公司，或倘若於香港境外成立／註冊成立，其特點與香港私人公司大致相同）直接或間接擁有權益。該等附屬公司的詳情載列如下：

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊成立／ 成立地點及日期	Issued and fully paid up capital 已發行及 繳足股本	Attributable equity interest 應佔股權		Principal activities 主要業務
			Direct 直接	Indirect 間接	
KEE International BVI	The British Virgin Islands ("BVI") 13 August 2010	USD2	100%	-	Investment holding
開易國際 BVI	英屬處女群島 2010年8月13日	2美元	100%	-	投資控股

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14 INTEREST IN A SUBSIDIARY
(CONTINUED)

14 於附屬公司的權益 (續)

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid up capital 已發行及繳足股本	Attributable equity interest 應佔股權		Principal activities 主要業務
			Direct 直接	Indirect 間接	
KEE Zippers	Hong Kong 1 March 2002	HK\$1,000,000	—	100%	Trading of zipper products
開易拉鏈	香港 2002年3月1日	1,000,000 港元	—	100%	買賣拉鏈產品
KEE Guangdong	The PRC 21 March 2005	HK\$137,500,000	—	100%	Manufacture and sale of zipper products
開易廣東	中國 2005年3月21日	137,500,000 港元	—	100%	生產及銷售拉鏈產品
KEE Zhejiang	The PRC 9 September 2005	USD8,760,000	—	100%	Manufacture and sale of zipper products
開易浙江	中國 2005年9月9日	8,760,000 美元	—	100%	生產及銷售拉鏈產品

14 INTEREST IN A SUBSIDIARY (CONTINUED)

14 於附屬公司的權益 (續)

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid up capital 已發行及 繳足股本	Attributable equity interest 應佔股權		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Foshan City UNA Garment Accessories Co., Limited (“UNA”)	The PRC 10 June 2009	RMB3,000,000	—	100% (note (i))	Design and sale of garment accessories
佛山市優納服裝 配件有限公司 (「優納」)	中國 2009年6月10日	人民幣3,000,000元	—	100% (附註(i))	設計及銷售 服裝配件
KEE (Jingmen) Garment Accessories Limited (“KEE Jingmen”)	The PRC 23 September 2011	RMB10,000,000	—	100% (note (ii))	Manufacture and sale of zipper products
開易(荊門)服裝配件 有限公司 (「開易荊門」)	中國 2011年9月23日	人民幣10,000,000元	—	100% (附註(ii))	生產及銷售 拉鏈產品

Note (i) UNA was acquired by the Group and became a wholly-owned subsidiary on 12 June 2010.

附註(i) 於2010年6月12日，優納被本集團收購，並成為全資附屬公司。

Note (ii) A new wholly-owned subsidiary, KEE Jingmen, was established in Jingmen, Hubei Province in September 2011 by KEE Guangdong.

附註(ii) 新的全資附屬公司開易荊門由開易廣東於2011年9月在湖北省荊門成立。

15 PREPAYMENTS FOR FIXED AND INTANGIBLE ASSETS

The balance as at 31 December 2011 mainly represents the initial lease prepayments for land use right of a parcel of land in Hubei Province. The balance as at 31 December 2010 represented the prepayments for the purchase of property, plant and equipment and intangible assets.

15 固定資產及無形資產的預付款項

於2011年12月31日之結餘主要指就購買湖北省一塊地土之土地使用權所繳付的首期租賃付款。於2010年12月31日之結餘指就購買物業、廠房及設備及無形資產所繳付的預付款項。

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16 INVENTORIES

16 存貨

		The Group	
		本集團	
		2011	2010
		\$'000	\$'000
		千元	千元
Raw materials	原材料	4,249	5,859
Work in progress	在製品	15,740	12,020
Finished goods	製成品	3,006	1,402
		22,995	19,281

An analysis of the amount of inventories recognised as an expense and included in the consolidated income statement is as follows:

確認為開支並於綜合收益表入賬的存貨金額分析如下：

		The Group	
		本集團	
		2011	2010
		\$'000	\$'000
		千元	千元
Carrying amount of inventories sold	已售存貨的賬面值	126,401	118,562
Write down of inventories	撇減存貨	1,487	203
		127,888	118,765

The write-down of inventories is related to decrease in the estimated net realisable value of certain slow-moving inventories.

存貨撇減乃由於若干周轉較慢存貨之估計可變現淨值減少所致。

17 TRADE AND OTHER RECEIVABLES

17 貿易及其他應收款項

		The Group 本集團		The Company 本公司	
		2011 \$'000 千元	2010 \$'000 千元	2011 \$'000 千元	2010 \$'000 千元
Trade debtors	應收賬項	36,764	43,409	-	-
Less: allowance for doubtful debts	減：呆賬撥備	(715)	(106)	-	-
		36,049	43,303	-	-
Prepaid listing expenses	預付上市開支	-	6,495	-	6,495
Other prepayments	其他預付款項	2,668	1,854	-	-
Deposits and other debtors	押金及其他應收款項	2,269	1,697	270	-
Less: allowance for doubtful debts of other debtors	減：其他應收款項之呆壞賬撥備	(193)	-	-	-
		40,793	53,349	270	6,495

(a) AGEING ANALYSIS

Included in trade and other receivables are trade debtors (net of allowance for doubtful debts) with the following ageing analysis as of the statement of financial position date:

(a) 賬齡分析

於財務狀況表日，包括在貿易及其他應收款項內的應收賬項(扣除呆賬撥備)的賬齡分析如下：

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17 TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) AGEING ANALYSIS (CONTINUED)

Current	即期
Less than 3 months past due	逾期不足3個月
More than 3 months but less than 12 months past due	逾期超過3個月但不足12個月
Amount past due	逾期金額

Trade debtors are due within 30-90 days from the date of billing. Further details on the Group's credit policy are set out in note 24(a).

17 貿易及其他應收款項(續)

(a) 賬齡分析

The Group 本集團	
2011 \$'000 千元	2010 \$'000 千元
21,869	17,783
12,313	25,126
1,867	394
14,180	25,520
36,049	43,303

應收賬項通常於發單日期起計30至90日內到期。有關本集團信貸政策的進一步詳情載於附註24(a)。

17 TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) IMPAIRMENT OF TRADE DEBTORS

Impairment losses in respect of trade debtors are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade debtors directly (see note 1(g)(i)).

The movement in the allowance for doubtful debts during the year is as follows:

At 1 January	於1月1日
Exchange adjustments	匯兌調整
Impairment loss recognised	已確認減值虧損
Uncollectible amounts written off	撇銷不可收回金額
At 31 December	於12月31日

At 31 December 2011, the Group's trade debtors of HK\$715,000 (2010: HK\$106,000) respectively were individually determined to be impaired. The individually impaired receivables are mainly related to customers that were in financial difficulties and management assessed that the receivables are not expected to be recovered. Consequently, specific allowances for doubtful debts were recognised in full. The Group does not hold any collateral over these balances.

17 貿易及其他應收款項(續)

(b) 應收賬項減值

應收賬項的減值虧損記入撥備賬內，除非本集團認為收回款項機會甚微，在此情況下，減值虧損將直接從應收賬項撇銷(請參閱附註1(g)(i))。

年內呆賬撥備變動如下：

The Group	
本集團	
2011	2010
\$'000	\$'000
千元	千元
106	114
19	4
882	25
(292)	(37)
715	106

於2011年12月31日，本集團應收賬項715,000港元(2010：106,000港元)釐定為個別減值。已減值應收款項主要與出現財務困難的客戶有關，據管理層評估，預期該等應收款項不能收回。因此，已全數確認特定呆賬撥備。本集團並未就該等結餘持有任何抵押品。

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17 TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) TRADE DEBTORS THAT ARE NOT IMPAIRED

Receivables of HK\$21,869,000 (2010: HK\$17,783,000) that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables of HK\$14,180,000 (2010: HK\$25,520,000) that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

17 貿易及其他應收款項(續)

(c) 未減值應收賬項

金額為21,869,000港元(2010年：17,783,000港元)的既未逾期亦未減值的應收款項與眾多並無近期欠款記錄的客戶有關。

金額為14,180,000港元(2010年：25,520,000港元)的已逾期但未減值的應收款項與多名獨立客戶有關，該等客戶於本集團的信貸記錄良好。根據過往經驗，由於信貸質素並無重大變動，且結餘仍被視為可悉數收回，故管理層相信毋須就此等結餘作出減值撥備。本集團並未就此等結餘持有任何抵押品。

18 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) CURRENT TAX PAYABLE/(RECOVERABLE) IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION REPRESENTS:

		The Group 本集團	
		2011 \$'000 千元	2010 \$'000 千元
At 1 January	於1月1日	1,705	2,779
Exchange adjustments	匯兌調整	55	48
Provision for PRC corporate income tax (note 6(a))	中國企業所得稅撥備 (附註6(a))	5,297	5,914
Provision for Hong Kong Profits Tax (note 6(a))	香港利得稅撥備 (附註6(a))	169	1,324
Income tax paid	已付所得稅	(7,519)	(5,402)
Disposal of a subsidiary	出售一間附屬公司	-	(2,958)
At 31 December	於12月31日	(293)	1,705

Represented by:

即：

		The Group 本集團	
		2011 \$'000 千元	2010 \$'000 千元
Current tax payable	即期應付稅項	2,004	2,920
Current tax recoverable	即期可收回稅項	(2,297)	(1,215)
		(293)	1,705

18 綜合財務狀況表內的所得稅

(a) 綜合財務狀況表內的即期應付/(可收回)稅項指：

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18 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(b) DEFERRED TAX ASSETS/(LIABILITIES) RECOGNISED:

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

18 綜合財務狀況表內的所得稅 (續)

(b) 已確認遞延稅項資產／(負債)：

於綜合財務狀況表中確認的遞延稅項資產／(負債)組成部分及年內的變動如下：

		Unrealised profit arising from intra-group transactions difference	Pre- operating expenses and provisions	PRC dividend withholding tax	Total	
		集團內交易 產生的未 折舊差異	經營前開支 及撥備	中國股息 預扣稅	總計	
		千港元	千港元	千港元	千港元	
		\$'000	\$'000	\$'000	\$'000	
<i>Deferred tax arising from:</i>	<i>遞延稅項來自：</i>					
At 1 January 2010	於2010年1月1日	-	746	198	(631)	313
Exchange adjustments	匯兌調整	-	-	4	1	5
Charged to income statement	於收益表扣除	-	(294)	(98)	630	238
At 31 December 2010 and 1 January 2011	於2010年12月31日及 2011年1月1日	-	452	104	-	556
Exchange adjustments	匯兌調整	9	-	19	-	28
Credited/(charged) to income statement	於收益表計入/ (扣除)	396	(40)	594	-	950
At 31 December 2011	於2011年12月31日	405	412	717	-	1,534

18 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(c) RECONCILIATION TO THE STATEMENTS OF FINANCIAL POSITION:

Net deferred tax asset recognised in the statement of financial position	於財務狀況報表確認之遞延稅項資產淨值
Net deferred tax liability recognised in the statement of financial position	於財務狀況報表確認之遞延稅項負債淨值

(d) DEFERRED TAX LIABILITIES NOT RECOGNISED

As at 31 December 2011, temporary differences related to the undistributed profits of the Group's PRC subsidiaries amounted to HK\$61,719,000 (2010: HK\$39,619,000), of which deferred tax liabilities were not recognised in respect of the tax that would be payable on the distribution of these retained profits as the Company controls the dividend policy of these subsidiaries and it has been determined that it is probable that profits will not be distributed in the foreseeable future.

18 綜合財務狀況表內的所得稅 (續)

(c) 財務狀況報表對賬：

The Group	
本集團	
2011	2010
\$'000	\$'000
千元	千元
1,534	556
-	-
1,534	556

(d) 未確認的遞延稅項負債：

於2011年12月31日，有關本集團中國附屬公司未分派溢利的暫時差異為61,719,000港元（2010年：39,619,000港元）。由於本公司控制該等附屬公司的股息政策，且該等溢利被認為不會於可見將來分派，因此並無確認與分派該等保留溢利時產生的應繳稅項有關的遞延稅項負債。

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19 CASH AND CASH EQUIVALENTS

19 現金及現金等價物

		The Group 本集團	
		2011 \$'000 千元	2010 \$'000 千元
Deposits with banks	銀行定期存款	86,104	–
Cash at bank and in hand	銀行及手頭現金	34,373	15,584
		120,477	15,584
Less: Bank deposits with maturity beyond three months	減：到期日為三個月以上之 銀行存款	(43,549)	–
Cash and cash equivalents	現金及現金等價物	76,928	15,584

As at 31 December 2011, cash and cash equivalents in the amount of HK\$74,524,000 (2010: HK\$15,009,000) are denominated in RMB and are deposited in the PRC in the ordinary course of business. RMB is not a freely convertible currency and the remittance of funds out of the PRC is subject to the exchange restriction imposed by the PRC government.

於2011年12月31日，為數74,524,000港元(2010年：15,009,000港元)乃以人民幣計值，並於日常業務過程中存放於中國。人民幣並非可自由兌換的貨幣，從中國匯出資金須受中國政府的外匯管制。

20 TRADE AND OTHER PAYABLES

20 貿易及其他應付款項

		The Group 本集團		The Company 本公司	
		2011 \$'000 千元	2010 \$'000 千元	2011 \$'000 千元	2010 \$'000 千元
Trade creditors	應付賬項	7,444	5,452	–	–
Payroll and staff benefits payable	應付工資及員工福利	6,133	9,578	–	82
Accrued expenses	應計開支	3,492	2,091	625	–
Payables for fixed assets	固定資產應付款項	1,318	3,718	–	–
Payables for listing expenses	應付上市開支	–	8,258	–	8,258
Other taxes payable	其他應付稅項	1,644	744	–	–
Other payables	其他應付款項	141	604	–	131
		20,172	30,445	625	8,471

20 TRADE AND OTHER PAYABLES (CONTINUED)

Included in trade and other payables are trade creditors with the following ageing analysis as of the statement of financial position date:

Due within 1 month or on demand 於1個月內或於要求時到期
Due after 1 month but within 3 months 於1個月後但至3個月內到期

20 貿易及其他應付款項(續)

已計入貿易及其他應付款項的應付賬項於財務狀況表日的賬齡分析如下：

The Group 本集團	
2011 \$'000 千元	2010 \$'000 千元
6,855	4,911
589	541
7,444	5,452

21 EMPLOYEES RETIREMENT BENEFITS

The Group operates a Mandatory Provident Fund Scheme (“the MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employee’s relevant income, subject to a cap of monthly relevant income of HK\$20,000.

Employees in the Group’s PRC subsidiaries are members of the state-managed retirement scheme. The PRC subsidiaries are required to contribute to the scheme at rate of 10%-14% of the eligible employees’ basic salary. The local government authority is responsible for the entire pension obligations payable to the retired employees.

21 僱員退休福利

本集團根據香港強制性公積金計劃條例為受香港僱傭條例管轄的司法權區的受聘僱員設立一項強制性公積金計劃(「強積金計劃」)。強積金計劃為一項由獨立受託人管理的界定供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員相關收入的5%向計劃供款，以每月相關收入20,000港元為上限。

本集團中國附屬公司僱員乃國家管理退休計劃的成員。中國附屬公司須向計劃供款，按合資格僱員基本薪金之10%至14%供款。當地政府對退休僱員之整個退休金責任負責。

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21 EMPLOYEES RETIREMENT BENEFITS (CONTINUED)

The Group has no other material obligation for payment of retirement benefits beyond the annual contributions as described above.

22 EQUITY SETTLED SHARE-BASED TRANSACTIONS

On 27 May 2011, the Company granted 24,880,000 share options under its share option scheme to one executive director and eighty three eligible employees of the Group (including four key management personnel) for subscribing shares of the Company at an exercise price of HK\$1.39 per share. The exercise of these share options would entitle the director to subscribe for an aggregate of 2,120,000 shares of the Company while the eligible employees for an aggregate of 22,760,000 shares. Each option granted under the share option scheme has a vesting period of one to five years, commencing from the day of announcement of the 2011 annual results. The options are exercisable until 2017.

(a) THE TERMS AND CONDITIONS OF THE GRANTS ARE AS FOLLOWS:

21 僱員退休福利(續)

除上述年度供款外，本集團並無有關支付退休福利的其他重大責任。

22 權益結算股份支付的交易

於2011年5月27日，本公司根據購股權計劃向本集團一名執行董事及83名合資格雇員(包括4名主要管理人員)授出24,880,000份購股權，以按每股1.39港元的行使價認購本公司股份。行使該等購股權將令該董事有權合共認購本公司2,120,000股股份，而合資格雇員則可認購合共22,760,000股股份。根據購股權計劃授出的每份購股權均具有1至5年的行權等待期，自2011年年度業績公告之日起計。購股權可於2017年前行使。

(a) 購股權的條款及條件如下：

Date granted 授出日期	Vesting date 可行權日	Expiry date 到期日	Number of share options granted 授出的購股權數目			Contractual life 合約期限
			Director 董事	Employees 雇員	Total 合計	
27-May-11	Tranche 1: the day the 2011 annual results being announced	the day the 2016 annual results being announced	318,000	3,414,000	3,732,000	6 years
2011年5月27日	第一批：2011年年度業績公佈之日	2016年年度業績公佈之日				6年

22 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(a) THE TERMS AND CONDITIONS OF THE GRANTS ARE AS FOLLOWS:
(CONTINUED)

22 權益結算股份支付的交易(續)

(a) 購股權的條款及條件如下：(續)

Date granted 授出日期	Vesting date 可行權日	Expiry date 到期日	Number of share options granted 授出的購股權數目			Contractual life 合約期限
			Director 董事	Employees 僱員	Total 合計	
27-May-11 2011年5月27日	Tranche 2: the day the 2012 annual results being announced 第二批：2012年年度業績公佈之日	the day the 2016 annual results being announced 2016年年度業績公佈之日	318,000	3,414,000	3,732,000	6 years 6年
27-May-11 2011年5月27日	Tranche 3: the day the 2013 annual results being announced 第三批：2013年年度業績公佈之日	the day the 2016 annual results being announced 2016年年度業績公佈之日	424,000	4,552,000	4,976,000	6 years 6年
27-May-11 2011年5月27日	Tranche 4: the day the 2014 annual results being announced 第四批：2014年年度業績公佈之日	the day the 2016 annual results being announced 2016年年度業績公佈之日	424,000	4,552,000	4,976,000	6 years 6年
27-May-11 2011年5月27日	Tranche 5: the day the 2015 annual results being announced 第五批：2015年年度業績公佈之日	the day the 2016 annual results being announced 2016年年度業績公佈之日	636,000	6,828,000	7,464,000	6 years 6年
			<u>2,120,000</u>	<u>22,760,000</u>	<u>24,880,000</u>	

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22 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(b) THE NUMBER AND WEIGHTED AVERAGE EXERCISE PRICES OF SHARE OPTIONS ARE AS FOLLOWS:

Outstanding at the beginning of the year	於年初尚未行使		
Granted during the year	年內已授出	\$1.39	24,880
Exercised during the year	年內已行使	–	–
Forfeited during the year	年內已失效	\$1.39	(6,520)
Outstanding and exercisable at the end of the year	於年終尚未行使及可予行使	\$1.39	18,360

The options outstanding at 31 December 2011 had an exercise price of HK\$1.39 and a weighted average remaining contractual life of 5.6 years.

(c) FAIR VALUE OF SHARE OPTIONS AND ASSUMPTIONS:

The fair value of services received in return for the share options is measured by reference to the fair value of share options granted. The estimated fair value of the share options is measured based on a binomial lattice model. The contractual life of the share options is used as an input into this model.

22 權益結算股份支付的交易(續)

(b) 購股權之數目及加權平均行使價如下：

Exercise price 行使價	Number of options 購股權數目 '000 千
–	–
\$1.39	24,880
–	–
\$1.39	(6,520)
\$1.39	18,360

於2011年12月31日之尚未行使購股權之行使價為1.39港元，加權平均剩餘合約期為5.6年。

(c) 購股權公允值及假設：

交換購股權所獲得的服務的公允值乃參考授出的購股權的公允值計量。購股權的估計公允值乃基於二項式點陣模式計量。購股權的合約期限用作該模式的輸入數據。

22 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(c) FAIR VALUE OF SHARE OPTIONS AND ASSUMPTIONS: (CONTINUED)

Fair value (weighted average) per share option at measurement date	HK\$0.46
Exercise price per option	HK\$1.39
Expected volatility rate	50% per annum
Expected dividend yield	2% per annum
In-service early exercise behaviour	Option holder will exercise his/her options when the share price is at least 250% of the exercise price.
Risk-free rate of interest	
Tranche 1:	1.00% per annum
Tranche 2:	1.22% per annum
Tranche 3:	1.40% per annum
Tranche 4:	1.54% per annum
Tranche 5:	1.65% per annum
Performance hurdle	90% of option holders will satisfy performance conditions.

The expected volatility is based on the Company's own volatility since its listing and comparable companies' volatility in recent years.

22 權益結算股份支付的交易(續)

(c) 購股權公允值及假設：(續)

於計量日期每份購 股權的公允值 (加權平均數)	0.46 港元
每份購股權 行使價	1.39 港元
預期波動率	每年 50%
預期股息收益	每年 2%
服務期內提早 行使活動	購股權持有人 於股價至少 為行使價的 250% 時行 使其購股權
無風險利率	
第 1 批：	每年 1.00%
第 2 批：	每年 1.22%
第 3 批：	每年 1.40%
第 4 批：	每年 1.54%
第 5 批：	每年 1.65%
執行障礙	90% 的購股權 持有人將達 成執行條件

預期波動乃基於本公司自其上市以來其波動性及近年來可資比較公司之波動性。

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22 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(c) FAIR VALUE OF SHARE OPTIONS AND ASSUMPTIONS: (CONTINUED)

Taking into account the probability of early exercise behaviour stated above, the expected term of the grant was determined to be around 5 years.

The risk-free rate of interest with expected term shown above was taken to be the linearly interpolated yields of the Hong Kong Exchange Fund Notes as at the grant date.

Except for the conditions mentioned above, there were no other market conditions and service conditions associated with the share options.

23 CAPITAL, RESERVES AND DIVIDENDS

(a) MOVEMENTS IN COMPONENTS OF EQUITY

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

22 權益結算股份支付的交易(續)

(c) 購股權公允值及假設：(續)

計及上述提早行使活動的可能性，授出的預期期限確定為約5年。

上文所示預期期限的無風險利率被視為於授出日期香港外匯基金債券線性插補收益率。

除上述條件之外，概無與購股權相關的市況及服務條件。

23 資本、儲備及股息

(a) 權益部分之變動

本集團綜合權益各部份年初及年終結餘之對賬載於綜合權益變動表。本公司各個權益部份於年初及年終期間之變動載列如下：

23 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(a) MOVEMENTS IN COMPONENTS OF EQUITY (CONTINUED)

The Company

		Share capital	Share premium	Capital reserve	(Accumulated loss)/ Retained earnings (累計虧損)/ 保留溢利	Total
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
At 6 July 2010	於2010年7月6日	-	-	-	-	-
Loss for the period	期內虧損	-	-	-	(11,326)	(11,326)
At 31 December 2010 and 1 January 2011	於2010年12月31日 及2011年1月1日	-	-	-	(11,326)	(11,326)
Profit for the year	年內溢利	-	-	-	16,676	16,676
Issuance of shares by share offer	透過股份發售發行股份	4,150	138,096	-	-	142,246
Dividends declared and paid	宣派及派付股息	-	-	-	(5,188)	(5,188)
Equity settled share-based transactions	以權益結算股份 支付的交易	-	-	814	-	814
At 31 December 2011	於2011年12月31日	4,150	138,096	814	162	143,222

23 資本、儲備及股息(續)

(a) 權益部分之變動(續)

本公司

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

23 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(b) DIVIDENDS

Dividends approved and paid to equity shareholders of the Company during the year are as follows:

Interim dividend declared and paid of HK1.25 cents per ordinary share (2010: nil)	宣派及派付每股普通股1.25港仙之中期股息 (2010年：無)
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Dividends payable to equity shareholders of the Company attributable to the year are as follow:

Final dividend proposed after 31 December 2011 of HK1.25 cents per ordinary share (2010: nil)	於2011年12月31日後每股普通股1.25港仙之擬派末期股息 (2010年：無)
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The final dividend proposed after 31 December 2011 has not been recognised as a liability as at the date of the financial position.

23 資本、儲備及股息(續)

(b) 股息

年內已批准及已派付予本公司權益股東的股息如下：

2011 \$'000 千元	2010 \$'000 千元
5,188	—

應付予本公司權益股東應佔年內的股息如下：

2011 \$'000 千元	2010 \$'000 千元
5,188	—

於2011年12月31日後之擬派末期股息並無於財務狀況報表日確認為負債。

23 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(c) SHARE CAPITAL

(i) Authorised and issued share capital

		2011		2010	
		No. of shares 股份數目 '000 千	Share capital 股本 \$'000 千元	No. of shares 股份數目 '000 千	Share capital 股本 \$'000 千元
Authorised,	法定				
Ordinary shares of HK\$0.01 each	每股面值0.01港元 的普通股	2,000,000	20,000	-	-
Ordinary shares, issued and fully paid:	普通股，已發行 及繳足：				
1 January 2011 (HK\$0.01 each)	2011年1月1日 (每股0.01港元)	-	-	-	-
Shares issued by share offer	透過股份發售發行的股份	415,000	4,150	-	-
At 31 December 2011	於2011年12月31日	415,000	4,150	-	-

23 資本、儲備及股息(續)

(c) 股本

(i) 法定及已發行股本

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(Expressed in Hong Kong dollars
unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

23 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(c) SHARE CAPITAL (CONTINUED)

(i) *Authorised and issued share capital (continued)*

The shares of the Company were listed on the Main Board of The Hong Kong Stock Exchange on 12 January 2011, with a total number of 400,000,000 shares, among which 100,000,000 shares (25% of the total number of shares of the Company) were issued to the public. The gross proceeds received from the offering were approximately HK\$133,000,000. The Company subsequently over-allotted and issued 15,000,000 shares to the public on 28 January 2011 and gross proceeds received were approximately HK\$19,950,000.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings. All ordinary shares rank equally with regard to the Group's residual assets.

(ii) *Shares issued under share option scheme*

No options were exercised during the year as all the options granted by the Company will not vest until after 31 March 2012. Further details of these options are set out in note 22 to financial statements.

23 資本、儲備及股息 (續)

(c) 股本 (續)

(i) 法定及已發行股本 (續)

本公司股份於2011年1月12日於香港聯交所主板上市，股份總數為400,000,000股，其中100,000,000股股份（佔本公司股份總數的25%）已向公眾發行。已收取的公開發售所得款項總額約為133,000,000港元。本公司其後於2011年1月28日向公眾超額配發及發行15,000,000股股份，已收取的所得款項總額約為19,950,000港元。

普通股的持有人有權收取不時宣派的股息，並有權於大會上享有每股一票的投票權。就本集團的剩餘資產而言，所有普通股享有同等地位。

(ii) 根據購股權計劃所發行之股份

由於本公司授出之所有購股權直至2012年3月31日前將不會行權，故年內並無行使購股權。有關購股權之進一步詳情載於財務報表附註22內。

23 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(d) SHARE PREMIUM

The excess of the issued price of HK\$152,950,000 (HK\$1.33 per share) net of any issuance expenses of HK\$10,704,000 over the par value of the shares issued has been credited to the share premium account of the Company.

Under the Companies Law (Revised) of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

According to the Company's Memorandum and Articles of Association, dividends may be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose with the sanction of an ordinary resolution.

23 資本、儲備及股息(續)

(d) 股份溢價

發行價152,950,000港元(每股1.33港元)扣除發行開支10,704,000港元後超出已發行股份面值的金額已計入本公司股份溢價賬。

根據開曼群島公司法(經修訂)，股份溢價賬可供分配予本公司股東，惟於緊隨建議分派股息之日後，本公司將有能力於日常業務過程中償還到期債務。

根據本公司之組織章程大綱及細則，本公司須經普通決議案准許後，方可從股份溢價賬或任何其他基金或賬目宣派及派付股息。

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(Expressed in Hong Kong dollars unless otherwise indicated)
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23 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(e) STATUTORY RESERVE

Statutory reserve was established in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiaries incorporated in the PRC. Transfers to the reserve were approved by the respective board of directors.

KEE Guangdong and KEE Zhejiang, which are wholly foreign owned enterprises incorporated in the PRC, are required to transfer at least 10% of its net profit (after offsetting prior year's losses), as determined under the PRC accounting rules and regulations, to statutory general reserve until the reserve balance reaches 50% of the registered capital under the PRC Company Law and the articles of association of these entities. The transfer to this reserve must be made before distribution of dividends to the equity shareholder.

Statutory general reserve can be used to make good prior years' losses, if any, and may be converted into paid-up capital provided that the balance after such conversion is not less than 25% of the registered capital.

(f) CAPITAL RESERVE

Capital reserve mainly includes reserves arising prior to and during the Reorganisation and the portion of the grant date fair value of unexercised share options granted to employees of the Company that has been recognised in accordance with the accounting policy adopted for share-based payments in note 1 (m)(ii).

23 資本、儲備及股息(續)

(e) 法定儲備

法定儲備按照相關中國規則及規例以及在中國註冊成立的本公司附屬公司的組織章程細則設立。轉撥至儲備由相關董事會批准。

開易廣東及開易浙江為在中國註冊成立的外商獨資企業，須於抵銷過往年度的虧損後將其純利（根據中國會計規則及規例計算）的至少10%轉撥至一般法定儲備，直至儲備結餘達根據中國公司法及該等實體的組織章程細則規定的註冊資本的50%。轉撥至該儲備須於向權益股東分派股息前進行。

法定一般儲備可用作彌補過往年度的虧損（如有），亦可轉換為繳足股本，惟進行有關轉換後的結餘不得少於註冊資本的25%。

(f) 資本儲備

資本儲備主要包括重組前及重組期間產生之儲備，及授予本公司僱員之未行使購股權之授出日期公允值根據就股份付款所採納的會計政策（見附註1 (m)(ii)）而予以確認的部分。

23 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(g) EXCHANGE RESERVE

Exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of subsidiaries with functional currencies other than HK\$. The reserve is dealt with in accordance with the accounting policy set out in note 1(q).

(h) DISTRIBUTABILITY OF RESERVES

At 31 December 2011, the aggregate amount of reserves available for distribution to the equity shareholder of the Company was HK\$138,258,000 (2010: Nil).

(i) CAPITAL MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholder and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

23 資本、儲備及股息(續)

(g) 匯兌儲備

匯兌儲備包括因換算使用港元以外的功能貨幣的附屬公司財務報表產生的所有外匯差額。該儲備乃根據附註1(q)所載的會計政策處理。

(h) 儲備的可供分派性

於2011年12月31日，可供分派予本公司權益股東的儲備總額為138,258,000港元(2010：無)。

(i) 資本管理

本集團管理資本的首要目標乃保障本集團的持續經營能力，從而透過按風險水平為產品及服務定價以及透過以合理成本取得融資，不斷為股東帶來回報及為其他利益相關者帶來利益。

本集團積極及定期對資本架構進行檢討及管理，以在較高借貸水平可能帶來的較高股東回報與良好的資本狀況帶來的好處及保障之間取得平衡，並因應經濟環境的變化對資本架構作出調整。

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(除另有註明外，所有金額以港元計算)

23 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(i) CAPITAL MANAGEMENT (CONTINUED)

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes interest-bearing loans and borrowings, and obligation under finance lease), less cash and cash equivalents. Adjusted capital comprises all components of equity.

During 2011, the Group's strategy, which was unchanged from 2010 was to maintain the adjusted net debt-to-capital ratio below 20%. As of 31 December 31, 2011, the Group does not have any debts from banks. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholder, issue new shares, return capital to shareholder, raise new debt financing or sell assets to reduce debt.

23 資本、儲備及股息(續)

(i) 資本管理(續)

本集團按經調整負債淨額與資本比率的基準監察其資本架構。就此而言，經調整債務淨額乃定義為債務總額(包括計息貸款及借貸，及融資租賃承擔)，減現金及現金等價物。經調整資本包括所有權益組成部分。

於2011年，本集團秉承2010年的策略，將經調整債務淨額與資本比率維持低於20%。於2011年12月31日，本集團並無對銀行的債務。為維持或調整該比率，本集團或會對派付予股東的股息金額作出調整、發行新股份、向股東返還資本、籌集新債務融資或出售資產以減少負債。

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES

Exposure to credit, liquidity and currency risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) CREDIT RISK

The Group's credit risk is primarily attributable to trade and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade and other receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30-90 days from the date of billing. Debtors with balances that are past due are usually requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

24 金融風險管理及公允值

本集團所面臨的信貸、流動資金及貨幣風險乃在本集團日常業務過程中產生。

本集團所面臨的該等風險、金融風險管理政策及本集團管理該等風險採納的措施如下：

(a) 信貸風險

本集團的信貸風險主要來自貿易及其他應收款項。管理層訂有信貸政策，並持續監管該等信貸風險。

就貿易及其他應收款項而言，本集團對於所有要求一定數額信貸的客戶進行個別信用評估。評估主要根據客戶過往到期還款歷史及現時償付能力，並考慮特定客戶的資料及其所處經營經濟環境。應收貿易款項自發出賬單日期起30至90日內到期。賬項逾期的債務人通常會被要求先清償所有未償還餘額，才能獲得任何進一步信貸。一般而言，本集團不會要求客戶提供抵押品。

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(除另有註明外，所有金額以港元計算)

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(a) CREDIT RISK (CONTINUED)

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore certain concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. 16% of the total trade receivables were due from the Group's five largest customers as at 31 December 2011 (31 December 2010: 17%).

The maximum exposure to credit risk without taking account of any collateral held is represented by the carrying amount of each financial asset in the statement of financial position after deducting any impairment allowance. The Group does not provide any guarantees which would expose the Group to credit risk.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 17.

(b) LIQUIDITY RISK

Individual operating entities within the Group are responsible for their own cash management, including the short term investments of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

24 金融風險管理及公允值(續)

(a) 信貸風險(續)

本集團所面臨的信貸風險主要受各客戶的個別特點所影響，而非客戶經營的行業或國家，因此，本集團所面臨的若干信貸風險高度集中情況主要來自所面臨的重大個別客戶風險。於2011年12月31日，應收貿易款項總額達16%（2010年12月31日：17%）來自本集團的五大客戶。

如無計及所持有的任何抵押品，本集團所面臨的最大信貸風險為財務狀況表內各金融資產的賬面值減任何減值撥備。本集團不會提供任何會使本集團面臨信貸風險的擔保。

本集團因貿易及其他應收款項而產生的信貸風險的進一步定量披露載於附註17。

(b) 流動資金風險

本集團內個別營運企業須自行負責現金管理，包括將現金盈餘作短期投資及籌集貸款以應付預期的現金需求（惟借貸額超過若干預先釐定授權水平則須獲得母公司董事會批准）。本集團的政策為定期監察其流動資金需要及其遵守放款契諾的情況，以確保其維持足夠現金儲備及隨時可變現的有價證券，並獲主要金融機構授予充足的已承諾資金額度，以應付其長短期之流動資金需要。

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(b) LIQUIDITY RISK (CONTINUED)

The following tables show the remaining contractual maturities at the financial position date of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the financial position date) and the earliest date the Group can be required to pay:

At 31 December 2011

Trade and other payables 貿易及其他應付款項

24 金融風險管理及公允值(續)

(b) 流動資金風險(續)

下表列示於財務狀況表日本集團金融負債餘下的合約到期日(根據合約未折現現金流量(包括以合約利率計算的利息付款或倘為浮動利率,則以財務狀況表日的現行利率計算))及本集團可能被要求支付的最早日期:

於2011年12月31日

Contractual undiscounted cash outflow 合約未貼現 現金流出金額	Within 1 year or on demand 1年內或 於要求時 \$'000 千元	Carrying amount at 31 Dec 財務狀況表 賬面值 \$'000 千元
Trade and other payables	20,172	20,172

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(除另有註明外，所有金額以港元計算)

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(b) LIQUIDITY RISK (CONTINUED)

At 31 December 2010

24 金融風險管理及公允值(續)

(b) 流動資金風險(續)

於2010年12月31日

		Contractual undiscounted cash outflow 合約未貼現 現金流出金額	Carrying amount at 31 Dec 財務狀況表 賬面值
		Within 1 year or on demand 1年內或 於要求時 \$'000 千元	\$'000 千元
Trade and other payables	貿易及其他應付款項	30,445	30,445
Bank loans	銀行貸款	28,774	28,205
Total	總計	59,219	58,650

The short-term liquidity risk inherent in this contractual maturity date has been addressed after the financial position date by the cash generated from operating activities.

於該合約到期日固有的短期流動性風險已透過財務狀況表日後的經營活動所得現金緩解。

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(c) CURRENCY RISK

Individual companies within the Group has limited foreign currency risk as most of the transactions are denominated in the same currency as the functional currency of the operations in which they relate.

(d) ESTIMATION OF FAIR VALUE

The carrying amounts of the Group's and the Company's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2011 and 2010.

25 COMMITMENTS

(a) CAPITAL COMMITMENTS OUTSTANDING AT 31 DECEMBER 2011 AND 2010 NOT PROVIDED FOR IN THE FINANCIAL STATEMENTS WERE AS FOLLOWS:

Contracted for

已訂約

24 金融風險管理及公允值(續)

(c) 貨幣風險

由於本集團內部個別公司的大部分交易均以與彼等營運有關的功能貨幣屬相同的貨幣計值，故彼等的外匯風險有限。

(d) 公允值估計

於2011年及2010年12月31日以成本或攤銷成本列賬的本集團及本公司之財務工具之賬面值與其公允值概無重大差異。

25 承擔

(a) 於2011年及2010年12月31日，未於財務報表內作出撥備的資本承擔如下：

		The Group 本集團	
		2011 \$'000 千元	2010 \$'000 千元
Contracted for	已訂約	11,615	2,011

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(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

25 COMMITMENTS (CONTINUED)

(b) AT THE FINANCIAL POSITION DATE, THE TOTAL FUTURE MINIMUM LEASES PAYMENTS UNDER NON-CANCELLABLE OPERATING LEASES ARE PAYABLE AS FOLLOWS:

Within 1 year	1年內
After 1 year but within 5 years	1年後但5年內

25 承擔(續)

(b) 於財務狀況表日，根據不可撤銷經營租賃應付的未來最低租金總額如下：

The Group 本集團	
2011 \$'000 千元	2010 \$'000 千元
4,592	4,279
568	3,796
5,160	8,075

26 MATERIAL RELATED PARTY TRANSACTIONS

During the year, the directors are of the view that related parties of the Group include the following individuals/companies:

Name of related party	Relationship with the Group
Xu Xipeng and Xu Xinan	Ultimate controlling parties and key management personnel
Nicco Worldwide Inc. ("Nicco")	Immediate holding company
Foshan Nanhai Zhuyuan Hardware Store ("Zhuyuan")	A company controlled by a close family member of the key management personnel
UNA	A company controlled by a close family member of the key management personnel

26 重大關連方交易

年內，董事認為，本集團的關連方包括以下人士／公司：

關連方名稱	與本集團的關係
許錫鵬及許錫南	最終控股方及主要管理人員
Nicco Worldwide Inc. (「Nicco」)	直接控股公司
佛山市南海區黃岐珠原五金交電經營部 (「珠原」)	由主要管理人員的近親控制的公司
優納	由主要管理人員的近親控制的公司

26 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) KEY MANAGEMENT PERSONNEL COMPENSATION

Remuneration for key management personnel, including the amounts paid to the Group's directors as disclosed in note 7, is as follows:

		The Group 本集團	
		2011 \$'000 千元	2010 \$'000 千元
Short-term employee benefits	短期僱員福利	3,043	2,942
Contributions to defined contribution retirement plans	向界定供款退休計劃供款	16	17
Equity compensation benefits	權益補償福利	157	-
		3,216	2,959

Total remuneration is included in "staff costs" (note 5(b)).

薪酬總額計入「員工成本」(附註5(b))。

(b) RECURRING TRANSACTIONS WITH OTHER RELATED PARTIES

Rentals paid to
- Ultimate controlling parties

向以下各方支付租金
- 最終控股方

26 重大關連方交易(續)

(a) 主要管理人員薪酬

主要管理人員薪酬(包括附註7所披露支付予本集團董事的款項)如下：

		The Group 本集團	
		2011 \$'000 千元	2010 \$'000 千元
Short-term employee benefits	短期僱員福利	3,043	2,942
Contributions to defined contribution retirement plans	向界定供款退休計劃供款	16	17
Equity compensation benefits	權益補償福利	157	-
		3,216	2,959

薪酬總額計入「員工成本」(附註5(b))。

(b) 與其他關連方的經常交易

		The Group 本集團	
		2011 \$'000 千元	2010 \$'000 千元
Rentals paid to - Ultimate controlling parties	向以下各方支付租金 - 最終控股方	3,761	3,582

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(除另有註明外，所有金額以港元計算)

26 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(c) NON-RECURRING TRANSACTIONS WITH OTHER RELATED PARTIES

Merchandise purchased from	向以下各方購買商品
– UNA	– 優納
– Zhuyuan	– 珠原

(d) AMOUNT DUE FROM/(TO) A SUBSIDIARY

– KEE Zippers	– 開易拉鏈
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The above balances are unsecured, interest free and have no fixed terms of repayment.

26 重大關連方交易(續)

(c) 與其他關連方的非經常交易

		The Group	
		本集團	
		2011	2010
		\$'000	\$'000
		千元	千元
Merchandise purchased from	向以下各方購買商品		
– UNA	– 優納	–	1,308
– Zhuyuan	– 珠原	–	612
		–	1,920

(d) 應收/(應付)一間附屬公司款項

		The Company	
		本公司	
		2011	2010
		\$'000	\$'000
		千元	千元
– KEE Zippers	– 開易拉鏈	143,174	(9,350)

上述結餘乃無抵押、免息及無固定還款期。

27 IMMEDIATE AND ULTIMATE CONTROLLING PARTIES

The directors consider the immediate controlling party as at 31 December 2011 to be Nicco, while the ultimate controlling parties of the Company as at 31 December 2011 to be Mr. Xu Xipeng and Mr. Xu Xinan.

28 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group's financial condition and results of operations are sensitive to accounting methods, assumptions and estimates that underlie the preparation of the financial statements. The Group bases the assumptions and estimates on historical experience and on various other assumptions that the Group believes to be reasonable and which form the basis for making judgements about matters that are not readily apparent from other sources. On an on-going basis, management evaluates its estimates. Actual results may differ from those estimates as facts, circumstances and conditions change.

The selection of critical accounting policies, the judgements and other uncertainties affecting application of those policies and the sensitivity of reported results to changes in conditions and assumptions are factors to be considered when reviewing the financial statements. The significant accounting policies are set forth in note 1. The Group believes the following critical accounting policies involve the most significant judgements and estimates used in the preparation of the financial statements.

27 直接及最終控股方

董事認為，截至2011年12月31日的直接控股方為Nicco，而本公司截至2011年12月31日的最終控股方為許錫鵬先生及許錫南先生。

28 主要會計估計及判斷

本集團的財務狀況及經營業績易受到與編製財務報表有關的會計方法、假設及估計所影響。本集團以本集團認為合理的過往經驗及其他不同假設作為相關假設及估計的基礎，而該等經驗及假設均為對未能從其他來源確定的事宜作出判斷的基準。管理層會持續對其估計作出評估。由於實際情況、環境及狀況的改變，故實際業績可能有別於該等估計。

在審閱財務報表時，需要考慮的因素包括重要會計政策的選擇、對應用該等政策產生影響的判斷及其他不明朗因素，以及已呈報業績對狀況及假設改變的敏感度等。主要會計政策載列於附註1。本集團相信，以下重要會計政策包括在編製財務報表時所採用的最重要的判斷及估計。

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(除另有註明外，所有金額以港元計算)

28 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) IMPAIRMENT

(i) *Non-financial long-term assets*

If circumstances indicate that the net book value of property, plant and equipment and lease prepayments may not be recoverable, these assets may be considered "impaired", and an impairment loss may be recognised in accordance with HKAS 36, Impairment of assets. The carrying amounts of these assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of the net selling price and the value in use. It is difficult to precisely estimate selling price because quoted market prices for the Group's assets are not readily available. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to level of sales volume, selling price, material costs and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including sales volume, expected changes to selling prices and operating costs, and discount rate.

28 主要會計估計及判斷(續)

(a) 減值

(i) *非金融長期資產*

倘若情況顯示物業、廠房及設備及租賃預付的賬面淨值可能無法收回，該等資產或會被視為「已減值」，並可根據香港會計準則第36號「資產減值」確認減值虧損。該等資產的賬面值會定期予以審閱，以評定可收回金額是否跌至低於賬面值。當事項或環境變動顯示資產的已記錄賬面值可能無法收回時，便會就有關資產進行減值測試。如有下跌，賬面值會減至可收回金額。可收回金額是以淨售價與使用價值兩者中的較高者計算。由於本集團難以獲得資產的市場報價，因此難以準確地估計售價。在釐定使用價值時，資產所產生的預期現金流量會貼現至其現值，因而需要對銷量、售價、材料成本及經營成本等作出重大判斷。本集團使用所有可供使用的資料以判斷合理相若的可回收金額，可使用資料包括銷量、售價及經營成本的預期變動及折現率。

28 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) IMPAIRMENT (CONTINUED)

(ii) *Receivables*

The Group estimates impairment losses for bad and doubtful debts resulting from the inability of the debtors to make the required payments. The Group bases the estimates on the ageing of the trade and other receivables balance, credit-worthiness of the debtors and historical write-off experience. If the financial condition of the debtors were to deteriorate, actual write-offs would be higher than estimated.

(b) DEPRECIATION AND AMORTISATION

Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the assets, after taking into account the estimated residual value, if any. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation expense to be recorded during any reporting period. The useful lives are based on the Group's historical experience with similar assets and taking into account upgrading and improvement work performed anticipated technological changes, and legal or similar limits on the use of assets. The depreciation and amortisation expense for future periods is adjusted if there are significant changes from previous estimates.

28 主要會計估計及判斷(續)

(a) 減值(續)

(ii) *應收款項*

本集團就債務人無法作出所需付款時產生的呆壞賬估計減值虧損。本集團以貿易及其他應收款項結餘的賬齡、債務人的信譽及過往撇銷經驗等資料作為估計的基礎。倘債務人的財務狀況惡化，實際撇銷數額將會高於估計數額。

(b) 折舊及攤銷

固定資產均在考慮其估計剩餘價值(如有)後，在資產的估計可使用年限內按直線法計提折舊。本集團定期審閱資產的估計可使用年限，以釐定將於任何報告期間記入的折舊費用數額。可使用年期是根據本集團對同類資產的以往經驗並經考慮所進行的升級及改善工作、預期的技術變動及使用資產的法律或類似限制而定。倘若以前作出的估計出現重大變動，則會在未來期間對折舊及攤銷費用作出調整。

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28 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(c) INVENTORIES

The Group determines the write-down for obsolescence of inventories. These estimates are based on the current market condition and the historical experience in selling goods of similar nature. It could change significantly as a result of change in market condition.

29 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2011

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and interpretations and five new standards which are not yet effective for the year ended 31 December 2011 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

28 主要會計估計及判斷(續)

(c) 存貨

本集團會釐定陳舊存貨的撇減。此等估計乃根據目前市況及銷售類似性質貨物的過往經驗作出，可因應市況變動而大幅改變。

29 已公佈但於截至2011年12月31日止年度尚未生效之修訂、新準則及詮釋之可能影響

於此等財務報表刊發日期，香港會計師公會已公佈多項修訂及詮釋，以及五項新準則。該等修訂、詮釋及新準則於截至2011年12月31日止年度尚未生效，此等財務報表亦無採用該等修訂、詮釋及新準則。可能與本集團相關的修訂、詮釋及準則如下：

		Effective for accounting periods beginning on or after 自以下日期或之後開始的 會計期間生效
Amendments to HKFRS 7	Financial instruments: Disclosures – Transfers of financial assets	1 July 2011
香港財務報告準則第7號的修訂	金融工具：披露－金融資產轉讓	2011年7月1日
Amendments to HKAS 12	Income taxes – Deferred tax: Recovery of underlying assets	1 January 2012
香港會計準則第12號的修訂	所得稅－遞延稅項：收回相關資產	2012年1月1日

29 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2011 (CONTINUED)

29 已公佈但於截至2011年12月31日止年度尚未生效之修訂、新準則及詮釋之可能影響(續)

		Effective for accounting periods beginning on or after
		自以下日期或之後開始的 會計期間生效
Amendments to HKAS 1	Presentation of financial statements – Presentation of items of other comprehensive income	1 July 2012
香港會計準則第1號的修訂	金融工具呈列—其他全面收入項目之呈列	2012年7月1日
HKFRS 9	Financial Instruments	1 January 2013
香港財務報告準則第9號	金融工具	2013年1月1日
HKFRS 10	Consolidated financial statements	1 January 2013
香港財務報告準則第10號	綜合財務報表	2013年1月1日
HKFRS 12	Disclosure of interests in other entities	1 January 2013
香港財務報告準則第12號	對其他實體權益之披露	2013年1月1日
HKFRS 13	Fair value measurement	1 January 2013
香港財務報告準則第13號	公允值計量	2013年1月1日
HKAS 27	Separate financial statements (2011)	1 January 2013
香港會計準則第27號	獨立財務報表(2011年)	2013年1月1日

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29 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2011 (CONTINUED)

29 已公佈但於截至2011年12月31 日止年度尚未生效之修訂、新 準則及詮釋之可能影響(續)

**Effective for
accounting periods
beginning on or after**
自以下日期或之後開始的
會計期間生效

Revised HKAS 19
香港會計準則第19號(經修訂)

Employee benefits
僱員福利

1 January 2013
2013年1月1日

The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application but is not yet in a position to state whether these amendments, new standards and interpretations would have a significant impact on the Group's results of operations and financial position.

本集團正評估該等修訂、新準則及新詮釋在首個應用期產生的影響，惟目前未能確定有關修訂、新準則及詮釋會否對本集團或本公司的營運業績及財政狀況構成任何重大影響。

30 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

After the end of the reporting period the directors proposed a final dividend. Further details are disclosed in note 23(b).

30 無需進行調整的報告期後事項

於報告期末後，董事擬分派末期股息。進一步詳情請於附註23(b)披露。

Glossary 詞彙

In this annual report, unless the context otherwise requires, the following terms shall have the following meanings.

除文義另有所指外，在本年報內，下列詞語具有以下涵義：

“Board” 「董事會」	means 指	the board of Directors 董事會
“CG Code” 「企業管治守則」	means 指	code on corporate governance practices as set out in Appendix 14 to the Listing Rules 上市規則附錄 14 所載企業管治常規守則
“CAGR” 「複合年增長率」	means 指	compound annual growth rate 複合年增長率
“Company” 「本公司」	means 指	KEE Holdings Company Limited, an exempted company incorporated with limited liability under the laws of the Cayman Islands on 6 July 2010, the Shares of which are listed on the Main Board of the Hong Kong Stock Exchange 開易控股有限公司，於 2010 年 7 月 6 日根據開曼群島法律註冊成立為獲豁免有限公司，其股份於香港聯交所主板上市
“Controlling Shareholder(s)” 「控股股東」		has the meaning ascribed to it under the Listing Rules and, in the context of the Company, means Nicco, Mr. Xu Xipeng and Mr. Xu Xinan 上市規則所賦予之涵義及就本公司文義而言，指 Nicco、許錫鵬先生及許錫南先生
“Director(s)” 「董事」	means 指	the director(s) of the Company 本公司董事
“Group” 「本集團」	means 指	the Company and its subsidiaries 本公司及其附屬公司
“HK\$” and “HK cents” 「港元」及「港仙」	means 指	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong 香港法定貨幣港元及港仙
“Hong Kong” 「香港」	means 指	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Hong Kong Stock Exchange” 「香港聯交所」	means 指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“KEE Guangdong”	means	開易（廣東）服裝配件有限公司(KEE (Guangdong) Garment Accessories Limited), a limited liability company established in the PRC on 21 March 2005 and an indirect wholly-owned subsidiary of the Company

Glossary 詞彙

「開易廣東」	指	開易(廣東)服裝配件有限公司，於2005年3月21日在中國成立的有限公司，為本公司間接全資擁有的附屬公司
“Listing Rules”	means	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
「上市規則」	指	香港聯交所證券上市規則
“Main Board”	means	the stock market operated by the Hong Kong Stock Exchange, which excludes the Growth Enterprise Market and the options market
「主板」	指	由香港聯交所營運的股票市場，不包括創業板及期權市場
“Nicco”	means	Nicco Worldwide Inc., a limited liability company incorporated in the British Virgin Islands on 3 May 2004, being 49.75% owned by Mr. Xu Xipeng, 49.75% owned by Mr. Xu Xinan and 0.5% owned by Mr. Chow Hoi Kwang, Albert as at the date of this report, and a Controlling Shareholder
「Nicco」	指	Nicco Worldwide Inc.，於2004年5月3日在英屬處女群島註冊成立之有限公司(即於本報告日期49.75%由許錫鵬先生擁有、49.75%由許錫南先生擁有及0.5%由周浩光先生擁有)，並為控股股東
“OEM”	means	original equipment manufacturer or manufacturing
「OEM」	指	原設備製造(商)
“PRC” or “China”	means	the People’s Republic of China excluding, for the purpose of this report, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
「中國」	指	中華人民共和國，就本報告而言，不包括香港、中國澳門特別行政區及台灣
“Prospectus”	means	the Company’s prospectus dated 31 December 2010
「招股章程」	指	本公司日期為2010年12月31日的招股章程
“RMB”	means	Renminbi, the lawful currency of the PRC
「人民幣」	指	中國法定貨幣人民幣
“SAP system”	means	an enterprise resources planning system developed by SAP AG of Germany and its affiliated companies
「SAP系統」	指	由德國SAP AG及其聯屬公司開發的企業資源規劃系統
“Share(s)”	means	share(s) of HK\$0.01 each in the share capital of the Company
「股份」	指	本公司股本中每股面值0.01港元之股份
“Shareholder(s)”	means	shareholder(s) of the Company
「股東」	指	本公司股東

