

Oriental Watch Holdings Limited 東方表行集團有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號：398)



東方表行

Oriental Watch Company

Since 1961

2012

Interim Report 中期業績報告



CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS	Dr. Yeung Ming Biu (Chairman) Mr. Yeung Him Kit, Dennis (Deputy Chairman and Managing Director) Mr. Fung Kwong Yiu (Executive Director) Madam Yeung Man Yee, Shirley (Executive Director) Mr. Lam Hing Lun, Alain (Finance Director) Mr. Choi Kwok Yum (Executive Director) Dr. Sun Ping Hsu, Samson (Independent Non-executive Director) Dr. Li Sau Hung, Eddy (Independent Non-executive Director) Mr. Choi Man Chau, Michael (Independent Non-executive Director)	董事會 楊明標博士(主席) 楊衍傑先生 (副主席及董事總經理) 馮廣耀先生 (執行董事) 楊敏儀女士 (執行董事) 林慶麟先生 (財務董事) 蔡國欽先生 (執行董事) 孫秉樞博士 (獨立非執行董事) 李秀恒博士 (獨立非執行董事) 蔡文洲先生 (獨立非執行董事)
COMPANY SECRETARY	Mr. Lam Hing Lun, Alain	公司秘書 林慶麟先生
PRINCIPAL BANKERS	Hang Seng Bank Limited Bank of China (Hong Kong) Limited Standard Chartered Bank (Hong Kong) Limited	主要往來銀行 恒生銀行有限公司 中國銀行(香港)有限公司 渣打銀行(香港)有限公司
AUDITOR	Deloitte Touche Tohmatsu Certified Public Accountants	核數師 德勤•關黃陳方會計師行 執業會計師
HONG KONG BRANCH SHARE REGISTRARS	Tricor Secretaries Limited 26/F, Tesbury Centre 28 Queen's Road East Wanchai Hong Kong	股份過戶 登記處 香港分處 卓佳秘書商務有限公司 香港 灣仔 皇后大道東28號 金鐘匯中心26樓
HONG KONG LEGAL ADVISER	Jennifer Cheung & Co	香港法律顧問 張美霞律師行
BERMUDA LEGAL ADVISER	Conyers, Dill & Pearman	百慕達法律 顧問 Conyers, Dill & Pearman
REGISTERED OFFICE	Clarendon House Church Street Hamilton HM 11 Bermuda	註冊辦事處 Clarendon House Church Street Hamilton HM 11 Bermuda
PRINCIPAL PLACE OF BUSINESS	Room 312-8 China Insurance Group Building 141 Des Voeux Road Central Central Hong Kong	主要營業地點 香港 中環 德輔道中141號 中保集團大廈 312-8室

The Board of Directors of Oriental Watch Holdings Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30th September, 2012 together with the comparative figures for the corresponding period in 2011 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30th September, 2012

東方表行集團有限公司(「本公司」)董事會欣然宣佈，本公司及其附屬公司(「本集團」)截至二零一二年九月三十日止六個月之未審核綜合業績連同二零一一年同期之比較數字如下：

簡明綜合全面收益表

截至二零一二年九月三十日止六個月

		(Unaudited) Six months ended (未審核) 截至九月三十日止六個月	
		30th September, 2012 二零一二年 HK\$'000 千港元	30th September, 2011 二零一一年 HK\$'000 千港元
		Notes 附註	
Turnover	營業額		
Cost of goods sold	銷貨成本		
		1,795,280	1,967,176
		(1,456,023)	(1,539,576)
Gross profit	毛利	339,257	427,600
Other income	其他收入	16,759	22,091
Distribution and selling expenses	分銷及銷售開支	(119,582)	(140,258)
Administrative expenses	行政開支	(154,062)	(207,711)
Finance costs	融資成本	(16,731)	(7,231)
Share of results of associates	應佔聯營公司之業績	1,538	2,480
Share of results of jointly controlled entities	應佔共同控制實體之業績	304	599
Profit before taxation	除稅前溢利	67,483	97,570
Income tax expense	所得稅開支	(15,343)	(34,522)
Profit for the period attributable to owners of the Company	本公司擁有人應佔期內溢利	52,140	63,048
Other comprehensive income (expense)	其他全面收益(開支)		
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額	983	10,777
Change in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動	(55)	(1,430)
Other comprehensive income for the period	期內其他全面收益	928	9,347
Total comprehensive income for the period attributable to owners of the Company	本公司擁有人應佔期內全面收益總額	53,068	72,395
Earnings per share	每股盈利	7	
— Basic	— 基本	9.14 HK cents 港仙	11.17 HK cents 港仙
— Diluted	— 攤薄	9.14 HK cents 港仙	10.99 HK cents 港仙

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30th September, 2012

簡明綜合財務狀況表

於二零一二年九月三十日

			(Unaudited) (未審核) 30th September, 2012 二零一二年 九月三十日 HK\$'000 千港元	(Audited) (經審核) 31st March, 2012 二零一二年 三月三十一日 HK\$'000 千港元
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	8	266,507	267,455
Deposits for acquisition of property, plant and equipment	收購物業、機器及 設備之按金		5,498	6,679
Interests in associates	佔聯營公司之權益		39,037	37,777
Interest in jointly controlled entities	佔共同控制實體之 權益		24,639	24,311
Available-for-sale financial assets	可供出售金融資產		9,213	9,268
Deferred tax assets	遞延稅項資產		1,293	1,680
Property rental deposits	物業租金按金		31,514	38,774
Amount due from a jointly controlled entity	應收一間共同控制 實體之款項	9	52,892	—
			430,593	385,944
Current assets	流動資產			
Inventories	存貨		2,139,162	2,003,455
Trade and other receivables	貿易及其他應收賬款	10	200,539	207,935
Receivable from a jointly controlled entity	應收一間共同控制 實體之賬款	11	5,718	—
Bank balances and cash	銀行結餘及現金		335,960	206,605
			2,681,379	2,417,995
Assets classified as held for sale	分類為持作出售之 資產	8	9,307	—
			2,690,686	2,417,995

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

At 30th September, 2012

簡明綜合財務狀況表(續)

於二零一二年九月三十日

			(Unaudited) (未審核) 30th September, 2012 二零一二年 九月三十日 HK\$'000 千港元	(Audited) (經審核) 31st March, 2012 二零一二年 三月三十一日 HK\$'000 千港元
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	12	213,574	173,252
Taxation payable	應付稅項		27,959	30,685
Bank loans	銀行貸款	13	408,698	476,351
			650,231	680,288
Net current assets	流動資產淨值		2,040,455	1,737,707
Total assets less current liabilities	資產總值減流動負債		2,471,048	2,123,651
Non-current liabilities	非流動負債			
Bank loans	銀行貸款	13	352,500	30,000
Deferred tax liabilities	遞延稅項負債		1,783	1,423
			354,283	31,423
Net assets	資產淨值		2,116,765	2,092,228
Capital and reserves	資本及儲備			
Share capital	股本	14	57,061	57,061
Reserves	儲備		2,059,704	2,035,167
Total equity	權益總額		2,116,765	2,092,228

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30th September, 2012

簡明綜合權益變動表

截至二零一二年九月三十日止六個月

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Asset revaluation reserve 資產重估儲備 HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元	Translation reserve 換算儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Dividend reserve 股息儲備 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1st April, 2012 (audited)	於二零一二年四月一日 (經審核)	57,061	549,396	83,554	425	4,587	5,180	73,336	1,290,158	28,531	2,092,228
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	-	983	-	-	983
Change in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動	-	-	-	-	(55)	-	-	-	-	(55)
Profit for the period	期內溢利	-	-	-	-	-	-	-	52,140	-	52,140
Total comprehensive income for the period	期內全面收益總額	-	-	-	-	(55)	-	983	52,140	-	53,068
2012 final dividend paid	已派發二零一二年末期股息	-	-	-	-	-	-	-	-	(28,531)	(28,531)
2013 interim dividend declared	已宣派二零一二年中期股息	-	-	-	-	-	-	-	(11,412)	11,412	-
At 30th September, 2012 (unaudited)	於二零一二年九月三十日 (未審核)	57,061	549,396	83,554	425	4,532	5,180	74,319	1,330,886	11,412	2,116,765
At 1st April, 2011 (audited)	於二零一一年四月一日 (經審核)	46,951	515,349	-	425	5,439	5,180	55,563	1,198,207	37,561	1,864,675
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	-	10,777	-	-	10,777
Change in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動	-	-	-	-	(1,430)	-	-	-	-	(1,430)
Profit for the period	期內溢利	-	-	-	-	-	-	-	63,048	-	63,048
Total comprehensive income for the period	期內全面收益總額	-	-	-	-	(1,430)	-	10,777	63,048	-	72,395
Recognition of share-based payment expenses	確認以股份為基礎之付款開支	-	-	93,553	-	-	-	-	-	-	93,553
Issue of new shares upon exercise of share options	於行使購股權時發行新股份	420	19,861	(5,833)	-	-	-	-	-	-	14,448
Bonus issue of shares	派送紅股	9,390	-	-	-	-	-	-	(9,390)	-	-
2011 final dividend paid	已派發二零一一年末期股息	-	-	-	-	-	-	-	-	(37,561)	(37,561)
2012 interim dividend declared	已宣派二零一二年中期股息	-	-	-	-	-	-	-	(17,028)	17,028	-
2012 special dividend declared	已宣派二零一二年特別股息	-	-	-	-	-	-	-	(17,028)	17,028	-
At 30th September, 2011 (unaudited)	於二零一一年九月三十日 (未審核)	56,761	535,210	87,720	425	4,009	5,180	66,340	1,217,809	34,056	2,007,510

The special reserve of the Group comprises the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the issued share capital and special reserves of those companies which were acquired by the Company pursuant to a group reorganisation in 1993. The special reserves of these acquired subsidiaries represent the credit arising on reduction of their paid up share capital under the group reorganisation.

本集團之特別儲備包括本公司已發行股本面值與本公司根據一九九三年進行集團重組而收購之公司已發行股本面值之差額及所收購公司之特別儲備。該等所收購附屬公司之特別儲備指根據集團重組，削減該等公司已繳足股本而產生之進賬。

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30th September, 2012

簡明綜合現金流量表

截至二零一二年九月三十日止六個月

		(Unaudited) Six months ended (未審核) 截至下列日期止六個月	
		30th September, 2012 二零一二年 九月三十日 HK\$'000 千港元	30th September, 2011 二零一一年 九月三十日 HK\$'000 千港元
Net cash used in operating activities	經營業務所耗之現金淨額	(27,240)	(25,773)
Investing activities	投資業務		
Deposits received in respect of disposal of property, plant and equipment	出售物業、機器及設備之已收按金	8,680	—
Interest received	已收利息	1,343	1,908
Advance to a jointly controlled entity	向一間共同控制實體墊款	(42,724)	—
Purchase of property, plant and equipment	購買物業、機器及設備	(14,056)	(117,068)
Deposits paid for acquisition of property, plant and equipment	收購物業、機器及設備之已付按金	(5,498)	—
Acquisition of and capital injection in a jointly controlled entity	收購一間共同控制實體及注資	—	(21,794)
Net cash used in investing activities	投資業務所耗之現金淨額	(52,255)	(136,954)
Financing activities	融資活動		
New bank loans raised	新造銀行貸款	703,031	218,340
Repayment of bank loans	償還銀行貸款	(448,430)	(252,154)
Dividends paid	已付股息	(28,531)	(37,561)
Interest paid	已付利息	(18,218)	(7,763)
Proceeds from issue of new shares upon exercise of share options	於行使購股權時發行新股份之所得款項	—	14,448
Net cash from (used in) financing activities	融資活動所產生(所耗)之現金淨額	207,852	(64,690)
Net increase (decrease) in cash and cash equivalents	現金及等同現金項目之增加(減少)淨額	128,357	(227,417)
Cash and cash equivalents at beginning of the period	期初之現金及等同現金項目	206,605	600,824
Effect of foreign exchange rate changes	匯率變動之影響	998	2,991
Cash and cash equivalents at the end of the period, represented by bank balances and cash	期終之現金及等同現金項目，由銀行結餘及現金代表	335,960	376,398

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September, 2012

1. Basis of preparation

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS”) “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. Principal accounting policies

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30th September, 2012 are the same as those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31st March, 2012, except for the following accounting policies which are adopted by the Group during the current interim period as they have become applicable to the Group.

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (or disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

In the current interim period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA:

Amendments to HKFRS 7	Financial instruments: disclosures – transfers of financial assets; and
Amendments to HKAS 12	Deferred tax: recovery of underlying assets

The application of the above amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

簡明綜合財務報表附註

截至二零一二年九月三十日止六個月

1. 編撰基準

簡明綜合財務報表乃按香港會計師公會(「香港會計師公會」)所頒佈之香港會計準則(「香港會計準則」)第34號「中期財務報告」及香港聯合交易所有限公司證券上市規則附錄16之適用披露規定而編撰。

2. 主要會計政策

除若干金融工具以公平值計量外，簡明綜合財務報表乃按歷史成本基準編撰。

截至二零一二年九月三十日止六個月之簡明綜合財務報表採用之會計政策及計算方法與編撰本集團截至二零一二年三月三十一日止年度之年度綜合財務報表所依循者相同，惟以下會計政策除外，該等會計政策適用於本集團，故於本中期間獲本集團採納。

持作出售之非流動資產

非流動資產及出售組別之賬面值如主要透過出售交易而非透過持續使用而收回，則分類為持作出售。此條件於很有可能達成出售事項及非流動資產(或出售組別)可於現況下即時出售時方被視為符合。管理層必須對出售事項作出承擔，而出售事項預期應可於分類日期起計一年內合資格確認為已完成出售。

分類為持作出售之非流動資產(或出售組別)乃按資產過往賬面值及公平值減銷售成本之較低者計量。

於本中期間，本集團已首次應用下列由香港會計師公會頒佈之香港財務報告準則(「香港財務報告準則」)修訂本：

香港財務報告準則第7號(修訂本)	金融工具：披露 — 金融資產之轉讓；及
香港會計準則第12號(修訂本)	遞延稅項：收回相關資產

於本中期間應用以上香港財務報告準則修訂本對此等簡明綜合財務報表所呈報之金額及/或此等簡明綜合財務報表所載之披露事項並無重大影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30th September, 2012

3. Segment information

The Group's operation is principally sales of watches. The Group's turnover represents consideration received or receivable from sales of watches.

The Group has two operating segments, which are analysed based on geographical markets of the goods sold, being (a) Hong Kong, and (b) Macau and the People's Republic of China (the "PRC"), which is also the basis of organisation of the Group for managing the business operations. The Group determines its operating segments based on the internal reports reviewed by the Managing Director of the Group that are used to allocate resources and assess performance.

The following is an analysis of the Group's segment revenue and results by operating segments.

Hong Kong	香港
Macau and the PRC	澳門及中國
Unallocated other income	未分配其他收入
Unallocated corporate expenses	未分配企業開支
Finance costs	融資成本
Share of results of associates	應佔聯營公司之業績
Share of results of jointly controlled entities	應佔共同控制實體之業績
Profit before taxation	除稅前溢利

Segment profit represents the profit earned by each segment without allocation of directors' remuneration, finance costs, share of results of associates, share of results of jointly controlled entities and unallocated other income and expenses. This is the measure reported to the Managing Director of the Group for the purposes of resources allocation and performance assessment.

All segment revenue is generated from external customers for both periods.

簡明綜合財務報表附註(續)

截至二零一二年九月三十日止六個月

3. 分部資料

本集團主要從事銷售鐘表業務。本集團之營業額指銷售鐘表之已收及應收代價。

本集團有兩個按出售貨品地理市場分析之營運分部，分別為(a)香港，及(b)澳門及中華人民共和國(「中國」)，亦為組織本集團以管理業務營運之基準。本集團按已由本集團董事總經理審閱並賴以作出資源分配及評估表現之內部報告釐定其營運分部。

以下為本集團按營運分部劃分之分部營業額及業績分析：

Turnover 營業額		Results 業績	
Six months ended 截至九月三十日止六個月		Six months ended 截至九月三十日止六個月	
30th September, 2012 二零一二年 HK\$'000 千港元	30th September, 2011 二零一一年 HK\$'000 千港元	30th September, 2012 二零一二年 HK\$'000 千港元	30th September, 2011 二零一一年 HK\$'000 千港元
1,182,291	1,296,284	74,834	78,416
612,989	670,892	20,590	55,448
1,795,280	1,967,176	95,424	133,864
		1,343	1,908
		(14,395)	(34,050)
		(16,731)	(7,231)
		1,538	2,480
		304	599
		67,483	97,570

分部溢利指在未分配董事酬金、融資成本、應佔聯營公司之業績、應佔共同控制實體之業績及未分配其他收支之情況下各分部賺取之溢利，此乃向本集團董事總經理就資源分配及表現評估作出報告之計量方式。

兩個期間之所有分部營業額均來自外部客戶。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30th September, 2012

3. Segment information (Continued)

The following is an analysis of the Group's assets by operating segments:

Hong Kong	香港
Macau and the PRC	澳門及中國
Segment total	分部總額
Unallocated	未分配
Total assets	資產總值

4. Profit before taxation

Profit before taxation has been arrived at after charging:	除稅前溢利已扣除：
Depreciation of property, plant and equipment	物業、機器及設備之折舊
Directors' remuneration (note)	董事酬金(附註)
Equity-settled share-based payment expense	股權結算以股份為基礎之付款開支
— other employees	— 其他僱員
— consultants	— 顧問
Loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損
and after crediting:	並已計入：
Interest income	利息收入

Note: During the six months ended 30th September, 2011, key management personnel of the Group comprises directors of the Company. The amount above for the six months ended 30th September, 2011 included equity-settled share-based payment expense of HK\$16,803,000 (2012: nil).

簡明綜合財務報表附註(續)

截至二零一二年九月三十日止六個月

3. 分部資料(續)

以下為本集團按營運分部之資產分析：

30th September, 2012 二零一二年 九月三十日 HK\$'000 千港元	31st March, 2012 二零一二年 三月三十一日 HK\$'000 千港元
1,582,204	1,483,601
1,071,616	1,038,842
2,653,820	2,522,443
467,459	281,496
3,121,279	2,803,939

4. 除稅前溢利

Six months ended 截至九月三十日止六個月	
30th September, 2012 二零一二年 HK\$'000 千港元	30th September, 2011 二零一一年 HK\$'000 千港元
17,801	14,716
12,862	32,553
—	54,776
—	21,974
278	—
1,343	1,908

附註：截至二零一一年九月三十日止六個月內，本集團之主要管理人員包括本公司董事。上述截至二零一一年九月三十日止六個月之金額包括股權結算以股份為基礎之付款開支16,803,000港元(二零一二年：零)。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30th September, 2012

5. Income tax expense

The charge comprises:	支出包括：
Hong Kong Profits Tax	香港利得稅
Taxation in other jurisdictions	其他司法權區之稅項
Deferred taxation	遞延稅項

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both periods.

Taxation in other jurisdictions is calculated at the rates prevailing pursuant to the relevant laws and regulations.

6. Dividend

During the six months ended 30th September, 2012, a final dividend of 5.0 HK cents per share, totalling HK\$28,531,000, in respect of the year ended 31st March, 2012 (2011: 8.0 HK cents per share, totalling HK\$37,561,000) was approved at the annual general meeting held on 14th August, 2012.

On 21st November, 2012, the directors resolved to declare an interim dividend of 2.0 HK cents per share (2011: an interim dividend of 3.0 HK cents per share and a special dividend of 3.0 HK cents per share) in respect of the six months ended 30th September, 2012, totalling HK\$11,412,000 (2011: HK\$34,056,000), to be paid in cash to those shareholders whose names appear on the Company's register of members on 14th December, 2012.

簡明綜合財務報表附註(續)

截至二零一二年九月三十日止六個月

5. 所得稅開支

Six months ended
截至九月三十日止六個月

30th September, 2012 二零一二年 HK\$'000 千港元	30th September, 2011 二零一一年 HK\$'000 千港元
11,086	23,777
3,510	10,745
14,596	34,522
747	—
15,343	34,522

香港利得稅乃根據兩個期間之估計應課稅溢利按16.5%計算。

其他司法權區之稅項乃根據有關法例及法規按現行稅率計算。

6. 股息

截至二零一二年九月三十日止六個月內，已於二零一二年八月十四日舉行之股東週年大會上批准派發截至二零一二年三月三十一日止年度之末期股息每股5.0港仙，合共28,531,000港元(二零一一年：每股8.0港仙，合共37,561,000港元)。

於二零一二年十一月二十一日，董事議決宣派截至二零一二年九月三十日止六個月之中期股息每股2.0港仙(二零一一年：中期股息每股3.0港仙及特別股息每股3.0港仙)，合共11,412,000港元(二零一一年：34,056,000港元)，將以現金派付予二零一二年十二月十四日名列本公司股東名冊之股東。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30th September, 2012

簡明綜合財務報表附註(續)

截至二零一二年九月三十日止六個月

7. Earnings per share

7. 每股盈利

		Six months ended 截至九月三十日止六個月	
		30th September, 2012 二零一二年 HK\$'000 千港元	30th September, 2011 二零一一年 HK\$'000 千港元
Profit for the period attributable to owners of the Company for the purposes of basic and diluted earnings per share	計算每股基本及攤薄盈利之本公司擁有人應佔期內溢利	52,140	63,048
		Number of shares 股份數目	
		Six months ended 截至九月三十日止六個月	
		30th September, 2012 二零一二年	30th September, 2011 二零一一年
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	計算每股基本盈利之普通股加權平均數	570,610,224	564,585,833
Effect of dilutive potential ordinary shares — share options	潛在攤薄普通股之影響 — 購股權	—	9,331,047
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	計算每股攤薄盈利之普通股加權平均數	570,610,224	573,916,880

The diluted earnings per share for the six months ended 30th September, 2012 has not included the effect from the Company's share options because the exercise prices of the share options are higher than the average market price of the Company.

截至二零一二年九月三十日止六個月之每股攤薄盈利並無包括本公司購股權之影響，原因是購股權之行使價高於本公司之平均市價。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30th September, 2012

8. Property, plant and equipment/assets classified as held for sale

During the six months ended 30th September, 2012, the Group incurred expenditure of HK\$26,498,000 (2011: HK\$130,128,000) to acquire property, plant and equipment for its operation.

The Group has pledged certain land and buildings with an aggregate carrying value of HK\$101,764,000 (31st March, 2012: HK\$143,497,000) to a bank to secure the bank loan facilities granted to the Group.

In July 2012, the directors determined to dispose of certain leasehold land and buildings in Hong Kong with a carrying amount of HK\$9,307,000 and expect that these properties will be sold within twelve months. Accordingly, these properties were classified as assets held for sale and are presented separately in the condensed consolidated statement of financial position. Also in July 2012, the Group entered into a provisional sale and purchase agreement with an independent third party for the disposal of these properties for a consideration of HK\$86,800,000, completion of which is expected to be in December 2012.

9. Amount due from a jointly controlled entity

The amount is unsecured, interest free and has no fixed repayment term. The Group expects the amount would be settled after twelve months from the end of the reporting period and therefore classifies the amount as a non-current asset in the condensed consolidated statement of financial position at 30th September, 2012.

簡明綜合財務報表附註(續)

截至二零一二年九月三十日止六個月

8. 物業、機器及設備／分類為持作出售之資產

截至二零一二年九月三十日止六個月內，本集團產生支出26,498,000港元(二零一一年：130,128,000港元)以購買物業、機器及設備作其營運用途。

本集團已向銀行抵押總賬面值為101,764,000港元(二零一二年三月三十一日：143,497,000港元)之若干土地及樓宇，以作為本集團獲授銀行貸款融資之抵押。

於二零一二年七月，董事決定出售香港若干租賃土地及樓宇，其賬面值為9,307,000港元，並預期該等物業將於十二個月內出售。因此，該等物業被分類為持作出售之資產及於簡明綜合財務狀況表內分開呈列。另於二零一二年七月，本集團與一名獨立第三方訂立臨時買賣協議，以代價86,800,000港元出售該等物業，預期出售事項將於二零一二年十二月完成。

9. 應收一間共同控制實體之款項

該款項為無抵押、免息及無固定還款期。本集團預計，款項將於報告期末後十二個月清償，故於二零一二年九月三十日之簡明綜合財務狀況表中將該款項分類為非流動資產。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30th September, 2012

簡明綜合財務報表附註(續)

截至二零一二年九月三十日止六個月

10. Trade and other receivables

Trade receivables	貿易應收賬款
Property rental and utilities deposits	物業租金及公用設施按金
Refundable deposits (note (a))	可退還按金(附註(a))
Advances to apparel suppliers	向服裝供應商墊款
Advances to other suppliers	向其他供應商墊款
VAT receivables	應收增值稅
Property rental prepaid	預付物業租金
Other receivables (note (b))	其他應收賬款(附註(b))

Notes:

- (a) The refundable deposits paid to landlord of a target shop to be leased were refunded in full in the current interim period.
- (b) The amount at 31st March, 2012 included amount due from a jointly controlled entity amounting to HK\$10,168,000 representing deposits paid on behalf of the jointly controlled entity for its acquisition of property, plant and equipment.

The Group maintains a general credit policy of not more than 30 days for its wholesale customers. Sales made to retail customers are made on a cash basis. The following is an aged analysis of trade receivables presented based on the invoice date at the end of the reporting period:

Age	賬齡
0 to 30 days	0至30日
31 to 60 days	31至60日
61 to 90 days	61至90日
Over 90 days	90日以上

10. 貿易及其他應收賬款

30th September, 2012 二零一二年 九月三十日 HK\$'000 千港元	31st March, 2012 二零一二年 三月三十一日 HK\$'000 千港元
153,675	143,754
24,180	11,813
—	9,561
1,618	1,811
2,082	237
14,545	18,176
—	7,569
4,439	15,014
200,539	207,935

附註:

- (a) 向將予租用之目標商舖業主支付之可退還按金已於本中期期間全數退還。
- (b) 於二零一二年三月三十一日之款項包括應收一間共同控制實體之款項10,168,000港元，乃就該共同控制實體收購物業、機器及設備而代表該共同控制實體支付之按金。

本集團對其批發客戶實行不超過30日之一般信貸政策。零售銷售主要以現金進行。以下為貿易應收賬款於呈報期末按發票日期之賬齡分析：

30th September, 2012 二零一二年 九月三十日 HK\$'000 千港元	31st March, 2012 二零一二年 三月三十一日 HK\$'000 千港元
126,365	125,044
18,308	12,953
8,417	4,809
585	948
153,675	143,754

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30th September, 2012

11. Receivable from a jointly controlled entity

The amount represents reimbursements receivable from a jointly controlled entity under a procurement arrangement (see note 16).

12. Trade and other payables

Trade payables	貿易應付賬款
Payroll and welfare payables	應付工資及福利
Commission payables	應付佣金
Advances from customers	客戶預付款
Renovation work payables	應付翻新工程賬款
VAT payables	應付增值稅
Advertising fee payables	應付廣告費
Interest payables	應付利息
Property rental payables	應付物業租金
Deposits received in respect of sale of property, plant and equipment (see note 8)	就出售物業、機器及設備之收取按金(見附註8)
Other payables	其他應付賬款

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

Age	賬齡
0 to 60 days	0至60日
61 to 90 days	61至90日
Over 90 days	90日以上

簡明綜合財務報表附註(續)

截至二零一二年九月三十日止六個月

11. 應收一間共同控制實體之賬款

該款項指根據一項採購安排應收一間共同控制實體之退款(見附註16)。

12. 貿易及其他應付賬款

30th September, 2012 二零一二年 九月三十日 HK\$'000 千港元	31st March, 2012 二零一二年 三月三十一日 HK\$'000 千港元
135,699	110,531
27,962	21,892
6,519	12,096
8,988	2,802
8,731	2,968
1,474	1,389
119	4,937
291	1,778
6,061	7,172
8,680	—
9,050	7,687
213,574	173,252

以下為貿易應付賬款於呈報期末按發票日期呈列之賬齡分析：

30th September, 2012 二零一二年 九月三十日 HK\$'000 千港元	31st March, 2012 二零一二年 三月三十一日 HK\$'000 千港元
126,795	105,198
2,979	4,209
5,925	1,124
135,699	110,531

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30th September, 2012

13. Bank loans

During the six months ended 30th September, 2012, the Group obtained new bank loans amounting to HK\$703,031,000 (2011: HK\$218,340,000). The loans are unsecured, carry interest rates which mainly vary with Hong Kong Interbank Offered Rate and the People's Bank of China benchmark interest rate and are repayable in instalments over a period of 5 years. The effective interest rates range from 2.10% to 6.71% per annum. The proceeds were used to finance setting up of new retail shops.

14. Share capital

Ordinary shares of HK\$0.10 each

Authorised:

At 1st April, 2011, 31st March, 2012 and 30th September, 2012

Issued and fully paid:

At 1st April, 2011

Bonus issue of shares (note a)

Issue of shares upon exercise of share options (note b)

At 31st March, 2012 and 30th September, 2012

(a) By an ordinary resolution passed at the annual general meeting of the Company held on 28th July, 2011, the issued share capital was increased by way of a bonus issue by charging HK\$9,390,000 to the retained profits account in payment in full at par of 93,901,704 ordinary shares of HK\$0.10 each on the basis of one new ordinary share for every five ordinary shares held on 28th July, 2011.

(b) During the year ended 31st March, 2012, consultants of the Company exercised share options amounting to 7,200,000 shares, at an adjusted exercise price of HK\$3.44 per share.

The new bonus shares issued on 28th July, 2011 were not entitled to the final dividend for the year ended 31st March, 2011. All other shares issued during the year ended 31st March, 2012 rank pari passu with the then existing shares in all respects.

簡明綜合財務報表附註(續)

截至二零一二年九月三十日止六個月

13. 銀行貸款

截至二零一二年九月三十日止六個月內，本集團獲得金額為703,031,000港元之新銀行貸款(二零一一年：218,340,000港元)。該等貸款為無抵押、按介乎香港銀行同業拆息及中國人民銀行基準利率之利率計息及須於五年內分期償還。實際年利率介乎2.10厘至6.71厘。所得款項用作撥付設立新零售商舖。

14. 股本

	Number of shares 股份數目	Amount 價值 HK\$'000 千港元
--	-----------------------------	---------------------------------

每股面值0.10港元之普通股

法定：

於二零一一年四月一日、
二零一二年三月三十一日
及二零一二年九月三十日

1,000,000,000	100,000
---------------	---------

已發行及繳足：

於二零一一年四月一日

派送紅股(附註a)

於行使購股權時發行股份
(附註b)

469,508,520	46,951
-------------	--------

93,901,704	9,390
------------	-------

7,200,000	720
-----------	-----

於二零一二年三月三十一日及
二零一二年九月三十日

570,610,224	57,061
-------------	--------

(a) 藉本公司於二零一一年七月二十八日舉行之股東週年大會上通過之普通決議案，已發行股本以派送紅股方式增加，方式為自保留溢利賬扣除9,390,000港元以按面值繳足按於二零一一年七月二十八日每持有五股普通股獲派一股新普通股之基準派送之93,901,704股每股面值0.10港元之普通股。

(b) 於截至二零一二年三月三十一日止年度內，本公司顧問以每股3.44港元之經調整行使價行使涉及7,200,000股股份之購股權。

於二零一一年七月二十八日發行之新紅股並不享有截至二零一一年三月三十一日止年度之末期股息。於截至二零一二年三月三十一日止年度內發行之所有其他股份在各方面與當時之現有股份享有同等權益。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30th September, 2012

15. Share-based payment transaction

The Company has share options scheme for eligible directors, employees, consultants, customers, suppliers or advisors of the Company or a company in which the Company holds an interest or a subsidiary of such company.

On 6th April, 2011, 32,300,000 share options were granted and on 29th August, 2011, 23,000,000 share options were granted. The options may be exercised by the grantees at any time during the option period up to the termination of employment. All share options vested immediately at the date of grant. The estimated fair values of the options granted on these dates are HK\$44,855,000 and HK\$48,698,000, respectively. The closing prices immediately before the date of grant were HK\$3.95 and HK\$4.38, respectively.

Details of specific categories of options are as follows:

Date of grant 授出日期	Number of share options granted 已授出購股權數目	Exercisable period 可行使期間	Original exercise price per share 原有每股行使價	Adjusted exercise price per share 經調整每股行使價
6th April, 2011 二零一一年四月六日	32,300,000 (note (a))	6th April, 2011 to 5th April, 2021	HK\$4.13 4.13 港元	HK\$3.44 (note (a)) 3.44 港元 (附註(a))
29th August, 2011 二零一一年八月二十九日	23,000,000 23,000,000	29th August, 2011 to 28th August, 2021 二零一一年八月二十九日至 二零一一年八月二十八日	HK\$4.80 4.80 港元	N/A 不適用

Note (a): The number of shares under the outstanding options and the exercise price have been adjusted upon the bonus issue of shares on the basis of one new ordinary share for every five ordinary shares held on 28th July, 2011.

本公司為本公司之合資格董事、僱員、顧問、客戶、供應商或諮詢人或本公司持有該公司之權益之公司或該公司之附屬公司設有購股權計劃。

於二零一一年四月六日，32,300,000份購股權獲授出，而於二零一一年八月二十九日，23,000,000份購股權獲授出。承授人可於購股權期間隨時行使購股權，直至終止僱用為止。所有購股權於授出當日即時歸屬。於該等日期授出之購股權之估計公平值分別為44,855,000港元及48,698,000港元。緊接授出日期前之收市價分別為3.95港元及4.38港元。

特定購股權類別之詳情如下：

附註(a)：未行使購股權項下之股份數目及行使價已於按於二零一一年七月二十八日每持有五股普通股獲派一股新普通股之基準派送紅股後作出調整。

簡明綜合財務報表附註(續)

截至二零一二年九月三十日止六個月

15. 以股份為基礎之付款交易

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30th September, 2012

15. Share-based payment transaction (Continued)

The following tables disclose movements of the Company's share options held by directors, employees and consultants during the six months ended 30th September, 2012:

Share options granted on 6th April, 2011

Categories of participants	參與者類別	Number of shares under option outstanding at 1st April, 2012 and 30th September, 2012
		於二零一二年四月一日及二零一二年九月三十日之購股權涉及之股份數目
Directors of the Company	本公司董事	14,520,000
Other employees	其他僱員	14,400,000
Consultants (note (b))	顧問(附註(b))	2,640,000
Total	總計	31,560,000

Share options granted on 29th August, 2011

Categories of participants	參與者類別	Number of shares under option outstanding at 1st April, 2012 and 30th September, 2012
		於二零一二年四月一日及二零一二年九月三十日之購股權涉及之股份數目
Other employees	其他僱員	18,000,000
Consultants (note (b))	顧問(附註(b))	5,000,000
		23,000,000

Note (b): The share options were granted to consultants for services rendered in exploring investment opportunities for the Group.

No share option was granted, exercised or forfeited during the six months ended 30th September, 2012.

簡明綜合財務報表附註(續)

截至二零一二年九月三十日止六個月

15. 以股份為基礎之付款交易(續)

下表披露於截至二零一二年九月三十日止六個月內董事、僱員及顧問持有之本公司購股權變動：

於二零一一年四月六日授出之購股權

Number of shares under option outstanding at 1st April, 2012 and 30th September, 2012
於二零一二年四月一日及二零一二年九月三十日之購股權涉及之股份數目
14,520,000
14,400,000
2,640,000
31,560,000

於二零一一年八月二十九日授出之購股權

Number of shares under option outstanding at 1st April, 2012 and 30th September, 2012
於二零一二年四月一日及二零一二年九月三十日之購股權涉及之股份數目
18,000,000
5,000,000
23,000,000

附註(b)：購股權乃授予顧問，作為其為本集團發掘投資機會所提供服務之回報。

截至二零一二年九月三十日止六個月內，概無任何購股權獲授出、行使或沒收。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30th September, 2012

15. Share-based payment transaction (Continued)

The fair values of share options granted during the six months ended 30th September, 2011 were calculated using the Black-Scholes pricing model. The inputs into the model are as follows:

Share options granted on 6th April, 2011

Share price at grant date	於授出日期之股份價格	HK\$4.13	4.13 港元
Exercise price	行使價	HK\$4.13	4.13 港元
Expected volatility	預期波幅	53.41%	53.41%
Expected life	預期年期	3 years	3 年
Risk-free rate	無風險利率	1.42%	1.42%
Expected dividend yield	預期股息率	1.69%	1.69%

Share options granted on 29th August, 2011

Share price at grant date	於授出日期之股份價格	HK\$4.80	4.80 港元
Exercise price	行使價	HK\$4.80	4.80 港元
Expected volatility	預期波幅	45.20%	45.20%
Expected life	預期年期	10 years	10 年
Risk-free rate	無風險利率	2.25%	2.25%
Expected dividend yield	預期股息率	1.91%	1.91%

Expected volatilities were determined by using the historical volatility of the Company's share price over the previous years.

The variable and assumptions used in computing the fair values of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

During the six months ended 30th September, 2011, the Group recognised a share-based payment expense of HK\$93,553,000 (2012: nil) in relation to share options granted by the Company.

16. Related party transactions

Details of the compensation of key management personnel are disclosed in note 4.

In addition, in April 2012, the Group entered into a procurement agreement with Hei Tung Watches Company Limited, a company incorporated in Macau and a jointly controlled entity of the Group. Pursuant to the procurement agreement, the Group provides procurement services to the jointly controlled entity relating to supply of watches and spare parts for no consideration. The procurement agreement is effective from 1st April, 2012.

簡明綜合財務報表附註(續)

截至二零一二年九月三十日止六個月

15. 以股份為基礎之付款交易(續)

於截至二零一一年九月三十日止六個月內授出購股權之公平值乃採用「柏力克 - 舒爾斯」期權定價模式計算。輸入該模式之數據如下：

於二零一一年四月六日授出之購股權

Share price at grant date	於授出日期之股份價格	HK\$4.13	4.13 港元
Exercise price	行使價	HK\$4.13	4.13 港元
Expected volatility	預期波幅	53.41%	53.41%
Expected life	預期年期	3 years	3 年
Risk-free rate	無風險利率	1.42%	1.42%
Expected dividend yield	預期股息率	1.69%	1.69%

於二零一一年八月二十九日授出之購股權

Share price at grant date	於授出日期之股份價格	HK\$4.80	4.80 港元
Exercise price	行使價	HK\$4.80	4.80 港元
Expected volatility	預期波幅	45.20%	45.20%
Expected life	預期年期	10 years	10 年
Risk-free rate	無風險利率	2.25%	2.25%
Expected dividend yield	預期股息率	1.91%	1.91%

預期波幅乃採用過往年度之本公司股價歷史波幅釐定。

計算購股權公平值時採用之變數及假設乃根據董事之最佳估計作出。購股權價值因若干主觀假設之不同變數而異。

截至二零一一年九月三十日止六個月內，本集團就本公司授出之購股權確認以股份為基礎之付款開支 93,553,000 港元(二零一二年：零)。

16. 有關連人士交易

主要管理人員待遇之明細在附註 4 披露。

再者，本集團於二零一二年四月與喜東鐘錶有限公司(於澳門註冊成立並為本集團之共同控制實體)訂立採購協議。根據採購協議，本集團以零代價向共同控制實體提供有關鐘錶及配件之採購服務。採購協議自二零一二年四月一日起生效。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30th September, 2012

17. Capital commitments

Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements

已訂約但未於簡明綜合財務報表內撥備之收購物業、機器及設備相關資本承擔

In addition to the above, the Group's share of the capital commitments of a jointly controlled entity is as follows:

Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided

已訂約但未撥備之收購物業、機器及設備相關資本承擔

At 31st March, 2012, the Group was also committed to pay HK\$6,462,000 (30th September, 2012: nil) to suppliers of property, plant and equipment of a jointly controlled entity.

於二零一二年三月三十一日，本集團亦承諾向一間共同控制實體之物業、機器及設備供應商支付6,462,000港元(二零一二年九月三十日：無)。

簡明綜合財務報表附註(續)

截至二零一二年九月三十日止六個月

17. 資本承擔

30th September, 2012 二零一二年 九月三十日 HK\$'000 千港元	31st March, 2012 二零一二年 三月三十一日 HK\$'000 千港元
272	2,860

除上述者外，本集團佔一間共用控制實體之資本承擔如下：

30th September, 2012 二零一二年 九月三十日 HK\$'000 千港元	31st March, 2012 二零一二年 三月三十一日 HK\$'000 千港元
2,594	—

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30th September, 2012

18. Other commitments

At the end of the reporting period, the Group was committed to pay royalties for the usage of a fashion brand for manufacture and trading of apparels with a minimum guarantee royalties payment as follows:

Within one year	一年內
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)

The Group was also subject to pay royalties at 6% on total net wholesales made per annum on top of the above minimum guarantee royalties.

簡明綜合財務報表附註(續)

截至二零一二年九月三十日止六個月

18. 其他承擔

於呈報期末，本集團承諾就使用某一時尚品牌以製造及經銷服飾而支付版稅，最低保證版稅之付款額如下：

30th September, 2012 二零一二年 九月三十日 HK\$'000 千港元	31st March, 2012 二零一二年 三月三十一日 HK\$'000 千港元
2,462	2,272
6,766	8,057
9,228	10,329

除上述最低保證版稅外，本集團亦須按每年總批發淨額之6%支付版稅。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

董事擁有之證券權益及淡倉

As at 30th September, 2012, the interests of the directors of the Company in the shares and underlying shares of the Company, as recorded in the register required to be kept under Section 352 of the Hong Kong Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

根據香港證券及期貨條例(「證券及期貨條例」)第352條規定保管之登記冊所記錄，於二零一二年九月三十日，本公司之董事於本公司之股份及相關股份中擁有之權益及淡倉，或根據上市公司董事進行證券交易的標準守則須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益如下：

Name of director	董事姓名	Number of shares held 所持股份數目			Total number of shares	Percentage of issued share capital of the Company 佔本公司已發 行股本百分比
		Personal interest 個人權益	Family interest 家族權益	Corporate interest 公司權益		
Dr. Yeung Ming Biu	楊明標博士	18,367,583	7,920,000	128,164,561 (note (a)) (附註(a))	154,452,144	27.07%
Mr. Yeung Him Kit, Dennis	楊衍傑先生	4,234,000	—	(note (b)) (附註(b))	4,234,000	0.74%
Mr. Choi Kwok Yum	蔡國欽先生	4,728,000	—	—	4,728,000	0.83%
Mr. Fung Kwong Yiu	馮廣耀先生	6,508,160	—	(note (c)) (附註(c))	6,508,160	1.14%
Madam Yeung Man Yee, Shirley	楊敏儀女士	2,640,000	221,161	(note (d)) (附註(d))	2,861,161	0.50%
Dr. Sun Ping Hsu, Samson	孫秉樞博士	—	—	3,200,000 (note (e)) (附註(e))	3,200,000	0.56%
Mr. Lam Hing Lun, Alain	林慶麟先生	3,600,000	—	—	3,600,000	0.63%

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES (Continued)

Notes:

- (a) Dr. Yeung Ming Biu and his wife, Madam Au Po Kee, are the beneficial owners of 45% and 22.5% respectively of the issued share capital of Realtower Holdings Limited. Realtower Holdings Limited and Dr. Yeung Ming Biu are the respective beneficial owners of 55% and 10% of the issued share capital of Furama Investments Limited, which is the beneficial owner of 80% of the issued share capital of Datsun Holdings Limited. Datsun Holdings Limited is the beneficial owner of 127,776,000 shares in the Company.

Dr. Yeung Ming Biu is the beneficial owner of 47.5% of the issued share capital of Y.H. Chan Limited, which is the beneficial owner of 25% of the issued share capital of Furama Investments Limited. Y.H. Chan Limited also directly holds 388,561 shares in the Company.

- (b) Mr. Yeung Him Kit, Dennis is the beneficial owner of 10% and 7% of the issued share capital of Realtower Holdings Limited and Real Champ Limited respectively. Real Champ Limited is the beneficial owner of 20% of the issued share capital of Datsun Holdings Limited.
- (c) Mr. Fung Kwong Yiu is the beneficial owner of 6% of the issued share capital of Real Champ Limited.
- (d) Madam Yeung Man Yee, Shirley is the beneficial owner of 7.5% of the issued share capital of Realtower Holdings Limited.
- (e) Dr. Sun Ping Hsu, Samson and his family members are the beneficial owners of the entire issued share capital of Sun International Limited, which is the beneficial owner of 3,200,000 shares in the Company.

Save as disclosed above, and other than certain nominee shares in subsidiaries held by a director in trust for the Company, none of the directors of the Company had any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

董事擁有之證券權益及淡倉(續)

附註：

- (a) 楊明標博士及其妻子區寶琪女士分別實益擁有 Realtower Holdings Limited 已發行股本 45% 及 22.5%。Realtower Holdings Limited 及 楊明標博士各自實益擁有 Furama Investments Limited 已發行股本 55% 及 10%。Furama Investments Limited 實益擁有 Datsun Holdings Limited 已發行股本 80%。Datsun Holdings Limited 實益擁有 127,776,000 股本公司股份。

楊明標博士實益擁有陳耀洪有限公司已發行股本 47.5%。陳耀洪有限公司實益擁有 Furama Investments Limited 已發行股本 25%。陳耀洪有限公司亦直接持有 388,561 股本公司股份。

- (b) 楊衍傑先生分別實益擁有 Realtower Holdings Limited 及 Real Champ Limited 已發行股本 10% 及 7%。Real Champ Limited 實益擁有 Datsun Holdings Limited 已發行股本 20%。
- (c) 馮廣耀先生實益擁有 Real Champ Limited 已發行股本 6%。
- (d) 楊敏儀女士實益擁有 Realtower Holdings Limited 已發行股本 7.5%。
- (e) 孫秉樞博士及其家族成員實益擁有 Sun International Limited 全部已發行股本。Sun International Limited 實益擁有 3,200,000 股本公司股份。

除上文所披露者及一名董事以信託形式代本公司持有附屬公司之若干代理人股份外，根據證券及期貨條例第 352 條規定保管之登記冊所記錄，本公司之董事概無於本公司或其任何相聯法團(定義見證券及期貨條例第 XV 部)之任何股份、相關股份或債券中擁有任何權益或淡倉，或根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益或淡倉。

SHARE OPTION SCHEME AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Pursuant to an ordinary resolution passed at the Company's special general meeting held on 3rd November, 2003, the Company adopted a share option scheme (the "Share Option Scheme").

Under the Share Option Scheme, options may be granted to any director, employee, consultant, customer, supplier or advisor of the Group or a company in which the Company holds an interest or a subsidiary of such company (the "Eligible Persons"), the trustee of the Eligible Persons or a company beneficially owned by the Eligible Persons. The purpose of the Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. The total number of shares available for issue under the Share Option Schemes as at the date of this report is 23,950,852 shares. No Eligible Persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The exercisable period is determined by the directors of the Company, which shall not be more than 10 years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. The exercise price per share payable on the exercise of an option equals to the highest of:

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

購股權計劃及董事購買股份或債券之權利

根據本公司於二零零三年十一月三日舉行之股東特別大會上通過之普通決議案，本公司已採納購股權計劃(「購股權計劃」)。

根據購股權計劃，購股權可授予本集團之任何董事、僱員、顧問、客戶、本公司之供應商或諮詢人或本公司持有該公司之權益之公司或該公司之附屬公司(「合資格人士」)、合資格人士之信託人或合資格人士實益擁有之公司。購股權計劃旨在向優秀人才及其他人士給予獎勵，以吸引彼等在本集團留任及對本公司之業務及經營作出貢獻。於本報告日期，購股權計劃項下可供發行之股份數目合共為23,950,852股。根據聯交所證券上市規則(「上市規則」)，除非獲本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目(已發行及將予發行)合共超過本公司於該十二個月期間之最後一日之已發行股本1%之購股權。行使期乃由本公司董事釐定，惟不得超過自授出日期起計十年及包括購股權行使前必須持有之最短期限。在行使購股權時應付之每股行使價將為以下三者中之最高者：

- (a) 一股股份之面值；
- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及
- (c) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

SHARE OPTION SCHEME AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES (Continued)

The Share Option Scheme is valid for a period of ten years commencing on the adoption date on 3rd November, 2003.

The following table discloses movements of the options granted under the Share Options Scheme to directors, certain employees and consultants during the period:

購股權計劃及董事購買股份或債券之權利(續)

購股權計劃由採納日期二零零三年十一月三日起計有效期為十年。

下表披露董事、若干僱員及顧問於期內根據購股權計劃獲授購股權之變動：

Name of category of participant 參與者姓名或類別	Number of shares under options 購股權涉及之股份數目				Date of grant of options 購股權授出日期	Original exercise price per share 原有每股行使價 HK\$ 港元	Adjusted exercise price per share 經調整每股行使價 HK\$ 港元 (note) (附註)	Exercisable period 可行使期間
	At 1.4.2012 於二零一二年四月一日	Grant during the period 期內授出	Exercised during the year period 期內行使	At 30.9.2012 於二零一二年九月三十日				
Directors 董事								
Dr. Yeung Ming Biu 楊明標博士	1,440,000	—	—	1,440,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
Mr. Yeung Him Kit, Dennis 楊衍傑先生	1,440,000	—	—	1,440,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
Mr. Fung Kwong Yiu 馮廣耀先生	3,000,000	—	—	3,000,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
Madam Yeung Man Yee, Shirley 楊敏儀女士	1,440,000	—	—	1,440,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
Mr. Lam Hing Lun, Alain 林慶麟先生	3,600,000	—	—	3,600,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
Mr. Choi Kwok Yum 蔡國欽先生	3,600,000	—	—	3,600,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
	14,520,000	—	—	14,520,000				
Other employees 其他僱員								
Type A A類	14,400,000	—	—	14,400,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
Type B B類	18,000,000	—	—	18,000,000	29.08.2011	4.80	N/A 不適用	29.08.2011 – 28.08.2021
Consultants 顧問								
Type A A類	2,640,000	—	—	2,640,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
Type B B類	5,000,000	—	—	5,000,000	29.08.2011	4.80	N/A 不適用	29.08.2011 – 28.08.2021
Total 總計	54,560,000	—	—	54,560,000				



SUBSTANTIAL SHAREHOLDERS

As at 30th September, 2012, according to the register maintained by the Company pursuant to Section 336 of the SFO, the following persons (not being a director or chief executive of the Company) had interests in the share capital of the Company.

Name of shareholder 股東名稱	Number of shares held 所持股份數目	Percentage of issued share capital of the Company 佔本公司已 發行股本百分比
Datsun Holdings Limited	127,776,000	22.39%
Furama Investments Limited	127,776,000	22.39%
Realtower Holdings Limited	127,776,000	22.39%

Realtower Holdings Limited holds 55% of the issued share capital of Furama Investments Limited which holds 80% of the issued share capital of Datsun Holdings Limited. Accordingly, both Realtower Holdings Limited and Furama Investments Limited are deemed under the SFO to be interested in the 127,776,000 shares in the Company held by Datsun Holdings Limited.

Save as disclosed above, at 30th September, 2012, there was no person who had any interests or short position in the shares or underlying shares of the Company according to the register maintained by the Company pursuant to Section 336 of the SFO.

主要股東

本公司根據證券及期貨條例第336條規定存置之登記冊所示，於二零一二年九月三十日，以下人士(並非為本公司之董事或行政總裁)於本公司股本中擁有權益。

Name of shareholder 股東名稱	Number of shares held 所持股份數目	Percentage of issued share capital of the Company 佔本公司已 發行股本百分比
Datsun Holdings Limited	127,776,000	22.39%
Furama Investments Limited	127,776,000	22.39%
Realtower Holdings Limited	127,776,000	22.39%

Realtower Holdings Limited 擁有 Furama Investments Limited 已發行股本 55%，Furama Investments Limited 則擁有 Datsun Holdings Limited 已發行股本 80%。因此，根據證券及期貨條例，Realtower Holdings Limited 及 Furama Investments Limited 均視為擁有 Datsun Holdings Limited 所持之 127,776,000 股本公司股份權益。

按本公司根據證券及期貨條例第336條規定存置之登記冊所示，除上文所披露者外，於二零一二年九月三十日，概無任何人士於本公司之股份或相關股份中擁有任何權益或淡倉。

INTERIM DIVIDEND

The directors have proposed to pay an interim dividend of 2.0 HK cents per share (2011: an interim dividend of 3.0 HK cents per share and special dividend of 3.0 HK cents per share) in respect of the six months ended 30th September, 2012, totalling HK\$11,412,000 (2011: HK\$34,056,000), to be paid in cash to the shareholders whose names appear on the register of the members of the Company on 14th December, 2012. Dividend warrants will be sent to the shareholders on or before 20th December, 2012.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 11th December, 2012 to 14th December, 2012 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for the proposed interim dividend which will be payable on 20th December, 2012, all transfers accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrars, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:00 p.m. on 10th December, 2012.

MANAGEMENT DISCUSSION AND ANALYSIS

Group Results

On behalf of the Board of Directors (the "Board") of Oriental Watch Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), it is my pleasure to present the unaudited consolidated results of the Group for the six months ended 30th September, 2012 (the "Reporting Period").

中期股息

董事建議向於二零一二年十二月十四日名列本公司股東名冊之股東以現金派發截至二零一二年九月三十日止六個月之中期股息每股2.0港仙(二零一一年：中期股息每股3.0港仙及特別股息每股3.0港仙)，合共11,412,000港元(二零一一年：34,056,000港元)。股息單將於二零一二年十二月二十日或之前寄發予股東。

暫停辦理股份過戶登記手續

本公司將於二零一二年十二月十一日至二零一二年十二月十四日(包括首尾兩天)暫停辦理股份過戶登記手續，期間不會登記任何股份轉讓。如欲享有擬派之中期股息(將於二零一二年十二月二十日派發)，所有過戶文件連同有關股票須於二零一二年十二月十日下午四時正前送交本公司之股份過戶登記分處卓佳秘書商務有限公司，地址為香港皇后大道東28號金鐘匯中心26樓。

管理層討論及分析

集團業績

本人謹代表東方表行集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)之董事會(「董事會」)欣然提呈本集團截至二零一二年九月三十日止六個月(「報告期」)之未經審核綜合業績。

MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

Group Results (Continued)

Turnover for the six months ended 30th September, 2012 was HK\$1,795 million (2011: HK\$1,967 million). Gross profit declined 20.7% to HK\$339 million (2011: HK\$428 million) thus gross profit margin dropped to 18.9% from 21.7% in the previous corresponding period. Net profit attributable to owners of the Company was HK\$52 million, representing a decrease of 17.3% from the previous corresponding period (2011: HK\$63 million). Excluding the fair value impact of HK\$94 million recognized in profit or loss in relation to share options granted last period, the adjusted net profit decrease would have been 66.7%. It is noteworthy to mention that the significant decline in net profit performance was mainly attributable to two key factors: (1) lower gross profit margin as compared with the previous corresponding period due to the absence of price hikes implemented by watch suppliers, and (2) rising rental expenses in Hong Kong.

To thank the continual support of our shareholders, the Board has resolved to recommend an interim dividend of 2.0 HK cents per share (2011: 6.0 HK cents), representing a payout of approximately 21.9% for the six months ended 30th September, 2012 (2011: 54.3%).

Business Review and Prospects

The Group currently operates 109 stores (including associate stores) in the Greater China region. Breakdown by geographic region is as follows:

Hong Kong	香港
Macau	澳門
China	中國
Taiwan	台灣
Total	總計

管理層討論及分析(續)

集團業績(續)

截至二零一二年九月三十日止六個月之營業額為1,795,000,000港元(二零一一年: 1,967,000,000港元)。毛利下跌20.7%至339,000,000港元(二零一一年: 428,000,000港元)，毛利率由去年同期之21.7%下跌至18.9%。本公司擁有人應佔純利為52,000,000港元，較去年同期減少17.3%(二零一一年: 63,000,000港元)。撇除就去年同期授出之購股權於損益中確認之公平值影響94,000,000港元，經調整純利減幅應為66.7%。值得一提的是，純利表現顯著倒退乃主要由於兩個關鍵因素所致: (1) 因手錶供應商沒有實施加價，毛利率較去年同期下跌；及(2) 香港租金開支上升。

為答謝股東一直以來之支持，董事會已議決建議派發中期股息每股2.0港仙(二零一一年: 6.0港仙)，相當於截至二零一二年九月三十日止六個月派息率約為21.9%(二零一一年: 54.3%)。

業務回顧及展望

本集團現時在大中華地區經營109間店舖(包括聯營店舖)，按地區分析如下：

2012
二零一二年

14
2
91
2
<hr/>
109

MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

Business Review and Prospects (Continued)

Consumer appetite for luxury watch items remained relatively weak during the period. The subsided consumption trend in Hong Kong was particularly evident amongst visiting Mainland consumers, who have curbed their spending considerably amidst the prevailing global economic uncertainty. In spite of the unfavourable market sentiment, the Group's sales momentum in key operating markets (such as Hong Kong, Macau and China) has indicated signs of improvement during the Reporting Period. The encouraging trend is in keeping with overall same-store sales growth converging towards a positive mark in September 2012 and is expected to extend well into the remainder of the calendar year.

Escalating rental rates continued to be a major concern for Hong Kong and Macau retailers. In comparison to the previous corresponding period, the Group's rental expense increased by approximately 23.1% and was mainly attributable to the lease renewal of 3 existing stores and the opening of a new Rolex boutique in Causeway Bay at Hysan Place, which commenced operation in August 2012. Notwithstanding the decline in retail activities, the Group remained relatively resilient against such cost pressures as good portion of our retail stores in Hong Kong are self-owned properties, thus effectively averaging down our rental costs. As a result, rental as a percentage of turnover remained at a healthy level and in line with the turnover performance during the Reporting Period. By adopting prudent policies on its operating expenses, the Group strives to maintain, or even lower, this ratio in the coming years.

The Group is committed to managing and reducing its inventory levels in the near term so as to maximize cash flow performance. The recent disposal of a shop premises in Central for a cash consideration HK\$86.8 million in July 2012 also indicates a positive step towards further improving our balance sheet. To utilize its assets, the Group may consider divesting other shop premises at opportune times to unlock greater shareholder value in the long run.

管理層討論及分析(續)

業務回顧及展望(續)

期內，消費者對手錶奢侈品之喜好仍然相對較弱。香港消費趨勢降溫於訪港內地消費者中尤其明顯，他們在現時全球經濟不明朗下大幅抑制其消費。儘管市場氣氛欠佳，於報告期內，本集團於主要經營市場（如香港、澳門及中國）之銷售動力仍有改善跡象。此令人鼓舞之趨勢與二零一二年九月份整體同店銷售增長向好一致，並預期將延續至本曆年餘下時間。

租金水平飆升仍然是香港及澳門零售商之主要顧慮。與去年同期相比，本集團之租金開支增加約23.1%，主要由於3間現有店舖續租及一間勞力士精品店於銅鑼灣希慎廣場開業（於二零一二年八月開始營運）所致。儘管零售活動減少，惟因我們香港部分零售店舖為自置物業，有效平均降低我們之租金成本，故本集團相對仍能承受該等成本壓力。因此報告期內租金佔營業額之百分比仍然處於穩健水平，與營業額表現一致。於未來數年，本集團將繼續致力運用審慎營運開支政策，維持或甚至降低該比率。

短期內本集團致力於管理及降低其存貨水平，以儘量增強現金流量表現。近期，本集團於二零一二年七月以代價86,800,000港元出售一間位於中環之店舖物業，亦標誌著我們於進一步改善資產負債表現方面積極進取。為有效運用資產，本集團考慮於適當時機出售其他店舖物業，長遠而言創造更高股東價值。

MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

Business Review and Prospects (Continued)

To promote the prestigious image of “Oriental Watch Company”, continuous marketing campaigns were rolled out to enhance brand awareness amongst tourist groups and local customers. Notable campaigns include the recent sponsorship of the Hong Kong Jockey Club (“HKJC”) Sha Tin Trophy in late October 2012. The historical and prestigious event is the first 1,600m race of the season in Hong Kong and was attended by elite guests from watch industries worldwide. A dazzling watch and fashion show was also held to exhibit luxury timepieces from renowned international brands, highlighting the Group’s long-established relationships with international brand owners.

Supported by the rising wealth of a growing middle class coupled with the Central Government’s forthcoming stimulus measures to promote domestic consumption, the Board maintains a cautiously optimistic outlook on the luxury retail market in Greater China. In the near term, the Group will adopt a prudent store expansion strategy and will focus more on fine-tuning existing locations to optimize operating performance. Stringent inventory and cost controls will also be enforced to maintain a healthy cash position to fuel future endeavours.

In the long term, the Group aims to strategically increase its sales footprint in China by opening self-operating retail stores accordingly and may consider small-scale acquisitions or joint venture opportunities with local watch retailers and distributors to accelerate market exposure in the most cost efficient manner. Referring to the successful collaboration with Larry Jewelry International Company Limited (“Larry Jewelry”, stock code: 8351) in March 2012, the Group will also continue to source and identify other value-enhancing business opportunities that are in the best interest of the shareholders.

On behalf of the Group, we thank our customers, suppliers, staff and shareholders for the loyalty and continued support

管理層討論及分析(續)

業務回顧及展望(續)

為推廣「東方表行」之優良形象，本集團持續推行一系列市場推廣活動，以提升其品牌在遊客群及本地顧客之知名度。矚目之活動包括最近贊助香港賽馬會（「香港賽馬會」）於二零一二年十月尾舉行之沙田錦標賽，此項盛會乃本賽季香港首項一千六百米之賽事，這盛會之參加者包括世界各地之手錶業界知名人士。同場亦舉行華麗璀璨之名錶時裝匯演，展示著名國際品牌之高檔腕錶，突顯本集團與國際品牌已建立之長期關係。

隨著中產階層崛起而財富增加，加上中央政府即將實施促進內需之刺激措施，董事會對大中華地區奢侈品零售市場之前景維持審慎樂觀。短期內，本集團將採取審慎店鋪擴充策略，並將更專注於調整現有銷售點以優化營運表現。本集團亦將嚴格控制存貨及成本，保持穩健之現金狀況應付未來業務所需。

長遠而言，本集團之目標是透過開設自營零售店鋪，策略性地擴大其中國銷售版圖，並可能考慮有機會與本地手錶零售商及分銷商進行小規模收購或合營，以最符合成本效益之方式以加快市場投入。本集團亦將參考於二零一二年三月與俊文寶石國際有限公司（「俊文寶石」，股份代號：8351）之成功合作例子，繼續尋找及物色其他符合股東最佳利益且能提升價值之商機。

我們謹代表本集團感謝我們之客戶、供應商、員工及股東多年來之忠誠和支持。

MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

Liquidity and financial resources

At 30th September, 2012, the Group's total equity reached HK\$2,117 million, compared with HK\$2,092 million as at 31st March, 2012. The Group had net current assets of HK\$2,040 million, including bank and cash balances of HK\$336 million as at 30th September, 2012 compared with balances of HK\$1,738 million and HK\$207 million respectively as at 31st March, 2012. At 30th September, 2012, bank loans and overdrafts totalled HK\$761 million (31st March, 2012: HK\$506 million). At 30th September, 2012, the gearing ratio (defined as total bank borrowing on total equity) was 0.36 (31st March, 2012: 0.24).

Management considers that financial position of the Group is healthy with adequate funds and unused banking facilities.

Foreign exchange exposure

The Group's sales and purchase transactions are primarily denominated in Hong Kong dollars and Renminbi. The Group did not face significant risk from exposure to foreign exchange fluctuations.

STAFF AND EMPLOYMENT

As at 30th September, 2012, the Group employed a total work force of about 900 staff. The staff turnover rate is low. The Group's policy is annually review its employee's pay levels and incentive bonus.

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

During the six months ended 30th September, 2012, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities on The Stock Exchange of Hong Kong Limited.

管理層討論及分析(續)

流動資金及財務資源

於二零一二年九月三十日，本集團之權益總額達2,117,000,000港元，而於二零一二年三月三十一日則為2,092,000,000港元。於二零一二年九月三十日，本集團之流動資產淨值為2,040,000,000港元，包括336,000,000港元之銀行及現金結餘，而於二零一二年三月三十一日之結餘則分別為1,738,000,000港元及207,000,000港元。於二零一二年九月三十日，銀行貸款及透支合共為761,000,000港元(二零一二年三月三十一日：506,000,000港元)。於二零一二年九月三十日，負債資產比率(定義為銀行借貸總額除以權益總額)為0.36倍(二零一二年三月三十一日：0.24倍)。

管理層認為本集團之財務狀況良好，並具備充裕資金及未動用銀行信貸。

外匯風險

本集團之買賣交易主要以港元及人民幣為單位。本集團並無面對重大外匯波動風險。

僱員及聘用

於二零一二年九月三十日，本集團共招聘約900名僱員。本集團之僱員流失率極低。本集團之政策向來是每年檢討其僱員之薪酬水平及獎勵花紅。

買賣或贖回本公司上市證券

截至二零一二年九月三十日止六個月內，本公司或其任何附屬公司概無購買、贖回或出售本公司於香港聯合交易所有限公司上市之任何證券。



CORPORATE GOVERNANCE

The Company is committed to the establishment of good governance practices and procedures. The Company has met the code provisions set out in the Code on Corporate Governance Practices (“CG Code”) in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“the Listing Rules”), throughout the six months ended 30th September, 2012, except the deviation from the code provision A.4.1 of the CG Code.

Under the Code Provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. However, the Independent Non-executive Directors were not appointed for a specific term but are subject to retirement by rotation in annual general meeting of the Company in accordance with the Bye-laws of the Company. The management of the Company considered that there is no imminent need to revise the letter of appointment of Independent Non-executive Directors by adding a specific term in the letter of appointment.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules as its own code of conduct regarding Directors’ securities transactions. Enquiry has been made with all Directors and all Directors have confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30th September, 2012.

企業管治

本公司致力制定良好之企業管治常規及程序。截至二零一二年九月三十日止六個月內，本公司一直符合香港聯合交易所有限公司證券上市規則(「上市規則」)附錄14所載企業管治常規守則(「企業管治守則」)列載之守則條文，惟偏離企業管治守則之守則條文A.4.1者除外。

根據守則條文A.4.1，非執行董事應按指定年期委任，並須接受重選。然而，獨立非執行董事並無按指定年期委任，但須根據本公司之公司細則在本公司之股東週年大會上輪值退任。本公司管理層認為並無迫切需要透過在委任書加入指定年期修訂獨立非執行董事之委任書。

董事進行證券交易之標準守則

本公司採納了上市規則附錄10所載之標準守則，作為其董事進行證券交易之操守守則。本公司已向各董事作出查詢，並獲各董事確認，彼等於截至二零一二年九月三十日止六個月內一直遵守標準守則所載之規定標準。



AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive directors of the Company. Terms of reference of the Audit Committee have been updated in compliance with the CG Code.

The Audit Committee, together with the management of the Company, have reviewed the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of unaudited consolidated financial statements for the six months ended 30th September, 2012.

By order of the Board
Yeung Ming Bui
Chairman

Hong Kong, 21st November, 2012

審核委員會

審核委員會由本公司三名獨立非執行董事組成。審核委員會之職權範圍已按照企業管治守則更新。

審核委員會(連同本公司管理層)已審閱本集團所採用之會計原則及慣例，並已討論有關內部監控及財務報告事宜，包括審閱截至二零一二年九月三十日止六個月之未審核綜合財務報表。

承董事會命
主席
楊明標

香港，二零一二年十一月二十一日

