

Sheen Tai Holdings Group Company Limited 順泰控股集團有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 1335



2012 年報
Annual Report



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Corporate Information

公司資料

DIRECTORS

Executive Directors

Mr. Guo Yumin (*Chairman*)
Ms. Xia Yu
Mr. Zeng Xiangyang (*President*) (with effect from 1 January 2013)
Mr. He Lijun (with effect from 1 January 2013)
Mr. Huang Bo
Mr. Bau Siu Fung

Independent non-executive Directors

Ms. Fan Qing
Mr. Fong Wo, Felix
Mr. Lo Wa Kei, Roy

COMPANY SECRETARY

Mr. Bau Siu Fung *HKICPA*

AUDIT COMMITTEE

Mr. Lo Wa Kei, Roy (*Chairman*)
Ms. Fan Qing
Mr. Fong Wo, Felix

REMUNERATION COMMITTEE

Ms. Fan Qing (*Chairperson*)
Mr. Guo Yumin
Mr. Lo Wa Kei, Roy

NOMINATION COMMITTEE

Mr. Guo Yumin (*Chairman*)
Ms. Fan Qing
Mr. Lo Wa Kei, Roy

AUTHORISED REPRESENTATIVES

Mr. Guo Yumin
Mr. Bau Siu Fung

COMPANY WEBSITE

www.sheentai.com

REGISTERED OFFICE

Clifton House
75 Fort Street
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

董事

執行董事

郭玉民先生 (*主席*)
夏煜女士
曾向陽先生 (*執行總裁*) (於2013年1月1日生效)
何立君先生 (於2013年1月1日生效)
黃波先生
鮑小豐先生

獨立非執行董事

范晴女士
方和先生
盧華基先生

公司秘書

鮑小豐先生 (*香港會計師公會會員*)

審核委員會

盧華基先生 (*主席*)
范晴女士
方和先生

薪酬委員會

范晴女士 (*主席*)
郭玉民先生
盧華基先生

提名委員會

郭玉民先生 (*主席*)
范晴女士
盧華基先生

授權代表

郭玉民先生
鮑小豐先生

公司網址

www.sheentai.com

註冊辦事處

Clifton House
75 Fort Street
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 2001-2005
20th Floor, Jardine House
1 Connaught Place
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Appleby Trust (Cayman) Ltd.
Clifton House
75 Fort Street
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Tricor Investor Services Limited
26/F, Tesbury Centre
28 Queen's Road East
Hong Kong

AUDITORS

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

COMPLIANCE ADVISER

Haitong International Capital Limited
25th Floor New World Tower
16-18 Queen's Road Central
Hong Kong

HONG KONG LEGAL ADVISER

Loong & Yeung
Suites 2001-2005
20th Floor, Jardine House
1 Connaught Place
Hong Kong

PRINCIPAL BANKERS

Bank of China Limited
Shanghai Pudong Development Bank
China Construction Bank
Bank of Qingdao Co., Ltd.
The Hongkong and Shanghai Banking Corporation Limited

香港主要營業地點

香港
康樂廣場1號
怡和大廈20樓
2001-2005室

開曼群島股份過戶登記總處

Appleby Trust (Cayman) Ltd.
Clifton House
75 Fort Street
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東28號
金鐘匯中心26樓

核數師

畢馬威會計師事務所 (執業會計師)
香港
遮打道10號
太子大廈8樓

合規顧問

海通國際資本有限公司
香港
皇后大道中16-18號
新世界大廈25樓

就香港法律之法律顧問

龍炳坤、楊永安律師行
香港
康樂廣場1號
怡和大廈20樓
2001-2005室

主要往來銀行

中國銀行有限公司
上海浦東發展銀行
中國建設銀行
青島銀行股份有限公司
香港上海滙豐銀行有限公司

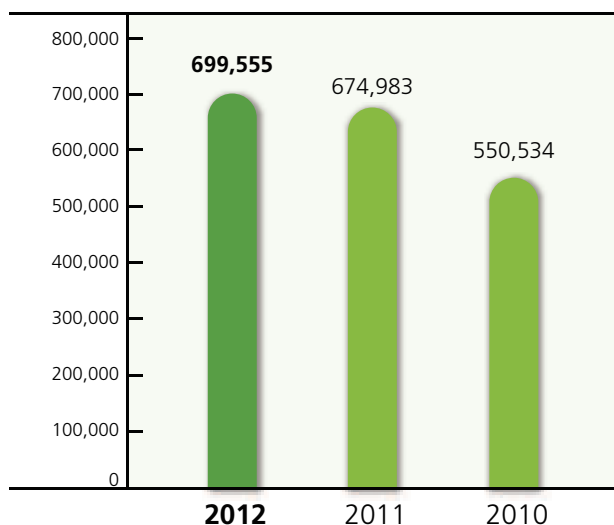
Financial Highlights

財務摘要

		Year ended 31 December, 截至十二月三十一日止		
		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元	Change 變動
Turnover	營業額	699,555	674,983	4%
Profit from operations	經營溢利	191,466	211,812	-10%
Profit before non-controlling interests	非控股權益前溢利	123,928	140,756	-12%
Non-controlling interests	非控股權益	(53,852)	(59,330)	-9%
Profit attributable to owners of the Company	本公司擁有人 應佔溢利	70,076	81,426	-14%
Earnings per share Basic and diluted (HKD)	每股盈利 每股盈利 (港元)	0.17	0.20	-15%

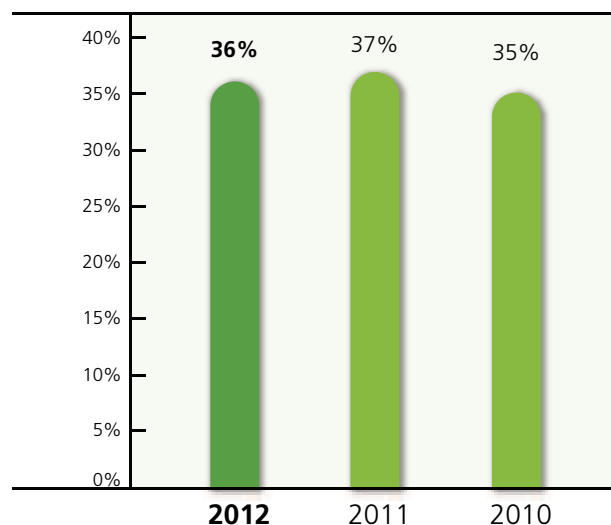
Turnover (HK\$'000)

營業額 (千港元)



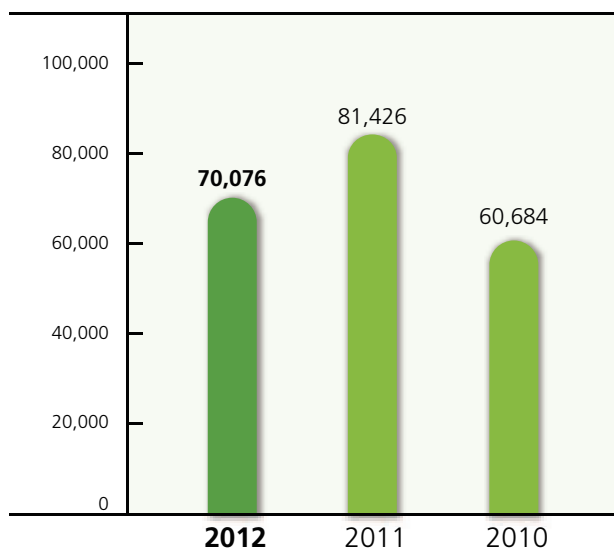
Gross Margin

毛利



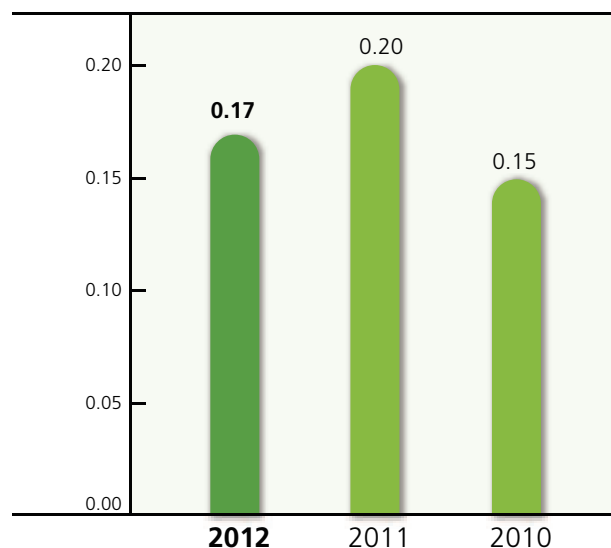
Profit attributable to equity holders (HK\$'000)

本公司權益持有人應佔溢利 (千港元)



Earnings per share (HK\$)

每股盈利 (港元)



* The weighted average number of shares in issue during the years ended 31 December 2012, 2011 and 2010 was based on the assumption that the 415,000,000 shares before the listing on the Stock Exchange were in issue, as if such shares had been outstanding throughout the years ended 31 December 2012, 2011 and 2010.

* 截至2012年、2011年及2010年12月31日止年度的已發行股份的加權平均數乃根據假設股份於聯交所上市前有415,000,000股已發行股份而得出，猶如該等股份於截至2012年、2011及2010年12月31日止年度一直存在。

Chairman's Statement

主席報告



於未來，我們已訂立發展目標，穩固中國市場。本集團將持續實行收購策略以鞏固我們在中國江蘇省作為一家領先的香煙包裝材料製造商的市場地位。

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") and the management of Sheen Tai Holdings Group Company Limited (the "Company" and together with its subsidiaries, the "Group"), I am pleased to present the annual report of the Group for the year 2012.

I would like to report on several Board changes. I am delighted to welcome Mr. Zeng Xiangyang as the Executive Director and President of the Company and Mr. He Lijun as the Executive Director of the Company with effect from 1 January 2013.

致各位股東：

本人謹代表順泰控股集團有限公司（「本公司」連同其附屬公司統稱「本集團」）董事（「董事」）會（「董事會」）欣然呈報本集團於2012年的年報。

本人欣然報告數項董事會變動，歡迎曾向陽先生成為本公司的執行董事兼執行總裁及何立君先生成為本公司的執行董事，自2013年1月1日起生效。



“ In the future, we have set our development goal to secure a foothold in China, the Group will continue to pursue acquisition strategies to strengthen our market position as a leading cigarette packaging materials manufacturer in Jiangsu Province, China. ”

2012 was a landmark year in the history of the Group. We are excited to envisage a new era in our history with a launch of a new identity. As a cigarette packaging materials manufacturer with a leading position in Jiangsu Province, the People's Republic of China (the "PRC" or "China"), the Group was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited on 13 July 2012. We believe that the successful listing does not only provide financial support for our future expansion and development of the Group, but also enhances the Group's reputation and further strengthens our corporate governance structure.

As the European sovereign debt crisis and the region's gloomy economic outlook are both expected to continue, the PRC economy is not immune to the impact of the global economic uncertainties. However, the economy in China is expected to grow steadily and the PRC Central Government's GDP growth target of 7.5% for 2012 was regarded as healthy and satisfactory. It is also a challenging year for the BOPP film industry in China. The industry entered a thorny year with the continuing rise in raw material prices, polypropylene, and the transportation expenses.

2012年是本集團發展史上具有里程碑意義的一年。我們感到非常興奮，在本集團發展史上邁進新的一頁，開展新的標誌。作為在中華人民共和國（「中國」）江蘇省具有領導地位的香煙包裝材料製造商，本集團於2012年7月13日成功地在香港聯合交易所有限公司上市。我們相信上市成功不僅為本集團的未來擴張及發展提供財政支持，同時亦提高本集團的商譽，進一步加強我們的管治架構。

由於歐洲主權債務危機及區內低迷的經濟前景預期仍然持續，中國經濟亦不能倖免地受到全球經濟不明朗因素的影響。然而，中國經濟預期增長穩定，中國中央政府仍將2012年國內生產總值增長目標定為7.5%，堪稱穩健且理想的目標。中國BOPP薄膜製造業在這一年充滿挑戰，行業進入荊棘滿途的一年，原材料聚丙烯的價格及運輸開支不斷上升。

The Group has been accelerating new BOPP film product research and development, intensifying new market development and enforcing new business breakthroughs, while implementing its ongoing innovation management, optimization in management structure and acceleration of product structural adjustments.

As a result, we are glad to see that the Group was able to maintain similar scale of operations as that of the previous year with total revenue amounting to approximately HK\$700 million in 2012. The Group's net profit stood at approximately HK\$124 million and profit attributable to owners of the Company was approximately HK\$70 million for the year ended 31 December 2012. Nevertheless, after adjusting for the effect of the one-off expense for the initial public offering project charged to profit or loss, the Group's net profit attributable to owners of the Company was approximately HK\$80 million.

The Board has proposed a final dividend of HK\$10 cents per share for the year ended 31 December 2012. The dividend represents a payout ratio of 59% of the Company's profit attributable to owners of the Company. Subject to approval by the shareholders of the Company (the "Shareholders") at the 2012 Annual General Meeting (the "AGM") on 20 May 2013, the proposed final dividend will be paid on or about 10 June 2013 to Shareholders who are registered at the close of business on 28 May 2013.

Last but not least, I would also like to thank all my fellow Directors for their wise advice to the Company. On behalf of the Board, I extend to all our stakeholders, business partners and Shareholders, our sincere thanks and appreciation for your continuous support.

本集團已加快研發新的BOPP薄膜產品，加強開發新的市場及追求嶄新的業務突破，同時實行持續的創新管理，優化管理架構及加速產品的結構性調整。

我們欣然看到本集團的成果，能夠維持去年類似的營運規模，2012年的總收入約為700百萬港元。截至2012年12月31日止年度，本集團純利約達124百萬港元，本公司股東應佔溢利約為70百萬港元。然而，經調整首次公開發售項目的一次性開支計入損益後，本公司股東應佔溢利約為80百萬港元。

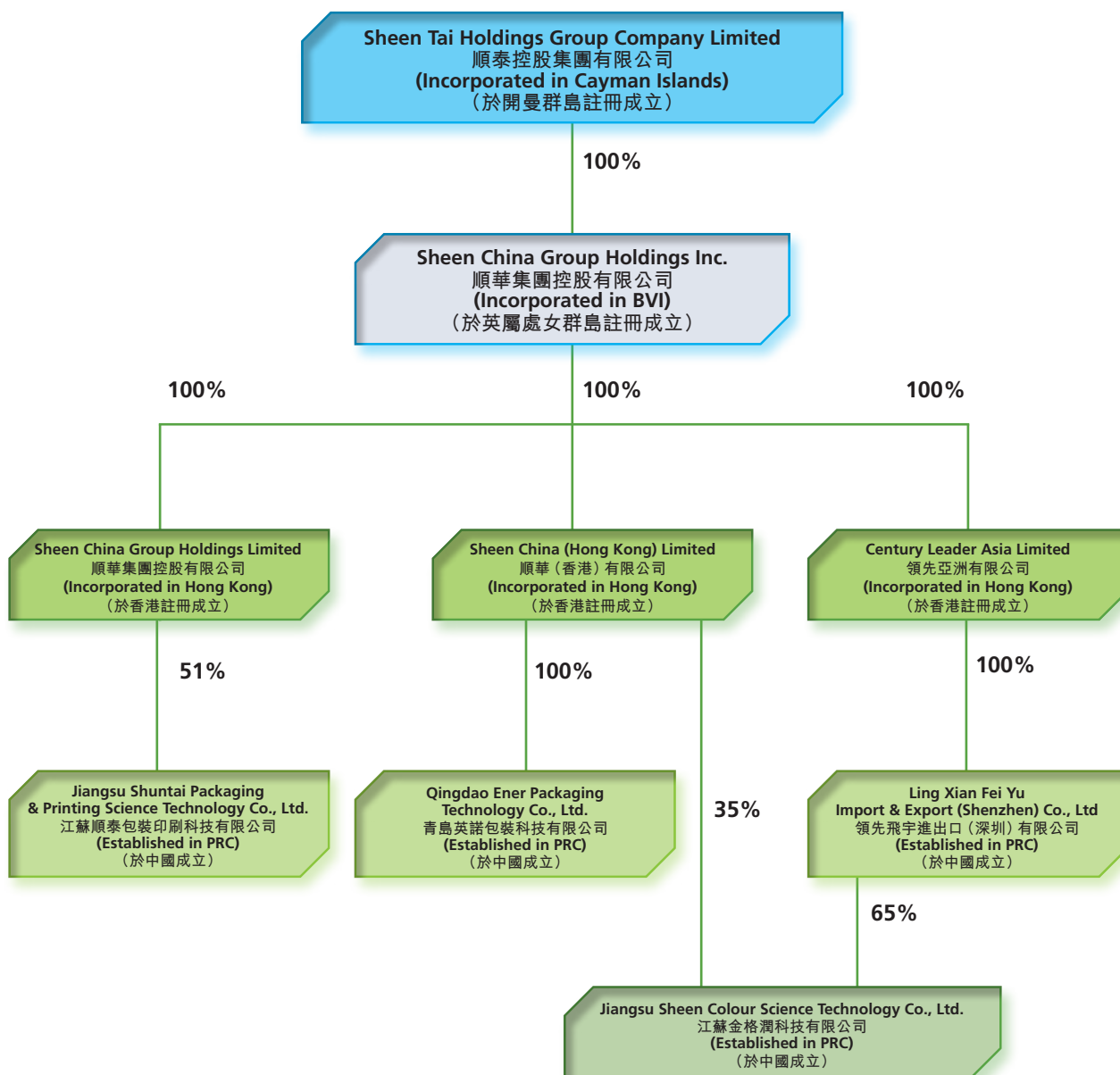
董事會建議派發截至2012年12月31日止年度的末期股息每股10港仙。股息的派息率相當於本公司股東應佔溢利的59%。待本公司股東（「股東」）於2013年5月20日舉行之2012年股東週年大會（「股東週年大會」）上批准後，建議之末期股息將於2013年6月10日前後派付予於2013年5月28日營業時間結束時已登記之股東。

最後亦最為重要，本人對各位董事為本公司所作的英明指導表示誠摯的謝意。本人謹代表董事會，對我們的股份持有人、業務夥伴及股東的不斷支持表示由衷的感謝。

Organization Chart

組織架構

於2012年12月31日
As at 31 December 2012



* On 11 January 2013, Jiangsu Sheen Colour Science Technology Co., Ltd. and Huaian Hetai Investment Co., Ltd., has set up a new subsidiary, Jiangsu Kingtai Packaging Technology Co., Ltd. with equity interest of 70% and 30% respectively.

* 於2013年1月11日，江蘇金格潤科技有限公司與淮安合泰投資有限公司成立一家新的附屬公司江蘇金泰包裝科技有限公司，分別佔70%及30%的股權。

Management Discussion and Analysis

管理層討論及分析

OVERVIEW

Sheen Tai Holdings Group Company Limited (the “Company” or “Sheentai”) and together with its subsidiaries (the “Group”) is a packaging materials manufacturer and supplier with a leading position in Jiangsu Province, the People’s Republic of China (the “PRC” or “China”), focusing on developing, promoting and sales of imported films, self-manufactured films and cigarette paper boxes. The Group’s products can be broadly classified into three categories, namely, (i) cigarette-related packaging materials (comprising cigarette paper boxes, anti-counterfeiting films and other cigarette films manufactured by the Group); (ii) imported films; and (iii) non-cigarette-related packaging materials (being films for packaging non-cigarette-related products manufactured by the Group). The Group has made sales to (i) cigarette manufacturers; (ii) other customers of cigarette films; and (iii) customers of non-cigarette-related packaging materials. The Group has two factories, namely the Shuntai Factory, located in Huai’an City in Jiangsu Province, accommodating production facilities for (i) the printing and manufacturing of cigarette paper boxes; and (ii) the printing of anti-counterfeiting films, and the Ener Factory, located in Qingdao City in Shandong Province, accommodating production facilities for the manufacturing of films.

Despite the volatile financial markets and uncertain recovery trends in Europe, the growth in production cost and the rate of inflation appear to be slowing down in China in 2012. The economy in China has continued to grow steadily in 2012 and it has accelerated the urbanization process in China which increased the percentage of Chinese population with growing disposable income. During the year ended 31 December 2012, the PRC government has taken proactive measures to uphold its growth target and the impact of these government measures remains to be seen. The Group will continuously implement tight cost control measures, stringent quality management and competitive strategy to explore new markets in other provinces.

概覽

順泰控股集團有限公司(「本公司」或「順泰」)連同其附屬公司(「本集團」)為一家在中華人民共和國(「中國」)江蘇省處於領先地位的包裝材料製造商及供應商，專注於開發、推廣及銷售進口薄膜、自製薄膜及香煙紙盒。本集團的產品可大致分為三類：(i)香煙相關包裝材料(包括本集團製造的香煙紙盒、防偽薄膜及其他香煙薄膜)；(ii)進口薄膜；及(iii)非香煙相關包裝材料(由本集團製造用作包裝非香煙相關產品的薄膜)。本集團的產品銷售予(i)香煙製造商；(ii)其他香煙薄膜客戶；及(iii)非香煙相關包裝材料客戶。本集團有兩家工廠，即順泰工廠，位於江蘇省淮安市，其生產設施主要用於(i)印刷及製造香煙紙盒；及(ii)印刷防偽薄膜，及英諾工廠，位於山東省青島市，其生產設施主要用於製造薄膜。

儘管歐洲金融市場波動及復甦前景趨勢不明朗，中國2012年的生產成本增長及通脹率均有所放緩，國內經濟在2012年持續穩定增長，從而加快國內城市化的進程，使中國人口獲得可動用收入增長的百分比上升。中國政府於截至2012年12月31日止年度，已採取積極措施，堅持其增長目標。這些政府措施帶來的影響仍持續可見。本集團將繼續實行嚴緊的成本控制措施、一絲不苟的品質管理及具競爭力的策略，以開拓其他省份的新市場。

RESULTS OF OPERATION

Turnover

The Group's turnover represents the sales value of goods sold less returns, discounts and value added taxes and other sales taxes and which are principally derived from the manufacturing and trading of cigarette-related and non-cigarette related packaging materials. The Group reported turnover of approximately HK\$699.6 million for the year ended 31 December 2012, an increase of approximately 3.6% compared to approximately HK\$675.0 million for the year ended 31 December 2011. The increase in turnover is attributable not only to the continued strategic efforts made in developing the customer base in other provinces, but also the Group's renowned strength in producing delicate packaging product which further reflects that the business strategy adopted by the Group is appropriate.

Manufacturing and sale of cigarette-related packaging materials

The increase in turnover from cigarette-related packaging materials by approximately 10.1% to approximately HK\$572.2 million (2011: approximately HK\$519.5 million) was mainly contributed by (i) the growth in sales of the Group's cigarette paper boxes by approximately 7.0%, from approximately HK\$268.0 million for the year ended 31 December 2011 to approximately HK\$286.8 million for the year ended 31 December 2012, primarily as a result of the increase in demand from the Group's customer of cigarette paper boxes; (ii) the increase in sales of the Group's other cigarette films by approximately 32.9%, from approximately HK\$111.8 million for the year ended 31 December 2011 to approximately HK\$148.6 million for the year ended 31 December 2012, primarily due to one of the Group's key customers of other cigarette films has purchased more products from the Group and the Group is its sole supplier for other cigarette films after the termination of its BOPP film production line.

The increase was partially offset by the decrease in the sales of anti-counterfeiting films by approximately 11.8%, from HK\$84.8 million for the year ended 31 December 2011 to approximately HK\$74.8 million for the year ended 31 December 2012, primarily due to the delay of purchase orders from the Group's major customer of anti-counterfeiting films as a result of their internal machinery renewal during the first half year of 2012. The demand of anti-counterfeiting films of the Group's major customer has recovered in the second half of 2012.

經營業績

營業額

本集團的營業額指貨品銷售價值減退貨、折扣和增值稅及其他銷售稅，主要來自香煙相關及非香煙相關包裝材料的製造及貿易。本集團截至2012年12月31日止年度的營業額約為699.6百萬港元，較截至2011年12月31日止年度約675.0百萬港元增加約3.6%。營業額增加不僅歸功於持續加大策略性力度以開發在其他省份的客戶基礎，亦由於本集團聞名於生產精美包裝產品的優勢，進一步反映我們採用的業務策略得宜。

產銷香煙相關包裝材料

來自香煙相關包裝材料的營業額增長約10.1%至約572.2百萬港元(2011年: 約519.5百萬港元)主要是由於(i)本集團香煙紙盒的銷售額由截至2011年12月31日止年度的約268.0百萬港元增加約7.0%至截至2012年12月31日止年度的約286.8百萬港元，主要原因是本集團的香煙紙盒的客戶的需求增長；(ii)本集團的其他香煙薄膜的銷售額由截至2011年12月31日止年度的約111.8百萬港元增加約32.9%至截至2012年12月31日止年度的約148.6百萬港元，主要原因是本集團其他香煙薄膜的一名主要客戶向本集團採購更多產品，該名客戶在停止其BOPP薄膜的生產線後，本集團成為該名客戶在其他香煙薄膜的唯一供應商。

該項增長已被防偽薄膜銷售額由截至2011年12月31日止年度的約84.8百萬港元下降約11.8%至截至2012年12月31日止年度的約74.8百萬港元(主要是由於本集團防偽薄膜的主要客戶的採購訂單於2012年上半年因其內部機械更新而延遲)所部份抵銷。本集團的主要客戶對防偽薄膜的需求已於2012年下半年得以恢復。

Trading of imported films

Revenue from the Group's trading of imported films increased by approximately HK\$7.0 million, or approximately 12.7%, from approximately HK\$55.0 million for the year ended 31 December 2011 to approximately HK\$62.0 million for the year ended 31 December 2012. The revenue has increased gradually after the Company's indirect wholly-owned subsidiary, Ling Xian Fei Yu Import & Export (Shenzhen) Co., Ltd. ("Ling Xian Fei Yu"), has taken over all trading activities of imported films from the Group's agents after obtaining the approved supplier status for supplying imported films to particular cigarette manufacturer.

進口薄膜貿易

本集團來自進口薄膜貿易的收入由截至2011年12月31日止年度的約55.0百萬港元增加約7.0百萬港元或約12.7%至截至2012年12月31日止年度的約62.0百萬港元。在本公司間接全資擁有的附屬公司領先飛宇進出口(深圳)有限公司(「領先飛宇」)取得認可供應商身份向特定香煙製造商供應進口薄膜，從本集團的代理手中接管進口薄膜的所有貿易活動後，該項收入已逐步增長。

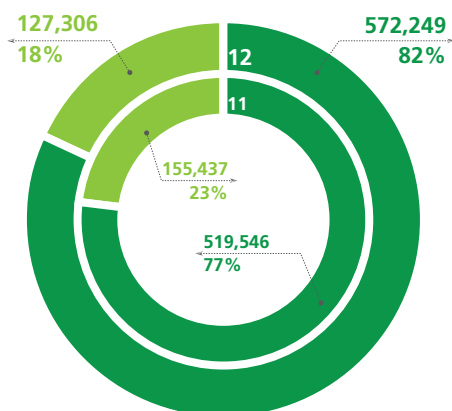
Manufacturing and sale of non-cigarette-related packaging materials

Revenue from the Group's manufacturing and sale of non-cigarette-related packaging materials decreased by approximately HK\$28.1 million, or approximately 18.1%, from approximately HK\$155.4 million for the year ended 31 December 2011 to approximately HK\$127.3 million for the year ended 31 December 2012. The decrease was consistent with the Group's production and sales plan to adjust the Group's sales mix by switching the manufacturing and sale of BOPP films from non-cigarette-related packaging BOPP films to other cigarette BOPP films with a higher gross profit margin.

產銷非香煙相關包裝材料

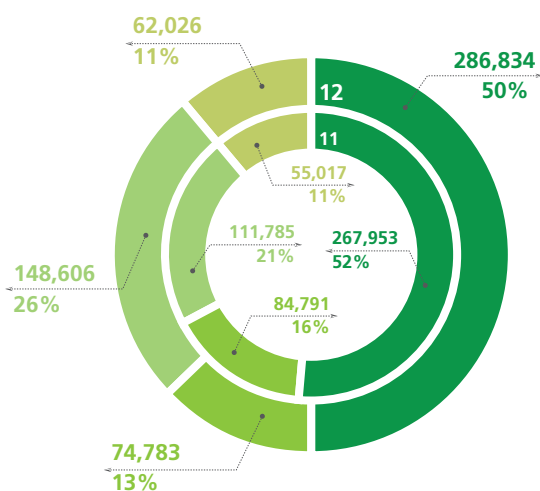
本集團來自非香煙相關包裝材料製造及銷售的收入由截至2011年12月31日止年度的約155.4百萬港元減少約28.1百萬港元或約18.1%至截至2012年12月31日止年度的約127.3百萬港元。該項減少乃與本集團的生產及銷售計劃相符，本集團透過在BOPP薄膜的製造及銷售，由非香煙相關包裝的BOPP薄膜轉移至毛利率較高的其他香煙的BOPP薄膜，以調整我們的銷售組合。

Turnover 營業額



	Total	合計
Cigarette related packaging materials 香煙相關包裝材料	2012 444,943	2011 519,546
Non-cigarette related packaging materials 香煙相關包裝材料	2012 127,306	2011 155,437
Total	2012 572,249	2011 674,983

Turnover – Cigarette related packaging materials 營業額 – 香煙相關包裝材料



	Total	合計
Cigarette paper boxes 香煙紙盒	2012 162,837	2011 121,136
Anti-counterfeiting films 防偽薄膜	2012 12	2011 62,026
Other cigarette films 其他香煙薄膜	2012 111,785	2011 84,791
Trading of imported films 進口薄膜貿易	2012 62,026	2011 55,017
Total	2012 286,834	2011 267,953

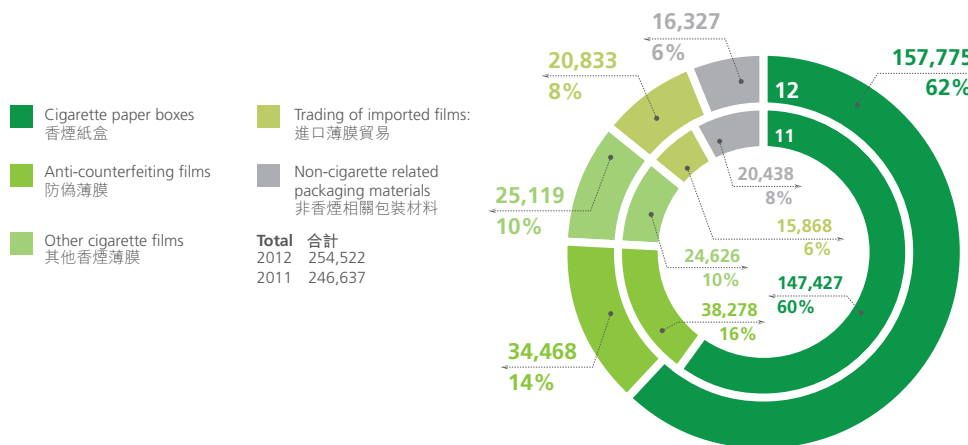
Gross profit and gross profit margin

The Group's gross profit increased by approximately HK\$7.9 million, or approximately 3.2%, from approximately HK\$246.6 million for the year ended 31 December 2011 to approximately HK\$254.5 million for the year ended 31 December 2012. The Group's gross profit margin remained stable at approximately 36.4% for the year ended 31 December 2012 when compared to approximately 36.5% for the year ended 31 December 2011.

毛利及毛利率

本集團的毛利由截至2011年12月31日止年度的約246.6百萬港元增加約7.9百萬港元或約3.2%至截至2012年12月31日止年度的約254.5百萬港元。本集團的毛利率於截至2012年12月31日止年度內穩定在36.4%左右，而截至2011年12月31日止年度約為36.5%。

Gross Profit 毛利



Other revenue

The Group's other revenue recorded a decrease of approximately HK\$6.4 million, or approximately 90.1%, when compared with 2011. The decrease was a result of the decrease of government grant in 2012.

其他收入

本集團的其他收入較2011年減少約6.4百萬港元或約90.1%。該項減少乃由於2012年內政府補貼減少所致。

Selling and distribution expenses

The Group's distribution costs decreased by approximately HK\$5.7 million, or approximately 32.4%, from approximately HK\$17.6 million for the year ended 31 December 2011 to approximately HK\$11.9 million for the year ended 31 December 2012, primarily due to the decrease of commission paid to the Group's former related companies for handling of import and export matters of the Group (2012: Nil, 2011: approximately HK\$6.6 million). The Group's subsidiary, Ling Xian Fei Yu, has been designated as the import and export arm of the Group thereafter. The decrease was partially offset by the increase of transportation expenses generated by the boost of sales of the other cigarette films to distant provinces in 2012 when compared to that in 2011.

銷售及分銷成本

本集團的銷售及分銷成本由截至2011年12月31日止年度的約17.6百萬港元減少約5.7百萬港元或約32.4%至截至2012年12月31日止年度的約11.9百萬港元，主要由於就處理本集團進出口事宜而支付予本集團前任關連公司的佣金減少所致(2012年：無，2011年：約6.6百萬港元)。本集團的附屬公司領先飛宇已被指定為本集團的進出口公司。該項減少因本集團的運輸開支增加而受到部份抵銷，運輸開支增加乃由於本集團於2012年的其他香煙薄膜在外省的銷售額較2011年大幅增加所致。

Administrative expenses

The Group's administrative expenses increased by approximately HK\$23.3 million, or approximately 53.9%, from approximately HK\$43.2 million for the year ended 31 December 2011 to approximately HK\$66.5 million for the year ended 31 December 2012, primarily attributable to the one-off listing expenses charged to profit or loss (2012: HK\$10.1 million, 2011: HK\$4.0 million) and the increase in salary levels for senior administrative staff recruited for the expansion of the Group's operation and compliance matters after the listing of the Group.

Finance costs

The Group's finance costs increased by approximately 13.4% from approximately HK\$18.6 million for the year ended 31 December 2011 to approximately HK\$21.1 million for the year ended 31 December 2012, primarily due to increase in average bank loan balances over the year of 2012 as a result of the continuous expansion of business operation and production volume.

Income tax

The Group's income tax decreased by approximately HK\$6.0 million from approximately HK\$52.5 million for the year ended 31 December 2011 to approximately HK\$46.5 million for the year ended 31 December 2012, primarily due to the reversal of deferred liabilities on withholding tax in respect of dividend paid by the Group's PRC subsidiaries. This also led to the decrease in effective tax rate when compared with that of 2011 for the year ended 31 December 2012.

Profit attributable to equity holders of the Company

As a result of the foregoing factors, profit attributable to equity holders of the Company for the year ended 31 December 2011 decreased by approximately 13.9% from approximately HK\$81.4 million to approximately HK\$70.1 million for the year ended 31 December 2012.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2012, the cash and cash equivalent of the Group amounted to approximately HK\$79.2 million denominated in HKD, RMB, USD compared with approximately HK\$63.0 million as at 31 December 2011. Such increase was mainly due to the cash inflow of operating activities and proceeds raised by the listing of the Company offset by the cash outflow of investing and financing activities.

行政開支

本集團的行政開支由截至2011年12月31日止年度的約43.2百萬港元增加約23.3百萬港元或約53.9%至截至2012年12月31日止年度的約66.5百萬港元，主要由於一次性上市開支計入損益內（2012年：10.1百萬元、2011年：4.0百萬元）及就本集團營運擴展及本集團在上市後須遵守上市規定事宜而招聘的高級管理人員的薪資水平上升所致。

財務成本

本集團的財務成本由截至2011年12月31日止年度的約18.6百萬港元增加約13.4%至截至2012年12月31日止年度的約21.1百萬港元，主要由於本集團的業務營運及產量的持續擴張導致2012年的平均銀行借貸結餘增加所致。

所得稅

本集團的所得稅由截至2011年12月31日止年度的約52.5百萬港元減少約6.0百萬港元至截至2012年12月31日止年度的約46.5百萬港元，主要由於本集團附屬公司支付的股息撥回預扣稅項的遞延負債所致。這亦由於截至2012年12月31日止年度的實際稅率較2011年下跌所致。

本公司權益持有人應佔溢利

由於上述因素，本公司的權益持有人應佔溢利由截至2011年12月31日止年度的約81.4百萬港元減少約13.9%至截至2012年12月31日止年度的約70.1百萬港元。

流動資金及財務資源

於2012年12月31日，本集團的現金及現金等值項目約為79.2百萬港元（以港元、人民幣及美元列值），而於2011年12月31日約63.0百萬港元。該項增加主要由於經營活動產生的現金流入及本公司上市集資所得款項受到投資及財務活動產生的現金流出抵銷後所致。

For the year ended 31 December 2012, the Group's net cash inflow of operating activities, net cash outflow of investing activities and net cash outflow of financing activities amounted to approximately HK\$151.9 million, approximately HK\$77.1 million and approximately HK\$58.6 million respectively. The Group primarily uses cash inflow of operating activities and banking facilities to satisfy the requirement of working capital.

Borrowings and gearing ratio

Total interest-bearing borrowings of the Group as at 31 December 2012 was approximately HK\$302.2 million denominated in RMB, among which, approximately HK\$37 million are at fixed interest rate. Borrowing with fixed interest rate has accounted for 12% of total borrowings. The Group's gearing ratio, measured by net debt divided by shareholders' equity as at the end of the year and multiplied by 100%, decreased from 99% as at 31 December 2011 to 67% as at 31 December 2012. It was primarily due to the increase in shareholders' equity as a result of the completion of the initial public offering of the shares of the Company on 13 July 2012.

Exposure to fluctuations in exchange rate

The Group is exposed to currency risk primarily through sales and purchases made by the PRC subsidiaries which give rise to receivables, payables, cash balances and bank loans that are denominated in US dollars. Presently, the Group has no hedging policy with respect to the foreign exchange exposure.

As the functional currencies for all subsidiaries in the PRC are RMB, these subsidiaries do not expose to any currency risk due to the exchange rate movement of RMB. For subsidiaries established outside of the PRC, they have no material financial assets and liabilities denominated in RMB. Accordingly, the Group's exposure to RMB currency risk is insignificant.

Capital expenditure

During the year ended 31 December 2012, the Group's total capital expenditure amounted to approximately HK\$27.7 million (2011: approximately HK\$20.3 million), which was used in the acquisition of property, plant and equipment.

截至2012年12月31日止年度，本集團經營活動產生的現金流入淨額、投資活動產生的現金流出淨額及融資活動產生的現金流出淨額分別約151.9百萬港元、約77.1百萬港元及約58.6百萬港元。本集團主要將經營活動的現金流入及銀行融資用於滿足營運資金的需求。

借款及資產負債比率

本集團於2012年12月31日的計息借款總額約為302.2百萬港元，以人民幣計值，其中約37百萬港元以固定利率計息。以固定利率計息的借款佔借款總額12%。本集團的資產負債比率（以年末淨債務除以股東權益再乘以100%計算）由2011年12月31日的99%下降至2012年12月31日的67%。下降主要由於本公司的股份於2012年7月13日首次公開發售完成後股東權益增加所致。

匯率波動風險

本集團所承受的貨幣風險主要來自中國附屬公司的銷售及採購，有關銷售及採購產生以美元列值的應收款項、應付款項、現金結餘及銀行貸款。現時，本集團並無有關外匯風險的對沖政策。

由於所有於中國的附屬公司的功能貨幣均為人民幣，該等附屬公司並不會承受人民幣匯率變動產生之貨幣風險。對於在中國境外成立的附屬公司，該等附屬公司並無以人民幣計值的重大財務資產及負債。因此，本集團承受人民幣匯率變動之風險甚微。

資本開支

截至2012年12月31日止年度，本集團的資本開支總額約為27.7百萬港元(2011年：約20.3百萬港元)，已用於收購物業、廠房及設備。

Charge on assets

As at 31 December 2012, the Group pledged its lease prepayments, machinery and building held for own use with net book value of approximately HK\$289.8 million (31 December 2011: approximately HK\$275.2 million) and trade receivable of approximately HK\$57.7 million (31 December 2011: Nil) for the purpose of securing loans with carrying value of approximately HK\$277.5 million (31 December 2011: approximately HK\$276.3 million).

Significant investment and material acquisitions

On 13 March 2012, an equity transfer agreement was entered into by Sheen China (Hong Kong) Limited (“Sheen HK”), a member of the Group, with Qingdao Beizhou Group Co., Ltd. to acquire the remaining 30% equity interest in Qingdao Ener Packaging Technology Co., Ltd at a consideration of RMB39.6 million. The said transfer was approved by the Bureau of Economic Development of the Qingdao National High-tech Industrial Development Zone on 3 May 2012 and the consideration was paid on 24 September 2012.

Pursuant to the group reorganisation (the “Reorganisation”) in preparation of the listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the Company became the holding company of the Group formed after completion of the Reorganisation. Details of the Reorganisation are set out in the paragraph headed “Corporate reorganisation” in Appendix V “Statutory and General Information” to the prospectus dated 29 June 2012 issued by the Company (the “Prospectus”).

Jiangsu Shuntai Packaging & Printing Science Technology Co., Ltd. (an indirect 51% owned subsidiary of the Company) (“Jiangsu Shuntai”) and Ling Xian Fei Yu entered into an equity transfer agreement dated 28 August 2012, pursuant to which Ling Xian Fei Yu agreed to acquire 65% equity interest of Jiangsu Sheen Colour Science Technology Co., Ltd. (“Jiangsu Sheen Colour”) from Jiangsu Shuntai for cash consideration of RMB17,209,700 (equivalent to approximately HK\$20,987,000). The remaining 35% equity interest of Jiangsu Sheen Colour is owned by Sheen HK (an indirect wholly-owned subsidiary of the Company). Accordingly, Jiangsu Sheen Colour became an indirect wholly-owned subsidiary of the Group after the completion of the aforesaid transaction on 13 September 2012. For further details, please refer to the announcement of the Company dated 28 August 2012.

資產抵押

於2012年12月31日，本集團就賬面值約為277.5百萬港元（2011年12月31日：約276.3百萬港元）的借貸已抵押其賬面淨值約為289.8百萬港元（2011年12月31日：約275.2百萬港元）的持作自用之預付租賃、機器及樓宇以及約57.7百萬港元（2011年12月31日：無）的應收貿易款項。

重大投資及收購事項

於2012年3月13日，本集團一家成員公司順華（香港）有限公司（「順華香港」）與青島北洲集團有限公司訂立股權轉讓協議，以代價人民幣39.6百萬元收購青島英諾包裝科技有限公司餘下30%的股權。上述轉讓於2012年5月3日獲青島高新技術產業開發區經濟發展局批准，代價於2012年9月24日支付。

根據為籌備本公司股份於香港聯合交易所有限公司（「聯交所」）主板上市而進行的集團重組（「重組」），本公司成為重組完成後所組成本集團的控股公司。重組詳情載於本公司於2012年6月29日所刊發之招股章程（「招股章程」）附錄五「法定及一般資料」中「公司重組」一段。

本公司間接擁有51%權益的附屬公司江蘇順泰包裝印刷科技有限公司（「江蘇順泰」）及領先飛宇於2012年8月28日訂立一項股權轉讓協議，據此，領先飛宇同意從江蘇順泰收購江蘇金格潤科技有限公司（「江蘇金格潤」）65%的股權，其現金代價為人民幣17,209,700元（約相當於20,987,000港元）。江蘇金格潤餘下35%的股權由順華香港（本公司的間接全資附屬公司）擁有。因此，於上述交易於2012年9月13日完成後，江蘇金格潤成為本集團的間接全資附屬公司。有關進一步詳情請參閱本公司日期為2012年8月28日的公告。

Post Balance Sheet Event

On 11 January 2013, subsequent to the year ended 31 December 2012, Jiangsu Sheen Colour and Huaian Hetai Investment Co. Ltd., a third party, has set up a new subsidiary, with equity interests of 70% and 30% respectively. The subsidiary named Jiangsu Kingtai Packaging Technology Co., Ltd is principally engaged in manufacturing and trading of aluminium foil films for cigarette packaging.

Contingent liabilities

At 31 December 2012, the Group did not have any significant contingent liabilities (31 December 2011: Nil).

Use of net proceeds from the Company's initial public offering

On 13 July 2012 (the "Listing Date"), the ordinary shares of the Company with a nominal value of HK\$0.01 each (the "Shares") were first listed on the Stock Exchange following the completion of its initial public offering. 100,000,000 Shares were issued at a price of HK\$1.2 per Share under the initial public offering. On 3 August 2012, the over-allotment option has been exercised by the sole bookrunner in full. Under the over-allotment option, an aggregate of 15,000,000 Shares, representing 15% of the Shares initially being offered under the initial public offering before any exercise of the over-allotment option, have been allotted and issued by the Company at HK\$1.20 per Share. The aggregated net proceeds from the initial public offering was HK\$110,557,000.

As at 31 December 2012, net proceeds of accumulated approximately HK\$99.65 million has been applied on strategic acquisition, repayment of a bank loan, expansion of market share, strengthening product development, enhancing quality management and working capital, and the remaining of the net proceeds has been deposited into banks which are intended to be applied in accordance with the proposed application set out in the "Use of proceeds" section in the Prospectus.

結算日後事項

截至2012年12月31日止年度後，於2013年1月11日，江蘇金格潤與第三方淮安合泰投資有限公司成立一家新的附屬公司，分別佔70%及30%的股權。該附屬公司名為江蘇金泰包裝科技有限公司，主要從事製造及貿易用作香煙包裝的鋁箔薄膜。

或然負債

於2012年12月31日，本集團概無任何重大或然負債（2011年12月31日：無）。

本公司首次公開發售所得款項淨額的用途

於2012年7月13日（「上市日期」），本公司於完成其首次公開發售後，本公司每股面值0.01港元的普通股股份（「股份」）首次在聯交所上市。根據首次公開發售，100,000,000股股份以每股1.2港元的價格發行。於2012年8月3日，超額配股權已由唯一賬簿管理人悉數行使。根據超額配股權，合共15,000,000股股份（相當於任何超額配股權行使前根據首次公開發售初步提呈發售的股份15%）按每股股份1.20港元已獲配發及發行。首次公開發售的所得款項扣除上市費用後合共為110,557,000港元。

於2012年12月31日，累計款項淨額約99.65百萬港元已用作策略性收購、償還銀行貸款、擴大市場份額、加強產品開發、提升品質管理及營運資金，餘下的款項淨額已存入銀行，計劃將會用於招股章程「所得款項用途」一節所載之建議用途。

HUMAN RESOURCES

As at 31 December 2012, the Group employed 395 employees (as compared with 411 employees as at 31 December 2011) with total staff cost of approximately HK\$47.2 million incurred for the year ended 31 December 2012 (as compared with approximately HK\$36.6 million for the year ended 31 December 2011). The Group's remuneration packages are generally structured with reference to market terms and individual merits. The Company has also adopted a pre-IPO share option scheme and a share option scheme to provide incentive and reward to high-calibre employees and attract human resources that are valuable to the Group, details of which are set out in the paragraph headed "Share Option Schemes" in this annual report.

FINAL DIVIDEND

The Board recommended the payment of a final dividend of HK\$0.10 per share for the year ended 31 December 2012 to the Shareholders whose names appear on the register of members of the Company as at 4:30 p.m. on 28 May 2013, the record date for determining entitlements of the Shareholders to the proposed final dividend. The proposed final dividend is subject to approval by the Shareholders at the AGM and a resolution will be proposed to the Shareholders for voting at the AGM. If the resolution for the proposed final dividend is passed at the AGM, the proposed final dividend will be payable on or about 10 June 2013.

In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:30 p.m. on 23 May 2013.

人力資源

於2012年12月31日，本集團僱用了395名僱員（對比2011年12月31日為411名僱員），截至2012年12月31日止年度，產生員工總成本約47.2百萬港元（對比截至2011年12月31日止年度約為36.6百萬港元）。本集團的薪酬組合一般參考市場通用條款及個人表現而制訂。本公司亦已採納首次公開發售前購股權計劃及購股權計劃以鼓勵及獎賞優秀僱員及吸引對本集團具價值的人力資源，詳情載於本年報「購股權計劃」一段。

末期股息

董事會建議向於2013年5月28日（釐定股東享有建議末期股息的記錄日期）當日下午4時30分名列公司股東名冊的股東派付截至2012年12月31日止年度末期股息每股股份0.10港元，惟該建議末期股息須待股東於股東週年大會上批准後方可作實。於股東週年大會上，本公司將提呈一項決議案，以供股東表決。如該建議末期股息決議案於股東週年大會上獲得通過，本公司將於2013年6月10日或該日前後派付建議末期股息。

為符合資格收取建議末期股息，所有轉讓文件連同有關股票必須於2013年5月23日4時30分前，送交至本公司之香港股份過戶登記分處卓佳證券登記有限公司辦理登記手續，地址為香港皇后大道東28號金鐘匯中心26樓。

PROSPECTS

With over eight months since the listing of the Shares on the Stock Exchange in July 2012, the Company has completed most of the proposed future plans as discussed in the Prospectus. They included:

- (i) the payment for an acquisition of the remaining 30% equity interest in the Group's subsidiary, Qingdao Ener,
- (ii) the repayment of a bank loan,
- (iii) market expansion, and
- (iv) product development and enhancement of quality management.

In addition, the Group has acquired the remaining 31.85% effective interest in the Group's subsidiary, Jiangsu Sheen Colour in 2012.

Going forward, the Group will continue to capture the growth potential and promote the Group's products in Jiangsu province. Meanwhile, the Group will continue to explore new business opportunities for existing products in other provinces so as to promote a diversified quality customer base by implementing strategic initiatives and enhancing marketing efforts. In addition, to cope with the rising cost of raw materials, the Group will strive to further tighten control over its operating expenses and streamline the production processes. The Group will continue to grow market share with its major customers while broadening customer mix in the PRC market. Further capital will be invested in enhancing the Group's product development and capabilities. Besides, there will be attractive opportunities for cigarette-related packaging industry during the market consolidation driven by the government policies and the Group will seek opportunities to acquire other cigarette-related manufacturers, through selective acquisitions, joint ventures and/or other strategic investments.

前景

本公司股份於2012年7月在聯交所上市，迄今超過八個月，目前已完成招股章程所討論的大部份建議未來計劃。其中包括以下各項：

- (i) 清付收購本集團的附屬公司「青島英諾」其餘30%股權的款項；
- (ii) 清還一項銀行貸款；
- (iii) 擴充市場；及
- (iv) 產品開發及提升品質管理。

此外，本集團已於2012年完成收購本集團的附屬公司江蘇金格潤其餘的31.85%實際股權。

展望未來，本集團將持續發揮增長潛力，並會在江蘇省推銷本集團的產品，及繼續為現有產品在其他省份開拓新商機，並推行策略性方案及加大營銷力度，從而促進多元化的優質客戶基礎。此外，本集團將設法進一步加緊控制營運開支及優化生產工序，以應付原材料成本上升的問題。本集團將會繼續增佔主要客戶的市場份額，同時擴闊中國市場的客戶組合，本集團將會進一步投放資金以提升本集團的產品開發及產能。此外，在政府政策推動下市場整合期間，與香煙相關的包裝行業將出現極具吸引力的商機。本集團將致力爭取良機，透過選擇性收購、合資企業及／或其他策略性投資收購其他與香煙相關的製造商。

Biographies of Directors and Senior Management

董事及高級管理層履歷

Executive Directors 執行董事



Mr. Guo Yumin (郭玉民), aged 51, is the founder and chairman of the Company. Mr. Guo was appointed as an executive Director on 22 June 2012. He is now also the director of all our subsidiaries. Mr. Guo is responsible for the overall management and formulation of business strategy of the Group.

Mr. Guo graduated from the distant-learning college of the School of the Central Committee of Communist Party of China (中共中央黨校附設函授學院) in 1988, majoring in economic management. Since 1998, Mr. Guo has been engaging in cigarette packaging business and established a strong business tie with the senior members of some cigarette manufacturers. He brings extensive business and management experience in commercial business to our management team.

In 2005, Mr. Guo established Guangdong Province Jiangsu Chamber of Commerce and he had been the chairperson for six consecutive years. In 2010, Mr. Guo established Shenzhen Xuzhou Chamber of Commerce and has been its legal representative since then.

Mr. Guo is the spouse of Ms. Xia, an executive Director and is the father of Mr. Guo Cheng, a senior management staff.

Mr. Guo is the director of Sheen China Group Holdings Inc., Sheen China Group Holdings Limited, Century Leader Asia Limited, Ling Xian Fei Yu Import & Export (Shenzhen) Co., Ltd ("Ling Xian Fei Yu"), Sheen China (Hong Kong) Limited ("Sheen HK"), Jiangsu Shuntai Packaging Printing Science Technology Co., Ltd ("Jiangsu Shuntai"), Qingdao Ener Packaging Technology Co., Ltd ("Qingdao Ener"), Jiangsu Sheen Color Science Technology Co., Ltd ("Jiangsu Sheen Color") and Jiangsu Kingtai Packaging and Printing Science Technology Company Limited ("Jiangsu Kingtai") the subsidiaries of the Group. Mr. Guo is also the sole director and sole shareholder of Sheen Tai Group Holding Limited, the controlling Shareholder.

郭玉民先生，51歲，為本公司的創建人兼主席。郭先生於2012年6月22日獲委任為執行董事。他現時亦為我們所有附屬公司的董事。郭先生負責本集團的整體管理及制定業務策略。

郭先生於1988年畢業於中共中央黨校附設函授學院，主修經濟管理學。郭先生由1998年起從事香煙包裝業務，與若干香煙製造商的高級成員建立牢固的業務關係。郭先生為我們的管理團隊帶來豐富的商務營運和管理經驗。

於2005年，郭先生成立廣東省江蘇商會，並連續六年擔任主席。於2010年，郭先生成立深圳市徐州商會，自此擔任其法人代表。

郭先生是執行董事夏女士的配偶，並為高級管理層人員郭誠先生的父親。

郭先生為本集團附屬公司順華集團控股有限公司、順華集團控股有限公司、領先亞洲有限公司、領先飛宇進出口(深圳)有限公司(「領先飛宇」)、順華(香港)有限公司(「順華香港」)、江蘇順泰包裝印刷科技有限公司(「江蘇順泰」)、青島英諾包裝科技有限公司(「青島英諾」)、江蘇金格潤科技有限公司(「江蘇金格潤」)及江蘇金泰包裝科技有限公司(「江蘇金泰」)的董事。郭先生亦為順泰集團控股有限公司(控股股東)的唯一董事及唯一股東。



Ms. Xia Yu (夏煜), aged 42, was appointed as an executive Director on 22 June 2012. She is the legal representative of Qingdao Ener and she is responsible for general management of our Group.

Ms. Xia studied financial accounting (distant-learning) in Jiangsu Commerce College (江蘇商業專科學校) (which was combined with other colleges to form Yangzhou University) and graduated in June 1992. Ms. Xia had 15 years of experience in the cigarette-related business, as well as business management and financial management in cigarette packaging business.

Ms. Xia is the director of Sheen HK and Qingdao Ener, the subsidiaries of the Group.

Ms. Xia is the spouse of Mr. Guo and the step-mother of Mr. Guo Cheng, a senior management staff.

夏煜女士，42歲，於2012年6月22日獲委任為執行董事，她現時為青島英諾的法人代表。她負責本集團的一般管理。

夏女士於江蘇商業專科學校（與其他學院組成揚州大學）就讀金融會計學（遙距課程），於1992年6月畢業。夏女士在香煙相關業務及香煙包裝業務管理和財務管理方面具有15年經驗。

夏煜女士為本集團附屬公司順華香港及青島英諾的董事。

夏女士是郭先生的配偶，並為高級管理層人員郭誠先生的繼母。



Mr. Zeng Xiangyang (曾向陽), aged 46, has been appointed as an executive Director and President of the Company with effect from 1 January 2013. Mr. Zeng is responsible for the overall management and business of the Group.

Mr. Zeng graduated from Zhejiang University (浙江大學) with a Bachelor of Physics degree in 1988 and obtained a Master degree of Materials Science from Zhejiang University in 1991. From 1996 to 2010, Mr. Zeng joined the business unit of a chemical company, which was first acquired by UCB Films (Asia Pacific) Pty Ltd. and subsequently by Innovia Films (Commercial) Ltd. Mr. Zeng possesses more than 16 years of experience in the cigarette-related industry in the PRC and is familiar with the practice of the tobacco market in the PRC.

Mr. Zeng is the director of Qingdao Ener and Jiangsu Kingtai, the subsidiaries of the Group.

曾向陽先生，現年46歲，自2013年1月1日起獲委任為本公司的執行董事兼執行總裁。曾先生負責本集團業務的整體管理。

曾先生於1988年畢業於浙江大學，獲物理學學士學位，並於1991年獲得浙江大學材料系碩士學位。1996年至2010年，曾先生加盟一家化工公司的業務部。該業務部最初被UCB Films (Asia Pacific) Pty Ltd.收購，其後又被Innovia Films (Commercial) Ltd.收購。曾先生在中國香煙相關行業擁有超過16年之經驗，熟悉中國香煙市場之實務。

曾先生為本集團附屬公司青島英諾包裝科技有限公司及江蘇金泰包裝科技有限公司的董事。



Mr. He Lijun (何立君), aged 44, has been appointed as an executive Director with effect from 1 January 2013. Mr. He joined the Group in 2010 and he is now also the general manager of Jiangsu Shuntai and the vice president of the Group. Mr. He is responsible for the general operation of the Group's production.

Mr. He studied in the department of industrial management and engineering of the School of Management of Shanghai Jiao Tong University (上海交通大學) and graduated in 1989. He holds a bachelor degree of engineering. Before joining our Group, Mr. He was the vice general manager of a company which also engaged in, amongst others, cigarette-related packaging, and was responsible for business administration, human resources management and corporate governance. Mr. He is familiar with the trade practice of the cigarette-related industry in the PRC and has extensive personal network.

Mr. He is the director of Jiangsu Shuntai, Qingdao Ener, Jiangsu Sheen Color and Jiangsu Kingtai, the subsidiaries of the Group.

何立君先生，44歲，自2013年1月1日起獲委任為本公司執行董事。他於2010年加入本集團，現時亦為江蘇順泰總經理及本集團副總裁。何先生負責本集團生產方面的一般營運。

何先生就讀於上海交通大學管理學院工業管理及工程系，於1989年畢業。他持有工程學學士學位。於加入本集團前，何先生為某公司的副總經理（該公司亦從事（其中包括）香煙相關包裝業務），負責商業管理、人力資源管理及企業管治。何先生熟悉中國香煙相關行業貿易實務，並擁有廣泛人際網絡。

何先生為本集團附屬公司江蘇順泰包裝印刷科技有限公司、青島英諾包裝科技有限公司、江蘇金格潤科技有限公司及江蘇金泰包裝科技有限公司的董事。



Mr. Huang Bo (黃波), aged 46, was appointed as an executive Director on 22 June 2012. Mr. Huang joined our Group since 2009 and he is now responsible for the financing activities of our Group.

Mr. Huang completed a post-secondary part-time course in economic management at Party School of Chinese Communist Party of Shandong Province (中共山東省委黨校), and graduated in 1996. From 2000 to 2003, Mr. Huang was employed to work at the Qingdao municipal government in economic and auditing fields. From 2004 to November 2009, Mr. Huang started working in a packaging company, and became the chief accounting officer in 2007. In 2009, Mr. Huang was certified as an accreditation grade senior (國際註冊高級會計師) by International Profession Certification Association (國際認證協會). Mr. Huang has more than 7 years of experience in financial management in cigarette packaging trading field.

黃波先生，46歲，於2012年6月22日獲委任為執行董事。黃先生自2009年起加入本集團，現負責本集團的財務營運。

黃先生在中共山東省委黨校完成經濟管理大專兼讀制課程，並於1996年畢業。於2000年至2003年期間，黃先生獲青島市政府委聘，從事經濟及審計工作。自2004年至2009年11月，黃先生開始任職於一家包裝公司，並於2007年成為會計主管。於2009年，黃先生獲國際認證協會認證為國際註冊高級會計師。黃先生在香煙包裝貿易業務的財務管理方面擁有超過7年經驗。



Mr. Bau Siu Fung (鮑小豐), aged 45, was appointed as an executive Director on 22 June 2012. Mr. Bau joined the Group in 2011 and he is now also the company secretary and chief financial officer of the Company. Mr. Bau is responsible for financial management and compliance of the Group.

Mr. Bau graduated from Idaho State University with a Bachelor of Business Administration in Accountancy and Finance. Mr. Bau has more than 10 years of experience in the accounting and auditing field. Mr. Bau is currently a member of the Hong Kong Institute of Certified Public Accountants.

鮑小豐先生，45歲，於2012年6月22日獲委任為執行董事。鮑先生於2011年加入本集團後，擔任本公司公司秘書兼財務總監。鮑先生負責本集團的財務申報、財務管理、本司秘書職能及合規。

鮑先生畢業於愛達荷州立大學，獲會計及金融商業管理學士學位。鮑先生在會計及審計方面擁有逾10年經驗。鮑先生現為香港會計師公會會員。

Independent non-executive Directors 獨立非執行董事



Ms. Fan Qing (范晴), aged 58, was appointed as an independent non-executive Director on 22 June 2012. Ms. Fan has extensive experience in business management and in-depth knowledge in the financial investment in both the PRC and Hong Kong.

Ms. Fan received a master's degree in business administration from the Graduate School of Renmin University of China (中國人民大學研究生院) in 2000. She obtained a certificate issued by the Shenzhen stock exchange after completing a training course for the senior management member of a listed company in the PRC. She had been serving as the vice-president of Shenzhen Capital Group Co. Ltd. (深圳市創新投資集團有限公司) for eight years. Ms. Fan is currently the chairman of the board of directors of an investment management company in Shenzhen and the independent director of Shenzhen Terca Technology Co., Ltd. (stock code: SZ002213) (深圳特爾佳科技股份有限公司).

范晴女士，58歲，於2012年6月22日獲委任為獨立非執行董事。范女士擁有豐富的業務管理經驗，並擁有中國及香港兩地金融投資的深入知識。

范女士於2000年獲中國人民大學研究院頒授工商管理學碩士學位。她在完成中國上市公司高級管理人員的培訓課程後，取得深圳證券交易所頒發的證書。八年來她一直擔任深圳市創新投資集團有限公司的副總裁職務。范女士現時亦為深圳一家投資管理公司的董事會主席及深圳特爾佳科技股份有限公司（股份代號：SZ002213）的獨立董事。



Mr. Fong Wo, Felix (方和), BBS, JP, aged 62, was appointed as an independent non-executive Director on 22 June 2012. Mr. Fong was admitted as a barrister and solicitor in Ontario, Canada in 1980, a solicitor in England and Wales in 1986 and in Hong Kong in 1987. He has practiced law for over 30 years and is a member of the law societies of Hong Kong, Upper Canada and England.

Mr. Fong received his engineering degree in Canada in 1974 and his Juris Doctor degree from Osgoode Hall Law School in Toronto in 1978. Mr. Fong is appointed by the Ministry of Justice of China as one of the China-appointed Attesting Officers in Hong Kong. Mr. Fong is the Chairman of the Hong Kong Advisory Council on Food and Environmental Hygiene and a member of the Hong Kong Film Development Council. Mr. Fong is currently the independent non-executive director of Kingway Brewery Holdings Limited (stock code: 124) (金威啤酒集團有限公司), SPG (Holdings) Limited (stock code: 337) (盛高置地(控股)有限公司), China Investment Development Limited (stock code: 204) (中國投資開發有限公司), China Oilfield Services Limited (stock code: 2883) (中海油田服務股份有限公司), and Evergreen International Holdings Limited (stock code: 238) (長興國際(集團)控股有限公司).

方和先生，銅紫荊星章，太平紳士，62歲，於2012年6月22日獲委任為獨立非執行董事。方先生於1980年在加拿大安大略省獲認為法律顧問及律師，1986年及1987年分別在英格蘭和威爾士及香港獲認為律師。他在法律行業執業逾30年，並為香港、上加拿大及英格蘭律師會會員。

方先生於1974年在加拿大獲得其工程學位，並於1978年在多倫多Osgoode Hall Law School獲得其法學博士學位。方先生獲中國司法部委任為香港其中一名中國委託公證人。方先生為香港食物及環境衛生諮詢委員會主席及香港電影發展局成員。方先生現任金威啤酒集團有限公司（股份代號：124）、盛高置地（控股）有限公司（股份代號：337）、中國投資開發有限公司（股份代號：204）、中海油田服務股份有限公司（股份代號：2883）及長興國際（集團）控股有限公司（股份代號：238）的獨立非執行董事。



Mr. Lo Wa Kei, Roy (盧華基), aged 41, was appointed as an independent non-executive Director on 22 June 2012. Mr. Lo has extensive experience in auditing, accounting and finance.

Mr. Lo received a bachelor's degree in business administration from the University of Hong Kong in 1993 and a master's degree in professional accounting from the Hong Kong Polytechnic University in 2000. He is a certified public accountant, a fellow member of the Hong Kong Institute of Certified Public Accountants, fellow member of CPA Australia and a member of the Institute of Chartered Accountants in England and Wales. Mr. Lo is a practising accountant in Hong Kong, and has become the deputy managing partner of SHINEWING (HK) CPA Limited since 2008. Mr. Lo is currently the independent non-executive director of Sun Hing Vision Group Holdings Limited (stock code: 125) (新興光學集團控股有限公司), North Mining Shares Company Limited (stock code: 433) (北方礦業股份有限公司) and China Zhongwang Holdings Limited (stock code: 1333) (中國忠旺控股有限公司).

盧華基先生，41歲，於2012年6月22日獲委任為獨立非執行董事。盧先生於審計、會計及財務方面擁有豐富經驗。

盧先生於1993年獲得香港大學工商管理學士學位及於2000年獲得香港理工大學專業會計碩士學位。他是執業會計師、香港會計師公會資深會員、澳洲會計師公會資深會員及英格蘭及威爾斯特許會計師公會會員。盧先生為香港的執業會計師，自2008年起成為信永中和(香港)會計師事務所有限公司的副管理合夥人。盧先生現任新興光學集團控股有限公司(股份代號：125)、北方礦業股份有限公司(股份代號：433)及中國忠旺控股有限公司(股份代號：1333)的獨立非執行董事。

Senior Management 高級管理層

Mr. Guo Cheng (郭誠), aged 27, studied in courses of international trade in RMIT University. Mr. Guo has years of experience in investing and corporate management of the cigarette packaging material industry. He is currently the vice president of the Company. Mr. Guo Cheng is the son of Mr. Guo Yumin and the step-son of Ms. Xia, an executive Director.

Mr. Dong Zhenghua (董政華), aged 58, graduated from a self-taught course in Chinese literature from Nanjing Normal University (南京師範大學) in 1986, and obtained the qualification certification as an economist (經濟師) in 1993. Mr. Dong passed the uniform examination organised by the Chinese government authorities and obtained the qualifications for enterprise legal adviser (企業法律顧問) in 2003. Mr. Dong possesses extensive experience in advising and handling corporate-related legal matters. Before joining the Group, Mr. Dong graduated from a 2-year course in laws jointly organised by the China University of Political Science and Law (中國政法大學) and the Open University of China (中央廣播電視大學) and obtained the qualification of intermediate professional manager as approved by the Jiangsu Province Enterprise Professional Manager Training & Certification Committee (江蘇省企業職業經理人任職資格培訓與認證委員會). Mr. Dong is currently the in-house legal advisor of the Company and is responsible for advising on legal matters of the Group.

Ms. Li Jing (李晶), aged 32, passed the higher education self-taught examination for economic management of the China University of Mining and Technology (中國礦業大學) in 2005. In 2009, Ms. Li graduated from the distant-learning college of the School of the Central Committee of Communist Party of China (中共中央黨校附設函授學院), majoring in economic management. Ms. Li joined the Group since 2002 and is currently the director of Jiangsu Sheen Colour.

Mr. Yu Xiaofeng (俞曉峰), aged 49, graduated from Zhejiang Institute of Engineering (浙江工學院) (which is currently known as Zhejiang University of Technology) with a bachelor degree of science in 1983. Mr. Yu joined the Group in 2002 and is currently the director of Jiangsu Sheen Colour and Jiangsu Shuntai and also the chief technology officer of Jiangsu Shuntai. Mr. Yu has extensive experience in the technology aspect, production and facility management of the printing related business. Mr. Yu was familiar with the technology in connection with the printing of cigarette films and paper boxes.

郭誠先生，27歲，就讀皇家墨爾本理工大學國際貿易課程。他在香煙包裝行業擁有多年投資及企業管理經驗。他現任本公司副總裁。郭誠先生是郭玉民先生的兒子及執行董事夏女士的繼子。

董政華先生，58歲，1986年畢業於南京師範大學中國文學自學課程，並於1993年取得經濟師資格證書。董先生通過中國政府部門組織的統一考試，並於2003年取得企業法律顧問資格。董先生於企業相關法律事務的諮詢與處理擁有豐富經驗。於加入本集團前，董先生畢業於中國政法大學與中央廣播電視大學聯合舉辦的兩年制法律課程，並取得江蘇省企業職業經理人任職資格培訓與認證委員會授予的中級專業經理人資格。董先生現任本公司內部法律顧問，負責本集團法律事務諮詢事宜。

李晶女士，32歲，於2005年通過中國礦業大學的大專自學考試經濟管理專業。2009年，李女士畢業於中共中央黨校附設函授學院，主修經濟管理。李女士於2002年加入本集團，現時為江蘇金格潤的董事。

俞曉峰先生，49歲，1983年畢業於浙江工學院（現稱浙江工業大學），持有理學學士學位。俞先生於2002年加入本集團，現時為江蘇金格潤董事，亦為江蘇順泰技術總監。俞先生於印刷相關業務的技術方面、生產及設備管理擁有豐富經驗。俞先生熟悉香煙薄膜及紙盒包裝印刷所需技術。

Ms. Tong Xiaomeng (童曉萌), aged 36, graduated from Jilin Railway Economic School (吉林鐵路經濟學校) in 1996, majoring in financial accounting in transportation field. In 2002, Ms. Tong passed the intermediate level of national examination of department of finance in the PRC and was issued a certificate to certify her qualification level in accountancy. Ms. Tong joined the Group in 2008 and is currently the director of Jiangsu Sheen Colour and Jiangsu Shuntai. Ms. Tong possesses extensive years of experience in accounting and financial management.

Mr. Jiang Chang (江暢), aged 41, studied applied chemistry (distant-learning) and graduated from Hubei University in 2000. Mr. Jiang had engaged in the packaging materials business for more than 10 years and had in-depth experience in the production facilities and the production management in relation to the manufacturing of BOPP films, in particular, films for cigarette packaging. Mr. Jiang joined the Group in 2010. He is currently the general manager of Qingdao Ener and is responsible for its operation of production process.

Mr. Ma Jin (馬晉), aged 45, received a master's degree of EMBA (executive master of business administration) from the Peking University (北京大學) in 2009. Mr. Ma has extensive experience in corporate management of packaging (including cigarette-related packaging) business and is currently the Vice-sales manager of Qingdao Ener.

Mr. Zhu Hengjin (朱恒錦), aged 26, obtained a certificate of diploma of hairdressing salon management from Headmasters Advanced Academy in 2008. In 2011, Mr. Zhu joined the Group and currently the human resources manager of the Group.

童曉萌女士，36歲，1996年畢業於吉林鐵路經濟學校，主修運輸業財務會計學。2002年，童女士通過中國財務部全國中級水平考試並獲頒發證書確認其具會計資格水平。童女士在2008年加入本集團，現時為江蘇金格潤及江蘇順泰的董事。童女士於會計及財務管理方面擁有豐富的經驗。

江暢先生，41歲，修讀應用化學（遙距課程），並於2000年畢業於湖北大學。江先生從事包裝材料業務超過10年，就有關製造BOPP薄膜（尤其是香煙包裝薄膜）的生產設施及生產管理擁有豐富經驗。江先生於2010年加入本集團，現擔任青島英諾的總經理，負責生產程序的操作。

馬晉先生，45歲，於2009年取得北京大學高級管理人員工商管理碩士(EMBA)的碩士學位。馬先生在包裝（包括香煙相關包裝）業務擁有豐富的企業管理經驗，現時擔任青島英諾的副營業經理。

朱恒錦先生，26歲，於2008年取得海得曼斯特培訓學院的美髮沙龍管理文憑證書。2011年，朱先生加入本集團，現時擔任本集團人力資源經理。

The Directors recognize the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability. The Directors continuously observe the principles of good corporate governance in the interests of shareholders and devote considerable effort to identifying and formalizing best practice.

The Group's corporate governance practices are based on the principles and the code provisions in the Corporate Governance Code (the "Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The Board considered that the Company had complied with the code provisions of the Code from the date of listing of the Company on the Listing Date up to the date of this annual report, except for the deviation from code provisions A.2.1 and A.1.8 of the Code as stated below.

Code Provision A.2.1

Under code provision A.2.1 of the Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the period from the Listing Date to 31 December 2012, the Company only had Mr. Guo Yumin as the Chairman of the Board but did not have a separate position of an officer who performed the role of chief executive of the Company. This deviated from code provision A.2.1 of the Code.

Mr. Guo Yumin, who acted as the chairman of the Board and the executive Director, was also responsible for overall management and formulation of business strategy of the Group. The Board would meet regularly to consider major matters affecting the operations of the Group. The Board considered that this structure would not impair the balance of power and authority between the Board and the management of the Group. The roles of the respective executive Directors and senior management who were in charge of different functions complemented the role of the chairman and chief executive. The Board believed that this structure was conducive to strong and consistent leadership enabling the Group to operate efficiently.

The Company understands the importance to comply with the code provision A.2.1 of the Code and had appointed Mr. Zeng Xianyang to be the executive Director and the President of the Company with effect from 1 January 2013. As President of the Company, Mr. Zeng Xianyang would perform the role of chief executive of the Company. With Mr. Guo Yumin as the chairman of the Company and Mr. Zeng Xianyang as the President of the Company, the Company had complied with code provision A.2.1 of the Code starting from 1 January 2013. The division of responsibilities between chairman and the chief executive officer has been clearly established and set out in writing.

董事深明為達致有效問責，在本集團管理架構及內部控制程序上引進良好企業管治元素的重要性。董事一直遵守維護股東利益的良好企業管治準則，致力制訂並落實最佳常規。

本集團的企業管治常規根據聯交所證券上市規則（「上市規則」）附錄14所載企業管治常規守則（「守則」）的準則及守則條文編製。

董事會認為，本公司自其上市日期起直至本年報日期止已符合守則的守則條文，惟偏離守則的守則條文第A.2.1條及第A.1.8條（見下述）除外。

守則條文A.2.1條

根據守則內守則條文第A.2.1條，主席與最高行政人員應為職權分立且不可由同一人士擔任。自上市日期至2012年12月31日止期間，本公司僅由郭玉民先生擔任董事會主席一職，且並無分立的行政人員職銜擔任本公司最高行政人員的職責。此事偏離守則內守則條文第A.2.1條。

郭玉民先生擔任董事會主席兼執行董事，亦負責本集團整體管理及制定業務策略。董事會定期召開會議考慮影響本集團營運的重大事宜。董事會認為此架構無損本集團董事會與管理層之間的權力及職權的均衡。各執行董事及主管不同職能的高級管理層的角色與主席及最高行政人員的角色相輔相成。董事會相信，此架構有利於建立鞏固而連貫的領導，讓本集團有效地運作。

本公司明白遵守守則內守則條文第A.2.1條的重要性，並已委任曾向陽先生為本公司的執行董事及執行總裁，自2013年1月1日生效。曾向陽先生作為本公司執行總裁，擔任本公司高級行政人員的職責。由於郭玉民先生擔任本公司主席，而曾向陽先生則擔任本公司執行總裁，本公司自2013年1月1日起已遵行守則內守則條文第A.2.1條。主席及高級行政人員職權的分立已明確建立，並以書面訂明。

Code Provision A.1.8

Under the code provision A.1.8 of the Code, an issuer should arrange appropriate insurance cover in respect of legal action against its Directors. With regular and timely communications among the Directors and the management of the Group, the management of the Group believes that all potential claims and legal actions against the Directors can be handled effectively, and the possibility of actual litigation against the Directors is low. The Company will consider to make such an arrangement as and when it thinks necessary.

The key corporate governance practices of the Group are summarised as follows:

Appointment, Re-Election and Retirement of the Directors

On 31 December 2012, Mr. Zeng Xiangyang was appointed as an executive Director and President of the Company with effect from 1 January 2013. Mr. He Lijun was appointed as an executive Director with effect from 1 January 2013.

In accordance with Article 112 of the Company's Articles of Association, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after his/her appointment and any Director appointed by the Board as an additional Director shall hold office only until the next following annual general meeting of the Company.

Pursuant to Article 108(a) of the Articles of the Association of the Company, at each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation.

Mr. Zeng Xiangyang, Mr. He Lijun and Mr. Bau Siu Fung will retire as Directors at the AGM, and being eligible, will offer themselves for re-election at the AGM.

Each of Mr. Guo Yumin, Ms. Xia Yu, Mr. Huang Bo and Mr. Bau Siu Fung, all being executive Directors has entered into a service contract with the Company for an initial term of three years commencing from the Listing Date and may be terminated by either party by giving at least three months' prior written notice.

守則條文第A.1.8條

根據守則之守則條文第A.1.8條，發行人須就董事面臨的法律訴訟作出適當的投保安排。透過定期及適時地與董事及本集團管理層溝通，本集團管理層深信，所有可能向董事提出之申索及法律訴訟均能有效處理，且董事遭確切起訴之機會甚微。本公司將於其認為必要時作出相關安排。

本集團主要企業管治常規的概要如下：

董事委任、重選及退任

於2012年12月31日，曾向陽先生獲委任為本公司執行董事兼執行總裁，自2013年1月1日起生效。何立君先生獲委任為執行董事，自2013年1月1日起生效。

根據本公司組織章程細則第112條，董事會委任填補空缺的任何董事將出任直至其獲委任後首次股東大會，而董事會委任為新增董事的任何董事只可出任至本公司下一次股東週年大會。

根據本公司組織章程細則第108(a)條，於每次股東週年大會上，當時三分之一董事須輪席退任。

曾向陽先生、何立君先生及鮑小豐先生將於股東週年大會上退任董事，惟符合資格並願意於股東週年大會上膺選連任。

郭玉民先生、夏煜女士、黃波先生及鮑小豐先生（均為執行董事）與本公司已訂立服務合約，自上市日期起初步為期三年，任何一方可發出至少三個月事先書面通知予以終止。

Each of Ms. Fan Qing, Mr. Lo Wa Kei, Roy and Mr. Fong Wo, Felix, all being independent non-executive Directors has entered into a service contract with the Company for a term of two years commencing from the Listing Date and may be terminated by either party by giving at least three months' prior written notice.

Each of Mr. Zeng Xiangyang and Mr. He Lijun, all being executive Directors, has entered into a service contract with the Company for a term of commencing from 1 January 2013 and expiring on 12 July 2015 and may be terminated by either party by giving at least three months' prior written notice.

No Director proposed for re-election at the AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Model Code for Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") as the required standard for securities transactions by Directors. The Company has made specific enquiries of all Directors and all Directors confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding Directors' securities transactions from the Listing Date and up to the date of this annual report.

Board of Directors

The Board comprises six executive Directors and three independent non-executive Directors as at the date of this report, details of which are set out below:

Executive Directors:

Mr. Guo Yumin (*Chairman*)
Ms. Xia Yu
Mr. Zeng Xiangyang (*President*) (with effect from 1 January 2013)
Mr. He Lijun (with effect from 1 January 2013)
Mr. Huang Bo
Mr. Bau Siu Fung

范晴女士、盧華基先生及方和先生（均為獨立非執行董事）與本公司已訂立服務合約，自上市日期起為期兩年，任何一方可發出至少三個月事先書面通知予以終止。

曾向陽先生、何立君先生（均為執行董事）與本公司已訂立服務合約，任期自2013年1月1日起至2015年7月12日屆滿，任何一方可發出至少三個月事先書面通知予以終止。

於股東週年大會上膺選連任的任何董事，概無與本公司簽訂不得由本公司於一年內終止而毋須支付賠償（法定賠償除外）的服務協議。

董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」），作為董事進行證券交易的所需標準。本公司已向全體董事作出具體查詢，且全體董事已確認，彼等於上市日期起至本年報日期止期間一直遵守標準守則及其有關董事證券交易的操守守則所載的所需標準。

董事會

於本報告日期，董事會由六名執行董事及三名獨立非執行董事組成，詳情列載如下：

執行董事

郭玉民先生 (*主席*)
夏煜女士
曾向陽先生 (*執行總裁*) (於2013年1月1日生效)
何立君先生 (於2013年1月1日生效)
黃波先生
鮑小豐先生

Independent Non-Executive Directors:

Ms. Fan Qing
Mr. Fong Wo, Felix
Mr. Lo Wa Kei, Roy

The brief biographic details of and relationship between the existing Directors are set out in the section headed “Biographies of Directors and Senior Management” on pages 20 to 28.

The composition of the Board is well balanced. Each of the Directors has relevant expertise and extensive corporate and strategic planning experiences that may contribute to the business of the Group. The Company has complied with the requirements under Rule 3.10(1) and (2), and 3.10A of the Listing Rules since the Listing Date. All independent non-executive Directors also meet the guidelines for assessment of their independence as set out in Rule 3.13 of the Listing Rules.

Mr. Guo Yumin is the spouse of Ms. Xia Yu. Save as disclosed above, there are no other relationship (including financial, business, family or other material/relevant relationship(s)) among members of the Board.

Functions of the Board

The Board supervises the management of the business and affairs of the Company. The Board’s primary duty is to ensure the viability of the Company and to ensure that it is managed in the best interests of the shareholders as a whole while taking into account the interests of other stakeholders. The Group has adopted internal guidelines in setting forth matters that require the Board’s approval. Apart from its statutory responsibilities, the Board approves the Group’s strategic plan, key operational initiatives, major investments and funding decisions. It also reviews the Group’s financial performance, identifies principal risks of the Group’s business and ensures implementation of appropriate systems to manage these risks. Daily business operations and administrative functions of the Group are delegated to the management.

獨立非執行董事

范晴女士
方和先生
盧華基先生

現有董事的簡歷詳情及關係載於第20至28頁「董事及高級管理層履歷」一節。

董事會的成員來自各界，得以平衡。每名董事均擁有相關專業知識、資深企業及策劃經驗，可為本集團業務作出貢獻。本公司自上市日期以來一直遵守上市規則第3.10(1)及(2)條以及3.10A條規定。全體獨立非執行董事亦遵守上市規則第3.13條所載其獨立性評估指引的規定。

郭玉民先生為夏煜女士的配偶。除上文所披露者外，董事會成員之間並無任何其他關係（包括財務、業務、家族或其他重大／相關關係）。

董事會的功能

董事會監督本公司業務及事務的管理。董事會的主要職務是確保本公司的持續運作，並確保其管理方式既符合整體股東最佳利益，又顧及其他持有本公司股份者的利益。本集團已採納內部指引，訂定須經董事會批准的事宜。除法定責任外，董事會審批本集團的策略計劃、主要營運項目、大型投資及撥資決定。董事會亦檢視本集團的財務表現、識別本集團業務的主要風險，並確保推行合適的機制管理風險。管理層獲授權處理本集團日常業務運作及行政職能。

The Board is also delegated with the corporate governance functions under code provision D.3.1 of the Code. The Board has reviewed and discussed the corporate governance policy of the Group and is satisfied with the effectiveness of the corporate governance policy.

Board Meetings and Procedures

Board members were provided with complete, adequate and timely information to allow them to fulfill their duties properly. In compliance with code provision A.1.3 of the Code, at least 14 days' notice has been given for a regular Board meeting to give all Directors an opportunity to attend. Notice, agenda and board papers of regular Board meetings are sent to all Directors within reasonable time and at least 3 days prior to the meetings. Directors are free to contribute and share their views at meetings and major decisions will only be taken after deliberation at Board meetings. Directors who are considered having conflict of interests or material interests in the proposed transactions or issues to be discussed will not be counted in the quorum of meeting and will abstain from voting on the relevant resolutions. Full minutes are prepared after the meetings and the draft minutes are sent to all Directors for their comment on the final version of which are endorsed in the subsequent Board meeting.

All independent non-executive Directors have been appointed for a fixed term. Every Director is subject to re-election on retirement by rotation in accordance with the Articles of Association of the Company. The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and still considers the independent non-executive Directors to be independent as at the date of this annual report.

董事會亦根據守則內的守則條文第D.3.1條獲授權企業管治的職能。董事會已審閱及討論本集團的企業管治政策，並對企業管治政策的有效性感到滿意。

董事會會議及程序

董事會成員獲提供完整、充足及適時的資料，讓彼等能妥善履行其職務。根據守則內的守則條文第A.1.3條，定期董事會會議須給予全體董事最少14天通知，讓彼等有機會出席會議。定期董事會會議通告、議程及開會文件須於合理時間內及會議前最少三天給予全體董事。董事可於會議上自由發表及分享其意見，而重大決定僅於董事會會議上審議後方可作出。於建議交易或討論事宜中存在利益衝突或重大利益的董事不得計入會議法定人數內，並須於相關決議案投票權。會議後須撰寫完整會議紀錄，初稿須交全體董事給予意見，定稿須於下一次董事會會議通過。

全體獨立非執行董事以固定任期獲委任。根據本公司的組織章程細則，每名董事須輪值退任並可獲重選連任。本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立性的年度確認書，並認為於本年報日期獨立非執行董事仍然維持獨立。

Details of the attendance of the Board meetings, Audit Committee meetings, Remuneration Committee meetings and general meetings of the Company held from the Listing Date to 31 December 2012 are summarized as follows:

自上市日期至2012年12月31日舉行的本公司董事會會議、審核委員會會議、薪酬委員會會議及股東大會出席詳情概列如下：

		Board meeting 董事會會議	Audit committee meeting 審核委員會會議	Remuneration Committee meeting 薪酬委員會會議	Nomination Committee meeting 提名委員會會議	General meeting 股東大會
Executive Directors	執行董事					
Mr. Guo Yumin (<i>Chairman</i>)	郭玉民先生 (<i>主席</i>)	3/3	N/A 不適用	1/1	1/1	N/A 不適用
Ms. Xia Yu	夏煜女士	3/3	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Zeng Xiangyang (<i>President</i>) (with effect from 1 January 2013)	曾向陽先生 (<i>執行總裁</i>) (於2013年1月1日生效)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. He Lijun (with effect from 1 January 2013)	何立君先生 (於2013年1月1日生效)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Huang Bo	黃波先生	3/3	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Bau Siu Fung	鮑小豐先生	3/3	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Independent Non-executive Directors	獨立非執行董事					
Ms. Fan Qing	范晴女士	3/3	2/2	1/1	1/1	N/A 不適用
Mr. Fong Wo, Felix	方和先生	3/3	2/2	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Lo Wa Kei, Roy	盧華基先生	3/3	2/2	1/1	1/1	N/A 不適用

Board Committees

The Board has established specific committees, namely the Company's audit committee (the "Audit Committee"), remuneration committee (the "Remuneration Committee") and nomination committee (the "Nomination Committee"), with written terms of reference which are available for viewing on the website of the Company to assist them in the efficient implementation of their functions. Specific responsibilities have been delegated to the above committees.

董事委員會

董事會已成立特定委員會，分別為本公司的審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」），有關委員會的書面職權範圍於本公司網站可供閱覽，以助有效推行其工作。上述委員會獲授權負上特定責任。

Audit Committee

The Company established the Audit Committee on 22 June 2012 with written terms of reference which are in compliance with the code provisions of the Code. The primary duties of the Audit Committee are mainly to review the material investment, capital operation and material financial system of the Company; to review the accounting policy, financial position and financial reporting procedures of the Company; to communicate with external audit firms; to assess the performance of internal financial and audit personnel; and to assess the internal control of the Company. The Audit Committee currently has three members comprising Mr. Lo Wa Kei, Roy (Chairman), Ms. Fan Qing and Mr. Fong Wo, Felix, all being independent non-executive Directors.

During the Year, the Audit Committee had reviewed the final results of the Group for 2012 and the 2012 interim results and report of the Company. The Audit Committee had reviewed the Group's internal controls for the Year. The Group's final results for the Year had been reviewed by the Audit Committee before submission to the Board for approval. The Audit Committee had also reviewed this annual report, and confirmed that this annual report complies with the Listing Rules.

The Audit Committee held 2 meetings during the year ended 31 December 2012. Details of the attendance of the Audit Committee at the Audit Committee meetings are set out above.

審核委員會

本公司於2012年6月22日根據守則的守則條文規定成立審核委員會，並書面訂定其職權範圍。審核委員會的主要職責為審閱本公司的重大投資、資本營運及重大財務系統；審閱本公司的會計政策、財務狀況及財務匯報程序；與外部核數師進行溝通；評估內部財務及核數人員的表現；及評估本公司的內部控制。審核委員會現有三名成員，分別是盧華基先生（主席）、范晴女士及方和先生，全體均為獨立非執行董事。

於本年度內，審核委員會已審閱本集團於2012年的末期業績、本公司的2012年中期業績及報告。審核委員會已檢討本集團於本年度的內部控制。本集團於本年度的末期業績於呈交董事會審批前已經由審核委員會審閱。審核委員會亦已審閱本年報，並確認本年報符合上市規則的規定。

截至2012年12月31日止年度，審核委員會舉行了2次會議。審核委員會於審核委員會會議的出席詳情已於上文列載。

Remuneration Committee

The Company established the Remuneration Committee on 22 June 2012 with written terms of reference which are in compliance with the code provisions of the Code. The primary duties of the Remuneration Committee include mainly: (i) reviewing the terms of the remuneration package of each Director and member of senior management, and making recommendations to the Board regarding any adjustment thereof; and (ii) reviewing and evaluating the performance of individual executive Directors for determining the amount of bonus (if any) payable to them. No Director shall participate in any discussion about his or her own remuneration. The Remuneration Committee currently consists of three members, namely, Ms. Fan Qing (Chairperson), Mr. Lo Wa Kei, Roy, both of which are independent non-executive Directors, and Mr. Guo Yumin, an executive Director. The majority of members of the Remuneration Committee are independent non-executive Directors. The remuneration of the Directors was determined with reference to their respective experience, responsibilities with the Group and general market conditions. The Company has adopted the model to make recommendations to the Board on remuneration packages of individual executive Directors and the members of senior management.

The Remuneration Committee held 1 meeting during the Year. Details of the attendance of the Remuneration Committee meeting are set out above.

At the meeting, the Remuneration Committee had reviewed the remuneration policies of the Directors and the senior executives and reviewed the remuneration packages and performance of the Directors for the year ended 31 December 2012 and the remuneration packages for the proposed executive Directors.

Nomination Committee

The Company established the Nomination Committee on 22 June 2012 with written terms of reference which are in compliance with code provisions of the Code. The primary duties of the Nomination Committee include the review of the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and to make recommendations to the Board regarding any proposed change, identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships, assess the independence of independent non-executive Directors. The Nomination Committee consists of three members, namely, Mr. Guo Yumin (Chairman), an executive Director, Ms. Fan Qing and Mr. Lo Wa Kei, Roy, both of which are independent non-executive Directors. The majority of members of the Nomination Committee are independent non-executive Directors.

薪酬委員會

本公司於2012年6月22日根據守則的守則條文成立薪酬委員會，並書面訂定其職權範圍。薪酬委員會的主要職責包括：(i)審閱各董事及高級管理人員的薪酬組合的條款，並就任何調整向董事會作出推薦建議；及(ii)審閱及評估個別執行董事的表現，以釐定應付予彼等的花紅金額（如有）。董事概不得參與有關其本身薪酬的任何討論。薪酬委員會現有三名成員，分別是范晴女士（主席暨獨立非執行董事）、盧華基先生（獨立非執行董事）及郭玉民先生（執行董事），薪酬委員會大多數成員為獨立非執行董事。董事薪酬乃參考其各自經驗、於本集團的責任及整體市況而釐定。本公司已採納守則，以就個別執行董事及高級管理層人員的薪酬待遇向董事會作出推薦意見。

於本年度，薪酬委員會舉行了1次會議。薪酬委員會會議的出席詳情已於上文列載。

會上，薪酬委員會已檢討董事及高級行政人員的薪酬政策，以及檢討董事截至2012年12月31日止年度的薪酬待遇及表現以及擬委任執行董事的薪酬組合。

提名委員會

本公司於2012年6月22日根據守則的守則條文成立提名委員會，並書面訂定其職權範圍。提名委員會的主要職責包括定期審閱董事會的架構、規模及組成（包括技能、知識及經驗），並就有關任何建議更改向董事會提供推薦建議，物識合適的個別人士加入董事會及挑選或建議董事會挑選有關提名候任董事的個人，以及評估獨立非執行董事的獨立性。提名委員會現有三名成員，分別是郭玉民先生（主席）（執行董事）、范晴女士（獨立非執行董事）及盧華基先生（獨立非執行董事），提名委員會大多數成員為獨立非執行董事。

The Nomination Committee held 1 meeting during the year ended 31 December 2012. Details of the attendance of the Nomination Committee meeting set out above.

At the meeting, the Nomination Committee had reviewed the structure, size and composition of the Board, assessed the independence of the independent non-executive Directors, reviewed the qualifications of the proposed executive Directors and other related matters of the Company.

Independent Non-Executive Directors

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive Directors are independent to the Company.

Professional Development of the Directors

Newly appointed Directors will receive guideline and reference materials to enable them to familiarise with the Group's business operations and Board's policies.

In compliance with code provision A.6.5 of the Code, all Directors during the year ended 31 December 2012, namely, Mr. Guo Yumin, Ms. Xia Yu, Mr. Huang Bo, Mr. Bau Siu Fung, Ms. Fan Qing, Mr. Fong Wo, Felix, Mr. Lo Wa Kei, Roy, had participated in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. The Directors had provided the relevant record to the Company.

The Company is committed to arranging and funding suitable training to all Directors for their continuous professional development. Each Director is briefed and updated from time to time to ensure that he is fully aware of his responsibilities under the Listing Rules and applicable legal and regulatory requirements and the governance policies of the Group. All the Directors also understand the importance of continuous professional development and are committed to participating any suitable training to develop and refresh their knowledge and skills.

Senior Management's Remuneration

The senior management's remuneration payment of the Group in the year ended 31 December 2012 falls within the following band:

截至2012年12月31日止年度，提名委員會舉行了1次會議。提名委員會會議的出席詳情已於上文列載。

會上，提名委員會已檢討董事會的架構、規模及組成，評估獨立非執行董事的獨立性，審閱擬委任執行董事的資格及本公司其他相關事宜。

獨立非執行董事

本公司已收到各獨立非執行董事根據上市規則第3.13條發出有關其獨立性的年度確認書。本公司認為全體獨立非執行董事均為獨立於本公司的人士。

董事的專業發展

新委任董事將獲發指引及參考資料，以便其熟識本集團業務運作及董事會政策。

為符合守則之守則條文第A.6.5條，全體董事（即郭玉民先生、夏煜女士、黃波先生、鮑小豐先生、范晴女士、方和先生及盧華基先生）於截至2012年12月31日止年度均已參加了持續專業培訓發展和更新彼等之知識及技能，以確保彼等繼續在全面知情及切合所需的情況下對董事會作出貢獻。各董事已向本公司提供相關記錄。

本公司致力就全體董事的持續專業發展安排合適的培訓並提供有關經費。各董事不時獲簡要提示及最新資料，確保其完全知悉其根據上市規則、適用法例及監管規定與本公司管治政策須承擔之各項責任。全體董事亦知悉持續專業發展的重要性，並致力參與任何適合的培訓以發展並更新彼等的知識及技能。

高級管理層薪酬

本集團於截至2012年12月31日止年度之高級管理層薪酬金額介於以下範圍：

		Number of individuals 人數
RMB500,000 or below	人民幣500,000元或以下	8

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation of the financial statements which give a true and fair view of the state of affairs of the Group, in accordance with accounting principles generally accepted in Hong Kong. The statement by the auditors of the Company about their responsibilities for the financial statements is set out in the report of the independent auditor's report contained in this annual report. There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

External Auditor's Remuneration

The Company engaged KPMG as its external auditor for the year ended 31 December 2012. The Audit Committee has been notified of the nature and the service charges of non-audit services for reviewing interim results to be performed by KPMG and considered that these non-audit services have no adverse effect on the independence of the auditor. There was no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the external auditors. During the year ended 31 December 2012, the fee payable to KPMG in respect of its statutory audit services provided to the Company was RMB850,000. Fees for non-audit services for the same period was RMB650,000.

Internal Controls

The Board is responsible for ensuring the effectiveness of the Group's internal control systems. The internal control systems are designed to meet the Group's particular needs and the risks to which they are exposed.

董事對財務報表的責任

董事有責任根據香港公認會計原則編製財務報表，提供對本集團狀況的真正及公平意見。本公司核數師對財務報表的責任陳述，載於本年報獨立核數師報告內。並無事件或情況的重大不明朗因素對本公司持續經營的能力造成重大疑問。

外聘核數師薪酬

本公司委聘畢馬威會計事務所為截至2012年12月31日止年度的外聘核數師。審核委員會已獲知會畢馬威會計事務所就審閱中期業績所履行的非審核服務的性質及服務收費，並認為該等非審核服務對核數師的獨立性並無不利的影響。董事會及審核委員會在挑選、委聘、辭退或罷免外聘核數師並無異議。於截至2012年12月31日止年度，就畢馬威會計事務所向本公司提供的法定核數服務所支付的費用為人民幣850,000元。而於同期的非核數服務費用則為人民幣650,000元。

內部控制

董事會負責確保本集團內部控制體系行之有效。內部控制體系為滿足本集團的特定需求及所承擔風險而設。

Procedures have been set up for safeguarding assets against unauthorized use or disposition, controlling over capital expenditure, maintaining proper accounting records and ensuring the reliability of financial information used for business and publication. Qualified management of the Group maintains and monitors the internal control systems on an ongoing basis. The Board has conducted a review of the effectiveness of the internal control system of the Group and is satisfied that the Group has fully complied with the Code in respect of internal controls during the year ended 31 December 2012.

The Shareholders' Rights to Convene an Extraordinary Meeting

Pursuant to Article 64 of the Articles of Association of the Company, extraordinary general meetings shall be convened on the requisition of one or more Shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the company secretary of the Company for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within 2 months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitioner(s) himself (themselves) may do so in the same manner.

Communications with Shareholders and Investors

In order to keep Shareholders well informed of the business activities and direction of the Group, information about the Group has been provided to the Shareholders through financial reports and announcements. The Company has established its own corporate website www.sheentai.com as a channel to facilitate effective communication with its Shareholders and the public. The Company will continue to enhance communications and relationships with its shareholders and investors. A shareholders communication policy was adopted on 22 June 2012 to comply with code provision E.1.4 of the Code.

Shareholders, investors and interested parties can make enquiries directly to the Company through the following e-mail: ivan.bau@sheentai.com.

本公司已訂立程序，確保資產不會未經授權而被使用或出售，同時控制資本支出、妥善保存會計紀錄，並確保用於業務及刊發的財務資料的可靠性。本集團合資格管理人員須持續保持及監察內部控制體系。董事會已檢討其內部控制系統的有效性，並對本集團截至2012年12月31日止年度就內部控制全面遵行守則感到滿意。

股東召開股東特別大會的權力

根據本公司組織章程細則第64條，股東特別大會須於一名或多名於要求寄存當日持有不少於本公司有權於股東大會上投票之實繳股本十分之一的股東要求時召開。該項要求須以書面向董事會或本公司公司秘書提呈，以供董事會就該要求下任何指定業務交易要求召開股東特別大會。該大會須於該項要求寄存後兩個月內舉行。倘董事會於寄存該項要求後21日內未能召開該大會，提出要求者本人（彼等）可以相同方式召開大會。

與股東及投資者的溝通

為了讓股東妥善地獲悉本集團的業務活動及方向，有關本集團的資訊一直透過財務報告及公佈提供予股東。本公司已設立本身的企業網站 www.sheentai.com，作為促進與股東和公眾人士有效溝通的渠道。本公司將繼續加強與股東及投資者的溝通，建立緊密的關係。股東溝通政策於2012年6月22日獲採納以遵行守則內守則條文E.1.4條。

股東、投資者及有興趣人士可透過電郵：ivan.bau@sheentai.com直接向本公司提出查詢。

Procedures for Directing Shareholders' Enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing. Contact details are as follows:

Ivan Bau
HK Address: Room 1903, 19/F Jubilee Centre, No.18 Fenwick Street,
Wanchai, Hong Kong
Tel: (852) 3998 4118/3998 4128
Fax: (852) 3998 4100
E-mail: ivan.bau@sheentai.com

Shareholders' enquiries and concerns will be forwarded to the Board and/or relevant Board Committees of the Company, where appropriate, to answer the Shareholders' questions.

Procedures for Putting Forward Proposals at General Meetings by Shareholders

Shareholders are requested to follow Article 64 of the Articles of Association of the Company for including a resolution at an extraordinary general meeting. The requirements and procedures are set out above in the paragraph headed "The Shareholders' Right to Convene an Extraordinary Meeting".

Pursuant to Article 113 of the Articles of Association of the Company, no person (other than a retiring Director) shall be eligible for election to the office of Director at any general meeting unless a notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least 7 days.

The procedures for Shareholders to propose a person for election as a Director is posted on the website of the Company.

Significant Changes in Constitutional Documents

On 22 June 2012, the Company has adopted an amended and restated memorandum and articles of association which had been uploaded to the website of the Company and the Stock Exchange. Save as disclosed above, there had been no significant changes in the constitutional documents of the Company during the Year.

向董事會轉達股東查詢的程序

股東可於任何時間以書面方式，向董事會提出查詢及表達意見。聯絡詳情如下：

鮑小豐
香港地址：香港灣仔分域街18號捷利中心
19樓1903室
電話：(852) 3998 4118/3998 4128
傳真：(852) 3998 4100
電郵：ivan.bau@sheentai.com

在適當的情況下，股東之查詢及意見將轉交本公司董事會及／或相關董事委員會，以解答股東之提問。

股東於股東大會上提出動議的程序

股東必須根據本公司組織章程細則第64條的規定於股東特別大會提交決議案。有關要求及程序已載於上文「股東召開股東特別大會的權力」一段。

根據本公司組織章程細則第113條，任何人士（除退任董事外）概無資格於任何股東大會上膺選董事職位，除非股東發出一份書面通知表明有意提名該人士膺選董事職位，而該名人士亦發出一份書面通知表明願意參選，該等通知須不早於指定舉行選舉之股東大會之通告寄發後翌日起至不遲於該股東大會舉行日期前七日止期間遞交至總辦事處或登記辦事處，而向公本司寄發該等通知之最低期限為最少七日。

股東提名人士參選董事的程序載於本公司網站。

組織章程文件的重大變動

於2012年6月22日，本公司已採納在本公司及聯交所網站刊載之經修訂及重列組織章程大綱及細則。除上文所披露者外，年內本公司之組織章程文件並無出現任何重大變動。

The Directors are pleased to present to the Shareholders this annual report and the audited consolidated financial statements for the year ended 31 December 2012 (the "Year").

Group Reorganization

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands on 24 February 2012. Pursuant to a reorganization scheme to rationalize the structure of the Group in preparation for the listing of the Shares on the Stock Exchange, the Company became the holding company of the companies now comprising the Group on 21 June 2012. For details of the group reorganization, please refer to the paragraph headed "Corporate Reorganisation" in Appendix V "Statutory and General Information" to the Prospectus of the Company.

The Shares have been listed on the Main Board of the Stock Exchange since 13 July 2012.

Use of Proceeds

The Company was successfully listed on the Main Board of the Stock Exchange on the Listing Date by way of placing (the "Placing") and public offer (the "Public Offer") (together, the "Share Offer") of a total of 100,000,000 Shares at the offer price of HK\$1.20 per Share (the "Listing"). On 3 August 2012, the sole bookrunner of the Share Offer fully exercised the over-allotment option and the Company issued an additional 15,000,000 new Shares at HK\$1.20 per Share.

For detailed use of the aforesaid proceeds, please refer to the paragraph headed "Use of net proceeds from the Company's initial public offering" under the section headed "Management Discussion and Analysis" in this annual report.

Principal Activities

The principal business activity of the Company is investment holding. The principal activities and other particulars of the Company's subsidiaries are set out in note 14 to the consolidated financial statements in this annual report.

董事欣然向股東提呈本年報，以及截至2012年12月31日止年度（「本年度」）的經審核綜合財務報表。

集團重組

本公司於2012年2月24日根據開曼群島公司法於開曼群島註冊成立為受豁免有限公司。根據為籌備股份於聯交所上市而進行以精簡本集團架構的重組計劃，本公司於2012年6月21日成為目前組成本集團各公司的控股公司。集團重組詳情請參閱本公司招股章程附錄五「法定及一般資料」內「公司重組」一段。

股份自2012年7月13日起於聯交所主板上市。

所得款項用途

本公司透過以每股股份發售價1.20港元配售（「配售」）及公開發售（「公開發售」）（統稱「股份發售」）合共100,000,000股股份成功於上市日期於聯交所主板上市（「上市」）。於2012年8月3日，股份發售的獨家賬簿管理人悉數行使超額配股權，本公司以每股1.20港元發行額外15,000,000股新股份。

上述款項用途詳情，請參閱本年報「管理層討論及分析」一節項下「本公司首次公開發售所得款項淨額用途」一段。

主要業務

本公司的主要業務活動為投資控股。主要業務及本公司附屬公司的其他詳情載於本年報綜合財務報表附註14。

Results

The results of the Group for the Year are set out in the consolidated statement of comprehensive income on page 57 of this annual report.

Final Dividends

The Board recommends a payment of final dividend of HK\$0.10 per Share for the year ended 31 December 2012 (2011: Nil).

Closure of the Register of Members

The register of members of the Company will be closed from 15 May 2013 to 20 May 2013, both days inclusive, for the purpose of identifying Shareholders who are entitled to attend the AGM, during which period no transfer of Shares will be registered. In order to qualify for attending the AGM, all transfers of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong before 4:30 p.m. on 14 May 2013.

For determining entitlement to the final dividend (if approved at the AGM), the register of members of the Company will be closed from 24 May 2013 to 28 May 2013, both days inclusive. The record date will be 28 May 2013. The latest time to lodge transfer documents for registration will be 4:30 p.m. on 23 May 2013.

Property, Plant and Equipment

Details of movements in the property, plant and equipment of the Group during the Year are set out in note 10 to the consolidated financial statements in this annual report.

Bank Borrowings

Details of bank borrowings of the Group as at 31 December 2012 are set out in note 16 to the consolidated financial statements in this annual report.

Summary Financial Information

A summary of the published results and assets, liabilities and non-controlling interests of the Group for the last four financial years, as extracted from the audited financial statements in this annual report and the Prospectus, is set out on page 132. This summary does not form part of the consolidated financial statements in this annual report.

Share Capital

Details of the Company's paid up capital for the Year are set out in note 20 to the consolidated financial statements in 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 Cayman Islands.

業績

本集團於本年度的業績載於本年報第57頁綜合全面收益表。

末期股息

董事會建議派付截至2012年12月31日止年度之末期股息每股股份0.10港元(2011年：無)。

暫停辦理股份過戶登記手續

本公司將於2013年5月15日至2013年5月20日期間(包括首尾兩天)暫停辦理股份過戶登記手續以釐定有權出席股東週年大會的股東，於該期間將不會辦理任何股份過戶登記手續。為符合出席股東週年大會之資格，股東須於2013年5月14日下午4時30分前，將所有股份過戶文件連同有關股票和過戶表格送達本公司之股份過戶登記香港分處—卓佳證券登記有限公司，地址為香港皇后大道東28號金鐘匯中心26樓。

倘若派發末期股息於股東週年大會上獲批，本公司將於2013年5月24日至2013年5月28日(包括首尾兩天)暫停辦理股份過戶登記，以釐定獲派發末期股息的資格。記錄日期將為2013年5月28日。遞交過戶登記文件之最後時限將為2013年5月23日下午4時30分。

物業、廠房及設備

本集團於本年度的物業、廠房及設備的變動詳情載於本年報綜合財務報表附註10。

銀行借款

本集團於2012年12月31日的銀行借款詳情載於本年報綜合財務報表附註16。

財務資料概要

本集團過去四個財政年度已公佈之業績及資產、負債與非控股權益之概要載於第132頁，該等資料乃摘錄自本年報及招股章程經審核財務報表。此概要並不構成本年報綜合財務報表的一部份。

股本

本公司於本年度的繳足資本詳情載於本年報綜合財務報表附註20。

優先購買權

本公司的組織章程細則或開曼群島法例並無任何有關優先購買權的條文。

Purchase, Sale or Redemption of Shares

There were no purchases, sales or redemptions of the Company's listed securities by the Company or any of its subsidiaries during the Year.

Transfer to Reserves

Profit attributable to equity shareholders, before dividends, of HK\$70.0 million (2011: HK\$81.4 million) have been transferred to reserves. Other movements in reserves are set out in the consolidated statement of changes in equity in this annual report.

Acquisitions, Disposals and Significant Investment

On 28 August 2012, Jiangsu Shuntai Packaging & Printing Science Technology Co., Ltd. (an indirect 51%-owned subsidiary of the Company) ("Jiangsu Shuntai") and Ling Xian Fei Yu Import & Export (Shenzhen) Co., Ltd. (an indirect wholly-owned subsidiary of the Company) ("Ling Xian Fei Yu") entered into an equity transfer agreement, pursuant to which Ling Xian Fei Yu agreed to acquire 65% equity interest in Jiangsu Sheen Colour Science Technology Co., Ltd. a subsidiary of the Company owned as to 65% by Jiangsu Shuntai and as to 35% by Sheen China (Hong Kong) Limited (an indirect wholly-owned subsidiary of the Company), from Jiangsu Shuntai for cash consideration of RMB17,209,700 (equivalent to approximately HK\$20,987,000) (the "Acquisition"). Upon completion of the Acquisition on 13 September 2012, Jiangsu Sheen Colour became an indirect wholly-owned subsidiary of the Company. The acquisition does not constitute a transaction which is discloseable under Chapter 14 or Chapter 14A of the Listing Rules for the Company. For further details of the Acquisition, please refer to the announcement of the Company dated 28 August 2012.

During the Year, apart from the group reorganization as set out in the paragraph headed "Corporate Reorganisation" in Appendix V "Statutory and General Information" to the Prospectus, and save as disclosed above, there was no material acquisition, disposal or investment by the Group.

Material Related Parties Transactions

There were no connected transactions and continuing connected transactions between the Group and its connected persons (as defined under the Listing Rules) which are subject to the reporting, announcement and the independent shareholders' approval requirement under the Listing Rules for the year ended 31 December 2012.

購買、出售或贖回股份

本公司或其任何附屬公司於本年度概無購買、出售或贖回本公司任何上市證券。

轉撥儲備

派付股息前權益股東應佔溢利70.0百萬港元(2011年:81.4百萬港元)已轉撥作為儲備。儲備的其他變動載於本年報綜合權益變動表。

收購、出售及重大投資

於2012年8月28日，本公司間接擁有51%權益的附屬公司江蘇順泰包裝印刷科技有限公司(「江蘇順泰」)及本公司的間接全資附屬公司領先飛宇進出口(深圳)有限公司訂立一項股權轉讓協議，據此，領先飛宇同意從江蘇順泰收購江蘇金格潤科技有限公司(本公司之附屬公司，由江蘇順泰及順華(香港)有限公司(本公司之間接全資附屬公司)分別擁有65%及35%)65%股權，其現金代價為人民幣17,209,700元(約相當於20,987,000港元)(「收購」)。該收購於2012年9月13日完成後，江蘇金格潤成為本公司的間接全資附屬公司。該收購並不構成本公司須根據上市規則第14章或第14A章予以披露之交易。該收購之進一步詳情，請參閱本公司日期為2012年8月28日的公佈。

於本年度，除招股章程附錄五「法定及一般資料」內「公司重組」一段所載外，以及上文所披露者外，本集團並無重大收購、出售或投資。

重大關聯方交易

截至2012年12月31日止年度，本集團與其關連人士(定義見上市規則)並無進行須遵守上市規則之申報、公佈及獨立股東批准規定的關連交易及持續關連交易。

The material related party transactions in relation to the key management personnel remuneration as disclosed in Note 23(a) to the consolidated financial statements in this annual report are connected transactions exempt from reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.31(6) of the Listing Rules.

The material related party transactions in relation to the amount due to controlling Shareholder and Director – Mr. Guo Yumin as disclosed in Note 23(c) to the consolidated financial statements in this annual report are connected transactions exempt from reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.65(4) of the Listing Rules.

Save as disclosed above, the Directors consider that those material related party transactions disclosed in note 23 to the consolidated financial statements in this annual report did not fall under the definition of "connected transactions" or "continuing connected transactions" (as the case may be) in Chapter 14A of the Listing Rules which are required to comply with any of the reporting, announcement or independent shareholders' approval requirements under the Listing Rules.

Continuing Connected Transactions in 2013

On 28 February 2013, Qingdao Ener Packaging Technology Co., Ltd. ("Qingdao Ener") (an indirect wholly-owned subsidiary of the Company) entered into a written agreement (the "Agreement") with Qingdao Justo Packaging Co., Ltd. ("Qingdao Justo"), pursuant to which Qingdao Justo purchased approximately 141 tonnes of cigarette films from Qingdao Ener with a total consideration of RMB3,188,344.48.

Qingdao Ener had been selling cigarette films to Qingdao Ener since 2000. The entering into of the Agreement by the Group to sell cigarette films is to continue the business relationship between Qingdao Ener and Qingdao Justo. The Directors (including the independent non-executive Directors) consider that the Agreement and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group and are on normal commercial terms after arm's length negotiation, and consider that the transaction contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

本年報綜合財務報表附註23(a)所披露有關主要管理人員薪酬的重大關聯方交易為獲豁免遵守上市規則第14A.31(6)條之申報、公佈及獨立股東批准規定的關連交易。

本年報綜合財務報表附註23(c)所披露有關應付控股股東兼董事郭玉民先生款項的重大關聯方交易為獲豁免遵守上市規則第14A.65(4)條之申報、公佈及獨立股東批准規定的關連交易。

除上文所披露者外，董事認為本年報綜合財務報表附註23所披露之該等重大關聯方交易不包含於上市規則第14A章之「關連交易」或「持續關連交易」定義（視情況而定），其須遵守上市規則之任何報告、公佈或獨立股東批准規定。

於2013年訂立的持續關連交易

於2013年2月28日，本公司的間接全資附屬公司青島英諾包裝科技有限公司（「青島英諾」）與青島嘉澤包裝有限公司（「青島嘉澤」）訂立書面協議（「協議」），據此，青島嘉澤須以總代價人民幣3,188,344.48元從青島英諾購買約141公噸香煙薄膜。

青島英諾自2000年開始向青島嘉澤銷售香煙薄膜。本集團向青島嘉澤訂立銷售香煙薄膜的協議旨在維持青島英諾與青島嘉澤的業務關係。董事（包括獨立非執行董事）認為，協議及其項下擬進行的交易乃於本集團一般及日常業務過程中，按一般商業條款經公平協商後釐定，並認為協議及其項下擬進行的交易屬公平合理，符合本公司及股東的整體利益。

To the best knowledge of the Directors and after making reasonable enquiry, the equity interests of Qingdao Justo are owned indirectly as to 30% by Shenzhen Jinjia Color Printing Group Co., Ltd. ("Shenzhen Jinjia"), while Shenzhen Jinjia also holds 49% equity interests in Jiangsu Shuntai (an indirect 51% owned subsidiary of the Company). Qingdao Justo is hence an associate of Shenzhen Jinjia and thus a connected person of the Company under the Listing Rules. The transaction amount contemplated under the Agreement, when aggregated with the past transaction amount for the sale of cigarette films by Qingdao Ener to Qingdao Justo from 1 January 2013, constituted a continuing connected transaction subject to reporting, announcement and annual review requirements, but exempt from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

For further details, please refer to the announcement of the Company dated 28 February 2013.

Major Customers and Suppliers

Sales to the Group's five largest customers accounted for approximately 75% of the total sales for the Year and sales to the largest customer included therein amounted to 58% of the total sales for the Year. Purchases from the Group's five largest suppliers accounted for approximately 67% of the total purchases for the Year and purchase from the Group's largest supplier included therein amounted to 36% of the total purchases for the Year.

None of the Directors or any of their associates or any Shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any interest in the Group's five largest customers and suppliers.

Directors

As at the date of this report, the Directors are:

Executive Directors:

Mr. Guo Yumin (*Chairman*)
Ms. Xia Yu
Mr. Zeng Xiangyang (*President*) (with effect from 1 January 2013)
Mr. He Lijun (with effect from 1 January 2013)
Mr. Huang Bo
Mr. Bau Siu Fung

Independent Non-Executive Directors:

Ms. Fan Qing
Mr. Fong Wo, Felix
Mr. Lo Wa Kei, Roy

經董事作出合理查詢後盡彼等所知，深圳勁嘉彩印集團股份有限公司（「深圳勁嘉」）間接持有青島嘉澤30%的股權，同時深圳勁嘉亦持有江蘇順泰（本公司間接持有51%股權的附屬公司）49%的股權。因此，根據上市規則，青島嘉澤為深圳勁嘉的聯繫人，因而為本公司的關聯方。根據該協議項下擬進行的交易金額與過往交易金額合併計算時，青島英諾自2013年1月1日起向青島嘉澤出售香煙薄膜的金額構成持續關連交易，故須遵守申報、公佈及年度審閱規定，而獲豁免遵守上市規則第14A章有關獨立股東批准的規定。

有關進一步詳情，請參閱本公司日期為2013年2月28日之公佈。

主要客戶及供應商

本集團向五大主要客戶的銷售額約佔本年度總銷售額75%，其中包括向最大客戶的銷售額佔本年度總銷售額58%。本集團向五大供應商的採購額約佔本年度總採購額67%，其中包括向本集團最大供應商的採購額佔本年度總採購額36%。

董事或其任何之聯繫人或股東（就董事所深知，擁有本公司已發行股本5%以上）概無於本集團五大客戶及供應商擁有任何權益。

董事

於本年報日期，董事名單如下：

執行董事：

郭玉民先生（*主席*）
夏煜女士
曾向陽先生（*執行總裁*）（於2013年1月1日生效）
何立君先生（於2013年1月1日生效）
黃波先生
鮑小豐先生

獨立非執行董事

范晴女士
方和先生
盧華基先生

In accordance with Article 112 of the Company's Article of Association, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after his/her appointment and any Director appointed by the Board as an additional Director shall hold office only until the next following annual general meeting of the Company.

Pursuant to Article 108(a) of the Articles of the Association of the Company, at each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation.

Mr. Zeng Xiangyang, Mr. He Lijun and Mr. Bau Siu Fung will retire as Directors at the AGM, and being eligible, will offer themselves for re-election at the AGM.

Each of Mr. Guo Yumin, Ms. Xia Yu, Mr. Huang Bo and Mr. Bau Siu Fung, all being executive Directors has entered into a service contract with the Company for an initial term of three years commencing from the Listing Date and may be terminated by either party by giving not less than three months' prior written notice.

Each of Ms. Fan Qing, Mr. Lo Wa Kei, Roy and Mr. Fong Wo, Felix, all being independent non-executive Directors has entered into a service contract with the Company for a term of two years commencing from the Listing Date and may be terminated by either party by giving at least three months' written notice.

Each of Mr. Zeng Xiangyang and Mr. He Lijun, all being executive Directors, has entered into a service contract with the Company for a term of commencing from 1 January 2013 and expiring on 12 July 2015 and may be terminated by either party by giving at least three months' written notice.

No Director proposed for re-election at the AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Biographies of Directors and Other Senior Management

The biographical details of Directors and other senior management are disclosed in the section headed "Biographies of Directors and Senior Management" on pages 20 to 28 of this annual report.

Directors Emoluments

Details of the Directors Emoluments are set out in note 7 to the consolidated financial statements in this annual report. The Directors' remunerations are determined with reference to his duties and responsibilities within the Company.

根據本公司組織章程細則第112條，董事會委任填補空缺的任何董事將出任直至其獲委任後首次股東大會，而董事會委任為新增董事的任何董事僅可出任至本公司下一次股東週年大會。

根據本公司組織章程細則第108(a)條，於每次股東週年大會上，當時三分之一董事須輪席退任。

曾向陽先生、何立君先生及鮑小豐先生將於股東週年大會上退任董事，惟符合資格並願意於股東週年大會上膺選連任。

郭玉民先生、夏煜女士、黃波先生及鮑小豐先生（均為執行董事）與本公司已訂立服務合約，自上市日期起初步為期三年，任何一方可發出不少於三個月事先書面通知予以終止。

范晴女士、盧華基先生及方和先生（均為獨立非執行董事）與本公司已訂立服務合約，自上市日期起為期兩年，任何一方可發出至少三個月書面通知予以終止。

曾向陽先生及何立君先生（均為執行董事）與本公司已訂立服務合約，任期自2013年1月1日起至2015年7月12日屆滿，任何一方可發出至少三個月書面通知予以終止。

於股東週年大會上膺選連任的任何董事，概無與本公司簽訂不得由本公司於一年內終止而毋須支付賠償（法定賠償除外）的服務合約。

董事及其他高級管理層的履歷

董事及其他高級管理層的履歷詳情於本年報第20至28頁「董事及高級管理層履歷」一節披露。

董事薪酬

董事薪酬詳情載於本年報綜合財務報表附註7。董事薪酬乃參照董事於本公司之職務及職責而釐定。

Interests of Directors in Contracts

No contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

No contract of significance has been entered into during the Year between the Company or any of its subsidiaries and the controlling Shareholders or any of its subsidiaries.

Management Contracts

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

Directors' Interest in Competing Business

None of the Directors or any of their respective associates had any interest in a business which competes or likely to compete, either directly or indirectly, with the business of the Group.

The Board has established a committee (the "Committee") comprising all the independent non-executive Directors which was delegated with the authority to review the non-competition undertakings (the "Non-competition Undertakings") given by Sheen Tai Group Holding Limited (順泰集團控股有限公司) ("Sheentai BVI") and Mr. Guo Yumin ("Mr. Guo") in a deed of non-competition entered into by Sheentai BVI and Mr. Guo in favour of the Company, dated 28 June 2012. The Committee was not aware of any non-compliance of the Non-competition Undertakings given by Sheentai BVI and Mr. Guo since the date of the aforesaid deed of non-competition and up to the date of this annual report.

Retirement Schemes

The Group participates in a state-managed retirement scheme operated by the PRC government which covers the Group's eligible employees in the PRC and a Mandatory Provident Fund Scheme for the employee in Hong Kong. Particulars of these retirement plans are set out in note 17 to the consolidated financial statements in this annual report.

Distributable Reserves

Pursuant to the relevant rules of the Cayman Islands, the Company's distributable reserves as at 31 December 2012 amounted to HK\$329 million.

董事於合約的權益

本公司或其任何附屬公司概無訂定任何董事於其中擁有直接或間接重大權益，並且於本年度終結時或於本年度內任何時間仍然生效的重大合約。

本公司或其任何附屬公司及控股股東或其任何附屬公司於本年度並無訂立任何重大合約。

管理合約

年內並無訂立或存在任何涉及本公司全部或大部分業務之管理及行政工作之合約。

董事於競爭業務的權益

董事或其各自的聯繫人概無於與本集團業務造成或可能造成直接或間接競爭的業務中擁有任何權益。

董事會已成立由全體獨立非執行董事組成的委員會（「委員會」），其獲授權檢討順泰集團控股有限公司（「Sheentai BVI」）及郭玉民先生（「郭先生」）於日期為2012年6月28日由Sheentai BVI及郭先生訂立有利於本公司的不競爭契約中作出的不競爭承諾（「不競爭承諾」）。自上述不競爭契約日期至本年報日期止，委員會並不知悉Sheentai BVI及郭先生作出的不競爭承諾有任何違規情況。

退休計劃

本集團參與中國政府營運的國家管理退休金計劃以保障本集團於中國的合資格僱員及強制性公積金計劃以保障香港的僱員。此等退休計劃詳情載於本年報的綜合財務報表附註17。

可供分派儲備

根據開曼群島有關法例，本公司於2012年12月31日的可供分派儲備為329百萬港元。

Directors' Interests or Short Positions in Shares, Underlying Shares and Debentures

董事於股份、相關股份及債券的權益或淡倉

(a) As at 31 December 2012, the interests and short positions of the Directors or chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of the associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they are taken or deemed to have under such provisions of the SFO) or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

(a) 於2012年12月31日，本公司董事或最高行政人員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）的股份、相關股份及債券中，擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例該等條文被當作或視為擁有之任何權益或淡倉），或須根據證券及期貨條例第352條登記於該條所指登記冊的權益及淡倉，或根據上市規則之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的權益及淡倉如下：

(i) Long Position in the Shares and in the Shares

(i) 於股份之好倉及股份

Name of Director 董事姓名	Capacity/Nature 身份／性質	Number of Shares held/ interested 所持／擁有 權益股份數目	Approximate percentage of interest 權益百分比約數
Mr. Guo 郭先生	Interest of a controlled corporation (Note 1) 受控制法團權益（附註1）	300,000,000	72.29%
	Beneficial owner (Note 2) 實益擁有人（附註2）	4,900,000	1.18%
	Interest of spouse (Notes 3 and 4) 配偶權益（附註3及4）	1,500,000	0.36%
Xia Yu ("Ms. Xia") 夏煜（「夏女士」）	Interest of spouse (Note 5) 配偶權益（附註5）	304,900,000	73.47%
	Beneficial owner (Note 3) 實益擁有人（附註3）	1,500,000	0.36%
Zeng Xiangyang ("Mr. Zeng") 曾向陽（「曾先生」）	Beneficial owner (Note 6) 實益擁有人（附註6）	500,000	0.12%
	Interest of spouse (Note 7) 配偶權益（附註7）	5,774,000	1.39%
Huang Bo 黃波	Beneficial owner (Note 8) 實益擁有人（附註8）	500,000	0.12%
Bau Siu Fung 鮑小豐	Beneficial owner (Note 9) 實益擁有人（附註9）	500,000	0.12%

(ii) Long Position in the Shares of Associated Corporation

(ii) 於相聯法團股份之好倉

Name of Director 董事姓名	Name of associated corporation 相聯法團名稱	Capacity/Nature 身份／性質	Number of share held/ interested 所持／擁有 權益股份數目	Percentage of interest 權益百分比
Mr. Guo 郭先生	Sheentai BVI	Beneficial owner 實益擁有人	1	100%
Ms. Xia 夏女士	Sheentai BVI	Interest of spouse (Note 4) 配偶權益 (附註4)	1	100%

Notes:

附註：

- Mr. Guo beneficially owns the entire issued share capital of Sheentai BVI. Therefore, Mr. Guo is deemed, or taken to be, interested in all 300,000,000 Shares held by Sheentai BVI for the purposes of the SFO. Mr. Guo is the sole director of Sheentai BVI.
- This represents the 500,000 Shares which may be allotted and issued to Mr. Guo upon exercise of the options granted to him under the pre-IPO share option scheme adopted by the Company on 22 June 2012 (the "Pre-IPO Share Options"), and the 4,400,000 Shares held by Mr. Guo.
- This represents the 500,000 Shares which may be allotted and issued to Ms. Xia upon exercise of the Pre-IPO Share Options granted to her, and the 1,000,000 Shares held by Ms. Xia.
- Mr. Guo is the spouse of Ms. Xia. Accordingly, Mr. Guo is deemed, or taken to be, interested in all Shares in which Ms. Xia is interested for the purpose of the SFO.
- Ms. Xia is the spouse of Mr. Guo. Accordingly, Ms. Xia is deemed, or taken to be, interested in all Shares in which Mr. Guo is interested in for the purpose of the SFO.
- This represents the number of Shares which may be allotted and issued to Mr. Zeng upon exercise of the Pre-IPO Share Options granted to him.
- This represents the number of Shares held by Ms. Gao Yanjie, the spouse of Mr. Zeng. Mr. Zeng is deemed, or taken to be, interested in all Shares held by Ms. Gao Yanjie for the purpose of the SFO.
- This represents the number of Shares which may be allotted and issued to Mr. Huang Bo upon exercise of the Pre-IPO Share Options granted to him.
- This represents the number of Shares which may be allotted and issued to Mr. Bau Siu Fung upon exercise of the Pre-IPO Share Options granted to him.

- 郭先生實益擁有Sheentai BVI的全部已發行股本。因此，根據證券及期貨條例，郭先生被視為或當作於Sheentai BVI持有的所有300,000,000股股份中擁有權益。郭先生為Sheentai BVI的唯一董事。
- 此500,000股股份指根據本公司於2012年6月22日採納之首次公開發售前購股權計劃（「首次公開發售前購股權計劃」）向郭先生授出的購股權獲行使後可能向其配發及發行的股份數目，郭先生持有4,400,000股股份。
- 此500,000股股份指向夏女士授出的首次公開發售前購股權獲行使後可能向其配發及發行的股份數目，夏女士持有1,000,000股股份。
- 郭先生為夏女士的配偶。因此，根據證券及期貨條例，郭先生被視為或當作於夏女士擁有權益的所有股份中擁有權益。
- 夏女士為郭先生的配偶。因此，根據證券及期貨條例，夏女士被視為或當作於郭先生擁有權益的所有股份中擁有權益。
- 此數額指向曾先生授出的首次公開發售前購股權獲行使後可能向其配發及發行的股份數目。
- 此數額指向曾先生的配偶高彥杰女士持有的股份數目。根據證券及期貨條例，曾先生被視為或當作於高彥杰女士持有的所有股份中擁有權益。
- 此數額指向黃波先生授出的首次公開發售前購股權獲行使後可能向其配發及發行的股份數目。
- 此數額指向鮑小豐先生授出的首次公開發售前購股權獲行使後可能向其配發及發行的股份數目。

(b) So far as is known to the Directors, as at 31 December 2012, the following persons (not being a Director or chief executive of the Company as disclosed in paragraph (a) above) had interests or short positions in Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who are, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

(b) 據董事所知，於2012年12月31日，以下人士（上文(a)段所披露之本公司董事或最高行政人員除外）於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司及聯交所披露的權益或淡倉，或直接或間接擁有附有權利可於任何情況下在本集團任何其他成員公司的股東大會上投票的任何類別股本面值10%或以上的權益：

The Company

本公司

Name 名稱	Capacity/Nature 身份／性質	Number of Shares held/ interested 所持／擁有 權益股份數目	Approximate percentage of shareholding 股權百分比約數
Sheentai BVI	Beneficial owner 實益擁有人	300,000,000	72.29%

Other Members of the Group

本集團的其他成員公司

Name of subsidiary 附屬公司名稱	Name of shareholder 股東名稱	Capacity/Nature 身份／性質	Percentage of shareholding 股權百分比
Jiangsu Shuntai 江蘇順泰	Shenzhen Jinjia Color Printing Group Co., Ltd. 深圳勁嘉彩印集團股份 有限公司	Beneficial owner 實益擁有人	49%
Jiangsu Shuntai 江蘇順泰	Qiao Lu Zhu 喬魯予	Interest of a controlled corporation 受控制法團權益	49%

Save as disclosed above, as at 31 December 2012, the Company had not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

除上文所披露者外，於2012年12月31日，概無任何人士（本公司董事或最高行政人員除外）知會本公司其於股份或相關股份中擁有須根據證券及期貨條例第XV部第2及第3分部之條文向本公司披露，或記入本公司根據證券及期貨條例第336條規定存置之登記冊的權益或淡倉。

Directors' Right to Acquire Shares or Debentures

Apart from as disclosed under the paragraph headed "Directors' interests and short positions in shares, underlying shares and debentures" above, at no time during the Year was the Company, its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors or the chief executive of the Company or their associates to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Share Option Schemes

(a) Pre-IPO Share Option Scheme

Pursuant to the pre-IPO share option scheme (the "Pre-IPO Share Option Scheme") adopted on 22 June 2012, the Company had granted options to subscribe for 10,000,000 Shares to employees, directors, consultants and advisers of our Group.

Set out below are details of the outstanding options granted under the Pre-IPO Share Option Scheme as at the date of this annual report:

Name of grantee 承授人姓名	Number of options granted on 22 June 2012 於2012年6月22日 獲授購股權數目	Exercised since date of grant 自獲授日期 已行使	Cancelled since date of grant 自獲授日期 已註銷	Lapsed since date of grant 自獲授日期 已失效	Outstanding as at the date of this annual report 於本年報日期 尚未行使
Directors 董事					
Mr. Guo 郭先生	500,000	–	–	–	500,000
Xia Yu 夏煜	500,000	–	–	–	500,000
Zeng Xiangyang 曾向陽	500,000	–	–	–	500,000
Huang Bo 黃波	500,000	–	–	–	500,000
Bau Siu Fung 鮑小豐	500,000	–	–	–	500,000
Employees and advisers 僱員及顧問					
	7,500,000	–	–	–	7,500,000
Total 合計	10,000,000	–	–	–	10,000,000

董事收購股份或債券的權利

除上文「董事於股份、相關股份及債券的權益或淡倉」一段所披露者外，於本年度任何時候，本公司、其控股公司、附屬公司或同系附屬公司並無訂立任何安排，使本公司董事或最高行政人員或其聯繫人可透過收購本公司或任何其他法人團體的股份或債券而獲益。

購股權計劃

(a) 首次公開發售前購股權計劃

根據2012年6月22日採納的首次公開發售前購股權計劃（「首次公開發售前購股權計劃」），本公司已將可認購10,000,000股股份的購股權授予本集團僱員、董事、諮詢人及顧問。

於本年報日期，根據首次公開發售前購股權計劃尚未行使的購股權詳情載列如下：

Note:

The subscription price for Shares under the Pre-IPO Share Option Scheme is HK\$0.6029 per Share. Options granted under the Pre-IPO Share Option Scheme shall vest in 5 tranches in the proportion of 10%, 15%, 20%, 25% and 30% on 14 July 2013, 14 July 2014, 14 July 2015, 14 July 2016 and 14 July 2017, and shall expire on 13 July 2018, being the sixth anniversary of the date of initial listing of the Shares on the Stock Exchange.

A summary of the principal terms and conditions of the Pre-IPO Share Option Scheme is set out in Appendix V to the Prospectus.

(b) Share Option Scheme

The Company adopted a share option scheme (the "Share Option Scheme") on 22 June 2012. No options were granted under the Share Option Scheme from the date of its adoption to the date of this report. A summary of the principal terms and conditions of the Share Option Scheme is set out in Appendix V to the Prospectus.

Employees and Remuneration Policy

As at 31 December 2012, the Group employed approximately 395 full-time staff members. The Directors and senior management receive compensation in the form of fees, salaries, allowances, benefits in kind and/or discretionary bonuses relating to our performance. The Group also established the Pre-IPO Share Option Scheme and the Share Option Scheme to incentivize the senior management and employees, further details of which are set out in the paragraph headed "Share Option Schemes" in this report. When reviewing and determining the specific remuneration packages for the executive Directors and senior management, the Company takes into consideration factors such as their individual performance, qualification, experience and seniority, salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment elsewhere in the Group and desirability of performance-based remuneration. The Group determines the staff's remuneration based on factors such as qualifications and work experience.

Corporate Governance

The Company is committed to maintaining the highest standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 29 to 40 of this annual report.

附註：

首次公開發售前購股權計劃下股份的認購價為每股0.6029港元。根據首次公開發售前購股權計劃授出的購股權須分五批以10%、15%、20%、25%及30%的比例分別於2013年7月14日、2014年7月14日、2015年7月14日、2016年7月14日及2017年7月14日授予承授人，並於2018年7月13日到期（即股份於聯交所首次上市之日起計第六週年）。

首次公開發售前購股權計劃主要條款及條件的概要載於招股章程附錄五。

(b) 購股權計劃

本公司於2012年6月22日採納一項購股權計劃（「購股權計劃」）。自採納之日起至本報告日期期間，概無購股權根據購股權計劃授出。購股權計劃主要條款及條件的概要載於招股章程附錄五。

僱員及薪酬政策

於2012年12月31日，本集團聘用約395名全職員工。董事及高級管理層以袍金、薪金、津貼、實物福利及／或與本集團表現有關的酌情花紅形式收取報酬。本集團亦設立首次公開發售前購股權計劃及購股權計劃，以激勵高級管理層及僱員，進一步詳情載於本報告「購股權計劃」一段。於檢討及釐定執行董事及高級管理層的具體薪酬組合時，本公司會考慮多種因素，如彼等的個人表現、資格、經驗及資歷、可比公司所支付的薪金、時間貢獻及董事職責、於本集團各處的任職情況以及績效掛鉤薪酬的可取性。本集團根據資格及工作經驗等因素釐定員工的薪酬。

企業管治

本公司致力維持企業管治常規的高水平。有關本公司所採納的企業管治常規資料載於本年報第29至40頁企業管治報告。

Charitable Donations

During the Year, the Group did not make any charitable donation.

Confirmation of Independence

The Company has received from the independent non-executive Directors confirmations of independence (including an annual confirmation from each of the independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules and considers that all the independent non-executive Directors are independent of the Company.

Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained sufficient public float since the Listing Date to the date of this annual report as required under the Listing Rules.

Post Balance Sheet Event

On 11 January 2013, Jiangsu Sheen Colour and Huaian Hetai Investment Co. Ltd., a third party, has set up a new subsidiary, with equity interests of 70% and 30% respectively. The subsidiary named Jiangsu Kingtai Packaging Technology Co., Ltd is principally engaged in manufacturing and trading of aluminium foil films for cigarette packaging.

Auditors

KPMG has acted as auditors of the Company for the year ended 31 December 2012. The Company has not changed its external auditors since its listing in July 2012 and up to the date of this annual report.

KPMG will retire and being eligible, offer themselves for reappointment at the forthcoming annual general meeting. A resolution for the reappointment of KPMG as auditor of the Company is to be proposed at the forthcoming AGM.

By Order of the Board of

Guo Yumin
Chairman

Hong Kong, 25 March 2013

慈善捐贈

年內，本集團並無作出任何慈善捐贈。

獨立性確認書

本公司已收到獨立非執行董事根據上市規則第3.13條發出有關其獨立性的確認書（包括各獨立非執行董事之年度確認書），並認為全體獨立非執行董事均為獨立於本公司之人士。

公眾持股量

根據本公司所得公眾資料及就董事所知，本公司自上市日期以來至本年報日期已遵照上市規則維持足夠公眾持股量。

結算日後事項

於2013年1月11日，江蘇金格潤與第三方淮安合泰投資有限公司成立一家新的附屬公司，分別佔70%及30%的股權。該附屬公司名為江蘇金泰包裝科技有限公司主要從事製造及貿易用作香煙包裝的鋁箔薄膜。

核數師

畢馬威會計師事務所擔任本公司截至2012年12月31日止年度的核數師。自本公司於2012年7月上市起直至本年報日期，本公司並無更換其外聘核數師。

畢馬威會計師事務所將於應屆股東週年大會上退任，惟符合資格並願意應選連任。再次委任畢馬威會計師事務所為本公司核數師的決議案將於股東週年大會提呈。

承董事會命

主席
郭玉民

香港，2013年3月25日

Independent Auditor's Report

獨立核數師報告



Independent auditor's report to the shareholders of Sheen Tai Holdings Group Company Limited

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Sheen Tai Holdings Group Company Limited ("the Company") and its subsidiaries (together "the Group") set out on pages 56 to 131, which comprise the consolidated and company statements of financial position as at 31 December 2012, 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 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.

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

致順泰控股集團有限公司股東獨立核數師報告

(於開曼群島註冊成立之有限公司)

吾等已審核載於第56至131頁順泰控股集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，當中包括於2012年12月31日之綜合及公司財務狀況表與截至該日止年度之綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註資料。

董事就綜合財務報表須承擔之責任

貴公司董事須根據香港會計師公會頒佈之香港財務報告準則以及香港公司條例之披露規定負責編製真實與公允之綜合財務報表，並採納董事認為屬必要之相關內部控制，以使編製綜合財務報表避免因欺詐或錯誤而招致任何重大錯誤陳述。

核數師之責任

吾等之責任是根據審核工作對該等綜合財務報表作出意見，並僅向閣下(作為法人)報告吾等之意見，除此以外別無其他用途。吾等並不就本報告之內容向任何其他人士負責或承擔責任。

吾等已根據香港會計師公會頒佈之香港核數準則進行審核。這些準則要求吾等遵守道德規範，並規劃及進行審核工作，以合理確定綜合財務報表是否不存在任何重大錯誤陳述。

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

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

Opinion

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

KPMG

Certified Public Accountants

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

25 March 2013

審核工作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之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製真實與公平之綜合財務報表相關之內部控制，以設計適當之審核程序，但並非對公司之內部控制效能發表意見。審核工作亦包括評價董事所採用會計政策是否合適及所作出會計估計是否合理，以及評價綜合財務報表之整體呈列方式。

吾等相信，吾等所獲得之審核憑證屬充足及適當，為吾等之審核意見提供了基礎。

意見

吾等認為，綜合財務報表已根據香港財務報告準則真實與公平地反映貴公司及貴集團於2012年12月31日之財務狀況以及貴集團截至該日止年度之溢利及現金流量，並已根據香港公司條例之披露規定妥為編製。

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8樓

2013年3月25日

Consolidated Income Statement

綜合收益表

截至2012年12月31日止年度（以港元為單位）

For the year ended 31 December 2012 (Expressed in Hong Kong dollars)

		Note 附註	2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Turnover	營業額	3	699,555	674,983
Cost of sales	銷售成本		(445,033)	(428,346)
Gross profit	毛利		254,522	246,637
Other revenue and net income	其他收入及淨收益	4	16,188	26,003
Distribution costs	分銷成本		(11,941)	(17,642)
Administrative expenses	行政開支		(66,459)	(43,169)
Other operating expenses	其他經營開支		(844)	(17)
Profit from operations	經營溢利		191,466	211,812
Finance costs	財務成本	5(a)	(21,085)	(18,603)
Profit before taxation	稅前溢利	5	170,381	193,209
Income tax	所得稅	6(a)	(46,453)	(52,453)
Profit for the year	年內溢利		123,928	140,756
Attributable to:	以下人士應佔：			
Equity shareholders of the Company	本公司權益股東		70,076	81,426
Non-controlling interests	非控股權益		53,852	59,330
Profit for the year	年內溢利		123,928	140,756
Earnings per shares	每股盈利			
Basic and diluted (HKD)	基本及攤薄（港元）	9	0.17	0.20

The notes on pages 63 to 131 form part of these financial statements.

刊載於第63至131頁的財務報表附註是本財務報告的組成部份。

Consolidated Statement of Comprehensive Income

綜合全面收益表

截至2012年12月31日止年度（以港元為單位）

For the year ended 31 December 2012 (Expressed in Hong Kong dollars)

		2012	2011
		2012年	2011年
		\$'000	\$'000
		千港元	千港元
Profit for the year	年內溢利	123,928	140,756
Other comprehensive income for the year	年內其他全面收益		
Exchange differences on translation of financial information of subsidiaries	換算附屬公司財務資料的匯兌差額	2,602	15,557
Total comprehensive income for the year	年內全面收益總額	126,530	156,313
Attributable to:	以下人士應佔：		
Equity shareholders of the Company	本公司權益股東	72,634	83,895
Non-controlling interests	非控股權益	53,896	72,418
Total comprehensive income for the year	年內全面收益總額	126,530	156,313

The notes on pages 63 to 131 form part of these financial statements.

刊載於第63至131頁的財務報表附註是本財務報告的組成部份。

Consolidated Statement of Financial Position

綜合財務狀況表

於2012年12月31日（以港元為單位）

At 31 December 2012 (Expressed in Hong Kong dollars)

		Note 附註	2012 於2012年 \$'000 千港元	2011 於2011年 \$'000 千港元
Non-current assets	非流動資產			
Fixed assets	固定資產			
– Property, plant and equipment	– 物業、廠房及設備	10	335,287	340,790
– Interests in leasehold land held for own use under operating lease	– 根據經營租賃持作自用的 的租賃土地的權益	10	44,442	45,420
Intangible assets	無形資產		169	222
Deferred tax assets	遞延稅務資產	19	2,317	1,900
			382,215	388,332
Current assets	流動資產			
Inventories	存貨	11	105,579	120,254
Trade and other receivables	貿易應收款項及其他應收款項	12	223,157	257,718
Cash and cash equivalents	現金及現金等值項目	13	79,180	63,013
			407,916	440,985
Current liabilities	流動負債			
Trade and other payables	貿易應付款項及其他應付款項	15	70,439	113,103
Bank loans	銀行貸款	16	277,504	154,188
Current taxation	即期稅項	19	19,676	18,938
			367,619	286,229
Net current assets	流動資產淨額		40,297	154,756
Total assets less current liabilities	總資產減流動負債		422,512	543,088

Consolidated Statement of Financial Position
綜合財務狀況表

於2012年12月31日（以港元為單位）

At 31 December 2012 (Expressed in Hong Kong dollars)

		Note 附註	2012 於2012年 \$'000 千港元	2011 於2011年 \$'000 千港元
Non-current liabilities	非流動負債			
Bank loans	銀行貸款	16	24,667	146,787
Deferred tax liabilities	遞延稅務負債	19	2,272	5,498
Deferred government grant	遞延政府補助		1,040	–
			27,979	152,285
NET ASSETS	淨資產		394,533	390,803
CAPITAL AND RESERVES	資本及儲備			
Share capital/capital	股本／資本	20	4,150	69,318
Reserves	儲備		329,355	171,858
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔總權益		333,505	241,176
Non-controlling interests	非控股權益		61,028	149,627
TOTAL EQUITY	權益總額		394,533	390,803

Approved and authorised for issue by the board of directors on 25 March 2013.

此財務報告已於2013年3月25日獲董事會核準並許可發出。

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) Directors) 董事
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The notes on pages 63 to 131 form part of these financial statements.

刊載於第63至131頁的財務報表附註是本財務報告的組成部份。

Statement of Financial Position

財務狀況表

於2012年12月31日（以港元為單位）

At 31 December 2012 (Expressed in Hong Kong dollars)

		Note 附註	2012 2012年 \$'000 千港元
Non-current assets	非流動資產		
Investment in subsidiaries	於附屬公司的投資	14	84,955
Current assets	流動資產		
Trade and other receivables	貿易應收款項及其他應收款項	12	121,957
Cash and cash equivalents	現金及現金等值項目	13	119
			122,076
Current liabilities	流動負債		
Trade and other payables	貿易應付款項及其他應付款項	15	92
Net current assets	流動資產淨額		121,984
Total assets less current liabilities	總資產減流動負債		206,939
NET ASSETS	淨資產		206,939
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	20	4,150
Reserves	儲備	20	202,789
TOTAL EQUITY	權益總額		206,939

Approved and authorised for issue by the board of directors on 25 March 2013.

已於2013年3月25日獲董事會核準並許可發出。

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) Directors) 董事
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The notes on pages 63 to 131 form part of these financial statements.

刊載於第63至131頁的財務報表附註是本財務報告的組成部份。

Consolidated Statement of Changes in Equity

綜合權益變動表

截至2012年12月31日止年度(以港元為單位)
For the year ended 31 December 2012 (Expressed in Hong Kong dollars)

Attributable to equity shareholders of the Company 本公司權益股東應佔

	Note	Capital	Share	Capital	Statutory	Exchange	Retained	Sub	Non-	Total
	附註	Capital	premium	reserve	reserve	reserve	profits	total	controlling	equity
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2011	於2011年1月1日	69,318	-	3,900	17,822	(1,686)	67,927	157,281	118,054	275,335
Changes in equity for 2011	截至2011年權益變動									
Profit for the year	年內溢利	-	-	-	-	-	81,426	81,426	59,330	140,756
Other comprehensive income	其他全面收益	-	-	-	-	2,469	-	2,469	13,088	15,557
Total comprehensive income	全面收益總額	-	-	-	-	2,469	81,426	83,895	72,418	156,313
Dividends to shareholders	股東股息	20(b)	-	-	-	-	-	-	(40,845)	(40,845)
Appropriation to statutory reserve	分配至法定儲備	20(d)(iii)	-	-	13,583	-	(13,583)	-	-	-
At 31 December 2011	於2011年12月31日	69,318	-	3,900	31,405	783	135,770	241,176	149,627	390,803
1 January 2012	於2012年1月1日	69,318	-	3,900	31,405	783	135,770	241,176	149,627	390,803
Changes in equity for 2012	2012年權益變動									
Profit for the year	年內溢利	-	-	-	-	-	70,076	70,076	53,852	123,928
Other comprehensive income	其他全面收益	-	-	-	-	2,558	-	2,558	44	2,602
Total comprehensive income	全面收益總額	-	-	-	-	2,558	70,076	72,634	53,896	126,530
Dividends to shareholders	股東股息	20(b)	-	-	-	-	(103,987)	(103,987)	(88,643)	(192,630)
Appropriation to statutory reserve	分配至儲備	20(d)(iii)	-	-	3,263	-	(3,263)	-	-	-
Arising from reorganisation	重組時產生	20(d)(ii)	(66,318)	-	62,533	-	-	(3,785)	-	(3,785)
Net proceeds from issue of ordinary shares upon initial public offering net off issuing cost	於首次公開發售時發行普通股所得款項淨額(扣除發行成本)	20(c)(iv)	1,150	123,696	-	-	-	124,846	-	124,846
Equity settled share-based transactions	以股本結算以股份支付的交易	20(d)(iv)	-	-	389	-	-	389	-	389
Acquisition of non-controlling interests	收購一家附屬公司的非控股權益		-	-	2,232	-	-	2,232	(53,852)	(51,620)
At 31 December 2012	於2012年12月31日	4,150	123,696	69,054	34,668	3,341	98,596	333,505	61,028	394,533

The notes on pages 63 to 131 form part of these financial statements.

刊載於第63至131頁的財務報表附註是本財務報告的組成部份。

Consolidated Cash Flow Statement

綜合現金流量表

截至2012年12月31日止年度（以港元為單位）

For the year ended 31 December 2012 (Expressed in Hong Kong dollars)

		Note 附註	2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Operating activities	經營活動			
Cash generated from operations	經營所得現金	13(b)	201,290	167,999
Income taxes paid	已付所得稅	19(a)	(49,349)	(46,077)
Net cash generated from operating activities	經營活動所得現金淨額		151,941	121,922
Investing activities	投資活動			
Payment for the purchase of fixed assets and intangible assets	購買固定資產及無形資產的款項		(25,975)	(64,624)
Proceeds from sale of fixed assets	出售固定資產所得款項		116	–
Interest received	已收利息		340	433
Acquisition of non-controlling interests	收購非控股權益		(51,620)	–
Net cash used in investing activities	投資活動所用現金淨額		(77,139)	(64,191)
Financing activities	融資活動			
Proceeds from borrowings	借款所得款項		221,396	104,848
Repayment of borrowings	償還借款		(220,166)	(106,946)
Interest paid	已付利息		(21,085)	(18,603)
Dividends paid	已付股息		(163,618)	(40,845)
Net proceeds from issue of ordinary shares upon initial public offering, net off issuing cost	於首次公開發售時發行普通股所得款項淨額（扣除發行成本）		124,846	–
Net cash used in financing activities	融資活動所用現金淨額		(58,627)	(61,546)
Net increase/(decrease) in cash and cash equivalents	現金及現金等值項目增加／（減少）淨額		16,175	(3,815)
Cash and cash equivalents at beginning of the year	年初的現金及現金等值項目		63,013	63,778
Effect of foreign exchange rate changes	匯率變動影響		(8)	3,050
Cash and cash equivalents at end of the year	年末的現金及現金等值項目	13	79,180	63,013

The notes on pages 63 to 131 form part of these financial statements.

刊載於第63至131頁的財務報表附註是本財務報告的組成部份。

Notes to the Financial Statements

財務報表附註

(除另有指明外，以港元為單位)

(Expressed in Hong Kong dollars)

1 GENERAL INFORMATION AND GROUP REORGANISATION

Sheen Tai Holdings Group Company Limited (the “Company”) was incorporated in the Cayman Islands on 24 February 2012 and registered as an exempted company with limited liability under Companies law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company and its subsidiaries hereinafter are collectively referred to as the “Group”.

Pursuant to a group reorganisation completed on 21 June 2012 (the “Reorganisation”) to rationalise the group structure in preparation for the listing of the Company’s shares on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the Company became the holding company of the Group. Details of the Reorganisation are set out in the prospectus of the Company dated 29 June 2012 (the “Prospectus”). The Company’s shares were listed on the Stock Exchange on 13 July 2012.

The companies that took part in the Reorganisation now comprising the Group were controlled by an ultimate equity shareholder, Mr Guo Yumin (the “Controlling Shareholder”) before and after the Reorganisation. The control is not transitory and, consequently there was a continuation of the risks and benefits to the Controlling Shareholder and, therefore, the Reorganisation is considered as a business combination under common control. The consolidated financial statements have been prepared using the merger basis of accounting as if the Group had always been in existence. The net assets of the companies now comprising the Group are consolidated using the existing book values from the Controlling Shareholder’s perspective.

1 一般資料及集團重組

順泰控股集團有限公司(「本公司」)於2012年2月24日根據開曼群島法例第22章公司法(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公司。本公司及其附屬公司統稱「本集團」。

根據為籌備本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市精簡本集團的架構而於2012年6月21日完成的集團重組(「重組」)，本公司成為本集團的控股公司。重組詳情已載於本公司日期為2012年6月29日的招股章程(「招股章程」)。本公司股份已於2012年7月13日在聯交所上市。

參與重組及現時組成本集團的公司於重組前後均由最終權益股東郭玉民先生(「控股股東」)控制。控股權並非過渡性質，因此控股股東的風險及利益仍然持續。故此，重組被視為受共同控制的業務合併。本綜合財務報表乃使用合併會計基準編製，猶如本集團一直存在。現時組成本集團的各公司的淨資產乃使用控股股東認為的現時賬面值合併計算。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

1 GENERAL INFORMATION AND GROUP REORGANISATION (CONTINUED)

The consolidated financial statements relating to the consolidated income statements, the consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated cash flow statements of the Group include the results of operations of the companies now comprising the Group for the years presented (or since the dates of their respective dates of incorporation/establishment where this is a shorter period) as if the current group structure had been in existence throughout the years presented. The consolidated statement of financial position of the Group as at 31 December 2011 as set out in financial report has been prepared to present the state of affairs of the companies now comprising the Group as at that date as if the current group structure had been in existence as at that date.

All material intra-group transactions and balances have been eliminated in preparing the consolidated financial statements.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

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 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. 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(c) 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 一般資料及集團重組 (續)

本綜合財務報表有關本集團的綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表包括於所示年度（或自彼等各自註冊成立／成立日期起，以較短期間為準）現時組成本集團的公司的經營業績，猶如現有集團架構於本年度呈列期間一直存在。在本財務報告所載本集團於2011年12月31日的綜合財務狀況表已編製，以呈列現時組成本集團的公司於該日期的事務狀況，猶如現有集團架構於該日期一直存在。

所有重大的集團間交易及結餘於編製綜合財務報表時已全數抵銷。

2 重大會計政策

(a) 合規聲明

本財務報表已根據所有適用的香港財務報告準則編製，該集合詞彙包括香港會計師公會頒佈的所有適用個別香港財務報告準則、香港會計準則及詮釋、香港公認會計原則以及香港公司條例的規定。本財務報表亦遵守香港聯合交易所證券上市規則的適用披露規定。本集團採用的重大會計政策概要載於下文。

香港會計師公會已頒佈若干新訂及經修訂香港財務報告準則，該等準則乃於本集團及本公司的當前會計期間首次生效或可供提早採納。於本會計期間及過往會計期間，有關因首次應用上述與本集團有關的準則而導致會計政策變動的資料已反映於本財務報告中，並載於附註2(c)。

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation and presentation of the consolidated financial statements

The consolidated financial statements for the year ended 31 December 2012 comprise the Company and its subsidiaries.

These financial statements are presented in Hong Kong dollars (“HKD”), rounded to the nearest thousand. Measurement basis used in the preparation of the consolidated 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.

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 24.

2 重大會計政策（續）

(b) 呈列基準及綜合財務報表的呈列

截至2012年12月31日止年度的綜合財務報表涵括本公司及其附屬公司。

本財務報表乃以港元呈列，並湊整至最接近千元。編製綜合財務報表所採用的計量基準為歷史成本基準。

按照香港財務報告準則編製財務報表需要管理層作出判斷、估計及假設，該等判斷、估計及假設會影響政策應用以及所呈報的資產、負債、收益及開支金額。該等估計及相關假設乃基於過往經驗及在有關情況下相信為合理的各項其他因素，而所得結果構成用作判斷顯然無法透過其他來源獲得有關資產與負債賬面值的依據。實際結果或有別於該等估計。

該等估計及相關假設會持續審閱。倘會計估計的修訂僅對作出修訂的期間產生影響，則有關修訂只會在該期間內確認；倘會計估計的修訂對現時及未來期間均產生影響，則會在作出該修訂期間及未來期間內確認。

管理層應用香港財務報告準則時所作出對財務報表有重大影響的判斷以及估計不明確因素的主要來源的論述載於附註24。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(c) Changes in accounting policies

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group and the Company. None of the developments are relevant to the Group's financial statements.

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

(d) 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.

An investment in a subsidiary is consolidated into the consolidated 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 transaction, are eliminated in full in preparing the consolidated 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.

(c) 會計政策變更

香港會計師公會已頒佈數項香港財務報告準則的修訂本，並於本集團及本公司的目前期會計期間首次生效。該等變動與本集團財務報表並無關連。

本集團並無採用於目前會計期間尚未生效的任何新準則或詮釋。

(d) 附屬公司及非控股權益

附屬公司為由本集團控制的實體。當本集團有權規管實體的財務及經營政策以自其活動取得利益時，即存在控制權。在評估控制權時，目前可行使的潛在投票權會考慮在內。

於附屬公司的投資自控制開始當日綜合計入綜合財務報表，直至控制結束當日為止。集團間結餘及交易與集團間交易所產生的任何未變現溢利於編製綜合財務報表時悉數對銷。集團間交易所產生的未變現虧損的抵銷方法與未變現收益相同，惟僅以無減值證據者為限。

非控股權益指於一家附屬公司中並非直接或間接歸屬本公司的權益，而本集團並無與該等權益的持有人協定任何額外條款，致使本集團整體就符合金融負債定義的該等權益承擔合同責任。就各業務合併而言，本集團可選擇按公平值或按非控股權益佔附屬公司的可識別資產淨值的比例計量任何非控股權益。

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) 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 2(l) or (m) 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.

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.

In the Company's statement of financial position, investments in subsidiaries are stated at lost less impairment losses (see note 2(i)).

2 重大會計政策 (續)

(d) 附屬公司及非控股權益 (續)

非控股權益列入綜合財務狀況表的權益內，與本公司權益股東應佔權益分開列賬。本集團業績內的非控股權益，乃於綜合收益表及綜合全面收益表上呈列於年內於本公司非控股權益與權益股東之間的損益總額及全面收益總額項下。非控股權益持有人發放的貸款及對該等持有人的其他合約責任根據附註2(l)或(m) (視乎負債性質而定) 於綜合財務狀況表中呈列為金融負債。

本集團於一家附屬公司的權益變動，倘不會引致喪失控制權，則以權益交易入賬，並按之對綜合權益中控制及非控股權益的金額作調整，以反映相關的權益變動，惟不會調整商譽及確認收益或虧損。

當本集團喪失其對一家附屬公司的控制權時，其入賬列為出售於該附屬公司的全部權益，所得的收益或虧損於損益表中確認。於喪失控制權日期保留於該前附屬公司的任何權益按公平值確認，而此金額被視為初步確認金融資產的公平值。

於本公司的財務狀況表中，於附屬公司的投資乃列為虧損減減值虧損 (見附註2(i))。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(i)).

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 and borrowing costs (see note 2(t)).

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 property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

– Buildings	20 years
– Plant and machinery	10 – 20 years
– Office equipment and other fixed assets	3 – 5 years
– Motor vehicles	4 – 5 years
– Leasehold land held for own use under operating lease	50 years

Where parts of an item of property, plant and equipment have different useful lives, the cost 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.

(e) 物業、廠房及設備

物業、廠房及設備按成本減累計折舊及減值虧損列賬（見附註2(i)）。

自建物業、廠房及設備項目的成本包括材料成本、直接勞工成本、拆卸及搬遷項目以及恢復項目所在地原貌的初步估計成本（如相關），以及適當比例的生產成本及借貸成本（見附註2(t)）。

報廢或出售物業、廠房及設備項目所產生的收益或虧損按出售所得款項淨額與該項目賬面值之間的差額釐定，並於報廢或出售日期在損益表內確認。

折舊按下列物業、廠房及設備的估計可使用年期，以直線法撇銷該等項目的成本（減去估計殘值（如有））計算：

– 建築物	20年
– 廠房及機器	10 – 20年
– 辦公室設備及其他固定資產	3 – 5年
– 汽車	4 – 5年
– 根據經營租賃持作自用的租賃土地	50年

倘物業、廠房及設備項目各部分的可使用年期不同，則該項目的成本按合理基準於各部分之間分配，每部分分開折舊。資產的可使用年期及其殘值（如有）將每年檢討。

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Construction in progress

Construction in progress represents property, plant and equipment under construction and machinery and equipment under installation and testing. Construction in progress is stated in the statement of financial position at cost less impairment losses (see note 2(i)). The cost includes cost of construction, cost of purchased plant and equipment and other direct costs plus borrowing costs which include interest charges and exchange differences arising from foreign currency borrowings used to finance these projects during the construction period, to the extent that these are regarded as an adjustment to borrowing costs (see note 2(t)).

Construction in progress is not depreciated until such time as the assets are completed and substantially ready for their intended use.

(g) Intangible assets

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 2(i)). Expenditure on internally generated goodwill is recognised as an expense in the period in which it is incurred.

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 assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

– Software	5 years
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Both the period and method of amortisation are reviewed annually.

2 重大會計政策 (續)

(f) 在建工程

在建工程指興建中的物業、廠房及設備，以及安裝和測試中的機器及設備。在建工程按成本減值虧損在財務狀況表中列賬（見附註2(i)）。成本包括建築成本、已購買廠房及設備的成本及其他直接成本，另加包括在興建期間為該等項目籌借外幣借款所產生的利息費用與匯兌差額的借款成本，惟以被視為對借款成本的調整為限（見附註2(t)）。

在建工程在資產完工並充分可用作擬定用途前不計提折舊。

(g) 無形資產

本集團所收購的無形資產按成本減累計攤銷（倘估計可使用年期為有限）及減值虧損列賬（見附註2(i)）。有關內部產生商譽的開支在其產生的期間確認為開支。

具有有限可使用年期的無形資產的攤銷是於資產估計可使用年期內以直線法在損益表中扣除。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	5年
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攤銷期間及方法均會每年檢討。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(h) 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.

(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.

(h) 租賃資產

倘本集團釐定安排附帶權利於協定期間使用一項或多項特定資產以換取付款或一系列付款，則該項安排（包括一項交易或一系列交易）屬於或包含租賃。有關釐定按對安排本質的評估進行，而不論該項安排是否具有租賃的法律形式。

(i) 出租予本集團的資產的分類

由本集團根據租賃持有而向本集團轉讓擁有權的絕大部分風險及回報的資產乃分類為根據融資租賃持有。並無轉讓擁有權的絕大部分風險及回報予本集團的租賃乃分類為經營租賃。

(ii) 經營租賃開支

倘本集團使用根據經營租賃持有的資產，根據租賃作出的付款乃於租賃年期所涵蓋的會計期間內按等額於收益表內扣除，惟倘有更能代表從租賃資產所得的利益模式的其他基準除外。已收取的租賃獎勵乃於收益表內確認為已支付淨租金總額的不可或缺部分。或然租金乃於其產生的會計期間於收益表內扣除。

收購根據經營租賃所持土地的成本乃以直線法在租賃期間攤銷。

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Impairment of assets

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

Investments in subsidiaries and 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.

- 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; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

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 2(i)(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 2(i)(ii).

2 重大會計政策（續）

(i) 資產減值

(i) *於附屬公司的投資以及貿易應收款項及其他應收款項的減值*

於附屬公司的投資以及按成本或攤銷成本列賬的流動及非流動應收款項乃於各報告期末檢討，以確定是否有減值的客觀證據。減值的客觀證據包括本集團注意到有關下列一項或多項損失事件的可觀察證據：

- 債務人的重大財務困難；
- 違約，如拖欠或無法如期償還利息或本金；
- 債務人可能破產或進行其他財務重組；及
- 科技、市場、經濟或法律環境出現重大變動而對債務人造成不利影響。

倘出現任何該等證據，則任何減值虧損會按以下方式釐定及確認：

- 就於附屬公司的投資而言，減值虧損乃通過根據附註2(i)(ii)比較投資的可回收金額與其賬面值計量。倘用於根據附註2(i)(ii)釐定可回收金額的估計存在有利變動，則減值虧損予以撥回。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(i) Impairment of assets (continued)

(i) *Impairment of investments in subsidiaries 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 these financial assets 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.

(i) 資產減值 (續)

(i) 於附屬公司的投資以及貿易應收款項及其他應收款項的減值 (續)

- 就貿易應收款項及其他流動應收款項以及以攤銷成本列賬的其他金融資產而言，減值虧損乃根據資產的賬面值與估計未來現金流量現值兩者間的差額計量，如貼現影響屬重大，則按金融資產原實際利率（即初始確認該等資產時計算的實際利率）貼現。倘該等金融資產具備類似風險特徵（如類似的逾期情況）及並未單獨評估為已減值，則有關評估會一同進行。集合評估減值的金融資產的未來現金流量乃根據與該類資產具有類似信貸風險特徵的資產的過往虧損經驗計算。

倘若於其後期間減值虧損金額減少，而有關減少與確認減值虧損後發生的事件可客觀地聯繫，則有關減值虧損透過損益表撥回。減值虧損的撥回不應導致資產的賬面值超過倘在過往年度沒有確認任何減值虧損而應釐定的金額。

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(i) Impairment of assets (continued)

(i) *Impairment of investments in subsidiaries 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 and bills receivable 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 and bills receivable 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:

- property, plant and equipment; and
- intangible assets.

(i) 資產減值 (續)

(i) 於附屬公司的投資以及貿易應收款項及其他應收款項的減值 (續)

減值虧損從相應的資產中直接撇銷，惟若對可收回的可能性有疑問但未至於可能性極低的貿易應收款項及其他應收款項中的應收賬款及應收票據的已確認減值虧損則例外。在此情況下，應使用撥備賬記錄呆賬的減值虧損。倘本集團信納收回應收款項的可能性極低，則被視為不可收回的金額並從應收賬款及應收票據中直接撇銷，而在撥備賬中持有有關該債務的任何金額將會被撥回。其後收回之前從撥備賬中扣除的款項自相關撥備賬撥回。撥備賬的其他變動及先前直接撇銷的其後收回款項，均在損益表中確認。

(ii) 其他資產減值

內部及外部資料來源乃於各報告期末評估，以識別有否跡象顯示下列資產可能出現減值，或先前已確認的減值虧損已不存在或可能已減少：

- 物業、廠房及設備；及
- 無形資產。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(i) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

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).
- 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 other 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.

(i) 資產減值 (續)

(ii) 其他資產減值 (續)

倘出現任何有關跡象，則會估計資產的可收回金額。

- 計算可收回金額
資產的可收回金額為公平值減銷售成本以及使用價值兩者中的較高者。在評估使用價值時，會按反映當時市場對貨幣時間價值及資產特定風險評估的稅前貼現率，將估計未來現金流量貼現至其現值。倘資產並無產生大致獨立於其他資產的現金流入，則以能獨立產生現金流入的最小資產組別（即現金產生單位）釐定可收回金額。
- 確認減值虧損
倘資產或其所屬現金產生單位的賬面值超過其可收回金額時，則於損益表中確認減值虧損。就現金產生單位確認的減值虧損予以分配，以按比例減少該單位（或單位組別）內其他資產的賬面值，惟某資產的賬面值不會減至低於其個別公平值減去銷售成本或使用價值（如能釐定）的金額。

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(i) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

- 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.

(j) 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.

(i) 資產減值 (續)

(ii) 其他資產減值 (續)

- 撥回減值虧損
倘用於釐定可收回金額的估計出現有利變動，則撥回減值虧損。

減值虧損撥回僅限於若在過往年度並未確認減值虧損時原應釐定的資產賬面值。減值虧損撥回在確認撥回的年度計入損益表。

(j) 存貨

存貨乃按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、轉換成本及將存貨保存於現時所在地點及保持現有狀況所產生的其他成本。

可變現淨值是在日常業務過程中的估計售價減估計完成成本及作出銷售的估計所需成本。

在售出存貨時，該等存貨的賬面值是在確認相關收入的期內確認為開支。將存貨撇減至可變現淨值的數額以及所有存貨虧損均在出現撇減或虧損的期內確認為開支。任何存貨撇減撥回金額乃確認為存貨金額減少，並於撥回產生期間確認為開支。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(k) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts (see note 2(i)), 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.

(l) 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.

(m) Trade and other payables

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

(n) 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.

(k) 貿易應收款項及其他應收款項

貿易應收款項及其他應收款項初步按公平值確認，其後按攤銷成本減呆賬減值撥備列賬（見附註2(i)），惟倘應收款項乃向關聯方提供的免息貸款且並無任何固定還款期或貼現的影響並不重大則屬例外。在該等情況下，應收款項乃按成本減呆賬減值撥備列賬。

(l) 計息借款

計息借款初步按公平值減應佔交易成本確認。於初步確認後，計息借款乃按攤銷成本及初步確認金額與按借款期於損益表內確認的贖回價值之間的任何差額，連同任何應付利息及費用，使用實際利率法列賬。

(m) 貿易應付款項及其他應付款項

貿易應付款項及其他應付款項初步按公平值確認，而其後則按攤銷成本列賬，除非貼現的影響並不重大，在該情況下則按成本列賬。

(n) 現金及現金等值項目

現金及現金等值項目包括銀行存款及手頭現金、於銀行及其他金融機構的活期存款，以及可隨時兌換為已知金額現金且承受的價值變動風險並不重大的短期、高流動性投資（在購入時距離到期日不超過三個月）。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(o) Employee benefits

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

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).

(o) 僱員福利

(i) *短期僱員福利及向界定供款退休計劃供款*

薪金、年度花紅、有薪年假、向界定供款退休計劃供款及非貨幣利益的成本乃於僱員提供相關服務的年度內應計。倘延期付款或結算而影響屬重大，則該等金額乃按其現值列賬。

(ii) *以股份為基礎的付款*

授予僱員的購股權的公平值乃確認為僱員成本，而權益賬內的資本儲備會相應增加。公平值乃使用二項模式，經考慮授出購股權的條款及條件於授出日期予以計量。倘僱員於無條件取得購股權前符合歸屬條件，購股權的總估計公平值乃於歸屬期內經考慮購股權將會歸屬的可能性分攤。

於歸屬期間內，預期會歸屬的購股權數目會被審閱。任何對於過往年度確認的累計公平值的所得調整乃於審閱年度自損益表扣除／計入損益表，除非原僱員開支符合資格確認為資產，並對資本儲備作出相應調整。於歸屬日期，確認為開支的金額乃調整以反映歸屬的購股權的實際數目（並對資本儲備作出相應調整），惟倘沒收僅因並無達成與本公司股份市價有關的歸屬條件則除外。權益金額乃於資本儲備內確認，直至購股權獲行使（當其轉撥至股份溢價賬）或購股權屆滿（當其直接解除至保留溢利）。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(o) Employee benefits (continued)

(iii) Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(p) 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 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 end of the reporting period, 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.

(o) 僱員福利 (續)

(iii) 終止福利

終止福利乃於及僅於本集團明確顯示其終止僱用或因具有詳細正式計劃且並無撤回計劃的實質可能性的自願遣散而提供福利時，方會予以確認。

(p) 所得稅

年內所得稅包括即期稅項及遞延稅項資產與負債的變動。即期稅項及遞延稅項資產與負債的變動均於損益表內確認，惟與業務合併，或於其他全面收益或直接於權益內確認的項目有關者則除外，在此情況下有關稅項金額分別於其他全面收益或直接於權益內確認。

即期稅項為就年內應課稅收入採用於報告期末已生效或實質已生效的稅率計算的預期應付稅項，並就過往年度的應付稅項作出調整。

遞延稅項資產及負債分別自可扣稅及應課稅的暫時差額產生，即就財務報告而言資產和負債的賬面值與其稅基之間的差額。遞延稅項資產亦自未動用稅項虧損及未動用稅項抵免產生。

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(p) 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.

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.

(p) 所得稅 (續)

除若干有限的例外情況外，所有遞延稅項負債及所有遞延稅項資產（以未來可能有應課稅溢利致使可動用該等資產作抵扣為限）均會予以確認。可支持確認自可扣稅暫時差額所產生的遞延稅項資產的未來應課稅利潤包括因撥回現有應課稅暫時差額而產生的金額；惟此等差額必須與同一稅務機關及同一應課稅實體有關，並預期在可扣稅暫時差額預計撥回的同一期間或遞延稅項資產所產生稅項虧損可承後或承前結轉的期間內撥回。在釐定現有應課稅暫時差額是否支持確認自未動用稅項虧損和抵免產生的遞延稅項資產時，亦會採用同一準則，即該等差額若與同一稅務機關及同一應課稅實體有關，並預期在稅項虧損或抵免可動用的期間內撥回，則予以考慮。

確認遞延稅項資產及負債的有限例外情況，為就稅務而言不可扣減的產生自商譽的暫時差額、不影響會計或應課稅溢利的資產或負債的初步確認（前提是其並不屬業務合併的一部分），以及有關於附屬公司的投資的暫時差額（如屬應課稅差額，則只限於本集團可控制撥回的時間，而且在可見將來不大可能撥回的差額；或如屬可扣稅差額，則只限於很可能在將來撥回的差額）。

已確認的遞延稅項金額按照資產與負債賬面值的預期變現或清償方式，使用報告期末已生效或實質已生效的稅率計算。遞延稅項資產與負債均不作貼現。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(p) Income tax (continued)

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period 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.

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.

(p) 所得稅 (續)

本集團會在各報告期末檢討遞延稅項資產的賬面值，並在不可能再獲得足夠的應課稅溢利可抵扣相關稅項利益時予以扣減。倘有可能獲得足夠的應課稅溢利，則扣減金額予以撥回。

分派股息產生的額外所得稅乃於確認支付相關股息的責任時確認。

即期稅項結餘及遞延稅項結餘及其變動額均各自分開呈報且不予抵銷。倘本集團有法定強制執行權利以即期稅項資產抵銷即期稅項負債，並且符合以下附加條件下，則即期稅項資產可抵銷即期稅項負債，以及遞延稅項資產可抵銷遞延稅項負債：

- 倘為即期稅項資產與負債，本集團擬按淨額基準結算，或同時變現該資產及清償該負債；或
- 倘為遞延稅項資產及負債，而此等資產及負債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，此等實體計劃在日後每個預期有大額遞延稅項負債需要清償或大額遞延稅項資產可以收回的期間內，按淨額基準變現即期稅項資產及清償即期稅項負債，或同時變現該資產及清償該負債。

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(q) Provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or 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.

(r) 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:

(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) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable.

(q) 撥備及或然負債

撥備乃於本集團或本公司因過往事件而產生法律或推定責任，而可能需要經濟利益流出以清償責任及能作出可靠估計時，就不確定時間或金額的負債確認。倘金錢的時間值屬重大時，撥備乃按預期清償責任的開支的現值列賬。

當需要經濟利益流出的可能性較低或當金額不能可靠估計時，責任會作為或然負債披露，除非經濟利益流出的可能性極低。可能的責任（其存在將僅由一項或以上未來事件的出現或不出現確認）亦作為或然負債披露，除非經濟利益流出的可能性極低者，則另當別論。

(r) 收入確認

收入是按已收或應收代價的公平值計量。倘有經濟利益可能流入本集團，而收入及成本（如適用）能可靠地計量時，則收入會根據下列方法於損益表中確認：

(i) 銷售貨品

收入是在貨品送達客戶的場所時（亦即於客戶接收貨品及與其擁有權相關的風險及回報之時）確認。收入不包括增值稅或其他銷售稅，並已扣除任何貿易折扣。

(ii) 經營租賃的租金收入

經營租賃的應收租金收入乃於租期內按等額於損益表確認，惟倘若有另一種更能反映租賃資產衍生的利益模式的基準除外。所授出的租賃獎勵乃於損益表確認為應收租賃款項淨值總額的組成部分。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(r) Revenue recognition (continued)

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method.

(iv) 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 deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(s) Translation of foreign currencies

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.

(r) 收入確認 (續)

(iii) 利息收益

利息收益乃於產生時按實際利率法確認。

(iv) 政府補助

當可以合理確定本集團將會收到政府補助並會遵守其附帶條件時，政府補助會初步於財務狀況表內予以確認。用作補償本集團所產生的開支的補助於產生開支的同一期間有系統地於損益表內確認為收入。補償本集團資產成本的補助在相關資產賬面值中扣除，其後於該項資產的可使用年期以減少折舊開支方式於損益表內實際確認。

(s) 換算外幣

年內的外幣交易乃按於交易日期適用的外幣匯率換算。以外幣計值的貨幣資產及負債乃按於報告期末適用的外幣匯率換算。匯兌收益及虧損乃於損益表內確認。

以外幣的歷史成本計量的非貨幣資產及負債乃使用於交易日期適用的外幣匯率換算。按公平值列賬的以外幣計值非貨幣資產及負債乃使用於釐定公平值當日適用的外幣匯率換算。

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(s) Translation of foreign currencies (continued)

The functional currency of the Company and its subsidiaries outside mainland China is Hong Kong dollars and the functional currency of the subsidiaries in mainland China is Renminbi. The results of operations with functional currency other than Hong Kong dollars are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Hong Kong dollars 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 an operation with functional currency other than Hong Kong dollars, the cumulative amount of the exchange differences relating to that operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(t) 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.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(s) 換算外幣 (續)

本公司及其中國內地境外附屬公司的功能貨幣為港元，而中國內地附屬公司的功能貨幣為人民幣。具有港元以外的功能貨幣的經營業績乃按與於交易日期適用的外幣匯率相若的匯率換算為港元。財務狀況表項目乃按於報告期末的收市外幣匯率換算為港元。所產生的匯兌差額乃於其他全面收益內確認，並獨立於權益的匯兌儲備內累計。

於出售具有港元以外的功能貨幣的業務時，有關該海外業務的匯兌差額的累計金額乃於確認出售的損益時自權益重新分類至損益。

(t) 借貸成本

收購、興建或生產需長時間方可達致其擬定用途或出售的資產的直接應佔借貸成本乃作為該資產的成本一部分予以資本化。其他借貸成本乃於其產生期間支銷。

資本化借貸成本作為合資格資產成本的一部分於資產產生開支、產生借貸成本及進行使資產達致其擬定用途或出售的必需準備工作期間開始。借貸成本的資本化於進行使合資格資產達致其擬定用途或出售的絕大部分活動中止或完成時暫停或不再進行。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2 重大會計政策 (續)

(u) Related parties

- (i) A person, or a close member of that person's family, is related to the Group if that person:
- (a) has control or joint control over the Group;
 - (b) has significant influence over the Group; or
 - (c) is a member of the key management personnel of the Group or the Group's parent.
- (ii) An entity is related to the Group if any of the following conditions applies:
- (a) 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).
 - (b) 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).
 - (c) Both entities are joint ventures of the same third party.
 - (d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (e) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (f) The entity is controlled or jointly controlled by a person identified in (i).
 - (g) A person identified in (i)(a) 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).

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.

(u) 關連人士

- (i) 在以下情況下，某人士或其近親家庭成員與本集團有關聯：
- (a) 可控制或共同控制本集團；
 - (b) 對本集團有重大影響力；或
 - (c) 是本集團或本集團母公司的主要管理人員的成員。
- (ii) 在以下任何情況下，某實體與本集團有關聯：
- (a) 該實體及本集團均屬同一集團的成員公司（即母公司、附屬公司及同系附屬公司各自與其他有關聯）。
 - (b) 某實體屬另一實體的聯營公司或合營公司（或另一實體為成員公司的某集團的成員公司的聯營公司或合營公司）。
 - (c) 兩家實體均屬同一第三方的合營公司。
 - (d) 某實體屬第三方實體的合營公司而另一實體則屬該第三方實體的聯營公司。
 - (e) 該實體乃旨在提供福利予本集團或與本集團有關聯的實體的僱員的離職後福利計劃。
 - (f) 該實體受(i)項中所辨別的人士控制或共同控制。
 - (g) 在(i)(a)項中所辨別的人士對該實體有重大影響力，或該人士屬該實體（或是該實體的母公司）的主要管理人員的成員。

某人士的近親家庭成員為在與實體交易時預期會影響該名人士或受到該名人士影響的家庭成員。

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Segment reporting

Operating segments, and the amounts of each segment item reported in the 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 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.

3 TURNOVER AND SEGMENT REPORTING

(a) Turnover

The principal activities of the Group are manufacturing and supply of cigarette packaging materials in the PRC.

Turnover represents the sales value of goods sold less returns, discounts and value added taxes and other sales taxes. The amount of each significant category of revenue recognised in turnover during the year is as follows:

		2012 2012年		2011 2011年	
		\$'000 千港元	%	\$'000 千港元	%
Manufacturing and sales of cigarette-related packaging materials	產銷香煙相關包裝材料				
– Cigarette paper boxes	– 香煙紙盒	286,834	41.0	267,953	39.7
– Anti-counterfeiting films	– 防偽薄膜	74,783	10.7	84,791	12.6
– Other cigarette films	– 其他香煙薄膜	148,606	21.2	111,785	16.6
Sub-total	小計	510,223	72.9	464,529	68.9
Trading of imported films	進口薄膜貿易	62,026	8.9	55,017	8.1
Manufacturing and sales of non-cigarette-related packaging materials	產銷非香煙相關包裝材料	127,306	18.2	155,437	23.0
Total	合計	699,555	100.0	674,983	100.0

2 重大會計政策 (續)

(v) 分部報告

經營分部及於財務報表內所申報的各分部項目的金額乃從定期向本集團最高級行政管理人員提供以就本集團多項業務及多個地理區域進行資源分配及表現評估的財務資料中識別。

就財務報告而言，個別重大的經營分部並不予以合算，除非該等分部具有相似經濟特性，以及就產品及服務性質、生產程序性質、客戶類別或種類、用以分銷產品或提供服務的方式及監管環境的性質方面相似，則另當別論。倘其符合該大部分有關標準，並非個別重大的經營分部可予以合算。

3 營業額及分部業績

(a) 營業額

本集團的主要業務為在中國從事生產及供應香煙包裝材料。

營業額是指貨品銷售價值減退貨、折扣和增值稅及其他銷售稅。於本年度已於營業額確認的各主要收入類別的金額如下：

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

3 TURNOVER AND SEGMENT REPORTING (CONTINUED)

(a) Turnover (continued)

For the years ended 31 December 2012, there were 2 (2011: 2) customers with whom transactions have exceeded 10% of the Group's revenues. Revenues from sales of cigarette packages and films to these customers, including sales to entities which are known to the Group to be under common control with these customers (i.e. the sales to different customers are viewed as a single customer if the relevant sales were made to various customers under common control), amounted to approximately \$479,914,000, and \$507,816,000 for the years ended 31 December 2011 and 2012 respectively. Details of concentrations of credit risk arising from these customers are set out in note 21(a).

Further details regarding the Group's principal activities are disclosed as below:

(b) Segment reporting

The Group manages its businesses by divisions, which are 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 two reportable segments.

- Cigarette related products: this segment sales and manufactures cigarette packages and cigarette packaging films; and
- Other products: this segment sales and manufactures other marketing films (e.g. films for packing straws, food, cassettes and that for stationery tapes)

3 營業額及分部業績 (續)

(a) 營業額 (續)

截至2012年12月31日止年度有兩名(2011年：兩名)客戶的交易佔本集團收入超過10%。截至2011年及2012年12月31日止年度，向該等客戶銷售香煙包裝和薄膜(包括向(就本集團所知)此等客戶屬其中控制方的共同控制下的實體所作銷售(即倘相關銷售乃向受共同控制的不同客戶作出，則銷售予不同客戶乃被視作單一客戶))的收入分別為約479,914,000元及507,816,000元。因該等客戶而產生的信貸集中風險的詳情載於附註21(a)。

有關本集團主要業務的進一步詳情披露如下：

(b) 分部呈報

本集團按分部管理其業務。為與向本集團最高管理層匯報資料以作資源分配及表現評核之用的該種內部匯報方式一致，本集團呈列以下兩個可申報分部。

- 香煙相關產品：此分部銷售及製造香煙包裝及香煙包裝薄膜；及
- 其他產品：此分部銷售及製造其他市場所用薄膜(如用作包裝吸管、食品、磁帶的薄膜及文具膠帶所用的薄膜)

3 TURNOVER AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (continued)

(i) *Segment results, assets and liabilities*

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

Segment assets include all tangible, intangible assets and current assets. Segment liabilities include trade creditors, accruals and bills payable attributable to the manufacturing and sales activities of the individual segments and bank borrowings managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

3 營業額及分部業績 (續)

(b) 分部呈報 (續)

(i) *分部業績、資產及負債*

就評估分部表現及於分部之間分配資源而言，本集團的高級管理層根據以下基礎監察各可申報分部應佔的業績、資產及負債：

分部資產包括所有有形、無形資產及流動資產。分部負債包括各分部製造及銷售活動應佔的應付賬款、應計費用及應付票據以及直接由分部管理的銀行借款。

收入及開支參照可申報分部所得銷售額及該等分部所產生的開支或該等分部應佔資產折舊或攤銷所產生之其他開支，以分配至該等分部。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

3 TURNOVER AND SEGMENT REPORTING (CONTINUED) 3 營業額及分部業績 (續)

(b) Segment reporting (continued)

(i) Segment results, assets and liabilities (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 the years ended 31 December 2012 and 2011 is set out below.

(b) 分部呈報 (續)

(i) 分部業績、資產及負債 (續)

截至2012年及2011年12月31日止年度提供予本集團最高管理層以用作分配資源及評估分部表現的關於本集團可申報分部的資料載列如下。

		Cigarette related packaging materials 香煙相關包裝材料		Non-cigarette related packaging materials 非香煙相關包裝材料		Total 合計	
		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元	2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元	2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Revenue from external customers	來自外部客戶收益	572,249	519,546	127,306	155,437	699,555	674,983
Reportable segment revenue	可申報分部收入	572,249	519,546	127,306	155,437	699,555	674,983
Reportable segment gross profit	可申報分部毛利	238,195	226,199	16,327	20,438	254,522	246,637
Reportable segment profit before taxation	可申報分部稅前溢利	167,406	185,557	2,975	7,652	170,381	193,209
Interest income from bank deposits	銀行存款利息收益	294	396	46	37	340	433
Interest expense	利息開支	15,047	12,209	6,038	6,394	21,085	18,603
Depreciation and amortisation for the year	年內折舊及攤銷	23,976	19,192	7,940	9,635	31,916	28,827
Reportable segment assets	可申報分部資產	590,531	577,902	196,887	250,425	787,418	828,327
Additions to non-current segment assets during the year	年內添置的非流動分部資產	24,913	38,055	2,801	874	27,714	38,929
Reportable segment liabilities	可申報分部負債	263,070	274,214	132,330	162,767	395,400	436,981

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

3 TURNOVER AND SEGMENT REPORTING (CONTINUED) 3 營業額及分部業績 (續)

(b) Segment reporting (continued)

(ii) Reconciliations of reportable segment assets and liabilities

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Assets	資產		
Reportable segment assets	可申報分部資產	787,418	828,327
Deferred tax assets	遞延稅項資產	441	726
Other receivables	其他應收款項	2,272	264
Consolidated total assets	綜合資產總值	790,131	829,317
Liabilities	負債		
Reportable segment liabilities	可申報分部負債	395,400	436,981
Deferred tax liability	遞延稅項負債	198	1,533
Consolidated total liabilities	綜合負債總額	395,598	438,514

(iii) Geographic information

No geographic information is shown as the turnover and profit from operations of the Group are derived from its activities in the PRC.

(b) 分部呈報 (續)

(ii) 可申報分部的資產及負債的對賬

(iii) 地理資料

由於本集團的經營所得營業額及溢利來自其於中國的業務，故並無展示地理資料。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

4 OTHER REVENUE AND NET INCOME

(a) Other revenue

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Interest income	利息收益	340	433
Government grants	政府補助	381	6,624
		721	7,057

(b) Other net income

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Net foreign exchange gain	匯兌收益淨額	553	545
Sales of scrap materials	銷售廢料	11,859	10,298
Sales of raw materials	銷售原材料	22	2,261
Others	其他	3,033	5,842
		15,467	18,946

5 PROFIT BEFORE TAXATION

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

(a) Finance costs:

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Interest on bank borrowings wholly repayable within five years	須於五年內悉數償還的 銀行借款利息	21,085	18,603

4 其他收入及淨收益

(a) 其他收入

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Interest income	利息收益	340	433
Government grants	政府補助	381	6,624
		721	7,057

(b) 其他淨收入

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Net foreign exchange gain	匯兌收益淨額	553	545
Sales of scrap materials	銷售廢料	11,859	10,298
Sales of raw materials	銷售原材料	22	2,261
Others	其他	3,033	5,842
		15,467	18,946

5 稅前溢利

經扣除／(計入) 以下各項後得出的稅前溢利：

(a) 財務成本：

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Interest on bank borrowings wholly repayable within five years	須於五年內悉數償還的 銀行借款利息	21,085	18,603

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

5 PROFIT BEFORE TAXATION (CONTINUED)

(b) Staff costs:

	2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Contributions to defined contributions retirement plan 界定供款退休計劃的供款	3,460	2,989
Equity-settled share-based payment expenses (note 18) 以權益結算以股份為基礎付款(附註18)	398	-
Salaries, wages and other benefits 薪金、工資及其他福利	43,381	33,625
	47,239	36,614

(c) Other items:

	2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Amortisation of intangible assets 攤銷無形資產	52	63
Auditors' remuneration 核數師酬金	2,906	1,423
Cost of inventories # (note 11(b)) 存貨成本# (附註11(b))	445,033	428,346
Depreciation and amortisation of fixed assets 固定資產折舊及攤銷	31,864	28,764
Net foreign exchange gain 匯兌收益淨額	(533)	(545)
Operating lease charges 經營租賃費用	1,254	1,562
Net loss on sale of fixed assets 出售固定資產的虧損淨額	844	-

Cost of inventories includes and \$46,031,000 (2011: \$43,005,000) relating to staff costs, 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.

存貨成本包含與員工成本、折舊及攤銷開支有關成本46,031,000元(2011年: 43,005,000元)，以上金額亦計入上文或附註5(b)就各開支類別獨立披露的相應總金額內。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT 6 綜合收益表內的所得稅

(a) Taxation in the consolidated income statement represents:

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Current tax – Hong Kong Profits Tax	即期稅項 – 香港利得稅		
Provision for the year	年內撥備	6,275	4,324
Current tax – PRC income tax	即期稅項 – 中國所得稅		
Provision for the year	年內撥備	43,822	45,992
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時差額的產生及撥回	(3,644)	2,137
		46,453	52,453

(a) 綜合收益表內的稅項代表：

- (i) Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in these jurisdictions.
- (ii) The provision for Hong Kong Profits Tax for the years ended 31 December 2011 and 2012 is calculated at 16.5%. The payments of dividends by the Group companies incorporated in Hong Kong are not subject to withholding tax.
- (iii) On 16 March, 2007, the Fifth Plenary Session of the Tenth National People's Congress passed the Corporate Income Tax Law of the PRC ("New Tax Law") which became effective on 1 January 2008 and the PRC's statutory Corporate Income Tax rate is 25%.

The New Tax Law and its relevant regulations provide for a five-year transition period from 1 January 2008 for those companies which were entitled to preferential tax rates under the effective tax laws and regulations. The transitional tax rates are 18%, 20%, 22%, 24% and 25% for 2008, 2009, 2010, 2011 and 2012 onwards, respectively.

- (i) 根據開曼群島及英屬處女群島的規則及規例，本集團毋須於該等司法權區繳納任何所得稅。
- (ii) 截至2011年及2012年12月31日止年度，香港利得稅的撥備按16.5%計算。本集團於香港註冊成立的公司所派付的股息毋須繳納預扣稅。
- (iii) 於2007年3月16日，第十屆全國人民代表大會第五次全體會議通過中國企業所得稅法（「新稅法」），其於2008年1月1日生效，中國法定企業所得稅率為25%。

新稅法及其相關法規向根據當時生效的稅法及法規獲享優惠稅率的公司賦予自2008年1月1日起為期五年的過渡期。2008年、2009年、2010年、2011年及2012年以後的過渡稅率分別為18%、20%、22%、24%及25%。

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (CONTINUED)

(a) Taxation in the consolidated income statement represents: (continued)

- (iv) According to the New Tax Law and its implementation rules, dividends receivable by non-PRC-resident corporate investors from PRC-resident enterprises are subject to withholding tax at 10%, unless reduced by tax treaties or arrangements, for profits earned since 1 January 2008. Under the tax arrangement between the Mainland of China and Hong Kong Special Administrative Region and the relevant regulations, a qualified Hong Kong tax resident which is the “beneficial owner” and holds a 25% equity interest or more of a PRC enterprise is entitled to a reduced withholding tax rate of 5%. The withholding tax rate applicable to the Group is 5%.

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Profit before taxation	稅前溢利	170,381	193,209
Notional tax on profit before taxation, calculated at the rates applicable to profits in the jurisdictions concerned	按相關司法權區所用溢利率率計算的稅前溢利的推算稅項	40,340	47,704
Tax effect of the preferential tax rates	優惠稅率的稅務影響	–	(288)
Tax effect of non-deductible expenses	不可扣稅開支的稅務影響	1,144	613
PRC dividends withholding tax	中國股息預扣稅	4,969	4,424
Actual tax expense	實際稅項開支	46,453	52,453

6 綜合收益表內的所得稅 (續)

(a) 綜合收益表內的稅項代表：(續)

- (iv) 根據新稅法及其實施細則，除非自2008年1月1日起賺取的溢利獲稅務條例或安排寬減，否則非中國居民企業投資者應收中國居民企業的股息須按10%繳納預扣稅。根據中國內地與香港特別行政區之間的稅務安排及相關法規，身為中國企業的「實益擁有人」並持有25%或以上股權的合資格香港稅務居民可享獲寬減預扣稅率5%。本集團之適用預扣稅率為5%。

(b) 稅項開支與按適用稅率計算的會計溢利的對賬：

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

7 DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

7 董事酬金

根據香港公司條例第161條披露的董事酬金如下：

Name of directors	董事姓名	Director fees	Salaries, allowances and other benefits in kind 薪金、津貼及其他實物福利	Contributions to retirement benefits schemes 退休福利計劃供款	Discretionary bonuses 酌情花紅	Share-based payments (note) 以股份為基礎付款 (附註)	2012 Total 2012年合計
		\$'000 千港元	\$'000 千港元	\$'000 千港元	\$'000 千港元	\$'000 千港元	\$'000 千港元
Executive directors <i>執行董事</i>							
Guo Yumin	郭玉民	-	605	22	22	19	668
Xia Yu	夏煜	-	187	1	10	19	217
Huang Bo	黃波	-	373	-	1	19	393
Bau Siu Fung	鮑小豐	-	1,000	14	-	19	1,033
Independent non-executive directors <i>獨立非執行董事</i>							
Lo Wa Kei	盧華基	94	-	-	-	-	94
Fong Wo	方和	94	-	-	-	-	94
Fan Qing	范晴	94	-	-	-	-	94
Total	合計	282	2,165	37	33	76	2,593

Name of directors	董事姓名	Director fees	Salaries, allowances and other benefits in kind 薪金、津貼及其他實物福利	Contributions to retirement benefits schemes 退休福利計劃供款	Discretionary bonuses 酌情花紅	Share-based payments (note) 以股份為基礎付款 (附註)	2011 Total 2011年合計
		\$'000 千港元	\$'000 千港元	\$'000 千港元	\$'000 千港元	\$'000 千港元	\$'000 千港元
Executive directors <i>執行董事</i>							
Guo Yumin	郭玉民	372	-	12	91	-	475
Xia Yu	夏煜	-	-	-	-	-	-
Huang Bo	黃波	-	-	-	267	-	267
Bau Siu Fung	鮑小豐	-	150	2	-	-	152
Total	合計	372	150	14	358	-	894

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

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 2(o)(ii) and, in accordance with that policy, includes adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited prior to vesting.

The details of these benefits in kind, including the principal terms and number of options granted, are disclosed in note 18.

8 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (2011: two) are directors, whose emoluments are disclosed in note 7. The emoluments in respect of the remaining individuals are as follows:

		2012	2011
		2012年	2011年
		\$'000	\$'000
		千港元	千港元
Salaries and other emoluments	薪金及其他報酬	727	637
Contributions to retirement benefits schemes	退休福利計劃供款	120	68
Discretionary bonuses	酌情花紅	111	299
		958	1,004
Number of senior management	高級管理層人數	2	2

7 董事酬金 (續)

附註：

該等付款指根據本公司購股權計劃授予董事的估計購股權價值。該等購股權的價值乃根據附註2(o)(ii)所載本集團有關以股份為基礎付款的交易的會計政策計量，而根據該政策，有關價值包括就撥回過往年度授出權益工具於歸屬前被沒收而累計的金額作出的調整。

該等實物福利的詳情（包括授出購股權的主要條款及數目）乃於附註18披露。

8 高薪酬人士

五名最高薪酬人士中有3名（2011年：2名）為董事，其酬金於附註7披露。餘下人士的薪酬如下：

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

8 INDIVIDUALS WITH HIGHEST EMOLUMENTS (CONTINUED)

The above individuals are within the following band:

Band	Number of individuals
Nil to \$1,000,000	2
零至1,000,000元	3

8 高薪酬人士 (續)

以上人士的薪酬介乎以下範圍：

Band	2012 2012年 Number of individuals 人數	2011 2011年 Number of individuals 人數
Nil to \$1,000,000	2	3
零至1,000,000元	3	3

9 BASIC AND DILUTED EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to shareholders of the Company of HK\$70,076,000 (2011: HK\$81,426,000) and the weighted average of 415,000,000 shares (2011: 415,000,000) in issue during the year.

The weighted average number of shares in issue during the years ended 31 December 2012 and 2011 was based on the assumptions that the 415,000,000 shares before the listing of shares on the Stock Exchange were in issue, as if such shares had been outstanding throughout the years ended 31 December 2012 and 2011.

There were no diluted potential ordinary shares throughout the years and therefore, diluted earnings per share are the same as the basic earnings per share.

9 每股基本及攤薄盈利

每股基本盈利乃根據本公司股東應佔溢利70,076,000港元(2011年：81,426,000港元)及本年度已發行415,000,000股股份(2011年：415,000,000股股份)的加權平均數計算。

截至2012年及2011年12月31日止年度的已發行股份的加權平均數乃根據假設股份於聯交所上市前有415,000,000股已發行股份而得出，猶如該等股份於截至2012年及2011年12月31日止年度一直存在。

於本年度並無攤薄性潛在普通股，因此，每股攤薄盈利與每股基本盈利相同。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

10 FIXED ASSETS

10 固定資產

		Buildings	Plant and machinery	Office equipment and other fixed assets	Motor vehicles	Construction in progress	Sub-total	Interests in leasehold land held for own use under operating lease	Total
		樓宇	廠房及機器	辦公室設備及其他	汽車	在建工程	小計	根據經營租賃持有自用的租賃土地的權益	合計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Cost:	成本：								
At 1 January 2011	於2011年1月1日	98,642	235,237	8,284	5,788	828	348,779	45,814	394,593
Exchange adjustments	匯兌調整	4,894	11,688	441	295	672	17,990	2,272	20,262
Additions	添置	194	3,579	1,966	395	32,753	38,887	-	38,887
Disposals	出售	-	-	(53)	(24)	(12)	(89)	-	(89)
Transfer from construction in progress	自在建工程轉移	95	2,497	411	-	(3,003)	-	-	-
At 31 December 2011	於2011年12月31日	103,825	253,001	11,049	6,454	31,238	405,567	48,086	453,653
Accumulated depreciation and amortisation:	累計折舊及攤銷：								
At 1 January 2011	於2011年1月1日	(8,462)	(22,933)	(1,728)	(1,648)	-	(34,771)	(1,614)	(36,385)
Exchange adjustments	匯兌調整	(531)	(1,487)	(136)	(109)	-	(2,263)	(100)	(2,363)
Charge for the year	年內扣除	(5,431)	(18,244)	(2,814)	(1,323)	-	(27,812)	(952)	(28,764)
Written back on disposals	於出售時撥回	-	-	47	22	-	69	-	69
At 31 December 2011	於2011年12月31日	(14,424)	(42,664)	(4,631)	(3,058)	-	(64,777)	(2,666)	(67,443)
Net book value:	賬面淨值：								
At 31 December 2011	於2011年12月31日	89,401	210,337	6,418	3,396	31,238	340,790	45,420	386,210

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

10 FIXED ASSETS (CONTINUED)

10 固定資產 (續)

		Buildings	Plant and machinery	Office equipment and other fixed assets	Motor vehicles	Construction in progress	Sub-total	Interests in leasehold land held for own use under operating lease	Total
		樓宇	廠房及機器	辦公室設備及其他	汽車	在建工程	小計	根據經營租賃持作自用的租賃土地的權益	合計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Cost:	成本：								
At 1 January 2012	於2012年1月1日	103,825	253,001	11,049	6,454	31,238	405,567	48,086	453,653
Exchange adjustments	匯兌調整	(13)	(31)	(1)	(1)	(4)	(50)	(6)	(56)
Additions	添置	6,770	2,012	1,956	1,138	15,838	27,714	-	27,714
Disposals	出售	(1,690)	(6,013)	-	-	-	(7,703)	-	(7,703)
Transfer from construction in progress	自在建工程轉移	40,778	3,630	-	-	(44,408)	-	-	-
At 31 December 2012	於2012年12月31日	149,670	252,599	13,004	7,591	2,664	425,528	48,080	473,608
Accumulated depreciation and amortisation:	累計折舊及攤銷：								
At 1 January 2012	於2012年1月1日	(14,424)	(42,664)	(4,631)	(3,058)	-	(64,777)	(2,666)	(67,443)
Exchange adjustments	匯兌調整	2	6	-	-	-	8	-	8
Charge for the year	年內扣除	(7,072)	(19,625)	(2,800)	(1,395)	-	(30,892)	(972)	(31,864)
Written back on disposals	於出售時撥回	308	5,112	-	-	-	5,420	-	5,420
At 31 December 2012	於2012年12月31日	(21,186)	(57,171)	(7,431)	(4,453)	-	(90,241)	(3,638)	(93,879)
Net book value:	賬面淨值：								
At 31 December 2012	於2012年12月31日	128,484	195,428	5,573	3,138	2,664	335,287	44,442	379,729

10 FIXED ASSETS (CONTINUED)

(a) The analysis of net book value of properties is as follows:

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Medium-term leases in the PRC	於中國的中期租賃	172,926	134,821
Representing:	即：		
Buildings	樓宇	128,484	89,401
Interests in leasehold land held for own use under operating lease	根據經營租賃持作自用的租賃土地的權益	44,442	45,420
		172,926	134,821

Interests in leasehold land held for own use under operating lease represent land located in the PRC. As at 31 December 2012, the remaining period of the land use rights ranged from 46 to 49 years.

(b) Buildings, plant and machinery and interests in leasehold land held for own use under operating lease pledged for banking facilities

As at 31 December 2012, buildings, plant and machinery and interests in leasehold land held for own use under operating lease with net book value of \$289,802,000 (2011: \$275,182,000) are pledged as security against bank loans of certain subsidiaries (see note 16).

10 固定資產（續）

(a) 物業賬面淨值分析如下：

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Medium-term leases in the PRC	於中國的中期租賃	172,926	134,821
Representing:	即：		
Buildings	樓宇	128,484	89,401
Interests in leasehold land held for own use under operating lease	根據經營租賃持作自用的租賃土地的權益	44,442	45,420
		172,926	134,821

根據經營租賃持作自用的租賃土地的權益指位於中國的土地。於2012年12月31日，土地使用權的餘下期限介乎46至49年不等。

(b) 為銀行融資抵押樓宇、廠房及機器及根據經營租賃持作自用的租賃土地的權益

於2012年12月31日，賬面淨值為289,802,000元（2011年：275,182,000元）的樓宇、廠房及機器及根據經營租賃持作自用的租賃土地的權益已抵押以作為若干附屬公司的銀行貸款的擔保品（見附註16）。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

11 INVENTORIES

(a) Inventories in the consolidated statements of financial position comprise:

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Raw materials	原材料	61,975	67,104
Work in progress	在製品	14,417	13,224
Finished goods	製成品	29,187	39,926
		105,579	120,254

(b) The analysis of the amount of inventories recognised as an expense is as follows:

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Carrying amount of inventories sold	已售存貨的賬面值	445,176	428,426
Reversal of write down of inventories	撥回存貨撇減	(143)	(80)
		445,033	428,346

11 存貨

(a) 綜合財務狀況報表內的存貨包括：

(b) 確認為開支的存貨金額分析如下：

12 TRADE AND OTHER RECEIVABLES

Trade and bills receivable	貿易應收款項及應收票據
Deposits, prepayments and other receivables	按金、預付款及 其他應收款項
– related parties	– 關聯方
– third parties	– 第三方
Amount due from subsidiaries	應收附屬公司款項
Amount due from the Controlling Shareholder	應收控股股東款項
– Mr Guo Yumin	– 郭玉民先生

All of the other trade and other receivables (including amounts due from subsidiaries), are expected to be recovered or recognised as expense within one year.

12 貿易應收款項及其他應收款項

		Group 本集團	Company 本公司
		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
		2012	2012
		\$'000	\$'000
		千港元	千港元
		189,267	213,422
		–	2,467
		33,890	12,817
		–	–
		–	29,012
		223,157	257,718
		121,957	121,957

所有其他貿易應收款項及其他應收款項（包括應收附屬公司款項）均預期於一年內收回或確認為開支。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

12 TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Ageing analysis:

As of the end of the reporting period, the ageing analysis of trade debtors and bills receivable (which are included in trade and other receivables), based on the invoice date and net of allowance for doubtful debts, is as follows:

		Group 本集團			
		2012 2012年 Trade receivable 貿易 應收款項 \$'000 千港元	2012 2012年 Bills receivable 應收票據 \$'000 千港元	2011 2011年 Trade receivable 貿易 應收款項 \$'000 千港元	2011 2011年 Bills receivable 應收票據 \$'000 千港元
Less than 30 days	少於30日	96,255	1,778	129,931	4,179
31 – 90 days	31 – 90日	37,865	8,632	62,099	4,073
91 – 180 days	91 – 180日	36,423	1,222	4,902	3,486
181 – 365 days	181 – 365日	3,532	–	3,044	295
Over 365 days	超過365日	3,560	–	1,413	–
		177,635	11,632	201,389	12,033

Trade and bills receivable are due within 30 to 180 days from the invoice date. Further details on the Group's credit policy are set out in note 21(a).

12 貿易應收款項及其他應收款項 (續)

(a) 賬齡分析：

於報告期末，貿易債務人及應收票據（乃計入貿易應收款項及其他應收款項內）基於發票日期及扣除呆賬撥備後的賬齡分析如下：

貿易應收款項及應收票據自發票日期起30至180日內到期。有關本集團信貸政策的進一步詳情載於附註21(a)。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

12 TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Trade and bills receivable that are not impaired:

		Group 本集團	
		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Current	即期	141,975	193,356
Less than 1 month past due	逾期少於1個月	8,407	7,136
1 to 3 months past due	逾期1至3個月	31,683	4,864
More than 3 months past due	逾期超過3個月	7,202	8,066
Amount past due	逾期金額	47,292	20,066
		189,267	213,422

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history default.

The trade and bills receivable as of each period end were not impaired. Receivables that were past due but not impaired relate to the trade balance with 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 balance are still considered fully recoverable.

(c) Trade and other receivables pledged for banking facilities:

As at 31 December 2012, trade receivables with net book value of \$57,673,000 (2011: nil) are pledged as security against bank loans of certain subsidiaries (see note 16).

12 貿易應收款項及其他應收款項 (續)

(b) 尚未減值的貿易應收款項及應收票據：

		Group 本集團	
		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Current	即期	141,975	193,356
Less than 1 month past due	逾期少於1個月	8,407	7,136
1 to 3 months past due	逾期1至3個月	31,683	4,864
More than 3 months past due	逾期超過3個月	7,202	8,066
Amount past due	逾期金額	47,292	20,066
		189,267	213,422

未逾期及未減值的應收款項與近期並無拖欠記錄的多名客戶有關。

貿易應收款項及應收票據於各期末並無減值。已逾期但未減值的應收款項乃與若干與本集團維持良好交易記錄的獨立客戶的貿易結餘有關。根據過往經驗，管理層認為該等結餘無須作出減值撥備，因信貸質素並無重大變動且結餘仍被視為可全數收回。

(c) 就銀行融資作抵押的貿易應收款項及其他應收款項：

於2012年12月31日，賬面淨值為57,673,000元（2011年：無）的貿易應收款項乃抵押為若干附屬公司銀行貸款的擔保品（見附註16）。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

13 CASH AND CASH EQUIVALENTS

(a) Cash and cash equivalents comprise:

		Group 本集團	Company 本公司
		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Cash at bank and in hand	銀行及手頭現金	79,180	63,013
			119

As at 31 December 2011 and 2012, cash at bank and in hand placed with banks in the PRC amounted to \$57,841,000 and \$74,470,000 respectively. Remittance of funds out of the PRC is subject to the exchange restriction imposed by the PRC government.

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

		Note 附註	2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Operating activities	經營活動			
Profit before taxation	稅前溢利		170,381	193,209
Adjustments for:	經調整：			
Amortisation of intangible assets	無形資產攤銷	5(c)	52	63
Depreciation and amortisation of fixed assets	固定資產折舊及攤銷	5(c)	31,864	28,764
Finance costs	財務成本	5(a)	21,085	18,603
Interest income	利息收益	4(a)	(340)	(433)
Loss on sales of fixed assets	銷售固定資產的虧損	5(c)	844	-
Foreign exchange gain	匯兌收益		(1,129)	(5,309)
Operating profit before changes in working capital	營運資金變動前經營溢利		222,757	234,897
Decrease/(increase) in inventories	存貨減少/(增加)		14,660	(3,899)
Decrease/(increase) in trade and other receivables	貿易應收款項及其他應收款項減少/(增加)		4,110	(59,443)
Decrease in trade and other payables	貿易應付款項及其他應付款項減少		(40,237)	(3,556)
Cash generated from operations	經營所得現金		201,290	167,999

13 現金及現金等值項目

(a) 現金及現金等值項目包括：

	Group 本集團	Company 本公司
	2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Cash at bank and in hand	79,180	63,013
		119

於2011年及2012年12月31日，存放於中國的銀行及手頭現金分別57,841,000元及74,470,000元。從中國匯出資金須受中國政府施加的外匯管制所規限。

(b) 稅前溢利與經營所得現金的對賬

	Note 附註	2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Operating activities			
Profit before taxation		170,381	193,209
Adjustments for:			
Amortisation of intangible assets	5(c)	52	63
Depreciation and amortisation of fixed assets	5(c)	31,864	28,764
Finance costs	5(a)	21,085	18,603
Interest income	4(a)	(340)	(433)
Loss on sales of fixed assets	5(c)	844	-
Foreign exchange gain		(1,129)	(5,309)
Operating profit before changes in working capital		222,757	234,897
Decrease/(increase) in inventories		14,660	(3,899)
Decrease/(increase) in trade and other receivables		4,110	(59,443)
Decrease in trade and other payables		(40,237)	(3,556)
Cash generated from operations		201,290	167,999

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

14 INVESTMENTS IN SUBSIDIARIES

14 於附屬公司的投資

		Company 本公司
		2012 2012年 \$'000 千港元
Unlisted investment, at cost	非上市的投資（以成本計）	84,955

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

下列僅載有主要影響本集團業績、資產或負債的附屬公司詳情。除另有指明外，所持有之股份類別為普通股。

Name of company 公司名稱	Date and place of incorporation/establishment 註冊成立/ 成立日期及地點	Place of operation 營業地點	Issued and paid up capital 已發行及 繳足資本	Proportion of ownership interest 所有權權益比例			Principal activities 主要業務
				Group's effective interest 本集團的 實際權益	Held by the Company 由 本公司持有	Held by a subsidiary 由 附屬公司持有	
Ling Xian Fei Yu Import and Export (Shenzhen) Co., Ltd. ("LXFY") 領先飛宇進出口(深圳)有限公司 (Note 1) and (Note 2)	領先飛宇進出口 (深圳)有限公司 ("LXFY") (附註1)及(附註2) 10 September 2007/ 2007年9月10日/ The PRC 中國	The PRC 中國	HKD 23,180,000 港元	100%	-	100%	Trading of cigarette films 香煙薄膜貿易
Jiangsu Sheen Colour Science Technology Co., Ltd. ("JSST") 江蘇金格潤科技有限公司 (Note 1) and (Note 3)	江蘇金格潤 科技有限公司 ("JSST") (附註1)及(附註3) 6 March 2002/ 2002年3月6日/ The PRC 中國	The PRC 中國	USD 2,176,400 美元	100% (Note 4) (附註4)	-	100%	Printing of cigarette films 香煙薄膜印刷
Jiangsu Shuntai Packaging & Printing Science Technology Co., Ltd. ("JSST") 江蘇順泰包裝印刷科技有限公司 (Note 1) and (Note 3)	江蘇順泰包裝印刷 科技有限公司 ("JSST") (附註1)及(附註3) 20 December 2008/ 2008年12月20日/ The PRC 中國	The PRC 中國	USD 5,500,000 美元	51%	-	51%	Printing of cigarette packages 香煙包裝印刷
Qingdao Ener Packaging Technology Co., Ltd. ("QD Ener") (青島英諾包裝科技有限公司) (Note 1) and (Note 2)	青島英諾包裝科技 有限公司 ("QD Ener") (附註1)及(附註2) 27 June 2007/ 2007年6月27日/ The PRC 中國	The PRC 中國	USD 12,000,000 美元	100% (Note 5) (附註5)	-	100%	Manufacturing of cigarette and BOPP films 香煙及BOPP 薄膜的製造
Century Leader Asia Limited ("CLAL") 領先亞洲有限公司	領先亞洲有限公司 (「CLAL」) 2 April 2007/ 2007年4月2日/ Hong Kong 香港	Hong Kong 香港	HKD 10,000 港元	100%	-	100%	Investment holding 投資控股
Sheen China Group Holdings Inc. ("SCGHI") (順華集團控股有限公司)	順華集團控股有限公司 (「SCGHI」) 27 November 2008/ British Virgin Islands ("BVI") 2008年11月27日/ 英屬處女群島 (「英屬處女群島」)	Hong Kong 香港	USD 10 美元	100%	100%	-	Investment holding 投資控股
Sheen China Group Holdings Limited ("SCGHL") (順華集團控股有限公司)	順華集團控股有限公司 (「SCGHL」) 5 September 2008/ Hong Kong 2008年9月5日/ 香港	Hong Kong 香港	HKD 1 港元	100%	-	100%	Trading of cigarette films 香煙薄膜貿易
Sheen China (Hong Kong) Limited ("HKSC") (順華(香港)有限公司)	順華(香港)有限公司 (「HKSC」) 20 August 1997/ Hong Kong 1997年8月20日/ 香港	Hong Kong 香港	HKD 12,600,000 港元	100%	-	100%	Trading of cigarette films 香煙薄膜貿易

14 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

- Note 1: The English translation of the names is for reference only. The official names of these entities are in Chinese.
- Note 2: These entities are wholly foreign-owned enterprises in the PRC.
- Note 3: These entities are equity joint ventures in the PRC.
- Note 4: For the year ended 31 December 2011, the Group owned 68.15% equity interest of JSSC. On 28 August 2012, the Group purchased the remaining 31.85% equity interest of JSSC from a third party. Since then, JSSC became a wholly-owned subsidiary of the Group.
- Note 5: For the year ended 31 December 2011, the Group owned 70% equity interest of QD Ener. On 13 March 2012, the Group purchased the remaining 30% equity interest of QD Ener from a third party. Since then, QD Ener became a wholly-owned subsidiary of the Group.

14 於附屬公司的投資 (續)

- 附註1：英文本的英譯名稱僅供參考。該等實體的官方名稱以中文為準。
- 附註2：該等實體為中國全外資企業。
- 附註3：該等實體為中國合資企業。
- 附註4：截至2011年12月31日止年度，本集團擁有JSSC的68.15%股權。於2012年8月28日，本集團從第三方收購JSSC餘下31.85%的股權，自此以後，JSSC成為本集團的全資附屬公司。
- 附註5：截至2011年12月31日止年度，本集團擁有QD Ener的70%股權。於2012年3月13日，本集團從第三方收購QD Ener餘下30%的股權，自此以後，QD Ener成為本集團的全資附屬公司。

15 TRADE AND OTHER PAYABLES

Trade and bills payable	貿易應付款項及應付票據
Other payables and accruals	其他應付款項及應計費用
Amount due to the Controlling Shareholder	應付控股股東款項
– Mr Guo Yumin	– 郭玉民先生

All of the trade and other payables are expected to be settled within one year or are repayable on demand.

15 貿易應付款項及其他應付款項

Group 本集團		Company 本公司
2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元	2012 2012年 \$'000 千港元
40,288	52,164	–
29,633	48,353	92
518	12,586	–
70,439	113,103	92

所有貿易應付款項及其他應付款項預期於一年內結清或按需求時清還。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

15 TRADE AND OTHER PAYABLES (CONTINUED)

As of the end of the reporting period, the ageing analysis of trade creditors and bills payable (which are included in trade and other payables), based on the invoice date, is as follows:

		2012 2012年		2011 2011年	
		Trade payable 貿易 應付款項 \$'000 千港元	Bills payable 應付票據 \$'000 千港元	Trade payable 貿易 應付款項 \$'000 千港元	Bills payable 應付票據 \$'000 千港元
Due within 1 month or on demand	1個月內到期或應要求	22,170	4,933	44,904	–
Due after 1 month but within 3 months	1個月後但3個月內到期	7,026	4,933	273	–
Due after 3 months but within 6 months	3個月後但6個月內到期	670	–	6,822	–
Due more than 6 months	6個月後到期	556	–	165	–
		30,422	9,866	52,164	–

15 貿易應付款項及其他應付款項(續)

於報告期末，貿易債權人及應付票據(乃計入貿易應付款項及其他應付款項內)基於發票日期的賬齡分析如下：

		Group 本集團			
		2012 2012年		2011 2011年	
		Trade payable 貿易 應付款項 \$'000 千港元	Bills payable 應付票據 \$'000 千港元	Trade payable 貿易 應付款項 \$'000 千港元	Bills payable 應付票據 \$'000 千港元
Due within 1 month or on demand	1個月內到期或應要求	22,170	4,933	44,904	–
Due after 1 month but within 3 months	1個月後但3個月內到期	7,026	4,933	273	–
Due after 3 months but within 6 months	3個月後但6個月內到期	670	–	6,822	–
Due more than 6 months	6個月後到期	556	–	165	–
		30,422	9,866	52,164	–

16 BANK LOANS

At 31 December 2011 and 2012, the bank loans were repayable as follows:

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Within 1 year or on demand	1年內或應要求	277,504	154,188
After 1 year but within 2 years	1年後但2年內	24,667	–
After 2 years but within 5 years	2年後但5年內	–	146,787
		24,667	146,787
		302,171	300,975
Representing:	即：		
Secured	有抵押	277,504	276,304
Unsecured	無抵押	24,667	24,671
		302,171	300,975

16 銀行貸款

於2011年及2012年12月31日，銀行貸款還款期如下：

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Within 1 year or on demand	1年內或應要求	277,504	154,188
After 1 year but within 2 years	1年後但2年內	24,667	–
After 2 years but within 5 years	2年後但5年內	–	146,787
		24,667	146,787
		302,171	300,975
Representing:	即：		
Secured	有抵押	277,504	276,304
Unsecured	無抵押	24,667	24,671
		302,171	300,975

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

16 BANK LOANS (CONTINUED)

At 31 December 2011 and 2012, the banking facilities of the Group totalling \$300,975,000 and \$351,505,000 respectively were utilised to the extent of \$300,975,000 and \$302,171,000 respectively. Certain bank loans were secured by assets of the Group as set out below:

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Fixed assets	固定資產	289,802	275,182
Trade receivable	貿易應收款項	57,673	-
		347,475	275,182

Certain banking facilities of the Group were guaranteed by the related companies as disclosed in note 23(d).

All of the Group's banking facilities are subject to the fulfilment of covenants relating to certain of the Group's balance sheet ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in note 21(b). As at 31 December 2012 none of the covenants relating to drawn down facilities had been breached (2011: nil).

16 銀行貸款 (續)

於2011年及2012年12月31日，本集團合計分別為300,975,000港元及351,505,000港元的銀行融資已分別動用300,975,000港元及302,171,000港元。由本集團的資產擔保的若干銀行貸款載列如下：

本集團的若干銀行融資由關連公司（誠如附註23(d)所披露）擔保。

本集團的所有銀行融資須待達成有關本集團若干資產負債比率的契諾，乃通常與金融機構達成的借貸安排所見者。倘本集團違反契諾，所提取的融資將按要求償還。本集團定期監察其有否遵守該等契諾。有關本集團管理流動資金風險的進一步詳情載於附註21(b)。於2012年12月31日，本集團概無違反與已提取的融資有關的契諾（2011年：無）。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

17 EMPLOYEE RETIREMENT BENEFITS

Defined contribution retirement plans

Pursuant to the relevant labour rules and regulations in the PRC, the PRC subsidiaries participate in a defined contribution retirement benefit scheme (the “Scheme”) organised by the relevant local authorities whereby the subsidiaries are required to make contributions to the Scheme at the rate of 11% – 20% of the eligible employees’ salaries for the years ended 31 December 2011 and 2012.

The Group also 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 employees’ relevant income, subject to a cap of monthly relevant income of \$25,000 (\$20,000 prior to June 2012). Contributions to the plan vest immediately.

The Group has no other material obligation for the payment of retirement benefits associated with these schemes beyond the contributions described above.

18 EQUITY SETTLED SHARE-BASED TRANSACTIONS

Pursuant to an ordinary resolution of the sole shareholder passed on 22 June 2012, a pre-IPO share option scheme (the “share option scheme”) was approved and adopted to provide grantees with the opportunity to acquire proprietary interest in the Company. The purpose of the share option scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time), directors and advisers of the Group and to promote the success of the business of the Group.

Each option gives the holder the right to subscribe for one ordinary share in the Company and is settled gross in shares.

17 僱員退休福利

界定供款退休計劃

根據中國的相關勞動法規及規定，中國附屬公司參與由相關地方機關組織的界定供款退休福利計劃（「計劃」），據此，於截至2011年及2012年12月31日止年度，附屬公司須向計劃作出相等於合資格僱員薪金11%-20%的供款。

本集團亦根據香港強制性公積金計劃條例就受僱於香港僱傭條例規範下的僱員參與強制性公積金計劃（「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向計劃作出相等於僱員相關收入5%的供款，以每月相關收入25,000元（2012年6月前20,000元）為上限。向計劃的供款即時歸屬。

除上述供款外，本集團並無其他與該等計劃有關的退休福利重大付款責任。

18 以權益結算以股份為基礎的交易

根據唯一股東於2012年6月22日通過的普通決議案，首次公開發售前購股權計劃（「購股權計劃」）獲批准及採納，為承授人提供機會獲得本公司的自有權益。購股權計劃旨在吸引和挽留最佳的可用人員，向本集團僱員（全職）、董事及顧問提供額外獎勵以及促進本集團業務的成功。

每份購股權賦予持有人權利認購本公司一股普通股，並以股份全數結算。

18 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(a) The terms and conditions of the grants are as follows:

Date granted 授出日期	Vesting date 歸屬日期	Expiry date 到期日	Options granted to 授予以下人士的購股權		Total 總計
			Directors 董事	Employees 僱員	
22 June 2012 2012年6月22日	14 July 2013 2013年7月14日	13 July 2018 2018年7月13日	200,000	800,000	1,000,000
22 June 2012 2012年6月22日	14 July 2014 2014年7月14日	13 July 2018 2018年7月13日	300,000	1,200,000	1,500,000
22 June 2012 2012年6月22日	14 July 2015 2015年7月14日	13 July 2018 2018年7月13日	400,000	1,600,000	2,000,000
22 June 2012 2012年6月22日	14 July 2016 2016年7月14日	13 July 2018 2018年7月13日	500,000	2,000,000	2,500,000
22 June 2012 2012年6月22日	14 July 2017 2017年7月14日	13 July 2018 2018年7月13日	600,000	2,400,000	3,000,000
			2,000,000	8,000,000	10,000,000

18 以權益結算以股份為基礎的交易（續）

(a) 授出的條款及條件如下：

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

18 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(b) The number and weighted average exercise prices of share options are as follows:

Granted during the year	年內已授出
Forfeited during the year	年內已沒收

Outstanding at the end of the year	年末尚未行使
------------------------------------	--------

There was no share option exercised during the year as the vesting period was not lapsed.

The options outstanding at 31 December 2012 had an exercise price of HK\$0.6029 and a weighted average remaining contractual life of 4.5 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 share options is measured based on binomial lattice model:

18 以權益結算以股份為基礎的交易（續）

(b) 購股權的數目及加權平均行使價如下：

Weighted average exercise price 加權平均 行使價	2012 2012年 No. of options 購股權數目 '000 千份
HK\$0.6029港元	10,000
-	-
<hr/>	
	10,000

由於歸屬期尚未失效，概無購股權於年內行使。

於2012年12月31日尚未行使購股權的行使價為0.6029港元，加權平均餘下合約期限為4.5年。

(c) 購股權的公平值及假設：

交換購股權所獲得服務的公平值乃參照已授出購股權的公平值計量。購股權的估計公平值乃基於二項式點陣模式計量：

18 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(c) Fair value of share options and assumptions: (continued)

Fair value of share options and assumptions

Fair value per share at measurement date	於計量日期的每股股份公平值	HK\$0.7786港元
Share price	股價	HK\$1.36港元
Exercise price per option	每份購股權的行使價	HK\$0.6029港元
Expected volatility (expressed as weighted average volatility used in the binomial lattice model)	預期波幅（以使用二項式點陣模式的加權平均波幅表示）	46.8592%
Option life	購股權期限	5 years 5年
Expected dividends	預期股息	2.4179%
Risk-free interest rate	無風險利率	0.5809%

The expected volatility is based on past few years historical price volatility of similar listed companies. Expected dividends are based on management's best estimation. The risk-free rate is referenced to the yields of Hong Kong Exchange Fund Bills/Notes issued by the Hong Kong Government with the corresponding time to maturity of the option.

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

購股權的公平值及假設

2012
2012年

預期波幅乃基於類似上市公司於過往數年的歷史價格波幅。預期股息乃基於管理層的最佳估計。無風險利率乃參照香港政府所發行與購股權擁有相應到期時間的香港外匯基金債券／票據的收益率。

除上述條件外，概無與購股權計劃相關的其他市況及服務條件。

19 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current taxation in the consolidated statements of financial position represents:

		2012	2011
		2012年	2011年
		\$'000	\$'000
		千港元	千港元
As of 1 January	於1月1日	18,938	13,924
Provision for Hong Kong Profits Tax for the year	就年度香港利得稅撥備	6,275	4,324
Provision for PRC income tax for the year	年內就中國所得稅撥備	43,822	45,992
Income taxes paid	已付所得稅	(49,349)	(46,077)
Exchange difference	匯兌差額	(10)	775
As of 31 December	於12月31日	19,676	18,938

18 以權益結算以股份為基礎的交易（續）

(c) 購股權的公平值及假設：（續）

購股權的公平值及假設

預期波幅乃基於類似上市公司於過往數年的歷史價格波幅。預期股息乃基於管理層的最佳估計。無風險利率乃參照香港政府所發行與購股權擁有相應到期時間的香港外匯基金債券／票據的收益率。

除上述條件外，概無與購股權計劃相關的其他市況及服務條件。

19 綜合財務狀況表內的所得稅

(a) 綜合財務狀況表內的即期稅項指：

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

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

(b) Deferred tax assets and liabilities recognised:

- (i) The components of deferred tax assets/(liabilities) recognised in the Group's statement of financial position and the movements during the years are as follows:

		Unrealised profit	Fixed assets depreciation	Pre operating expenses	Government grant	Accrued expenses	Provision for inventories	PRC dividend withholding tax	Fair value adjustment of assets	Total
		未變現溢利	資產折舊	經營前開支	政府補助	應計開支	存貨撥備	股息預扣稅	公平值調整	合計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2011	於2011年1月1日	365	55	1,451	-	539	57	(3,659)	(349)	(1,541)
Exchange adjustments	匯兌調整	-	3	60	-	14	3	-	-	80
Charged/(credited) to profit or loss	於損益表中扣除/(計入)	484	-	(558)	-	(553)	(20)	*(1,564)	74	(2,137)
At 31 December 2011	於2011年12月31日	849	58	953	-	-	40	(5,223)	(275)	(3,598)
At 1 January 2012	於2012年1月1日	849	58	953	-	-	40	(5,223)	(275)	(3,598)
Exchange adjustments	匯兌調整	-	-	(1)	-	-	-	-	-	(1)
Charged/(credited) to profit or loss	於損益表中扣除/(計入)	709	-	(515)	259	-	(35)	*3,152	74	3,644
At 31 December 2012	於2012年12月31日	1,558	58	437	259	-	5	(2,071)	(201)	45

* These amounts include the provision of withholding tax on profits of the PRC subsidiaries amounting to \$4,424,000 and \$4,969,000 for the year 2011 and 2012 respectively, and the reversal of deferred tax liabilities on withholding tax in respect of dividends paid amounting to \$2,860,000 and \$8,121,000 during the years ended 31 December 2011 and 2012, respectively.

19 綜合財務狀況表內的所得稅(續)

(b) 已確認遞延稅項資產及負債：

- (i) 於本集團財務狀況表內確認的遞延稅項資產/(負債)的組成部分及年內變動如下：

* 該等金額包括於2011及2012年度就中國附屬公司的溢利預扣稅分別作出4,424,000元及4,969,000元的撥備，以及於截至2011年及2012年12月31日止年度就已付股息預扣稅分別作出的2,860,000元及8,121,000元的遞延稅項負債撥回。

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

(b) Deferred tax assets and liabilities recognised: (continued)

(ii) Reconciliation to the statements of financial position:

	2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Net deferred tax assets recognised in the statement of financial position	2,317	1,900
Net deferred tax liabilities recognised in the statement of financial position	(2,272)	(5,498)
	45	(3,598)

19 綜合財務狀況表內的所得稅(續)

(b) 已確認遞延稅項資產及負債：(續)

(ii) 財務狀況表的對賬：

20 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:

		Note	Share capital	Share premium	Capital reserve	Retained profits	Total
		附註	\$'000 千港元	\$'000 千港元	\$'000 千港元	\$'000 千港元	\$'000 千港元
Balance at 24 February 2012 (date of incorporation)	於2012年2月24日的結餘(註冊成立日期)		-	-	-	-	-
Issuance of shares upon incorporation	於註冊成立時發行股份		-	-	-	-	-
Loss and total comprehensive income for the year	年內虧損及全面收益總額		-	-	-	(2,862)	(2,862)
Arising from Reorganisation	重組時產生	(c)(iii)	3,000	-	81,955	-	84,955
Issuance of ordinary shares upon initial public offering, net off issuing costs	於首次公開發售時發行普通股(扣除發行成本)	(c)(iv)	1,150	123,696	-	-	124,846
Balance at 31 December 2012	於2012年12月31日的結餘		4,150	123,696	81,955	(2,862)	206,939

20 資本、儲備及股息

(a) 權益組成部分的變動

本集團綜合權益的各組成部分的期初及期終結餘的對賬載於綜合權益變動表。本公司於年初及年末權益的個別組成部分的變動詳情載列如下：

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

20 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED) 20 資本、儲備及股息 (續)

(b) Dividends

Dividends payable were proposed to equity shareholders of the Company attributable to the year:

		2012 2012年 \$'000 千港元
Final dividend proposed at the end of the reporting period of HK\$0.1 per ordinary share	報告期末建議末期股息 每股普通股股份0.1港元	41,500

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

於報告期末後建議的末期股息並無於報告期末確認為負債。

Dividends for the years ended 31 December 2012 and 2011 represented dividends declared by SCGHI, QD Ener and JSST.

截至2012及2011年12月31日止年度的股息指由SCGHI、QD Ener及JSST宣派之股息。

(c) Share capital

Authorised and issued share capital

(c) 股本

法定及已發行股本

		2012 2012年	
		Number of shares (<i>'000</i>) (千股)	Amount 金額 \$ <i>'000</i> 千港元
		Note 附註	
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:	已發行及繳足的普通股：		
At 1 January	於1月1日		—
Issuance of shares upon incorporation	於註冊成立時發行股份		—
Issuance of shares upon reorganisation	於重組時發行股份	(i)	—
Issuance of shares upon initial public offering	於首次公開發售時發行股份	(iii)	300,000 3,000
		(iv)	115,000 1,150
At 31 December	於12月31日		415,000 4,150

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 of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派的股息，並有權於本公司大會上享有每股一票的投票權。所有普通股乃就本公司的剩餘資產享有同等地位。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

20 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED) 20 資本、儲備及股息 (續)

(c) Share capital (continued)

Notes:

- (i) The Company was incorporated on 24 February 2012 with an authorised share capital of HK\$380,000 divided into 38,000,000 shares of HK\$0.01 each. On the same date, the Company issued 1 share at par value of HK\$0.01 each.
- (ii) On 21 June 2012, the Group completed the Reorganisation to rationalise the Group's structure in preparing for the listing of the Company's shares on the Main Board of the Stock Exchange. As a result of the Reorganisation, the Company became the holding company of the Group on 21 June 2012.
- (iii) Pursuant to the resolutions in writing of all the shareholders of the Company passed on 21 June 2012, the authorized share capital of the Company was increased from HK\$380,000 to HK\$20,000,000 by the creation of an additional 1,962,000,000 shares of HK\$0.01 each. In addition 299,999,999 shares, all credited as fully paid at par, were allotted and issued to shareholder of the Company.
- (iv) On 13 July 2012, the shares of the Company was listed on the Stock Exchange following the completion of its initial public offering 100,000,000 ordinary shares of HK\$0.01 each were issued at a price of HK\$1.20 per share under the initial public offering. On 3 August 2012, the Over-allotment Option has been exercised in full to cover over-allotments in the Placing. Under the Over-allotment Option, an aggregate of 15,000,000 ordinary shares have been allotted and issued by the Company at HK\$1.20 per share. Proceeds of HK\$1,150,000 representing the par value of these ordinary shares, were credited to the Company's share capital and the excess of the proceeds over the nominal value of the total number of ordinary shares issued after offsetting share issuance costs of HK\$123,696,000, were credited to the share premium account of the Company.
- (v) Capital in the consolidated statement of financial position as at 1 January and 31 December 2011 represented the aggregate amount of capital of the companies then comprising the Group, after elimination of investments in subsidiaries.

(c) 股本 (續)

附註：

- (i) 本公司於2012年2月24日註冊成立，法定股本為380,000港元(分為38,000,000股每股面值0.01港元的股份)。同日，本公司發行1股每股面值0.01港元的股份。
- (ii) 於2012年6月21日，為籌備本公司股份在聯交所主板上市，本集團完成重組以精簡本集團的架構。重組後，本公司於2012年6月21日成為本集團的控股公司。
- (iii) 根據本公司全體股東於2012年6月21日通過的書面決議案，透過增設1,962,000,000股每股面值0.01港元的股份，本公司法定股本由380,000港元增加至20,000,000港元。此外，299,999,999股全部按面值入賬列作繳足的股份已配發及發行予本公司股東。
- (iv) 於2012年7月13日，本公司於完成其首次公開發售後其股份在聯交所上市。100,000,000股每股面值0.01港元的普通股乃根據首次公開發售按每股1.20港元的價格發行。於2012年8月3日，超額配股權已悉數行使以補足配售的超額分配。本公司已根據超額配股權按每股1.20港元配發及發行合共15,000,000股普通股股份。1,150,000港元的所得款項(即該等普通股的面值)乃計入本公司股本，而所得款項超出已發行普通股總數面值的部分(扣除股份發行成本後)為123,696,000港元，已計入本公司的股份溢價賬。
- (v) 綜合財務狀況表內於2011年1月1日及12月31日的資本指對銷於附屬公司的投資後當時組成本集團的各公司的資本總額。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

20 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(d) Nature and purpose of reserves

(i) Share premium

The share premium represents the difference between the par value of the shares of the Company and proceeds received from the issuance of the shares of the Company.

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

(ii) Capital reserve

The capital reserve mainly comprises the following:

- the equity shareholders of the Company acquired the non-controlling interests of QD Ener at RMB39,600,000 (equivalent to HK\$48,507,000) pursuant to a share transfer agreement dated 13 March 2012;
- LXFY acquired the non-controlling interests of JSSC at HK\$3,113,000 pursuant to a share transfer agreement dated on 28 August 2012;
- the contribution made by the Controlling Shareholder before the Reorganisation by waiving the right to receive an amount payable by SCGHI; and
- the difference between the nominal value of shares of the subsidiaries acquired over the nominal value of the shares issued by the Company in exchange under the Reorganisation of the Group;

20 資本、儲備及股息（續）

(d) 儲備的性質及用途

(i) 股份溢價

股份溢價指本公司的股份面值與發行本公司股份所收取所得款項之間的差額。

根據開曼群島公司法，本公司的股份溢價賬中的資金可供分派予本公司股東，惟緊隨建議分派股息日期後，本公司須能夠償付一般業務過程中到期應付的債務。

(ii) 資本儲備

資本儲備主要包括下列各項：

- 本公司權益股東根據日期為2012年3月13日的股份轉讓協議以人民幣39,600,000元（相當於48,507,000港元）收購QD Ener的非控股權益；
- LXFY根據日期為2012年8月28日的股份轉讓協議以3,113,000港元收購JSSC的非控股權益；
- 控股股東於重組前透過放棄收取SCGHI應付款項的權利而作出的貢獻；及
- 所收購附屬公司的名義價值與本公司根據本集團重組發行作為交換的股份的名義價值之間的差額。

20 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(d) Nature and purpose of reserves (continued)

(iii) Statutory reserve

General reserve fund

Pursuant to the applicable PRC regulations, all PRC subsidiaries of the Group are required to appropriate 10% of their after-tax profit (after offsetting prior year/period losses) to the statutory reserve until such reserve reaches 50% of the registered capital of each relevant PRC subsidiary. The transfer to the statutory reserve must be made before distribution of dividends to equity shareholders. The statutory reserve fund can be utilised, upon approval by the relevant authorities, to offset accumulated losses or to increase registered capital of the subsidiary.

(iv) Share-based compensation reserve

Share-based compensation reserve presents the fair value of the share options granted to employees of the Group in accordance with the accounting policy adopted by share-based payment in note 2(o)(ii).

(v) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial information of operations with functional currency other than Hong Kong dollars.

20 資本、儲備及股息（續）

(d) 儲備的性質及用途（續）

(iii) 法定儲備

一般儲備金

根據適用的中國法規，本集團的所有中國附屬公司須將彼等的稅後溢利（經抵銷上一個年度／期間的虧損）的10%轉撥至法定儲備，直至該等儲備達至各相關中國附屬公司註冊資本的50%。必須於分派股息予權益股東前轉撥至法定儲備。法定儲備金可於獲得相關機關的批准後動用，以抵銷附屬公司的累計虧損或增加其註冊資本。

(iv) 以股份為基礎的報酬儲備

以股份為基礎的報酬儲備乃根據附註2(o)(ii)中以股份為基準付款的會計政策授予本集團僱員的購股權的公平值。

(v) 匯兌儲備

匯兌儲備包括換算以港元以外的功能貨幣列值的業務的財務資料所產生的所有外匯差額。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

20 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(e) 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 shareholders 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 shareholders 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.

The Group monitors capital with reference to its debt position. The Group's strategy was to maintain the equity and debt in a balanced position and ensure that there was adequate working capital to service its debt obligations. The Group's gearing ratio, being the Group's net debt over its shareholder's equity as at 31 December 2011 and 2012 was 99% and 67% respectively.

Neither the Company nor any of its subsidiaries is subject to externally imposed capital requirements in the current and prior years.

21 FINANCIAL RISK MANAGEMENT AND FAIR VALUES

Exposure to credit, liquidity, interest rate and currency risks arise 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.

20 資本、儲備及股息（續）

(e) 資本管理

本集團管理資本的主要目標乃為保障本集團持續經營的能力，使之能透過因應風險水平為產品及服務定價及以合理成本獲取融資，繼續為股東帶來回報並使其他利益相關者受惠。

本集團積極並定期檢討及管理其資本架構，以在可能伴隨較高借貸水平帶來的較高股東回報與穩健資本狀況所帶來的優勢及保障之間取得平衡，並因應經濟狀況的轉變對資本架構作出調整。

本集團參照其債務狀況監控資本。本集團的策略乃為保持股本及債務的平衡，確保有充裕營運資金應付其債務責任。本集團於2011年及2012年12月31日的資產負債比率（即本集團的淨債務除以其股東權益）分別為99%及67%。

於本年度或過往年度，本公司或其任何附屬公司概不受外部施加的資本要求所規限。

21 財務風險管理及公平值

本集團於日常業務過程中會產生信貸、流動資金、利率及貨幣風險。本集團所面對的該等風險及本集團用以管理該等風險的財務風險管理政策及慣例載述如下。

21 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(a) Credit risk

The Group's credit risk is primarily attributable to trade and other receivables. 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 the economic environment in which the customer operates. Trade and bills receivable are due within 30 to 180 days from the date of invoice. Debtors with balances that are more than 1 year from the date of invoice are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

At 31 December 2012, the Group has a certain concentration of credit risk as 41.6% (2011: 54.2%) of the total trade debtors were due from the Group's largest customer and 75.4% (2011: 80.4%) of the total trade debtors were due from the Group's five largest customers.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

The Group does not provide any other 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 12.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the management and directors when the borrowing exceeds 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 adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

21 財務風險管理及公平值(續)

(a) 信貸風險

本集團信貸風險主要來自貿易應收款項及其他應收款項。本集團會對所有要求授予一定金額信貸的客戶進行信貸評估。此等評估注重客戶過去到期還款紀錄以及目前的還款能力，並會考慮關於客戶以及客戶經營所在經濟環境的特定資料。貿易應收款項及應收票據自發票日期起計30日至180日內到期。於獲授予任何進一步信貸前，債務人須清償所有自發票日期起計欠款超過一年的未償還結餘。一般而言，本集團不會要求客戶提供抵押品。

於2012年12月31日，本集團應收其最大客戶的款項佔應收賬款總額的41.6% (2011年：54.2%)，而本集團應收其五大客戶的款項佔應收賬款總額的75.4% (2011年：80.4%)，故本集團受一定程度的信貸風險集中。

最高信貸風險指各項金融資產於財務狀況表內的賬面值。

本集團並無提供令本集團承受信貸風險的任何其他擔保。

有關本集團所承受因貿易應收款項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12。

(b) 流動資金風險

本集團內個別營運實體負責其本身的現金管理，包括以現金盈餘進行短期投資及籌措貸款以應付預期的現金需求，惟倘借貸超過預定授權金額，則須獲管理層及董事批准。本集團的政策是定期監察其流動資金需求及是否遵守借貸契據，藉此確保其維持充足現金儲備及獲主要金融機構提供的充足承諾資金額度以應付其短期及長期流動資金需求。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

21 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED) 21 財務風險管理及公平值 (續)

(b) Liquidity risk (continued)

The following table shows the remaining contractual maturities at the balance sheet 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 end of the respective reporting period) and the earliest date the Group can be required to pay:

(b) 流動資金風險 (續)

下表顯示本集團金融負債於結算日的餘下合約到期情況，該等數據乃基於合約未貼現現金流量（包括使用合約利率或（倘屬浮動）各報告期末適用的利率計算的利息付款）及本集團被要求付款的最早日期：

		As at 31 December 2012 於2012年12月31日				
		Contractual undiscounted cash flow 合約未貼現現金流量				
		Carrying amount	Total	Within 1 year or on demand	More than 1 year but within 2 years	More than 2 years but less than 5 years
		賬面值	合計	1年內或應要求	超過1年但2年內	超過2年但5年內
		\$'000	\$'000	\$'000	\$'000	\$'000
		千港元	千港元	千港元	千港元	千港元
Trade and other payables	貿易應付款項及其他應付款項	55,310	55,310	55,310	–	–
Bank loans	銀行貸款	302,171	315,118	289,582	25,536	–
		357,481	370,428	344,892	25,536	–
		As at 31 December 2011 於2011年12月31日				
		Contractual undiscounted cash flow 合約未貼現現金流量				
		Carrying amount	Total	Within 1 year or on demand	More than 1 year but within 2 years	More than 2 years but less than 5 years
		賬面值	合計	1年內或應要求	超過1年但2年內	超過2年但5年內
		\$'000	\$'000	\$'000	\$'000	\$'000
		千港元	千港元	千港元	千港元	千港元
Trade and other payables	貿易應付款項及其他應付款項	101,891	101,891	101,891	–	–
Bank loans	銀行貸款	300,975	342,873	174,802	10,642	157,429
		402,866	444,764	276,693	10,642	157,429

21 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(c) Interest rate risk

The Group's interest rate risk arises primarily from bank loans and cash at bank issued at variable rates that expose the Group to cash flow interest rate risk. The Group does not use financial derivatives to hedge against the interest rate risk. The Group defines "net borrowings" as being interest-bearing financial liabilities less interest-bearing investments. The Group's interest rate profile as monitored by management is set out in (i) below.

(i) Interest rate profile

The following table details the interest rate profile of the Group's interest-generating financial assets and interest-bearing financial liabilities at the balance sheet date:

		2012 2012年		2011 2011年	
		Effective interest rate 實際利率		Effective interest rate 實際利率	
		%	\$'000	%	\$'000
		%	千港元	%	千港元
Net fixed rate borrowings:	淨現時：				
Bank loans	銀行貸款	6.72	(37,001)	6.03 – 6.63	(74,011)
Other payables	其他應付款項	5.60	(1,233)	–	–
			(38,234)		(74,011)
Net variable rate borrowings:	淨浮息借款：				
Bank loans	銀行貸款	6.23 – 7.22	(265,170)	5.49 – 7.87	(226,964)
Less: Cash and cash equivalents	減：現金及現金等值 項目	0.01 – 0.36	79,180	0.01 – 0.50	63,013
			(185,990)		(163,951)
Total net borrowings	淨借款總額		(224,224)		(237,962)

21 財務風險管理及公平值 (續)

(c) 利率風險

本集團的利率風險主要由銀行貸款及浮息銀行現金產生，有關款項令本集團須承受現金流量利率風險。本集團並無使用金融衍生工具對沖利率風險。本集團界定「淨借貸」為計息金融負債減計息投資。本集團由管理層監察的利率組合載於下文(i)。

(i) 利率組合

下表詳述本集團的計息金融資產及計息金融負債於結算日的利率組合：

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

21 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED) 21 財務風險管理及公平值 (續)

(c) Interest rate risk (continued)

(ii) Sensitivity analysis

At 31 December 2012, it is estimated that a general decrease/increase of 100 basis points in interest rates, with all other variables held constant, would increase/decrease the Group's profit after tax and retained profits by approximately \$1,395,000 (2011: \$1,230,000).

The sensitivity analysis above indicates the annualised impact on the Group's interest expense that would arise assuming that the change in interest rates had occurred at the end of the respective reporting period and had been applied to floating rate instruments which expose the Group to cash flow interest rate risk at that date. The analysis does not take into account exposure to fair value interest rate risk arising from fixed rate instruments as the Group does not hold any fixed rate instruments which are measured at fair value. This analysis has been performed on the same basis for 2011.

(d) Currency risk

The Group is exposed to currency risk primarily through sales and purchases made by the PRC subsidiaries which give rise to receivables, payables, cash balances and bank loans that are denominated in United States dollars ("USD"). Presently, the Group has no hedging policy with respect to the foreign exchange exposure.

Exposure to currency risk

The following table details the Group's exposure at the balance sheet date to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in HKD, translated using the spot rate at the end of the reporting period. Differences resulting from the translation of the financial information of foreign operations into the Group's presentation currency are excluded.

(c) 利率風險 (續)

(ii) 敏感度分析

於2012年12月31日，估計利率整體下降／上升100個基點，在所有其他變量保持不變的情況下，本集團的稅後溢利及保留溢利將增加／減少約1,395,000元（2011年：1,230,000元）。

上述敏感度分析指出本集團的利息開支承受的年度化影響，當中假設利率變動於各報告期末發生，並適用於該日令本集團所承受現金流量利率風險所涉及的浮動利率工具。由於本集團並無持有按公平值計量的任何定息工具，因此分析並無考慮定息工具產生的公平值利率風險。此項分析按2011年的同一基準進行。

(d) 貨幣風險

本集團所承受的貨幣風險主要來自中國附屬公司的銷售及採購，有關銷售及採購產生以美元（「美元」）列值的應收款項、應付款項、現金結餘及銀行貸款。現時，本集團並無有關外匯風險的對沖政策。

所承受的貨幣風險

下表詳列本集團於結算日所承受的貨幣風險，該等貨幣風險乃因按相關實體的功能貨幣以外的貨幣計值的已確認資產或負債而產生。就呈報目的而言，風險額以港元列示，並以報告期末的即期匯率換算。換算外國業務財務資料為本集團呈報貨幣所產生的差額並無計算在內。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

21 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED) 21 財務風險管理及公平值 (續)

(d) Currency risk (continued)

(d) 貨幣風險 (續)

		Exposure to USD 美元風險 (expressed in Hong Kong dollars) (以港元為單位)	
		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Cash and cash equivalents	現金及現金等值項目	859	—
Net exposure arising from recognised assets and liabilities	已確認資產及負債所產生的淨風險	859	—

The following table indicates the instantaneous change in the Group's profit after tax and retained profits that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

下表列示本集團的稅後溢利及保留溢利因倘本集團於報告期末承受重大風險的匯率於該日出現變動而產生的即時變動(假設其他風險變數保持不變)。

		2012 2012年		2011 2011年	
		Increase/ (decrease) in foreign exchange rates 匯率上升/ (下跌) %	Effect on profit after tax and retained profits 對稅後溢利 及保留溢利 的影響 \$'000 千港元	Increase/ (decrease) in foreign exchange rates 匯率上升/ (下跌) %	Effect on profit after tax and retained profits 對稅後溢利 及保留溢利 的影響 \$'000 千港元
USD	美元	5	32	5	—
USD	美元	(5)	(32)	(5)	—

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

21 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(d) Currency risk (continued)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit after tax measured in the respective functional currencies, translated into HKD at the exchange rate ruling at the balance sheet date for presentation purposes. The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the balance sheet date. The analysis excludes differences that would result from the translation of the financial information of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for the 2011.

(e) Fair values

All financial instruments are carried at amounts not materially different from their carrying amounts because of the immediate or short term maturity of these financial instruments as at 31 December 2011 and 2012.

(f) Estimation of fair values

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments.

Interest-bearing loans

The fair value is estimated as the present value of future cash flows, discounted at current market interest rates for similar financial instruments.

21 財務風險管理及公平值 (續)

(d) 貨幣風險 (續)

上表所列的分析結果，反映本集團各實體的稅後溢利所受的即時影響（按其各自的功能貨幣計算，並以結算日的適用匯率換算為港元作呈列之用）所涉及的總額。敏感度分析假設匯率的變動已用於重新計量本集團所持有並於結算日使本集團面臨外幣風險的金融工具。此分析不包括換算外國業務財務資料為本集團呈報貨幣所產生的差額。分析於有關期間按2011年的同一基準進行。

(e) 公平值

因所有金融工具均即將或將於短期內到期，於2011年及2012年12月31日，該等金融工具均以與其賬面值並無重大差別的金額列值。

(f) 公平值的估計

以下概述用以估計金融工具的公平值的主要方法及假設。

計息貸款

公平值是所估計的未來現金流量現值（按類似金融工具的現行市場利率貼現計算）。

22 COMMITMENTS

- (a) Capital commitments outstanding as at 31 December 2012 not provided for in the Financial Information were as follows:

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Contracted for	已訂約	772	3,676
Authorised but not contracted for	已授權但未訂約	-	1,974
		772	5,650

- (b) At 31 December 2011 and 2012, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Within 1 year	1年內	911	1,229
After 1 year and within 5 years	1年後但5年內	228	413
		1,139	1,642

The Group is the lessee in respect of certain properties and plant held under operating leases. The leases typically run for an initial period of one to two years, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

22 承擔

- (a) 於2012年12月31日未履行及未於財務資料中作出撥備的資本承擔如下：

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Contracted for	已訂約	772	3,676
Authorised but not contracted for	已授權但未訂約	-	1,974
		772	5,650

- (b) 於2011年及2012年12月31日，根據不可撤銷經營租賃的未來最低租賃付款總額按以下支付：

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Within 1 year	1年內	911	1,229
After 1 year and within 5 years	1年後但5年內	228	413
		1,139	1,642

本集團為若干根據經營租賃持有的物業及廠房的承租人。一般而言，租賃的初步期限為一至兩年，可選擇在磋商所有條款後為租賃續期。租賃概無包括或然租金。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

23 MATERIAL RELATED PARTY TRANSACTIONS

For the year ended 31 December 2012 and 2011, transactions with the following parties are considered to be related party transactions:

Name of related party

關聯方名稱

Mr Guo Yumin
郭玉民先生

Xuzhou Long Chuan Co., Ltd.
(徐州龍川商貿有限公司) (Note)
徐州龍川商貿有限公司(附註)

Xuzhou Dinuo Printing Co., Ltd.
(徐州帝諾印刷有限公司) (Note)
徐州帝諾印刷有限公司(附註)

Qingdao Justo Packaging Co., Ltd.
(青島嘉澤包裝有限公司)
青島嘉澤包裝有限公司

Qingdao Xurui Investment Guarantee
Co., Ltd. (Note)
(青島旭瑞投資擔保有限公司)
青島旭瑞投資擔保有限公司(附註)

Qingdao Xurui Industry and Trade
Co., Ltd. (Note)
(青島旭瑞工貿有限公司)
青島旭瑞工貿有限公司(附註)

Note: The English translation of the names is for reference only. The official names of these entities are in Chinese.

23 重大關聯方交易

於截至2012年及2011年12月31日止年度內，與下列各方進行的交易被視為關聯方交易：

Relationship with the Group

與本集團的關係

Director and the Controlling Shareholder of the Group
本集團董事兼控股股東

Owned by Mr Guo Yumin, the director and the Controlling Shareholder until 13 June 2011
2011年6月13日前由董事兼控股股東郭玉民先生所擁有

Mr Guo Yumin, the director and the Controlling Shareholder the director of the Group, is the legal representative
本集團董事兼控股股東郭玉民先生為法人代表

Owned as to 30% by Mr Guo Yumin, the director and the Controlling Shareholder until 23 March 2011
2011年3月23日前由本集團董事兼控股股東郭玉民先生擁有30%

Owned by Qingdao Beizhou Group Co., Ltd (青島北洲集團有限公司), the Shareholder of Qingdao Ener holding 30% of the registered capital of Qingdao Ener until 13 March 2012
由青島北洲集團有限公司(2012年3月13日前為持有Qingdao Ener 30%註冊資本的Qingdao Ener股東)所擁有

Owned by Qingdao Beizhou Group Co., Ltd. (青島北洲集團有限公司), the Shareholder of Qingdao Ener holding 30% of the registered capital of Qingdao Ener until 13 March 2012
由青島北洲集團有限公司(2012年3月13日前為持有Qingdao Ener 30%註冊資本的Qingdao Ener股東)所擁有

附註：英文本的英譯名稱僅供參考。該等實體的官方名稱以中文為準。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

23 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED) 23 重大關聯方交易 (續)

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the directors as disclosed in note 7 and certain of the highest paid employees as disclosed in note 8, is as follows:

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Short-term employee benefits	短期僱員福利	4,824	2,189
Post-employment benefits	離職後福利	367	169
		5,191	2,358

Total remuneration is disclosed in "staff costs" (see note 5(b)).

薪酬總額於「員工成本」披露(見附註5(b))。

(b) Transactions with related parties

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Sales of goods to:	向以下公司銷售貨品：		
– Qingdao Justo Packaging Co., Ltd.	– 青島嘉澤包裝有限公司	–	7,576
– Xuzhou Long Chuan Co., Ltd.	– 徐州龍川商貿有限公司	–	1,064
		–	8,640
Other revenue and net income (Note 1):	其他收入及淨收益(附註1)：		
– Qingdao Justo Packaging Co., Ltd.	– 青島嘉澤包裝有限公司	–	369
Purchase of goods from:	向以下公司購買貨品：		
– Qingdao Justo Packaging Co., Ltd.	– 青島嘉澤包裝有限公司	–	1,337
Commission fee paid to (Note 2):	向以下公司支付佣金(附註2)：		
– Xuzhou Long Chuan Co., Ltd.	– 徐州龍川商貿有限公司	–	6,335
– Xuzhou Dinuo Printing Co., Ltd.	– 徐州帝諾印刷有限公司	–	244
		–	6,579

Note 1: the amount represents net gain arising from sales of raw materials.

附註1：有關金額指銷售原材料所產生的淨收益。

Note 2: the amount represents the commission fee paid for arranging import of goods of the Group.

附註2：有關金額指就安排進口本集團貨品所支付的佣金。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

23 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED) 23 重大關聯方交易 (續)

(b) Transactions with related parties (continued)

The directors consider that all related party transactions for the years ended 31 December 2012 and 2011 were conducted on normal commercial terms and in the ordinary and usual course of the Group's business.

(c) Balances with related parties

At 31 December 2011 and 2012, the Group had the following balances with related parties:

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Amount due from the related company	應收關連公司款項		
– Qingdao Xurui Investment Guarantee Co., Ltd.	– 青島旭瑞投資擔保有限公司	–	2,467
Amount due from the Controlling Shareholder	應收控股股東款項		
– Mr Guo Yumin	– 郭玉民先生	–	29,012
Amount due to the Controlling Shareholder and director	應付控股股東及董事款項		
– Mr Guo Yumin	– 郭玉民先生	518	12,586

The balance with the related companies and the Controlling Shareholder are unsecured, interest free and repayable on demand.

(b) 與關聯方的交易 (續)

董事認為，截至2012年及2011年12月31日止年度的所有關聯方交易乃按一般商業條款及於本集團一般及日常業務過程中進行。

(c) 與關聯方的結餘

於2011年及2012年12月31日，本集團擁有以下與關聯方的結餘：

關連公司及控股股東的結餘為無抵押、免息及應要求償還。

(d) Guarantees provided to the Group in respect of banking facilities

		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元
Qingdao Xurui Investment Guarantee Co., Ltd.	青島旭瑞投資擔保有限公司	–	12,335
Qingdao Xurui Industry and Trade Co., Ltd.	青島旭瑞工貿有限公司	–	18,503
		–	30,838

(d) 就銀行融資向本集團提供的擔保

24 ACCOUNTING ESTIMATES AND JUDGEMENTS

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

In the process of applying the Group's accounting policies, management has made the following accounting judgements:

(a) Depreciation

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives, after taking into account the estimated residual value. The Group reviews annually the estimated useful lives of the assets 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 anticipated technological changes. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

(b) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. In addition, these estimates could change significantly as a result of change in customer preference and competitor actions in response to severe industry cycles. Management measures these estimates at each reporting date.

24 會計估計及判斷

本集團持續評估估計及判斷，並按過往經驗及其他因素（包括於有關情況下對日後事件所作的合理預期）作出估計及判斷。

在應用本集團的會計政策時，管理層作出以下判斷：

(a) 折舊

物業、廠房及設備經計及估計剩餘價值後，於估計可使用年期內以直線法折舊。本集團每年檢討資產的估計可使用年期以釐定於任何報告期內將予記錄的折舊開支金額。可使用年期乃以本集團同類資產的過往經驗並計及預期的技術變更為基準。倘過往的估計有重大變動，則未來期間的折舊開支須作出調整。

(b) 存貨可變現淨值

存貨可變現淨值指於一般業務過程中估計售價減估計完成成本及銷售開支後的金額。該等估計乃根據當前市況以及製造及銷售同類性質產品的過往經驗作出。此外，該等估計可能因客戶喜好出現變動及競爭對手為應對嚴峻行業週期所採取的行動而發生重大變動。管理層於各報告日期計量該等評估。

(除另有指明外，以港元為單位)
(Expressed in Hong Kong dollars)

24 ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(c) Income taxes

Determining income tax provisions involves judgement on the future tax treatments of certain transactions. The Group carefully evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatments of such transactions are reconsidered periodically to take into account all changes in tax legislations. Deferred tax assets are recognised for deductible temporary differences. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profits will be available against which the related tax benefits can be utilised, management's judgement is required to assess the probability of future taxable profits. Management reassess these estimates at each end of the respective reporting period.

(d) Investment property

The Group has temporarily sub-let a vacant warehouse but has decided not to treat this property as an investment property because it is not the Group's intention to hold this property in the long-term for capital appreciation or rental income. Accordingly, this property is still treated an item of other property, plant and equipment.

25 NON-ADJUSTING EVENT AFTER THE REPORTING PERIOD

On 11 January 2013, JSSC and Huaian Hetai Investment Co., Ltd., a third party, has set up a new subsidiary, with equity interests of 70% and 30% respectively. The subsidiary named Jiangsu Kingtai Packaging Technology Co., Ltd is principally engaged in manufacturing and trading of aluminium foil films for cigarette packaging.

26 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 31 December 2012, the directors consider the immediate parent and ultimate controlling party of the Group to be Sheen Tai Group Holding Limited, which is incorporated in the BVI and beneficially owned by Guo Yumin. This entity does not produce financial statements available for public use.

24 會計估計及判斷 (續)

(c) 所得稅

釐定所得稅撥備涉及若干交易的未來稅務處理的判斷。本集團謹慎評估交易的稅務影響並計提相應的稅務撥備。有關交易的稅務處理會定期重新考慮以計及所有稅法變動。可扣稅的暫時性差異引致的遞延稅項資產會予以確認。由於該等遞延稅項資產僅會於有關稅項利益很可能可運用以抵銷未來應課稅溢利時予以確認，故管理層須作出判斷以評估未來的應課稅溢利的可能性。管理層於各報告期末重新評估該等估計。

(d) 投資物業

本集團暫時分租一間空置倉庫，但決定不將此項物業視為投資物業，因為本集團無意長期持有此項物業作資本增值或租金收入。因此，此項物業仍將被視為其他物業、廠房及設備項目。

25 報告期後的非調整事件

於2013年1月11日，JSSC與第三方淮安合泰投資有限公司成立一家新附屬公司，並分別擁有後者70%及30%股權。該附屬公司名為江蘇金泰包裝科技有限公司，主要從事製造及買賣香煙包裝所用的鋁箔。

26 直接及最終控股方

於2012年12月31日，董事認為，本集團的直接母公司及最終控股方為順泰集團控股有限公司，該公司於英屬處女群島註冊成立並由郭玉民實益擁有。該實體並無編製可供公眾使用的財務報表。

27 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2012

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and five new standards which are not yet effective for the year ended 31 December 2012 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

27 於截至2012年12月31日止年度已頒佈但尚未生效的修訂、新準則及詮釋的潛在影響

截至刊發本財務報表日期，香港會計師公會已頒佈多項於截至2012年12月31日止年度尚未生效且未於本財務報表採納的修訂及五項新準則。該等修訂及準則包括下列可能與本集團相關者。

	Effective for accounting periods beginning on or after 於以下日期或 之後開始的會計 期間生效
Amendments to HKAS 1, <i>Presentation of financial statements – Presentation of items of other comprehensive income</i> 香港會計準則第1號的修訂本，財務報表的呈列 – 其他全面收益項目的呈列	1 July 2012 2012年7月1日
HKFRS 10, <i>Consolidated financial statements</i> 香港財務報告準則第10號，綜合財務報表	1 January 2013 2013年1月1日
HKFRS 11, <i>Joint arrangements</i> 香港財務報告準則第11號，共同安排	1 January 2013 2013年1月1日
HKFRS 12, <i>Disclosure of interests in other entities</i> 香港財務報告準則第12號，披露於其他實體的權益	1 January 2013 2013年1月1日
HKFRS 13, <i>Fair value measurement</i> 香港財務報告準則第13號，公平值計量	1 January 2013 2013年1月1日
HKAS 27, <i>Separate financial statements (2011)</i> 香港會計準則第27號，獨立財務報表(2011)	1 January 2013 2013年1月1日
HKAS 28, <i>Investments in associates and joint ventures</i> 香港會計準則第28號，於聯營公司及合營企業的投資	1 January 2013 2013年1月1日
Revised HKAS 19, <i>Employee benefits</i> 經修訂香港會計準則第19號，僱員福利	1 January 2013 2013年1月1日
<i>Annual improvements to HKFRSs 2009-2011 Cycle</i> 香港財務報告準則2009年至2011年週期的年度改進	1 January 2013 2013年1月1日
Amendments to HKFRS 7, <i>Financial instruments: Disclosures</i> – <i>Disclosures – Offsetting financial assets and financial liabilities</i> 香港財務報告準則第7號的修訂本，金融工具：披露 – 披露 – 抵銷金融資產及金融負債	1 January 2013 2013年1月1日
Amendments to HKAS 32, <i>Financial instruments: Presentation</i> – <i>Offsetting financial assets and financial liabilities</i> 香港會計準則第32號的修訂本，金融工具：呈列 – 抵銷金融資產及金融負債	1 January 2014 2014年1月1日
HKFRS 9, <i>Financial instruments</i> 香港財務報告準則第9號，金融工具	1 January 2015 2015年1月1日

The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

本集團正評估該等修訂預期於應用初期的影響。截至目前，本集團已得出結論，採納該等修訂不大可能對本集團的經營業績及財務狀況造成重大影響。

Four-Year Financial Summary

四年財務摘要

		Year ended December 31, 截至十二月三十一日止年度			
		2012 2012年 \$'000 千港元	2011 2011年 \$'000 千港元	2010 2010年 \$'000 千港元	2009 2009年 \$'000 千港元
Turnover	營業額	699,555.00	674,983.00	550,534.00	264,457.00
Cost of sales	銷售成本	(445,033.00)	(428,346.00)	(356,787.00)	(167,688.00)
Gross profit	毛利	254,522.00	246,637.00	193,747.00	96,769.00
Other revenue and net income	其他收入及淨收益	16,188.00	26,003.00	13,759.00	25,024.00
Distribution costs	分銷成本	(11,941.00)	(17,642.00)	(13,366.00)	(15,316.00)
Administrative expenses	行政開支	(66,459.00)	(43,169.00)	(30,848.00)	(19,069.00)
Other operating expenses	其他經營開支	(844.00)	(17.00)	(3,405.00)	(457.00)
Profit from operations	經營溢利	191,466.00	211,812.00	159,887.00	86,951.00
Finance costs	財務成本	(21,085.00)	(18,603.00)	(16,394.00)	(2,026.00)
Profit before taxation	稅前溢利	170,381.00	193,209.00	143,493.00	84,925.00
Income tax	所得稅	(46,453.00)	(52,453.00)	(38,331.00)	(20,721.00)
Profit for the year	年內溢利	123,928.00	140,756.00	105,162.00	64,204.00
Attributable to:	以下人士應佔：				
Equity shareholders of the Company	本公司權益股東	70,076.00	81,426.00	60,684.00	38,084.00
Non-controlling interests	非控股權益	53,852.00	59,330.00	44,478.00	26,120.00
Profit for the year	年內溢利	123,928.00	140,756.00	105,162.00	64,204.00
ASSETS AND LIABILITIES	資產及負債				
Total Assets	總資產	790,131.00	829,317.00	719,996.00	615,263.00
Total liabilities	總負債	(395,598.00)	(438,514.00)	(444,661.00)	(412,072.00)
Net Assets	淨資產	394,533.00	390,803.00	275,335.00	203,191.00
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔總權益	333,505.00	241,176.00	157,281.00	118,758.00

The background of the page features a soft-focus image of green leaves on the left side, with several overlapping, semi-transparent white circles (bokeh) scattered across the right side. The overall color palette is a light, fresh green.

Sheen Tai Holdings Group Company Limited
順泰控股集團有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 1335