



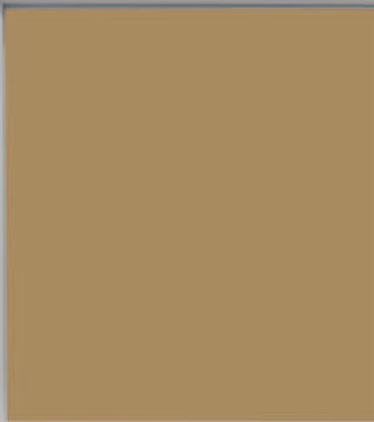
JF Household Furnishings Limited

捷豐家居用品有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股票編號:776



2012  
Annual Report  
年 報

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# FINANCIAL SUMMARY

## 財務摘要

		2008 二零零八年 HK\$ 港元	2009 二零零九年 HK\$ 港元	2010 二零一零年 HK\$ 港元	2011 二零一一年 HK\$ 港元	2012 二零一二年 HK\$ 港元
<b>Results</b>	<b>業績</b>					
Revenue	收益	403,056,696	368,474,160	438,243,822	401,798,257	<b>243,069,464</b>
Profit/(loss) attributable to owners of the Company	本公司擁有人 應佔溢利/ (虧損)	22,805,673	21,504,073	18,372,980	18,252,678	<b>(28,300,227)</b>
<b>Assets and Liabilities</b>	<b>資產及負債</b>					
Total assets	總資產	271,867,371	279,792,346	485,931,337	197,774,990	<b>166,998,556</b>
Total liabilities	總負債	129,991,671	95,091,695	273,010,403	149,262,560	<b>116,564,701</b>
Equity attributable to owners of the Company	本公司擁有人 應佔權益	141,875,700	184,700,651	212,920,934	48,512,430	<b>50,433,855</b>
<b>Earnings/(loss) per share</b>	<b>每股盈利/ (虧損)</b>					
Basic	基本	0.13	0.12	0.09	0.08	<b>(0.12)</b>
Diluted	攤薄	0.13	0.11	0.08	0.08	<b>(0.12)</b>

## BOARD OF DIRECTORS

### Executive Directors

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

### Independent Non-Executive Directors

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

## AUDIT COMMITTEE

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

## REMUNERATION COMMITTEE

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

## NOMINATION COMMITTEE

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

## COMPANY SECRETARY

Mr. Luk Chi Keung

## AUDITORS

RSM Nelson Wheeler  
29th Floor  
Caroline Centre  
Lee Gardens Two  
28 Yun Ping Road  
Hong Kong

## 董事會

### 執行董事

鄭丁港先生(*主席*)  
楊素麗女士  
呂文華先生  
梁銘浩先生  
梁國賢先生

### 獨立非執行董事

馮子華先生  
丁煌先生  
謝庭均先生

## 審核委員會

馮子華先生(*主席*)  
丁煌先生  
謝庭均先生

## 薪酬委員會

丁煌先生(*主席*)  
馮子華先生  
謝庭均先生

## 提名委員會

謝庭均先生(*主席*)  
馮子華先生  
丁煌先生

## 公司秘書

陸志強先生

## 核數師

中瑞岳華(香港)會計師事務所  
香港  
恩平道28號  
利園二期  
嘉蘭中心  
29樓

# CORPORATE INFORMATION

## 公司資料

### REGISTERED OFFICE

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

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

### PRINCIPAL BANKERS

*In Hong Kong:*  
The Hongkong and Shanghai Banking Corporation Limited

*In the PRC:*  
Hua Xia Bank  
China Merchants Bank  
Bank of China

### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Bank of Bermuda (Cayman) Limited  
PO Box 513, 2nd Floor, Strathvale House  
North Church Street, George Town  
Grand Cayman KY1-1106, Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

### STOCK CODE

0776

### WEBSITE OF THE COMPANY

www.776.hk

### 註冊地址

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

### 香港總辦事處及主要營業地點

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

### 主要往來銀行

*在香港：*  
香港上海滙豐銀行有限公司

*在中國：*  
華夏銀行  
招商銀行  
中國銀行

### 開曼群島主要股份過戶登記處

Bank of Bermuda (Cayman) Limited  
PO Box 513, 2nd Floor, Strathvale House  
North Church Street, George Town  
Grand Cayman KY1-1106, Cayman Islands

### 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
灣仔  
皇后大道東28號  
金鐘匯中心26樓

### 股份代號

0776

### 公司網址

www.776.hk

### TO OUR SHAREHOLDERS

On behalf of the board ("Board") of directors ("Directors") of JF Household Furnishings Limited ("Company"), I am pleased to present the annual report of the Company and its subsidiaries (collectively, the "Group") and its audited financial results for the financial year ended 31 December 2012.

With highly challenging due to uncertainties surrounding economic conditions in Europe and around the world, the Group's turnover decreased by approximately HK\$98.2 million to approximately HK\$243.1 million. In 2012, the Group's loss attributable to shareholders was approximately HK\$28.3 million, representing a drop of 46.6 million as compared to that of 2011. The drop in the Group's profit was mainly attributed to the lower export tax refund, the rise of wages and the uncertainty in economic environment.

### BUSINESS REVIEW

During the year, the Group completed the state-owned land use rights transfer agreement in relation to the disposal of a parcel of land and six buildings in Yuyao City, Zhejiang Province, PRC (the "Disposal"). The Disposal was satisfied by cash consideration of approximately HK\$30.8 million and the associated gain of the Disposal amounted to approximately HK\$19.2 million. The Disposal was completed on 29 December 2012.

During the year of 2012, with the increases in manufacturing costs, gross margin was severely impacted. Also the rising labour costs and the appreciation of the Renminbi currency continued to have adverse impact on the export manufacturers in the PRC. We continued our focus to enhance our core competence, such as better production efficiency and further integration in order to strengthen our Group competitiveness. In the efforts of fighting against the cost increases, we continuously work on cost improvement, such as bargaining for lower price of raw materials to lessen the impact of price increases. We targeted to maintain our stainless steel business to be a strong competitive position.

### OUTLOOK AND FUTURE PROSPECTS

Manufacturers in the PRC will continue to tackle difficulties as they face higher commodity prices worldwide, rising labour costs in the PRC, and the ever stronger pressure for the appreciation of Renminbi.

As a result of efforts of the Group in the past years, the management is confident that the Group is in a strong competitive position to secure more businesses and achieve better results, as the Group has maintained a key customer under the difficult environment.

### 致股東

本人謹代表捷豐家居用品有限公司(「本公司」)董事(「董事」)會(「董事會」)，欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一二年十二月三十一日止財政年度的年度報告及經審核財務業績。

眾多不明朗因素圍繞歐洲及世界經濟令經營環境極具挑戰，本集團營業額下降約98,200,000港元至約243,100,000港元。於二零一二年，本集團的股東應佔虧損約為28,300,000港元，較二零一一年下降約46,600,000港元。本集團的溢利下降主要是由於出口退稅減少、工資上漲及經濟環境的不明朗因素所致。

### 業務回顧

年內，本集團完成有關出售中國浙江省余姚市的一幅土地及六幢建築物的國有土地使用權轉讓協議(「出售事項」)。出售事項以現金代價約30,800,000港元支付及出售事項的相關收益金額約為19,200,000港元。出售事項已於二零一二年十二月二十九日完成。

二零一二年期間，製造成本上升令毛利率嚴重受壓。此外，勞工成本持續上漲及人民幣升值對中國出口製造業持續構成不利影響。吾等繼續專注於提升核心能力，例如更佳的生產效率及進一步整合，從而加強本集團的競爭力。為對抗成本上升，吾等持續致力於成本改進，例如爭取更低的原材料價格以減低價格上升之影響。吾等旨在維持不銹鋼業務的強勁競爭力。

### 展望及未來前景

由於要面對全球商品價格高企、中國勞工成本上漲以及人民幣前所未有的升值壓力，中國的製造業將繼續面臨困難。

在本集團過去數年努力下，管理層有信心，本集團具備強勁競爭力鞏固更多業務及達至更佳業績，原因是在艱難的環境下，本集團維持與一名主要客戶的業務。



# CHAIRMAN'S STATEMENT

## 主席報告

### OUTLOOK AND FUTURE PROSPECTS (Continued)

Looking forward to 2013, our management tries to find another investment projects to diversify its business base, leaving only the core business of the Group. This can effectively reduce operation risks, maximize the returns on the Company to its shareholders and enable the Group to make adjustments according to market changes.

### APPRECIATION

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

**Cheng Ting Kong**

*Chairman*

Hong Kong, 28 March 2013

### 展望及未來前景(續)

展望二零一三年，管理層致力尋求其他投資項目分散其業務基礎，只保留本集團的核心業務。此舉可有效減低經營風險，最大化本公司對其股東之回報以及令本集團可根據市場變化作出調整。

### 致謝

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

**鄭丁港**

*主席*

香港，二零一三年三月二十八日

### RESULTS OF OPERATIONS

For the fiscal year ended 31 December 2012, the Group reported a turnover of approximately HK\$243.1 million, representing a decrease of approximately 28.8% from that of the fiscal year of 2011. The decrease in turnover is due to the European economy continued to worsen during the year.

Gross profit margin dropped from 13.2% in 2011 to 2.5% in 2012 as suffered from lower export tax refund, higher RMB exchange rate, and higher labour costs.

Other income decreased from approximately HK\$2.3 million in 2011 to approximately HK\$1.9 million in 2012, mainly due to the decrease in exchange gains, government grants and interest income during the year.

Distribution costs dropped from approximately HK\$1.9 million in 2011 to approximately HK\$1.2 million in 2012 due to the decrease of transportation cost and declaration charge during the year.

Administrative expenses increased from approximately HK\$18.0 million in 2011 to approximately HK\$31.8 million in 2012, mainly due to increase in expenses on potential project identification and assessment.

Other operating expenses increased approximately HK\$10.0 million compared with 2011. It mainly contributed to allowance for inventories of approximately HK\$4.2 million and tax paid of approximately HK\$5.7 million related to transfer of entire issued share capital of JF A.C.R. Equipment Supplies (Ningbo) Co., Ltd. The share transfer agreement was signed between JF Household Furnishings (BVI) Ltd., a former wholly-owned subsidiary of the Company and Keylink Technology Limited, a wholly-owned subsidiary of the Company in May 2011.

Finance costs increased slightly from approximately HK\$3.8 million in 2011 to approximately HK\$4.2 million in 2012, as the average interest rate increased.

Gain on disposal of non-current assets held for sale represented gain on disposal of state-owned land use rights and six buildings in PRC during the year.

Income tax expenses decreased from approximately HK\$8.5 million in 2011 to approximately HK\$8.2 million in 2012, mainly due to decrease of profit and its mainly contributed by PRC land appreciation tax from disposal of land and buildings during the year.

### 經營業績

截至二零一二年十二月三十一日止財政年度，本集團錄得營業額約243,100,000港元，較二零一一年財政年度下降約28.8%。營業額下降乃由於年內歐洲經濟持續惡化所致。

邊際毛利率從二零一一年的13.2%下滑至二零一二年的2.5%，原因是受到出口退稅減少、人民幣匯率升值及勞工成本增加所致。

其他收入由二零一一年約2,300,000港元減少至二零一二年約1,900,000港元，主要由於年內匯兌收益、政府補助金及利息收入減少所致。

分銷成本從二零一一年約1,900,000港元下跌至二零一二年約1,200,000港元，主要由於年內運輸成本及報關費用下降所致。

行政開支從二零一一年約18,000,000港元增加至二零一二年約31,800,000港元，主要由於潛在項目物色及評估的開支增加。

其他經營開支較二零一一年增加約10,000,000港元，主要是由於存貨撥備約4,200,000港元及有關轉讓寧波捷豐家居用品有限公司全部已發行股本約5,700,000港元的已繳稅項所致。本公司的前全資附屬公司捷豐家居用品(維爾京群島)有限公司及本公司的全資附屬公司機靈科技有限公司於二零一一年五月簽訂股份轉讓協議。

由於平均利率上升，令融資成本從二零一一年約3,800,000港元輕微增加至二零一二年約4,200,000港元。

出售持作出售之非流動資產之收益指年內出售在中國之國有土地使用權及六座建築物的收益。

所得稅開支從二零一一年約8,500,000港元減少至二零一二年的約8,200,000港元，主要由於溢利減少所致，及其主要來源於年內出售土地及建築物之中國土地增值稅。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

As at 31 December 2012, the Group had cash and bank balances of approximately HK\$36.3 million (2011: HK\$19.5 million) and net current assets of approximately HK\$35.0 million which was HK\$3.4 million higher than approximately HK\$31.6 million recorded in 2011, due to increase of cash and bank balances as sales proceeds from disposal of land use right and buildings during the year.

The Group total bank borrowings of approximately HK\$44.0 million as at 31 December 2012 (2011: HK\$71.9 million). All bank borrowings were repayable within one year. The Group's bank borrowings carried interests at fixed and floating interest rate.

As at 31 December 2012, the Group had current liabilities of approximately HK\$114.8 million, which was lower than the closing balance for 2011 of approximately HK\$147.5 million. The decrease in current liabilities was mainly due to the decrease of bank borrowings and deposit received in other payables and accruals.

### BANK LOANS AND OTHER BORROWINGS

As at 31 December 2012, bank borrowings of approximately HK\$17.4 million were secured by leasehold land and certain buildings owned by a third party and pledged deposits of the Group.

### GEARING RATIO

The Group's gearing ratio, which was derived from the total bank borrowings to total assets, decreased to 26.4% in 2012 from 36.4% in 2011, as the Group decreased its bank borrowings by approximately 27.9 million.

### CONTINGENT LIABILITIES

As at 31 December 2012, the Group did not have any significant contingent liabilities (2011: nil).

### EXPOSURE TO FLUCTUATION IN EXCHANGE RATES AND RELATED HEDGES

All transactions of the Group are denominated in RMB, Hong Kong dollars, Euro or US dollars. As RMB may continue to fluctuate in the foreseeable future, the Group will maintain a sizable portion of its borrowings in Hong Kong dollars, which form a natural hedge with the Group's sales denominated in US dollars.

### 流動資金、財務資源及融資

於二零一二年十二月三十一日，本集團擁有現金及銀行結餘約36,300,000港元(二零一一年：19,500,000港元)及淨流動資產約35,000,000港元，較二零一一年之約31,600,000港元增加約3,400,000港元，原因是年內出售土地使用權及建築物之出售所得款項令現金及銀行結餘增加所致。

於二零一二年十二月三十一日，本集團有總銀行借貸約44,000,000港元(二零一一年：71,900,000港元)。所有銀行借貸均須於一年內償還。本集團的銀行借貸附有固定及浮動息率。

於二零一二年十二月三十一日，本集團擁有流動負債約114,800,000港元，低於二零一一年之年終結餘約147,500,000港元。流動負債減少主要由於銀行借貸及於其他應付款項及應計項目中之已收按金減少所致。

### 銀行貸款及其他借貸

於二零一二年十二月三十一日，約17,400,000港元銀行借貸由第三方擁有的租賃土地及若干建築物以及本集團的抵押存款作抵押。

### 資產負債比率

本集團的資產負債比率(以銀行借貸總額與資產總值之比率計算)，從二零一一年的36.4%減少至二零一二年的26.4%，原因是本集團減少銀行借貸約27,900,000港元。

### 或然負債

於二零一二年十二月三十一日，本集團並無任何重大或然負債(二零一一年：零港元)。

### 匯率波動及有關對沖風險

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

### EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2012, the Group employed approximately 496 staff in the PRC and Hong Kong, representing an decrease of 164 staff from 31 December 2011. The Group's remuneration to employees, including Directors' emoluments, decreased by approximately HK\$2.8 million to approximately HK\$34.1 million for the fiscal year of 2012.

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

### TREASURY POLICIES AND CAPITAL STRUCTURE

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

### FINAL DIVIDEND

The Board does not recommend the payment of final dividend for the year ended 31 December 2012 (2011: nil). A special dividend of HK\$0.75998 per ordinary share was declared on 31 May 2011 and was recognised as distribution on 15 June 2011.

### 僱員及薪酬政策

於二零一二年十二月三十一日，本集團於中國及香港僱用約496名員工，較二零一一年十二月三十一日減少約164名。在二零一二年財政年度，本集團的僱員薪酬(包括董事酬金)減少約2,800,000港元至約34,100,000港元。

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

### 財務政策及資本結構

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

### 末期股息

董事會並不建議派付截至二零一二年十二月三十一日止年度末期股息(二零一一年：無)。於二零一一年五月三十一日，已宣派每股0.75998港元的特別股息，並於二零一一年六月十五日確認為分派。

# BIOGRAPHICAL DETAILS OF DIRECTORS

## 董事之詳細履歷

### EXECUTIVE DIRECTORS

Mr. Cheng Ting Kong, aged 38, joined the Company in September 2012. He is the director of Sun Finance Company Limited. Mr. Cheng has extensive experience in corporate management and investment.

Ms. Yeung So Lai, aged 35, joined the Company in September 2012. She is presently a director of a number of private companies engaged in the business of bird's nest trading and investment holding. Ms. Yeung is experienced in corporate management. Ms. Yeung is currently an executive director of Sun Century Group Limited (stock code: 1383) ("Sun Century"), a company listed on the Main Board of the Stock Exchange and Sun International Resources Limited (stock code: 8029) ("Sun International"), a company listed on the Growth Enterprise Market of the Stock Exchange.

Mr. Lui Man Wah, aged 30, joined the Company in August 2012 as a chief executive officer and appointed as Director in October 2012. Mr. Lui graduated from the Hong Kong Polytechnic University with a Bachelor of Arts degree in business studies in 2004. He then obtained a Master of Commerce degree from Macquarie University in 2005. He was the Vice President of the Equities Department of SBI-E2 Capital Financial Services Limited. Prior to joining SBI-E2 Capital Financial Services Limited, he had previously served various financial institutions for over five years. He was the Institutional Sales Manager of the Securities Department of Cinda International Limited from December 2009 to October 2010. From December 2008 to June 2009, he was the Vice President of the Securities Department of Polaris Securities (HK) Limited. From February 2012 to July 2012, he was an independent non-executive director of Sun Century.

Mr. Leung Ming Ho, aged 37, joined the Company in October 2012. He holds a Bachelor of Business Administration degree in marketing from the Hong Kong Baptist University. Mr. Leung has extensive experience in marketing and management and was the General Manager of Pro Vision Technology Ltd. He has appointed as Assistant to General Manager of Sun International from 2011 to 31 December 2012. Mr. Leung was an executive director of Sun Century from 2 September 2011 to 31 July 2012.

Mr. Leung Kwok Yin, aged 60, is one of the co-founders of the Group. Mr. Leung is responsible for product development, materials sourcing and marketing of the Group. Mr. Leung graduated from the Hong Kong Polytechnic University in 1975 with a technician diploma in electrical engineering.

### 執行董事

鄭丁港先生，38歲，於二零一二年九月加入本公司。彼為太陽國際財務有限公司的董事。鄭先生在企業管理及投資方面擁有豐富經驗。

楊素麗女士，35歲，於二零一二年九月加入本公司。彼現時為從事燕窩貿易及投資控股業務的多家私營公司之董事。楊女士於企業管理方面擁有豐富經驗。楊女士現時為太陽世紀集團(股份代號：1383，一間於聯交所主板上市之公司)(「太陽世紀」)及太陽國際資源有限公司(股份代號：8029，一間於聯交所創業板上市之公司)(「太陽國際」)之執行董事。

呂文華先生，30歲，於二零一二年八月加入本公司任行政總裁，並於二零一二年十月獲委任為董事。呂先生於二零零四年畢業於香港理工大學，獲頒商業學文學士學位。彼其後於二零零五年取得麥格理大學商業碩士學位。彼曾任軟庫金匯金融服務有限公司證券部之副總裁。於加入軟庫金匯金融服務有限公司之前，彼曾任職於多間金融機構，共歷時逾五年。彼自二零零九年十二月至二零一零年十月擔任Cinda International Limited證券部機構銷售經理。彼自二零零八年十二月至二零零九年六月擔任寶來證券(香港)有限公司證券部之副總裁。彼自二零一二年二月至二零一二年七月擔任太陽世紀獨立非執行董事。

梁銘浩先生，37歲，於二零一二年十月加入本公司。彼持有香港浸會大學工商管理(市場學)學士學位。梁先生於市場推廣及管理方面擁有豐富經驗，並曾擔任衛駿科技有限公司之總經理。自二零一一年至二零一二年十二月三十一日，彼獲委任為太陽國際之總經理助理。梁先生自二零一一年九月二日至二零一二年七月三十一日擔任太陽世紀執行董事。

梁國賢先生，60歲，本集團聯合創辦人之一。梁國賢先生負責本集團產品開發、物料採購及市場推廣。彼於一九七五年於香港理工大學畢業，取得電機工程技術文憑。

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Fung Tze Wa, aged 56, joined the Company in October 2012. He is a Certified Public Accountant and a director of an accounting firm in Hong Kong. Mr. Fung has various years of experience in auditing, taxation and company secretarial practice in Hong Kong. He obtained a Master degree in professional accounting from the Hong Kong Polytechnic University in 2000. He is a member of the Hong Kong Institute of Certified Public Accountants (“HKICPA”), the Chartered Association of Certified Accountants, the Taxation Institute of Hong Kong and the Society of Chinese Accountants and Auditors. He has also been appointed as the independent non-executive director of China Haidian Holdings Limited, a company incorporated in the Cayman Island with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0256), since April 2004 and Jiwa Bio-Pharm Holdings Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2327), since September 2004. From April 2004 to February 2012, he was an independent non-executive director of New Capital International Investment Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1062).

Mr. Ting Wong Kacee, aged 37, joined the Company in October 2012. He holds a Master of Laws and Postgraduate Certificate in Laws from the City University of Hong Kong. He is currently a member of The Hong Kong Bar Association.

Mr. Tse Ting Kwan, aged 37, joined the Company in October 2012. He holds a Bachelor's Degree in Business Administration. He is currently a fellow member of the Association of Chartered Certified Accountants and an associate member of the HKICPA. Mr. Tse has over 10 years of experience in auditing, finance and accounting. He is currently the financial controller of Chinese People Holdings Company Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0681).

### 獨立非執行董事

馮子華先生，56歲，於二零一二年十月加入本公司。彼為執業會計師及香港一家會計師事務所之董事。馮先生於香港審計、稅務及公司秘書實務方面擁有多年經驗。彼於二零零零年獲香港理工大學頒授專業會計學碩士學位。彼為香港會計師公會（「香港會計師公會」）、特許公認會計師公會、香港稅務學會及華人會計師及核數師公會會員。彼亦自二零零四年四月起獲委任為中國海澱集團有限公司（該公司為於開曼群島註冊成立之有限公司，其已發行股份於聯交所主板上市（股份代號：0256））之獨立非執行董事，並自二零零四年九月起獲委任為積華生物醫藥控股有限公司（該公司為於百慕達註冊成立之有限公司，其已發行股份於聯交所主板上市（股份代號：2327））之獨立非執行董事。自二零零四年四月起至二零一二年二月，彼擔任新資本國際投資有限公司（該公司為於開曼群島註冊成立之有限公司，其已發行股份於聯交所主板上市（股份代號：1062））之獨立非執行董事。

丁煌先生，37歲，於二零一二年十月加入本公司。彼持有香港城市大學法律碩士，法律和學位證書。目前，彼為香港大律師公會的成員。

謝庭均先生，37歲，於二零一二年十月加入本公司。彼持有工商管理學士學位。彼現為特許公認會計師公會之資深會員及香港會計師公會之會員。謝先生於審計、財務及會計方面擁有逾10年經驗。彼現為中民控股有限公司（該公司為於百慕達註冊成立之有限公司，其已發行股份於聯交所主板上市（股份代號：0681））之財務總監。

# REPORT OF THE DIRECTORS

## 董事會報告

The Directors are pleased to present their report together with the audited financial statements of JF Household Furnishings Limited (“the Company”) and its subsidiaries (collectively the “Group”) for the year ended 31 December 2012.

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

### PRINCIPAL ACTIVITIES AND SUBSIDIARIES

The Company is an investment holding company. The Group is principally engaged in the manufacture and sale of furnishings, home products and accessories primarily used in kitchens and bathrooms with stainless steel as raw materials. The principal subsidiaries as at 31 December 2012 are set out in note 32 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

### RESULTS AND DIVIDEND

The results of the Group for the year ended 31 December 2012 and the state of affairs of the Group at that date are set out in the consolidated statement of comprehensive income of this annual report.

The Directors do not recommend payment of any final dividend for the year ended 31 December 2012 (2011: nil).

### USE OF PROCEEDS FROM THE PLACING OF SHARES

The Company raised its fund by way of a private placement of 15,600,000 shares of the Company at the placing price of HK\$1.92 per share on 5 March 2012. Net proceeds from the placing of shares amounted to approximately HK\$28.8 million (after deducting the placing commission and legal and professional expenses). Such net proceeds have been used in the following manner:

董事欣然提呈捷豐家居用品有限公司(「本公司」)及其附屬公司(統稱「本集團」)的董事會報告及截至二零一二年十二月三十一日止年度的經審核財務報表。

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

### 主要業務及附屬公司

本公司為投資控股公司。本集團主要從事製造及銷售主要用於廚房及浴室，以不銹鋼作為原材料的家俱、家居用品及配件。於二零一二年十二月三十一日的主要附屬公司載於財務報表的附註32。年內，本集團的主要業務並無重大變動。

### 業績及股息

截至二零一二年十二月三十一日止年度本集團業績及於該日期的事務狀況載於本年報的綜合全面收益表。

董事並不建議派付截至二零一二年十二月三十一日止年度任何末期股息(二零一一年：無)。

### 配售股份所得款項的用途

於二零一二年三月五日，本公司按每股1.92港元的配售價，以私人配售形式配售15,600,000股本公司股份以籌集資金。配售股份的所得款項淨額達約28,800,000港元(扣除配售佣金及法律以及專業費用後)。有關所得款項淨額以下列方式使用：

	<b>Amount raised</b>	<b>Amount used as at the date of this report</b>
	所得金額	於本報告日期已使用金額
	(HK\$ million)	(HK\$ million)
	(百萬港元)	(百萬港元)
General corporate and working capital purpose 一般企業及營運資金用途	28.8	28.8



## RESERVES

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

## DISTRIBUTABLE RESERVES

At 31 December 2012, the Company's reserves available for cash distribution amounted to approximately HK\$1.1 million. Under the Companies Law (Revised) of the Cayman Islands, the share premium of the Company is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business. The share premium may also be distributed in the form of fully paid bonus shares.

## PROPERTY, PLANT AND EQUIPMENT

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

## SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in note 26 to the financial statements. Shares were issued during the year pursuant to the placement of shares during the year.

## MAJOR CUSTOMERS AND SUPPLIERS

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

		Percentage of the Group's total Sales/Purchases
		佔本集團銷售/ 採購總額百分比
The largest customer	最大客戶	98.3%
Five largest customers in aggregate	五大客戶合計	99.7%
The largest supplier	最大供應商	15.99%
Five largest suppliers in aggregate	五大供應商合計	42.77%

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

## 儲備

本集團及本公司年內儲備變動的詳情分別載於綜合權益變動表及財務報表附註31。

## 可供分派儲備

於二零一二年十二月三十一日，本公司可供現金分派之儲備約為1,100,000港元。根據開曼群島公司法(經修訂)，本公司之股份溢價可分派予本公司股東，惟本公司須於緊隨建議派發股息日之後仍有能力償還在日常業務過程中到期之債務。股份溢價亦可以繳足紅利股份的形式分派。

## 物業、廠房及設備

本集團年內物業、廠房及設備的變動詳情載於財務報表附註16。

## 股本

本公司年內股本的變動詳情載於財務報表附註26。年內，股份乃根據本年度股份配售而發行。

## 主要客戶及供應商

於本財政年度內，主要客戶及供應商分別佔本集團銷售及採購額的資料如下：

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



# REPORT OF THE DIRECTORS

## 董事會報告

### DIRECTORS

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

#### Executive Directors

Mr. Cheng Ting Kong (*Chairman*) (*Appointed on 21 September 2012*)  
Ms. Yeung So Lai (*Appointed on 21 September 2012*)  
Mr. Lui Man Wah (*Appointed on 5 October 2012*)  
Mr. Leung Ming Ho (*Appointed on 5 October 2012*)  
Mr. Leung Kwok Yin  
Ms. Zhang Qian (*former Chairman*) (*Resigned on 5 October 2012*)  
Mr. Leung Kwok Pong (*Resigned on 5 October 2012*)  
Mr. He Xianmei (*Retired on 14 May 2012*)  
Mr. Niu Jinsheng (*Retired on 14 May 2012*)

#### Independent Non-Executive Directors

Mr. Fung Tze Wa (*Appointed on 5 October 2012*)  
Mr. Ting Wong Kacee (*Appointed on 31 October 2012*)  
Mr. Tse Ting Kwan (*Appointed on 5 October 2012*)  
Dr. Liu Yongping (*Resigned on 5 October 2012*)  
Mr. Wu Chi Keung (*Resigned on 5 October 2012*)  
Mr. Wang Siyong (*Resigned on 5 October 2012*)

### BIOGRAPHICAL DETAILS OF THE DIRECTORS

The biographical details of the Directors are set out on page 10 to page 11 of this annual report.

### DIRECTORS' SERVICE CONTRACTS AND ROTATION

In accordance with Article 87(1) of the Articles of Association of the Company, Mr. Leung Kwok Yin shall retire by rotation and, being eligible, offer themselves for re-election.

In accordance with Article 86(3) of the Articles of Association of the Company, Mr. Cheng Ting Kong, Ms. Yeung So Lai, Mr. Lui Man Wah, Mr. Leung Ming Ho, Mr. Fung Tze Wa, Mr. Ting Wong Kacee and Mr. Tse Ting Kwan shall retire from the Board by rotation at the forthcoming annual general meeting and being eligible, shall offer themselves for re-election.

### 董事

於本財政年度及直至本報告刊發日期止的董事如下：

#### 執行董事

鄭丁港先生(主席)(於二零一二年九月二十一日獲委任)  
楊素麗女士(於二零一二年九月二十一日獲委任)  
呂文華先生(於二零一二年十月五日獲委任)  
梁銘浩先生(於二零一二年十月五日獲委任)  
梁國賢先生  
張謙女士(前主席)(於二零一二年十月五日辭任)  
梁國邦先生(於二零一二年十月五日辭任)  
何顯梅先生(於二零一二年五月十四日退任)  
牛進生先生(於二零一二年五月十四日退任)

#### 獨立非執行董事

馮子華先生(於二零一二年十月五日獲委任)  
丁煌先生(於二零一二年十月三十一日獲委任)  
謝庭均先生(於二零一二年十月五日獲委任)  
劉勇平博士(於二零一二年十月五日辭任)  
胡志強先生(於二零一二年十月五日辭任)  
王斯勇先生(於二零一二年十月五日辭任)

### 董事之履歷詳情

董事之履歷詳情載於本年報第10頁至第11頁。

### 董事之服務合約及輪席

根據本公司的公司細則第87(1)條，梁國賢先生須輪席告退，但符合資格膺選連任。

根據本公司的公司細則第86(3)條，鄭丁港先生、楊素麗女士、呂文華先生、梁銘浩先生、馮子華先生、丁煌先生及謝庭均先生須於即將舉行的股東週年大會上自董事會退任，但符合資格膺選連任。

## DIRECTORS' SERVICE CONTRACTS AND ROTATION

(Continued)

All the executive Director do not entered any service contract with the Company. The term of office of each independent non-executive Director is appointed for a specific term of three year and is subject to retirement and re-election at annual general meeting in accordance with the Company's Articles of Association.

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

## DIRECTORS' EMOLUMENTS

Details of Directors' emoluments on a named basis are set out in note 9 to financial statements.

## ANNUAL CONFIRMATION FROM INDEPENDENT NON-EXECUTIVE DIRECTORS

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

## 董事之服務合約及輪席(續)

所有執行董事概無與本公司訂立任何服務合約。各獨立非執行董事獲委任的特定任期為三年並須根據本公司的公司細則於股東週年大會上輪值退任並可膺選連任。

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

## 董事酬金

以記名方式的董事酬金詳情載於財務報表附註9。

## 獨立非執行董事之年度確認

本公司已根據聯交所證券上市規則(「上市規則」)第3.13條收到各獨立非執行董事的書面獨立性確認書。董事會及提名委員會均認為所有獨立非執行董事均為獨立人士。

# REPORT OF THE DIRECTORS

## 董事會報告

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

As at 31 December 2012, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (the "Associated Corporations") as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

董事於本公司或其相聯法團的股份、相關股份及債券中的權益及淡倉

於二零一二年十二月三十一日，根據證券及期貨條例第352條本公司須予存置的登記冊所記錄，或根據上市發行人董事進行證券交易之標準守則（「標準守則」）須知會本公司及聯交所，有關董事於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）（「相聯法團」）的股份、相關股份及債券中的權益及淡倉如下：

Name of Director 董事姓名	Number of shares 股份數目			Total 總數	Percentage of aggregate interests to total number of shares in issue % 權益總額佔已發行股份 總數之百分比
	Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益		
Mr. Cheng Ting Kong 鄭丁港先生	-	-	179,407,488 (L)	179,407,488 (L) <sup>1</sup>	74.98%

Notes:

- The letter "L" represents the Director's interests in the Shares and underlying Shares or, as the case may be, the equity interest of the Company or its associated corporations.
- This represents interests held by Mr. Cheng Ting Kong through Power Ocean Holdings Limited ("Power Ocean"), which holds 179,407,488 shares of the Company. Mr. Cheng Ting Kong has 50% interest in Power Ocean, he is therefore deemed to be interested in 179,407,488 shares of the Company.

附註：

- 字母「L」代表董事於本公司或其相聯法團的股份及相關股份或（按情況而定）股權的權益。
- 此代表鄭丁港先生透過力海控股有限公司（「力海」，其持有本公司179,407,488股股份）持有的權益。鄭丁港先生擁有力海50%權益，因此，彼被視為於本公司179,407,488股股份擁有權益。

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

Save as disclosed above, as at 31 December 2012, none of the Directors had any other interests or short positions in the shares, underlying shares or debentures of the Company or any of its Associated Corporations which had been entered in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contract 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 under review or any time during the year under review save and except for the transactions disclosed as connected and/or related party transactions in accordance with the requirements of the Listing Rules and accounting principles generally accepted in Hong Kong.

## DIRECTORS' INTERESTS IN COMPETING BUSINESS

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

## PUBLIC FLOAT

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

## PRE-EMPTIVE RIGHTS

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

## SHARE OPTIONS

No options granted under the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme are still outstanding. No options granted under the New Share Option Scheme since its adoption on 26 November 2008 are still outstanding.

## 董事於本公司或其相聯法團的股份、相關股份及債券中的權益及淡倉(續)

除以上披露者外，於二零一二年十二月三十一日，根據證券及期貨條例第352條本公司須予存置之登記冊所記錄，或根據標準守則須知會本公司及聯交所，概無董事於本公司或其任何相關法團之股份、相關股份或債券中擁有任何權益或淡倉。

## 董事於重大合約之權益

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

## 董事於競爭業務之權益

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

## 公眾持股量

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

## 優先購買權

本公司的組織章程或開曼群島法律並無有關優先購買權的規定。

## 購股權

概無根據首次公開招股前購股權計劃及首次公開招股後購股權計劃授出之購股權仍未行使。於二零零八年十一月二十六日採納新購股權計劃起概無根據該計劃授出之購股權仍未行使。

### SHARE OPTION SCHEME

By written resolutions passed on 8 September 2005, the then shareholders of the Company approved and adopted a share option scheme entitling the Board to grant share options at its discretion before the listing of the Shares on Growth Enterprises Market (the "Pre-IPO Share Option Scheme"), and conditionally adopted a post-IPO share option scheme (the "Post-IPO Share Option Scheme"). By an ordinary resolution passed on 26 November 2008, the then shareholders of the Company approved (i) the adoption of a new share option scheme ("New Share Option Scheme"), and (ii) the termination of the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme. Pursuant to the terms of the Pre-IPO Share Option Scheme, the share options previously granted under the Pre-IPO Share Option Scheme but not yet exercised will remain valid and exercisable in accordance with the provisions of the Pre-IPO Share Option Scheme and the terms of issue of such options.

### RETIREMENT SCHEMES

The Group maintains a mandatory provident fund ("MPF Scheme") for all qualifying employees in Hong Kong. The Group's and employee's contributions to the MPF Scheme are based on 5% of the relevant income of the relevant employee (up to a cap of monthly relevant income of HK\$25,000) and in accordance with the requirements of the Mandatory Provident Fund Schemes Ordinance and related regulations.

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

### CONNECTED TRANSACTIONS

During the year, the Company did not have any connected transactions which were subject to requirements of the Listing Rules. Other transactions which exempted from the requirements of the Listing Rule are also disclosed in note 35 to the financial statements as related party transactions.

### 購股權計劃

根據於二零零五年九月八日通過的書面決議案，本公司當時的股東批准及採納一項購股權計劃，賦予董事會權力可於股份在創業板上市前酌情授出購股權（「首次公開招股前購股權計劃」），並有條件地採納首次公開招股後購股權計劃（「首次公開招股後購股權計劃」）。根據二零零八年十一月二十六日通過之一項普通決議案，本公司當時的股東批准(i)採納新購股權計劃（「新購股權計劃」），及(ii)終止首次公開招股前購股權計劃及首次公開招股後購股權計劃。根據首次公開招股前購股權計劃之條款，此前根據首次公開招股前購股權計劃授出但尚未行使之購股權將仍然有效，並可根據首次公開招股前購股權計劃之條文以及發行該等購股權之條款行使。

### 退休金計劃

本集團為其全體香港合資格僱員設立強制性公積金計劃（「強積金計劃」）。本集團及僱員對強積金計劃之供款乃按照強制性公積金計劃條例及相關規例的要求，根據相關僱員之相關收入（每月相關收入上限為25,000港元）的5%計算。

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

### 關聯交易

年內，本公司並無訂立任何須遵守上市規則的關聯交易。獲上市規則豁免的其他交易亦於財務報表附註35披露作關聯人士交易。

### **MANAGEMENT CONTRACTS**

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

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

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

### **EVENTS AFTER THE REPORTING PERIOD**

Details of significant events after the reporting period as set out in note 36 to the financial statements.

### **AUDITOR**

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

On behalf of the Board

**Cheng Ting Kong**

*Chairman*

28 March 2013

### **管理合約**

年內概無訂立或存在任何關於本公司業務全部或任何重要部分之管理及行政合約。

### **購買、銷售或贖回本公司已上市證券**

年內，本公司或其任何附屬公司概無購買、銷售或贖回本公司的任何股份。

### **報告期後事項**

報告期後重大事項的詳情載於財務報表附註36。

### **核數師**

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

代表董事會

*主席*

**鄭丁港**

二零一三年三月二十八日



### CODE OF BEST PRACTICE

The Group is committed to ensuring high standards of corporate governance and business practices. Save as disclosed below, the Group complied with the code provisions of the Code on Corporate Governance Practices (the “CG Code”, formerly set out in Appendix 14 to the Listing Rules) during the period from 1 January 2012 to 31 March 2012 and of the Corporate Governance Code and Corporate Governance Report (the “Revised Code”, the new edition of the Code on Corporate Governance Practices, which is applicable to financial reports covering the period after 1 April 2012) during the period from 1 April 2012 to 31 December 2012. The Group periodically reviews its corporate governance practices to ensure its continuous compliance.

Since 5 October 2012, Dr. Liu Yongping, Mr. Wu Chi Keung and Mr. Wang Siyong have been resigned as independent non-executive Director and appointed Mr. Tse Ting Kwan and Mr. Fung Tze Wa as independent non-executive Director to replace their vacancies. Following the changes, the Group has two independent non-executive Directors, which falls below the minimum number required under rule 3.10(1) of the Listing Rules; the Audit Committee comprises two members, which falls below the minimum number required under rule 3.21 of the Listing Rules; and the Remuneration Committee is not chaired by an independent non-executive Director, which does not meet the requirement of rule 3.25 of the Listing Rules. Since 31 October 2012, Mr. Ting Wong Kacee appointed as independent non-executive Director. Upon the appointment of Mr. Ting Wong Kacee as an independent non-executive Director, the requirements (i) of the number of the independent non-executive directors under Rule 3.10 of the Listing Rules; (ii) of the number of the members of the Audit Committee of the Company under Rule 3.21 of the Listing Rules; and (iii) that the Remuneration Committee of the Company shall be chaired by an independent non-executive director pursuant to Rule 3.25 of the Listing Rules have been fulfilled.

### DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted a code of conduct regarding Directors' securities transactions as set out in Appendix 10 of the Listing Rules. Having made specific enquiry, all Directors have fully complied with the required standard set out in Appendix 10 of the Listing Rules for the year ended 31 December 2012.

### 最佳常規守則

本集團致力維持良好的企業管治及業務常規。除下文所披露者外，本集團於自二零一二年一月一日至二零一二年三月三十一日止期間已遵守企業管治常規守則（「企業管治守則」，之前載於上市規則附錄十四）的守則條文以及自二零一二年四月一日至二零一二年十二月三十一日已遵守企業管治守則及企業管治報告（「經修訂守則」，新版企業管治常規守則，適用於涵蓋二零一二年四月一日之後期間的財務報告）的守則條文。本集團定期檢討其企業管治常規以確保其持續遵守。

自二零一二年十月五日起，劉勇平博士、胡志強先生及王斯勇先生已辭任獨立非執行董事，並委任謝庭均先生及馮子華先生為獨立非執行董事以填補彼等的空缺。於變動後，本集團有兩名獨立非執行董事，低於上市規則第3.10(1)條所規定之最低人數；審核委員會由兩名成員組成，低於上市規則第3.21條所規定之最低人數；且薪酬委員會主席並非由獨立非執行董事擔任，不符合上市規則第3.25條之規定。自二零一二年十月三十一日起，丁煌先生獲委任為獨立非執行董事。於委任丁煌先生為獨立非執行董事後，本公司已符合(i)上市規則第3.10條所規定之獨立非執行董事最低成員人數；(ii)第3.21條所規定之最低審核委員會成員人數；及(iii)第3.25條所規定之薪酬委員會主席由獨立非執行董事擔任。

### 董事進行證券交易

本集團已採納載於上市規則附錄十有關董事進行證券交易的操守守則。在向所有董事作出具體查詢後，彼等於截至二零一二年十二月三十一日止年度已經完全遵守載於上市規則附錄十的規定準則。

### THE BOARD

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

As at 31 December 2012, the Board comprised of eight members, namely the Chairman and four other executive Directors and three independent non-executive Directors as defined in the Listing Rules (the biographies of the Directors are set out on page 10 to page 11).

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

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

### 董事會

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

於二零一二年十二月三十一日，董事會由八名成員組成，包括主席、四名其他執行董事及三名獨立非執行董事（定義見上市規則），董事之個人資料載於第10頁至第11頁。

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

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

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

During the year ended 31 December 2012, a total number of seventeen (17) Board meetings, two (2) Audit Committee meetings, four (4) Remuneration Committee meetings and four (4) Nomination Committee meetings were held. Minutes of these meetings are kept by the Company Secretary of the Company and are open for inspection by the Directors.

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

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

The Directors except for the independent non-executive Directors, have no fixed terms of appointment but are subject to re-election at the annual general meeting ("AGM") of the Company.

### DIRECTORS' TRAINING

Pursuant to Code Provision A.6.5 which has come into effect from 1 April 2012, all directors, should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. Up to the date of this report, all Directors have participated in appropriate continuous professional development activities by attending training course or reading materials on the topics related to corporate governance and regulations or the Company's business or their duties and responsibilities.

於截至二零一二年十二月三十一日止年度期間已舉行十七(17)次董事會會議、兩(2)次審核委員會會議、四(4)次薪酬委員會會議及四(4)次提名委員會會議。該等會議的會議紀錄由本公司的公司秘書保存，並可公開供董事查閱。

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

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

董事(獨立非執行董事除外)並無固定委任年期，惟須於本公司股東週年大會(「股東週年大會」)膺選連任。

### 董事培訓

根據於二零一二年四月一日生效的條文第A.6.5條，所有董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需之情況下對董事會作出貢獻。直至本報告日期止，所有董事均透過出席有關主題為企業管治及相關規例的培訓課程或閱讀本公司業務或彼等職能及職責相關資料的方式而參與合適的持續專業發展活動。

### DIRECTORS' TRAINING (Continued)

The individual training record of each Director received for the year ended 31 December 2012 is summarised below:

### 董事培訓(續)

於截至二零一二年十二月三十一日止年度內各董事所接受培訓之個別記錄概述如下：

Name of Directors	Attending seminar(s)/programme(s)/ reading relevant materials in relation to the business or directors' duties	出席與業務或董事職責相關之 講座／課程／閱讀相關資料
董事姓名		
Mr. Cheng Ting Kong (Appointed on 21 September 2012)	鄭丁港先生(於二零一二年 九月二十一日獲委任)	Yes是
Ms. Yeung So Lai (Appointed on 21 September 2012)	楊素麗女士(於二零一二年 九月二十一日獲委任)	Yes是
Mr. Lui Man Wah (Appointed on 5 October 2012)	呂文華先生(於二零一二年 十月五日獲委任)	Yes是
Mr. Leung Ming Ho (Appointed on 5 October 2012)	梁銘浩先生(於二零一二年 十月五日獲委任)	Yes是
Mr. Leung Kwok Yin	梁國賢先生	Yes是
Ms. Zhang Qian (Resigned on 5 October 2012)	張謙女士(於二零一二年 十月五日辭任)	Yes是
Mr. Leung Kwok Pong (Resigned on 5 October 2012)	梁國邦先生(於二零一二年 十月五日辭任)	Yes是
Mr. He Xianmei (Retired on 14 May 2012)	何顯梅先生(於二零一二年 五月十四日退任)	Yes是
Mr. Niu Jinsheng (Retired on 14 May 2012)	牛進生先生(於二零一二年 五月十四日退任)	Yes是
Mr. Fung Tze Wa (Appointed on 5 October 2012)	馮子華先生(於二零一二年 十月五日獲委任)	Yes是
Mr. Ting Wong Kacee (Appointed on 31 October 2012)	丁煌先生(於二零一二年 十月三十一日獲委任)	Yes是
Mr. Tse Ting Kwan (Appointed on 5 October 2012)	謝庭均先生(於二零一二年 十月五日獲委任)	Yes是
Dr. Liu Yongping (Resigned on 5 October 2012)	劉勇平博士(於二零一二年 十月五日辭任)	Yes是
Mr. Wu Chi Keung (Resigned on 5 October 2012)	胡志強先生(於二零一二年 十月五日辭任)	Yes是
Mr. Wang Siyong (Resigned on 5 October 2012)	王斯勇先生(於二零一二年 十月五日辭任)	Yes是

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the financial statements of the Group for the relevant accounting periods under applicable statutory and regulatory requirements which give a true and fair view of the state of affairs, the results of operations and cash flows of the Group. In preparing the financial statements for the year ended 31 December 2012, suitable accounting policies have been adopted and applied consistently. The financial statements for the reporting year have been prepared on a going concern basis.

The individual attendance records of each Director, at the meetings of the Board, Audit Committee, Remuneration Committee and Nomination Committee during the year ended 31 December 2012 are set out below:

### 董事對財務報表的責任

董事負責根據適用的法定及監管要求編製本集團於有關會計期間的財務報表，真實公平地呈報本集團的事務狀況、營運業績及現金流量。於編製截至二零一二年十二月三十一日止年度的財務報表時，已一致地採納及應用合適的會計政策。報告年度的財務報表乃按持續經營基準編製。

於截至二零一二年十二月三十一日止年度，各董事個別出席董事會、審核委員會、薪酬委員會及提名委員會的會議紀錄載列如下：

Attendance/Number of meetings entitled to attend  
出席率／有權出席會議的次數

Name of Director 董事姓名	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Annual General meeting 股東週年大會	
<b>Number of Meetings</b>	<b>會議次數</b>	17	2	4	4	1
<i>Executive Directors</i>	<i>執行董事</i>					
Mr. Cheng Ting Kong <sup>1</sup>	鄭丁港先生 <sup>1</sup>	6/7	–	–	–	–
Ms. Yeung So Lai <sup>1</sup>	楊素麗女士 <sup>1</sup>	6/7	–	–	–	–
Mr. Lui Man Wah <sup>2</sup>	呂文華先生 <sup>2</sup>	4/6	–	–	–	–
Mr. Leung Ming Ho <sup>2</sup>	梁銘浩先生 <sup>2</sup>	6/6	–	–	–	–
Mr. Leung Kwok Yin	梁國賢先生	8/17	–	–	–	1/1
Ms. Zhang Qian <sup>3</sup>	張謙女士 <sup>3</sup>	9/12	–	–	2/2	1/1
Mr. Leung Kwok Pong <sup>3</sup>	梁國邦先生 <sup>3</sup>	7/12	–	–	–	1/1
Mr. He Xianmei <sup>4</sup>	何顯梅先生 <sup>4</sup>	5/8	–	–	–	0/1
Mr. Niu Jinsheng <sup>4</sup>	牛進生先生 <sup>4</sup>	5/8	–	–	–	0/1
<i>Independent Non-executive Directors</i>	<i>獨立非執行董事</i>					
Mr. Fung Tze Wa <sup>2</sup>	馮子華先生 <sup>2</sup>	2/6	0/0	2/2	2/2	–
Mr. Ting Wong Kacee <sup>5</sup>	丁煌先生 <sup>5</sup>	0/2	0/0	1/1	1/1	–
Mr. Tse Ting Kwan <sup>2</sup>	謝庭均先生 <sup>2</sup>	3/6	0/0	2/2	2/2	–
Mr. Wu Chi Keung <sup>3</sup>	胡志強先生 <sup>3</sup>	6/12	2/2	2/2	–	0/1
Mr. Wang Siyong <sup>3</sup>	王斯勇先生 <sup>3</sup>	6/12	2/2	2/2	2/2	0/1
Dr. Liu Yongping <sup>3</sup>	劉勇平博士 <sup>3</sup>	9/12	2/2	2/2	2/2	0/1

## DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS (Continued)

Notes:

1. Mr. Cheng Ting Kong and Ms. Yeung So Lai were appointed as director of the Company on 21 September 2012.
2. Mr. Lui Man Wah, Mr. Leung Ming Ho, Mr. Fung Tze Wa and Mr. Tse Ting Kwan were appointed as director of the Company on 5 October 2012.
3. Ms. Zhang Qian, Mr. Leung Kwok Pong, Mr. Wu Chi Keung, Mr. Wang Siyong and Dr. Liu Yongping were resigned as director of the Company on 5 October 2012.
4. Mr. He Xianmei and Mr. Niu Jinsheng retired as director of the Company in annual general meeting on 14 May 2012.
5. Mr. Ting Wong Kacee was appointed as director of the Company on 31 October 2012.

## REMUNERATION COMMITTEE

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

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

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

- (i) to make recommendations on the Company's policies and structure for all the remuneration of Directors;
- (ii) to propose the specific remuneration packages of the executive Directors, and to make recommendations on the remuneration of the non-executive Directors for the Board's approval;

## 董事對財務報表的責任(續)

附註：

1. 於二零一二年九月二十一日，鄭丁港先生及楊素麗女士獲委任為本公司董事。
2. 於二零一二年十月五日，呂文華先生、梁銘浩先生、馮子華先生及謝庭均先生獲委任為本公司董事。
3. 於二零一二年十月五日，張謙女士、梁國邦先生、胡志強先生、王斯勇先生及劉勇平博士辭任本公司董事。
4. 於二零一二年五月十四日股東週年大會，何顯梅先生及牛進生先生退任本公司董事。
5. 於二零一二年十月三十一日，丁煌先生獲委任為本公司董事。

## 薪酬委員會

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

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

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

- (i) 就本公司所有董事薪酬的政策及架構提出建議；
- (ii) 就執行董事的特定薪酬待遇提出建議，及就非執行董事的薪酬提出建議，以供董事會批准；



### REMUNERATION COMMITTEE (Continued)

- (iii) to review and propose performance-based remuneration for executive Directors by reference to corporate goals and objectives resolved by the Board from time to time; and
- (iv) to administer and make determinations with regard to the Company's share option scheme.

### AUDIT COMMITTEE

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

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

Given below are the main duties of the Audit Committee:

- (i) to make recommendations with respect to the appointment, re-appointment and removal of the Company's external auditor, and to evaluate their independence, objectivity and effectiveness of the audit process;
- (ii) to review and monitor the interim and annual financial statements, reports and accounts of the Company, and to review significant and judgemental financial reporting issues contained therein;
- (iii) to review the Company's financial controls, internal controls and risk management systems; and
- (iv) to discuss with the management the system of internal controls, and to ensure that the management has discharged its duties and responsibilities in implementing an effective internal control system.

### 薪酬委員會(續)

- (iii) 根據董事會不時決定的企業方針及目標就執行董事的按表現釐定薪酬作出檢討及建議；及
- (iv) 執行及釐定本公司的購股權計劃。

### 審核委員會

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

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

以下為審核委員會的主要職責：

- (i) 就本公司外聘核數師的委任、重聘及免職提出建議，以及評核其獨立性、客觀性及審核程序之有效性；
- (ii) 審閱及監察本公司中期及年度財務報表、報告及賬目，以及審閱當中的重大及決定性財務報告事宜；
- (iii) 檢討本公司的財務監控、內部監控及風險管理系統；及
- (iv) 與管理層就內部監控系統進行討論，並確保管理層於執行有效的內部監控系統時其職責及責任已獲履行。

## AUDITOR'S REMUNERATION

During the year ended 31 December 2012, the fees paid/payable to the auditor of the Company, RSM Nelson Wheeler, for the provision of audit services and non-audit services to the Group were as follows:

Nature of services 服務性質		2012 二零一二年	2011 二零一一年
		HK\$ 港元	HK\$ 港元
Audit	審計	550,000	580,000
Others	其他	211,500	782,500
		<b>761,500</b>	<b>1,362,500</b>

## NOMINATION COMMITTEE

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

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

Given below are main duties of the Nomination Committee:

- (i) to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the Board regarding any proposed changes;
- (ii) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships;

## 核數師酬金

於截至二零一二年十二月三十一日止年度，就為本集團提供審計服務及非審計服務已付及應付本公司核數師中瑞岳華(香港)會計師事務所之費用如下：

	2012 二零一二年	2011 二零一一年
	HK\$ 港元	HK\$ 港元
Audit	550,000	580,000
Others	211,500	782,500
	<b>761,500</b>	<b>1,362,500</b>

## 提名委員會

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

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

以下為提名委員會的主要職責：

- (i) 定期檢討董事會的架構、規模及組成(包括技能、知識及經驗)，並就任何建議變動向董事會提出意見；
- (ii) 識別有資格成為董事會成員的人士，並於挑選獲提名出任董事的人士時進行挑選及提出意見；

### NOMINATION COMMITTEE (Continued)

- (iii) to assess the independence of independent non-executive Directors; and
- (iv) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman and the president (chief executive officer).

### INTERNAL CONTROLS

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

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

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

### 提名委員會(續)

- (iii) 評核獨立非執行董事的獨立性；及
- (iv) 就有關董事的委任或重新委任以及董事，尤其是主席及總裁(行政總裁)的繼任計劃的相關事宜向董事會提出意見。

### 內部監控

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

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

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

## SHAREHOLDERS' RIGHTS AND COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

### Details of the Last General Meetings

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

Due to other business engagement, Dr. Liu Yongping, Mr. Wu Chi Keung and Mr. Wang Siyong, could not attend the AGM of the Company held on 14 May 2012. However, at the respective general meeting of the Company, there were Chairman and other executive Directors present to enable the Board to develop a balanced understanding of views of the shareholders of the Company.

### Convening a Special General Meeting by Shareholders

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

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

If within twenty one (21) days of the receipt of such written requisition, the Board fails to proceed to convene such special general meeting; all the reasonable expenses incurred by the shareholders as a result of the failure of the Board shall be reimbursed to the shareholders by the Company.

### Putting Forward Proposals at General Meetings

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

## 股東權利以及與股東溝通及投資者關係

### 最近召開之股東大會詳情

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

由於其他公務，劉勇平博士、胡志強先生及王斯勇先生未能出席本公司於二零一二年五月十四日舉行之股東週年大會。然而，於本公司之各次股東大會上，主席及其他執行董事均出席以讓董事會均衡了解本公司股東之意見。

### 由股東召開股東特別大會

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

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

倘於收到該書面要求二十一(21)日內董事會未有召開該股東特別大會，則應由本公司向有關股東償付因董事會未有召開大會而合理產生的所有開支。

### 於股東大會提呈動議

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

### SHAREHOLDERS' RIGHTS AND COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

(Continued)

#### Putting Forward Enquiries to the Board

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

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

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

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

### 股東權利以及與股東溝通及投資者關係(續)

#### 向董事會提出詢問

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

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

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

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



**TO THE SHAREHOLDERS OF  
JF HOUSEHOLD FURNISHINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

We have audited the consolidated financial statements of JF Household Furnishings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 33 to 104, which comprise the consolidated statement of financial position as at 31 December 2012, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**DIRECTORS' RESPONSIBILITY FOR THE  
CONSOLIDATED FINANCIAL STATEMENTS**

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

**AUDITOR'S RESPONSIBILITY**

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

**致捷豐家居用品有限公司全體股東**

*(於開曼群島註冊成立之有限公司)*

吾等已審核第33至104頁所載捷豐家居用品有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）之綜合財務報表，包括於二零一二年十二月三十一日之綜合財務狀況表、截至該日止年度之綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量報表，以及主要會計政策概要及其他說明資料。

**董事就綜合財務報表之責任**

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

**核數師之責任**

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



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### AUDITOR'S RESPONSIBILITY (CONTINUED)

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

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

### OPINION

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

**RSM Nelson Wheeler**  
*Certified Public Accountants*  
Hong Kong

28 March 2013

### 核數師之責任(續)

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

吾等相信，吾等所取得之審核憑證就為審核意見提供基礎而言屬充分恰當。

### 意見

吾等認為，綜合財務報表根據香港財務報告準則足以真實兼公平地顯示 貴集團於二零一二年十二月三十一日之財務狀況及 貴集團截至該日止年度之業績及現金流量，並按照香港公司條例之披露規定妥為編製。

中瑞岳華(香港)會計師事務所  
執業會計師  
香港

二零一三年三月二十八日

# CONSOLIDATED INCOME STATEMENT

## 綜合收益表

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

			2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
<b>CONTINUING OPERATIONS</b>	<b>持續經營業務</b>			
<b>REVENUE</b>	<b>收益</b>	6	<b>243,069,464</b>	341,282,154
Cost of goods sold	貨品銷售成本		<b>(236,935,305)</b>	(296,379,737)
<b>Gross profit</b>	<b>毛利</b>		<b>6,134,159</b>	44,902,417
Other income	其他收入	7	<b>1,925,707</b>	2,284,126
Distribution costs	分銷成本		<b>(1,243,327)</b>	(1,939,732)
Administrative expenses	行政開支		<b>(31,842,847)</b>	(17,968,304)
Other operating expenses	其他經營開支		<b>(10,022,777)</b>	(21,822)
<b>(LOSS)/PROFIT FROM OPERATIONS</b>	<b>經營(虧損)/溢利</b>		<b>(35,049,085)</b>	27,256,685
Finance costs	融資成本	10	<b>(4,187,872)</b>	(3,804,933)
Gain on disposal of non-current assets held for sale	出售持作出售之非流動資產之收益		<b>19,157,086</b>	-
<b>(LOSS)/PROFIT BEFORE TAX</b>	<b>除稅前(虧損)/溢利</b>		<b>(20,079,871)</b>	23,451,752
Income tax expense	所得稅開支	11(a)	<b>(8,220,356)</b>	(8,547,723)
<b>(LOSS)/PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS</b>	<b>持續經營業務之年內(虧損)/溢利</b>		<b>(28,300,227)</b>	14,904,029
<b>DISCONTINUED OPERATIONS</b>	<b>已終止經營業務</b>			
<b>PROFIT FOR THE YEAR FROM DISCONTINUED OPERATIONS</b>	<b>已終止經營業務之年內溢利</b>	12	-	3,348,649
<b>(LOSS)/PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>本公司擁有人之年內應佔(虧損)/溢利</b>	13	<b>(28,300,227)</b>	18,252,678
<b>(LOSS)/EARNINGS PER SHARE</b>	<b>每股(虧損)/盈利</b>			
From continuing and discontinued operations	來自持續及已終止經營業務			
– basic	– 基本	15	<b>(0.12)</b>	0.08
– diluted	– 攤薄		<b>(0.12)</b>	0.08
From continuing operations	來自持續經營業務			
– basic	– 基本		<b>(0.12)</b>	0.07
– diluted	– 攤薄		<b>(0.12)</b>	0.07

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面收益表

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
<b>(Loss)/profit for the year</b>	年內(虧損)/溢利	<b>(28,300,227)</b>	18,252,678
<b>Other comprehensive income/(loss):</b>	其他全面收益/(虧損):		
Exchange differences on translating foreign operations	換算海外業務而產生之匯兌差異	<b>1,197,812</b>	3,348,875
Exchange differences reclassified to income statement on disposal of subsidiaries	於出售附屬公司重新分類至收益表之匯兌差異	-	(16,910,891)
<b>Other comprehensive income/(loss) for the year, net of tax</b>	年內除稅後其他全面收益/(虧損)	<b>1,197,812</b>	(13,562,016)
<b>Total comprehensive (loss)/income for the year attributable to owners of the Company</b>	本公司擁有人年內應佔全面(虧損)/收益總額	<b>(27,102,415)</b>	4,690,662

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2012 於二零一二年十二月三十一日

		Note 附註	2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	16	<b>17,119,828</b>	18,621,605
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	17	<b>54,913,259</b>	98,638,467
Trade receivables	應收貿易賬款	18	<b>20,795,572</b>	30,439,962
Due from related companies	應收關聯公司款項	19	<b>5,323,088</b>	5,033,734
Deposits, other receivables and prepayments	按金、其他應收款項 及預付款項		<b>20,564,728</b>	12,817,063
Restricted cash and bank balances	受限制現金及銀行結餘	20	<b>12,022,361</b>	1,069,594
Cash and bank balances	現金及銀行結餘	20	<b>36,259,720</b>	19,522,388
			<b>149,878,728</b>	167,521,208
Non-current assets held for sale	持作出售之非流動資產	21	–	11,632,177
			<b>149,878,728</b>	179,153,385
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and bills payables	應付貿易賬款及應付票據	22	<b>34,480,458</b>	36,392,511
Other payables and accruals	其他應付款項及應計項目	23	<b>29,997,019</b>	34,559,594
Current tax liabilities	即期稅項負債		<b>6,324,433</b>	4,688,641
Bank borrowings	銀行借貸	24	<b>44,046,822</b>	71,905,845
			<b>114,848,732</b>	147,546,591
<b>NET CURRENT ASSETS</b>	<b>淨流動資產</b>		<b>35,029,996</b>	31,606,794
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>資產總值減流動負債</b>		<b>52,149,824</b>	50,228,399

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2012 於二零一二年十二月三十一日

		Note	2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
		附註		
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Deferred tax liabilities	遞延稅項負債	25	<b>1,715,969</b>	1,715,969
<b>NET ASSETS</b>	<b>淨資產</b>		<b>50,433,855</b>	48,512,430
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>			
Share capital	股本	26	<b>2,392,890</b>	2,236,890
Reserves	儲備		<b>48,040,965</b>	46,275,540
<b>TOTAL EQUITY</b>	<b>總權益</b>		<b>50,433,855</b>	48,512,430

Approved by the Board of Directors on 28 March 2013

董事會已於二零一三年三月二十八日批准

**Cheng Ting Kong**

鄭丁港

Director

董事

**Lui Man Wah**

呂文華

Director

董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

		Reserves									Total	
		儲備										
		Share capital	Share premium	Merger reserve	Foreign currency		Capital reserve	Share-based payments		Warrant reserve		Retained profits/ losses (accumulated)
					translation reserve	reserve		General reserve	Reserve			
股本	股份溢價	合併儲備	外幣匯兌儲備	資本儲備	一般儲備	款項儲備	認股權證儲備	保留溢利/ (累計虧損)	總值			
Note	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$		
附註	港元	港元	港元	港元	港元	港元	港元	港元	港元	港元		
At 1 January 2011	於二零一一年一月一日	2,226,890	67,955,349	7,358,082	28,108,412	946,832	23,174,680	217,000	-	82,933,689	212,920,934	
Total comprehensive income for the year	年內全面收益總額	-	-	-	(13,562,016)	-	-	-	-	18,252,678	4,690,662	
Shares issued on exercise of share options	行使購股權時發行的股份	26(i)	10,000	1,107,000	-	-	-	(217,000)	-	-	900,000	
Transfers of share premium	轉撥股份溢價	31(d)	-	(67,955,349)	-	-	-	-	-	67,955,349	-	
Dividend paid	已付股息		-	-	-	-	-	-	-	(169,999,166)	(169,999,166)	
Disposal of subsidiaries	出售附屬公司		-	-	-	-	(1,641,960)	-	-	1,641,960	-	
Transfers of general reserve	轉撥一般儲備		-	-	-	-	2,010,090	-	-	(2,010,090)	-	
Changes in equity for the year	年內權益變動		10,000	(66,848,349)	-	(13,562,016)	368,130	(217,000)	-	(84,159,269)	(164,408,504)	
At 31 December 2011	於二零一一年十二月三十一日		2,236,890	1,107,000	7,358,082	14,546,396	946,832	23,542,810	-	(1,225,580)	48,512,430	
At 1 January 2012	於二零一二年一月一日		2,236,890	1,107,000	7,358,082	14,546,396	946,832	23,542,810	-	(1,225,580)	48,512,430	
Total comprehensive income/(loss) for the year	年內全面收益/(虧損)總額		-	-	-	1,197,812	-	-	-	(28,300,227)	(27,102,415)	
Shares issued on placement	配售時發行的股份	26(ii)	156,000	28,687,840	-	-	-	-	-	-	28,843,840	
Issue of warrants	發行認股權證		-	-	-	-	-	-	180,000	-	180,000	
Transfers of general reserve	轉撥一般儲備		-	-	-	-	80,236	-	-	(80,236)	-	
Changes in equity for the year	年內權益變動		156,000	28,687,840	-	1,197,812	80,236	-	180,000	(28,380,463)	1,921,425	
At 31 December 2012	於二零一二年十二月三十一日		2,392,890	29,794,840	7,358,082	15,744,208	946,832	23,623,046	-	(29,606,043)	50,433,855	



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

Note:

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

附註：

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量報表

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

	Note	2012	2011
	附註	二零一二年	二零一一年
		HK\$	HK\$
		港元	港元
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
(Loss)/profit before tax		<b>(20,079,871)</b>	30,594,389
Adjustments for:			
Gain on disposal of subsidiaries		-	(12,227,897)
Depreciation		<b>3,374,926</b>	4,687,165
Finance costs		<b>4,187,872</b>	5,848,911
Interest income		<b>(182,255)</b>	(654,370)
Gain on disposal of property, plant and equipment		-	(146)
Gain on disposal of non-current assets held for sale		<b>(19,157,086)</b>	-
Allowance for inventories		<b>4,237,279</b>	-
Operating (loss)/profit before working capital changes		<b>(27,619,135)</b>	28,248,052
Decrease/(increase) in inventories		<b>39,487,929</b>	(8,603,630)
Decrease in trade receivables		<b>9,644,390</b>	5,967,416
Increase in deposits, other receivables and prepayments		<b>(7,747,665)</b>	(23,841,586)
Increase in due from related companies		<b>(289,354)</b>	-
Decrease in trade and bills payables		<b>(1,912,053)</b>	(5,601,239)
Increase in other payables and accruals	29(ii)	<b>10,813,675</b>	71,581,183
Cash generated from operations		<b>22,377,787</b>	67,750,196
Income taxes paid		<b>(6,638,401)</b>	(14,214,946)
Net cash generated from operating activities		<b>15,739,386</b>	53,535,250

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量報表

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

		2012 二零一二年	2011 二零一一年
		HK\$ 港元	HK\$ 港元
		Note 附註	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投資活動的現金流量</b>		
Purchase of property, plant and equipment	購買物業、廠房及設備	<b>(1,762,268)</b>	(15,932,226)
(Increase)/decrease in restricted cash and bank balances	受限制現金及銀行結餘 (增加)/減少	<b>(10,952,767)</b>	20,269,923
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	-	85,425,966
Proceeds from disposal of property, plant and equipment	出售物業、廠房 及設備所得款項	-	86,043
Proceeds from disposal of non-current assets held for sale	出售持作出售之非流動資產之 所得款項	<b>15,376,250</b>	-
Increase in due from related companies	應收關聯公司款項增加	-	(2,933,731)
Decrease in available-for-sale financial assets	可供出售金融資產減少	-	2,000,000
Interest received	已收利息	<b>182,255</b>	654,370
Net cash generated from investing activities	投資活動產生的現金淨額	<b>2,843,470</b>	89,570,345
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動的現金流量</b>		
Proceeds from placing of shares	配售股份所得款項	<b>29,952,000</b>	-
Share issue expenses	股份發行開支	<b>(1,108,160)</b>	-
Proceeds from issue of shares	發行股份所得款項	-	900,000
Proceeds from issue of warrants	發行認股權證所得款項	<b>180,000</b>	-
Inception of new bank loans	新借銀行貸款	<b>136,342,064</b>	357,209,626
Repayment of bank loans	償還銀行貸款	<b>(163,997,756)</b>	(339,178,435)
Dividends paid	已付股息	-	(169,999,166)
Interest paid	已付利息	<b>(4,187,872)</b>	(5,848,911)
Net cash used in financing activities	融資活動所用的現金淨額	<b>(2,819,724)</b>	(156,916,886)

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量報表

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	現金及現金等值物的淨增加／ (減少)	<b>15,763,132</b>	(13,811,291)
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	外匯匯率變動的影響	<b>1,403,177</b>	41,869
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	於一月一日的現金 及現金等值物	<b>18,803,398</b>	32,572,820
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	於十二月三十一日的現金 及現金等值物	<b>35,969,707</b>	18,803,398
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>	現金及現金等值物分析		
Cash and bank balances	現金及銀行結餘	<b>36,259,720</b>	19,522,388
Bank overdrafts	銀行透支	<b>(290,013)</b>	(718,990)
		<b>35,969,707</b>	18,803,398

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 1. GENERAL INFORMATION

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

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

In the opinion of the directors of the Company, as at 31 December 2012, Power Ocean Holdings Limited, a company incorporated in the British Virgin Islands, is the immediate parent of the Company and Mr. Chau Cheok Wa and Mr. Cheng Ting Kong are the ultimate controlling parties of the Company.

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

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are relevant to its operations and effective for its accounting year beginning on 1 January 2012. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

### 1. 一般資料

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

本公司為投資控股公司。本公司各附屬公司的主要業務載列於財務報表附註32。

本公司董事認為，於二零一二年十二月三十一日，力海控股有限公司（於英屬維爾京群島註冊成立之公司）為本公司之直接母公司，以及周焯華先生及鄭丁港先生為本公司之最終控股方。

### 2. 新訂及經修訂香港財務報告準則的採用

於本年度，本集團已採用經香港會計師公會（「香港會計師公會」）頒佈的所有與本集團營運有關，於二零一二年一月一日開始的本會計年度生效之新訂及經修訂香港財務報告準則（「香港財務報告準則」）。此等財務報告準則包括香港財務報告準則、香港會計準則及詮釋。採用此等新訂及經修訂香港財務報告準則並未導致本集團之會計政策、本集團財務報表之呈列及本年度和過往年度的呈報金額發生重大變化。

本集團並無應用已頒佈但尚未生效之新香港財務報告準則。本集團已開始評估該等新香港財務報告準則之影響，惟目前尚未能說明該等新香港財務報告準則會否對其經營業績及財務狀況造成重大影響。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with HKFRSs issued by the HKICPA, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the directors to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these financial statements, are disclosed in note 4 to the financial statements.

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

#### (a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has control.

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

### 3. 主要會計政策

本財務報表乃根據香港會計師公會頒佈之香港財務報告準則、香港公認的會計原則及聯交所證券上市規則和香港公司條例要求之適用披露規定而編製。

本財務報表乃按歷史成本慣例編製。

編製符合香港財務報告準則的財務報表，須使用若干主要假設和估計，亦需要董事在採用會計政策的過程中行使其判斷。涉及重要判斷的內容及對本財務報表產生重要作用之假設和估計的內容於財務報表附註4中披露。

編製本財務報表所採用之主要會計政策如下。

#### (a) 綜合賬目

綜合財務報表包括本公司及其附屬公司截至十二月三十一日止的財務報表。附屬公司為本集團對其擁有控制權之實體。控制權指監管該實體財務及經營政策，從而自其業務取得利益之權力。在評估本集團是否擁有控制權時，會考慮現時可行使或轉換之潛在投票權的存在及影響。

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



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Consolidation (Continued)

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

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

#### (b) Foreign currency translation

##### (i) Functional and presentation currency

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

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

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

### 3. 主要會計政策(續)

#### (a) 綜合賬目(續)

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

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

#### (b) 外幣兌換

##### (i) 功能及呈列貨幣

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

##### (ii) 各實體財務報表之交易及結餘

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (b) Foreign currency translation (Continued)

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

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

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

##### (iii) Translation on consolidation

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

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

### 3. 主要會計政策(續)

#### (b) 外幣兌換(續)

##### (ii) 各實體財務報表之交易及結餘(續)

以公平值計量的外幣非貨幣性項目按照釐定公平值當日的匯率兌換。

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

##### (iii) 綜合賬目的兌換

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

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (b) Foreign currency translation (Continued)

##### (iii) Translation on consolidation (Continued)

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

#### (c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

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

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

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

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

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

### 3. 主要會計政策(續)

#### (b) 外幣兌換(續)

##### (iii) 綜合賬目的兌換(續)

在綜合賬目時，兌換於海外公司投資淨額和借貸產生之匯兌差額於外幣匯兌儲備中確認。當出售海外業務時，此部分匯兌差額將於綜合損益中確認為出售盈虧之一部分。

#### (c) 物業、廠房及設備

物業、廠房及設備以成本值減累計折舊及減值虧損列賬。

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

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

租賃裝修	2年
廠房及機械	10年
傢俬、裝置及設備	2-5年
車輛	5年

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

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (c) Property, plant and equipment (Continued)

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

#### (d) Operating leases

##### (i) *The Group as lessee*

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

##### (ii) *The Group as lessor*

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

#### (e) Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

#### (f) Inventories

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

### 3. 主要會計政策(續)

#### (c) 物業、廠房及設備(續)

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

#### (d) 經營租賃

##### (i) *本集團作為承租人*

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

##### (ii) *本集團作為出租人*

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

#### (e) 研究與發展支出

研究活動的支出於產生期間確認為開支。

#### (f) 存貨

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (g) Discontinued operations

A discontinued operation is a component of the Group, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale in accordance with HKFRS 5, if earlier. It also occurs when the operation is abandoned.

When an operation is classified as discontinued, a single amount is presented in the income statement, which comprises:

- The post-tax profit or loss of the discontinued operations; and
- The post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group constituting the discontinued operations.

#### (h) Recognition and derecognition of financial instruments

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

### 3. 主要會計政策(續)

#### (g) 已終止經營業務

已終止經營業務是本集團之一部分，其營運及現金流量可與本集團其他業務清楚區分，且為一項按業務或地區劃分之獨立主要業務，或作為出售一項按業務或地區劃分之獨立主要業務之單一統籌計劃之一部分。

倘業務被出售或於此之前根據香港財務報告準則第5號符合列為待售項目之標準，則分類為已終止經營業務。於廢止業務時，有關業務亦會分類為已終止經營業務。

倘若業務分類為已終止經營，則會於收益表呈列單一數額，當中包括：

- 已終止經營業務之除稅後溢利或虧損；及
- 就構成已終止經營業務之資產或出售組合，計量公平值減出售成本或於出售時確認之除稅後損益。

#### (h) 確認及解除確認金融工具

倘本集團成為工具合約條文的一方，則金融資產及金融負債於財務狀況表中確認。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (h) Recognition and derecognition of financial instruments (Continued)

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

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

#### (i) Trade and other receivables

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

### 3. 主要會計政策(續)

#### (h) 確認及解除確認金融工具(續)

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

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

#### (i) 應收貿易賬款及其他應收款項

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



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (i) Trade and other receivables (Continued)

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

#### (j) Cash and cash equivalents

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

#### (k) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the assets are available for immediate sale in their present condition. The Group has committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of the assets' previous carrying amount and fair value less costs to sell.

### 3. 主要會計政策(續)

#### (i) 應收貿易賬款及其他應收款項(續)

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

#### (j) 現金及現金等值物

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

#### (k) 持作出售之非流動資產

倘若非流動資產的賬面值主要透過銷售交易而非持續使用而收回，該非流動資產則將分類為持作出售之非流動資產。是項條件僅於銷售極可能達成而該資產可於現況下即時出售時方算符合。本集團必須對出售作出承諾，而出售預期應可於分類日期起計一年內合資格確認為已完成出售。

分類為持作出售之非流動資產乃按該資產過往的賬面值及公平值減出售成本兩者的較低者計量。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (I) Financial liabilities and equity instruments

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

##### *Borrowings*

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

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

##### *Trade and other payables*

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

##### *Equity instruments*

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

### 3. 主要會計政策(續)

#### (I) 金融負債及權益工具

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

##### *借貸*

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

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

##### *應付貿易賬款及其他應付款項*

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

##### *權益工具*

由本公司發行的權益工具按已收取所得款項扣除直接發行成本入賬。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) Revenue recognition

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

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

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

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

#### (n) Employee benefits

##### (i) Employee leave entitlements

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

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

##### (ii) Pension obligations

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

### 3. 主要會計政策(續)

#### (m) 收益確認

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

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

利息收入按時間比例基準使用實際利率法確認。

租金收入於租期內按直線法確認。

#### (n) 僱員福利

##### (i) 僱員可享假期

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

僱員可享病假及產假在僱員正式休假時予以確認。

##### (ii) 退休金責任

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (n) 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.

#### (o) Borrowing costs

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

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

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

#### (p) Government grants

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

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

### 3. 主要會計政策(續)

#### (n) 僱員福利(續)

##### (iii) 合約終止補償

合約終止補償只會在本集團根據正式、具體、且不大可能撤回的計劃終止僱員合約或根據該計劃自願遣散僱員而終止合約並作出補償時確認。

#### (o) 借貸成本

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

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

所有其他借貸成本值在產生期間於損益內確認。

#### (p) 政府津貼

政府津貼於有合理保證本集團將遵守有關附帶條件及有關津貼將可獲取時予以確認。

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Taxation

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

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

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

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

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

### 3. 主要會計政策(續)

#### (q) 稅項

所得稅指本年稅項及遞延稅項之總額。

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

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Taxation (Continued)

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

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

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

#### (r) PRC land appreciation tax ("LAT")

LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including land costs, borrowing costs, business taxes and all property development expenditures. LAT is recognized as an income tax expense. LAT paid is a deductible expense for PRC enterprise income tax purposes.

### 3. 主要會計政策(續)

#### (q) 稅項(續)

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

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

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

#### (r) 中國土地增值稅(「土地增值稅」)

土地增值稅按土地價值之增值以累進稅率30%至60%徵收，土地價值之增值為銷售物業所得款項減可扣減開支，包括土地成本、借貸成本、營業稅及所有物業發展開支。土地增值稅確認為所得稅開支。已付土地增值稅乃就中國企業所得稅而言之一項可扣減開支。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (s) Related parties

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

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

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

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

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.

### 3. 主要會計政策(續)

#### (s) 關聯人士

關聯人士為與本集團有關聯的人士或實體。

(A) 倘屬以下人士，則該人士或該人士之近親與本集團有關聯：

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

(B) 倘符合下列任何條件，則該實體與本集團(報告實體)有關聯：

- (i) 該實體與本公司屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關聯)。
- (ii) 一間實體為另一實體之聯營公司或合營企(或另一實體為成員公司集團旗下成員公司之聯營公司或合營企業)。
- (iii) 兩間實體均為同一第三方之合營企業。
- (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
- (v) 實體為本集團或與本集團有關聯之實體就僱員利益設立之離職福利計劃。倘本集團本身屬有關計劃，提供資助之僱主亦與本集團有關聯。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (s) Related parties (Continued)

(B) An entity is related to the Group (reporting entity) if any of the following conditions applies:  
(Continued)

(vi) The entity is controlled or jointly controlled by a person identified in (A).

(vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

#### (t) Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets except inventories, investments and receivables to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs 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.

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

### 3. 主要會計政策(續)

#### (s) 關聯人士

(B) 倘符合下列任何條件，則該實體與本集團(報告實體)有關聯：  
(續)

(vi) 實體受(A)內所識別人士控制或共同控制。

(vii) (A)(i)內所識別人士對實體有重大影響力或屬該實體(或該實體之母公司)之主要管理層人員。

#### (t) 資產減值

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (t) Impairment of assets (Continued)

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

#### (u) Provisions and contingent liabilities

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

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

#### (v) Events after the reporting period

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

### 3. 主要會計政策(續)

#### (t) 資產減值(續)

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

#### (u) 撥備及或然負債

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

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

#### (v) 報告期後事項

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

#### (a) Property, plant and equipment and depreciation

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

#### (b) Impairment loss for bad and doubtful debts

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

#### (c) Allowance for slow-moving inventories

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

### 4. 估計不明朗因素之主要來源

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

#### (a) 物業、廠房及設備及折舊

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

#### (b) 壞賬及呆賬減值虧損

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

#### (c) 滯銷存貨撥備

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 5. FINANCIAL RISK MANAGEMENT

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

#### (a) Foreign currency risk

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

At 31 December 2012, if the USD had weakened 5 per cent against the RMB with all other variables held constant, consolidated loss (2011: profit) after tax for the year would have been approximately HK\$628,000 (2011: HK\$79,000) higher, arising mainly as a result of the net foreign exchange loss (2011: gain) on cash and bank balances, receivables, payables and bank borrowings denominated in USD. If the USD had strengthened 5 per cent against the RMB with all other variables held constant, consolidated loss (2011: profit) after tax for the year would have been approximately HK\$628,000 (2011: HK\$79,000) lower, arising mainly as a result of the net foreign exchange gain (2011: loss) on cash and bank balances, receivables, payables and bank borrowings denominated in USD.

### 5. 財務風險管理

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

#### (a) 外匯風險

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

於二零一二年十二月三十一日，若美元兌人民幣匯率下跌5%，其他所有變數維持不變，年內綜合除稅後虧損(二零一一年：溢利)將增加約628,000港元(二零一一年：79,000港元)，主要由於以美元計值之現金及銀行結餘、應收款項、應付款項及銀行借貸之淨匯兌虧損(二零一一年：盈利)。若美元兌人民幣匯率上升5%，其他所有變數維持不變，年內綜合除稅後虧損(二零一一年：溢利)將減少約628,000港元(二零一一年：79,000港元)，主要由於以美元計值之現金及銀行結餘、應收款項、應付款項及銀行借貸之淨匯兌收益(二零一一年：虧損)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 5. FINANCIAL RISK MANAGEMENT (Continued)

#### (b) Credit risk

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

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

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

The Group has significant concentration of credit risk to its trade receivables as the Group's largest customer contributed over 98% (2011: 98%) of the turnover for the year and shared over 99% (2011: 99%) of the trade receivables at the end of the reporting period. The Group has policies and procedures to monitor the collection of the trade receivables to limit the exposure to non-recoverable of the receivables and there is no recent history of default for the Group's largest customer.

#### (c) Liquidity risk

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

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

### 5. 財務風險管理(續)

#### (b) 信用風險

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

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

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

本集團應收貿易賬款的信用風險高度集中，原因是本集團的最大客戶於年內佔營業額逾98%(二零一一年：98%)及於報告期結束時佔應收貿易賬款逾99%(二零一一年：99%)。本集團已設定政策及程序監察應收貿易賬款之追收，以限制就應收款項不可收回部分的風險。近期，本集團最大客戶並無違約之情況出現。

#### (c) 流動資金風險

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

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 5. FINANCIAL RISK MANAGEMENT (Continued)

#### (c) Liquidity risk (Continued)

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

### 5. 財務風險管理(續)

#### (c) 流動資金風險(續)

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

2012  
二零一二年  
Maturity Analysis – Undiscounted cash outflows  
到期日分析 – 未折算現金流出

	On demand	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total undiscounted cash outflows
	按 要求	一年 以內	一年 以上但 少於兩 年	兩年 以上但 少於五 年	五年 以上	未 折 算 現 金 流 出 總 值
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港 元	港 元	港 元	港 元	港 元	港 元
Trade and bills payables 應付貿易賬款及應付票據	-	34,480,458	-	-	-	34,480,458
Other payables and accruals 其他應付款項及應計項目	-	30,426,896	-	-	-	30,426,896
Bank borrowings subject to a repayment on demand clause 帶有按要求償還條款的銀行借貸	10,514,850	-	-	-	-	10,514,850
Other bank borrowings 其他銀行借貸	-	34,593,104	-	-	-	34,593,104
	10,514,850	99,500,458	-	-	-	110,015,308



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 5. FINANCIAL RISK MANAGEMENT (Continued)

#### (c) Liquidity risk (Continued)

		2011 二零一一年					
		Maturity Analysis – Undiscounted cash outflows 到期日分析 – 未折算現金流出					
		On demand	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total undiscounted cash outflows
		按 要 求	一 年 以 內	一 年 以 上 但 少 於 兩 年	兩 年 以 上 但 少 於 五 年	五 年 以 上	未 折 算 現 金 流 出 總 值
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港 元	港 元	港 元	港 元	港 元	港 元
Trade and bills payables	應付貿易賬款及應付票據	-	36,392,511	-	-	-	36,392,511
Other payables and accruals	其他應付款項及應計項目	-	34,559,594	-	-	-	34,559,594
Bank borrowings subject to a repayment on demand clause	帶有按要求償還條款的銀行借貸	12,198,289	-	-	-	-	12,198,289
Other bank borrowings	其他銀行借貸	-	60,893,590	-	-	-	60,893,590
		12,198,289	131,845,695	-	-	-	144,043,984

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

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



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 5. FINANCIAL RISK MANAGEMENT (Continued)

#### (c) Liquidity risk (Continued)

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

到期日分析 – 根據協定還款日期而償還的帶有按要求償還條款的銀行貸款

		On demand	Within 1 year	More than 1 year	More than 2 years	Total undiscounted cash outflows
				but less than 2 years	but less than 5 years	
		按要 求	一年 以內	一年 以上但 少於兩 年	兩年 以上但 少於五 年	現金 流出總 值
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
31 December 2012	二零一二年十二月三十一日	290,013	10,295,244	-	-	10,585,257
31 December 2011	二零一一年十二月三十一日	718,990	11,558,629	-	-	12,277,619

#### (d) Interest rate risk

The Group's exposure to cash flow interest rate risk arises from its bank deposits and bank borrowings. These deposits and borrowings bear interests at variable rates varied with the then prevailing market condition.

Bank borrowings and other payables of approximately HK\$19,909,000 (2011: HK\$17,618,000) and approximately HK\$17,000,000 (2011: HK\$9,900,000) respectively bear interests at fixed interest rates and therefore are subject to fair value interest rates risks. Other bank borrowings are arranged at variable rates, thus exposing the Group to cash flow interest rate risk.

At 31 December 2012, if interest rates at that date had been 100 basis points lower with all other variables held constant, consolidated loss (2011: profit) after tax for the year would have been approximately HK\$45,000 (2011: HK\$356,000) higher, arising mainly as a result of the net effect of lower interest expense on bank borrowings and lower interest income on bank deposits. If interest rates had been 100 basis points higher, with all other variables held constant, consolidated loss (2011: profit) after tax for the year would have been approximately HK\$45,000 (2011: HK\$356,000) lower, arising mainly as a result of the net effect of higher interest expense on bank borrowings and higher interest income on bank deposits.

### 5. 財務風險管理(續)

#### (c) 流動資金風險(續)

#### (d) 利率風險

本集團之現金流量利率風險來自其銀行存款及銀行借貸。該等存款及借貸跟隨當時之市場狀況按不同利率計息。

銀行借貸及其他應付款項分別約為19,909,000港元(二零一一年: 17,618,000港元)以及約17,000,000港元(二零一一年: 9,900,000港元)以固定息率計息,故本集團乃面臨公平值利率風險。其他銀行借貸乃按浮動息率計息,故本集團須承受現金流量利率風險。

於二零一二年十二月三十一日,倘當日之利率下降100點子,其他所有變數保持不變,年內綜合除稅後虧損(二零一一年: 溢利)將增加約45,000港元(二零一一年: 356,000港元),主要由於銀行借貸利息開支減少及銀行存款的利息收入減少之淨影響。倘利率上升100點子,其他所有變數保持不變,年內綜合除稅後虧損(二零一一年: 溢利)將減少約45,000港元(二零一一年: 356,000港元),主要由於銀行借貸利息開支增加及銀行存款的利息收入增加之淨影響。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 5. FINANCIAL RISK MANAGEMENT (Continued)

#### (e) Categories of financial instruments at 31 December

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
<b>Financial assets:</b>	<b>金融資產：</b>		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等值物)	<b>74,651,980</b>	63,439,439
<b>Financial liabilities:</b>	<b>金融負債：</b>		
Financial liabilities at amortised cost	按攤銷成本計量之金融負債	<b>108,524,299</b>	142,857,950

#### (f) Fair values

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

### 5. 財務風險管理(續)

#### (e) 於十二月三十一日之金融工具分類

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
<b>Financial assets:</b>	<b>金融資產：</b>		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等值物)	<b>74,651,980</b>	63,439,439
<b>Financial liabilities:</b>	<b>金融負債：</b>		
Financial liabilities at amortised cost	按攤銷成本計量之金融負債	<b>108,524,299</b>	142,857,950

#### (f) 公平值

本集團計入綜合財務狀況表的金融資產及金融負債之賬面值與其各自的公平值相若。

### 6. REVENUE

The Group's revenue represented the net invoiced value of goods sold to customers, after allowances for trade discounts and returns.

### 6. 收益

本集團之收益乃指扣減貿易折扣及退貨後，售予客戶之貨品之發票淨值。

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Sales of goods	貨品銷售	<b>243,069,464</b>	401,798,257
Representing:	以下各項應佔：		
Continuing operations	持續經營業務	<b>243,069,464</b>	341,282,154
Discontinued operations (note 12)	已終止經營業務(附註12)	-	60,516,103
		<b>243,069,464</b>	401,798,257

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 7. OTHER INCOME

### 7. 其他收入

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Government grants	政府津貼	144,308	840,752
Interest income	利息收入	182,255	654,370
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	-	146
Write back of trade and other payables	應付貿易賬款及其他應付款項回撥	713,388	191,115
Others	其他	33,259	53,641
Net exchange gain	淨匯兌收益	-	1,084,323
Rental income	租金收入	852,497	587,477
		<b>1,925,707</b>	<b>3,411,824</b>
Representing:	以下各項應佔：		
Continuing operations	持續經營業務	1,925,707	2,284,126
Discontinued operations (note 12)	已終止經營業務(附註12)	-	1,127,698
		<b>1,925,707</b>	<b>3,411,824</b>

### 8. SEGMENT INFORMATION

### 8. 分部資料

The Group has two reportable segments as follows:

本集團之兩個可申報分部如下：

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

不銹鋼傢俱 – 製造及銷售不銹鋼傢俱  
及家居用品

Wooden – manufacture and sale of wooden  
furnishings panel furniture (discontinued operations)

木製傢俱 – 製造及銷售木製傢俱  
(已終止經營業務)

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

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 8. SEGMENT INFORMATION (Continued)

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

#### Information about reportable segment revenue, results and assets:

### 8. 分部資料(續)

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

有關可申報分部收益、業績及資產之資料：

		(Discontinued operations)		Total 總計 HK\$ 港元
		Stainless steel furnishings	Wooden furnishings	
		(不銹鋼傢俱	(木製傢俱	
		HK\$ 港元	HK\$ 港元	
Year ended 31 December 2012	截至二零一二年 十二月三十一日止年度			
Revenue from external customers	來自外部客戶之收益	243,069,464	-	243,069,464
Intersegment revenue	分部間收益	-	-	-
Segment results	分部業績	(4,445,242)	-	(4,445,242)
Interest revenue	利息收益	177,340	-	177,340
Interest expense	利息開支	4,187,872	-	4,187,872
Depreciation	折舊	3,077,835	-	3,077,835
Income tax expense	所得稅開支	8,220,356	-	8,220,356
Additions to segment non-current assets	添置分部非流動資產	239,420	-	239,420
Other material non-cash item:	其他重大非現金項目：			
- Allowance for inventories	- 存貨撥備	4,237,279	-	4,237,279
As at 31 December 2012	於二零一二年十二月三十一日			
Segment assets	分部資產	136,330,344	-	136,330,344
Year ended 31 December 2011	截至二零一一年 十二月三十一日止年度			
Revenue from external customers	來自外部客戶之收益	341,282,154	60,516,103	401,798,257
Intersegment revenue	分部間收益	-	-	-
Segment results	分部業績	25,262,420	(4,351,340)	20,911,080
Interest revenue	利息收益	580,109	20,092	600,201
Interest expense	利息開支	3,804,933	2,029,876	5,834,809
Depreciation	折舊	2,459,924	2,221,683	4,681,607
Income tax expense	所得稅開支	6,506,955	29,028	6,535,983
Additions to segment non-current assets	添置分部非流動資產	1,231,750	14,671,962	15,903,712
As at 31 December 2011	於二零一一年十二月三十一日			
Segment assets	分部資產	182,248,319	-	182,248,319

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## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 8. SEGMENT INFORMATION (Continued)

#### Reconciliations of reportable segment revenue, results and assets:

### 8. 分部資料(續)

可申報分部收益、業績及資產之對賬：

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
<b>Revenue</b>			
Total revenue of reportable segments	收益	<b>243,069,464</b>	401,798,257
Elimination of intersegment revenue	可申報分部之總收益	-	-
Elimination of discontinued operations	抵銷分部間收益	-	(60,516,103)
	抵銷已終止經營業務		
Consolidated revenue	綜合收益	<b>243,069,464</b>	341,282,154
<b>Results</b>			
Total results of reportable segments	業績	<b>(4,445,242)</b>	20,911,080
Gain on disposal of subsidiaries	可申報分部之總業績	-	12,227,897
Unallocated finance costs	出售附屬公司收益	-	(14,102)
Unallocated corporate income	未分配融資成本	<b>5,993</b>	141,535
Unallocated corporate expenses	未分配企業收入	<b>(23,860,978)</b>	(15,013,732)
Elimination of discontinued operations	未分配企業開支	-	(3,348,649)
	抵銷已終止經營業務		
Consolidated (loss)/profit for the year from continuing operations	來自持續經營業務之年內綜合(虧損)/溢利	<b>(28,300,227)</b>	14,904,029
<b>Assets</b>			
Total assets of reportable segments	資產	<b>136,330,344</b>	182,248,319
Unallocated corporate assets	可申報分部之總資產	<b>30,668,212</b>	15,526,671
	未分配企業資產		
Consolidated total assets	綜合總資產	<b>166,998,556</b>	197,774,990

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 8. SEGMENT INFORMATION (Continued)

#### Geographical information:

Geographical information about the Group's revenues from external customers and non-current assets are as follows:

		Revenue 收益		Non-current assets 非流動資產	
		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元	2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Hong Kong	香港	213,169,818	337,650,153	1,251,170	24,570
PRC excluding Hong Kong	中國(不包括香港)	29,899,646	64,148,104	15,868,658	18,597,035
Discontinued operations	已終止經營業務	-	(60,516,103)	-	-
Total	總計	243,069,464	341,282,154	17,119,828	18,621,605

In presenting the geographical information, revenue is based on the locations of the customers.

### 8. 分部資料(續)

#### 地區資料：

有關本集團來自外部客戶之收益及非流動資產之地區資料如下：

於呈列地區資料時，收益乃按客戶所在地區計算。

#### Revenue from major customer:

#### 來自主要客戶之收益：

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Stainless steel furnishings segment Customer A	不銹鋼傢俱分部 客戶A	237,701,390	330,254,577
Wooden furnishings segment (discontinued operations) Customer A	木製傢俱分部(已終止經營業務) 客戶A	-	60,516,103

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 9. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

Details of emoluments of the directors of the Company disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance are as follows:

For the year ended 31 December 2012

### 9. 董事酬金及五位最高薪酬人士

根據上市規則及香港公司條例第161條，本公司董事之酬金詳情披露如下：

截至二零一二年十二月三十一日止年度

Name of director 董事姓名	Fees 袍金 HK\$ 港元	Salaries, allowances and benefits in kind 薪金、津貼及 實物利益 HK\$ 港元	Discretionary bonuses 酌情花紅 HK\$ 港元	Retirement benefits scheme contributions 退休福利 計劃供款 HK\$ 港元	Total emoluments 酬金總額 HK\$ 港元
<b>Executive directors</b> 執行董事					
Ms. Zhang Qian (Note (a) and (e)) 張謙女士(附註(a)及(e))	-	610,753	440,489	11,250	1,062,492
Mr. He Xianmei (Note (a) and (f)) 何顯梅先生(附註(a)及(f))	-	232,581	-	-	232,581
Mr. Niu Jinsheng (Note (a) and (f)) 牛進生先生(附註(a)及(f))	-	121,720	-	-	121,720
Mr. Leung Kwok Pong (Note (b) and (e)) 梁國邦先生(附註(b)及(e))	-	18,323	-	-	18,323
Mr. Leung Kwok Yin 梁國賢先生	-	216,000	134,000	13,750	363,750
Mr. Cheng Ting Kong (Note (g)) 鄭丁港先生(附註(g))	-	266,667	-	5,000	271,667
Ms. Yeung So Lai (Note (g)) 楊素麗女士(附註(g))	-	34,083	-	1,667	35,750
Mr. Lui Man Wah (Note (h)) 呂文華先生(附註(h))	-	143,548	-	3,750	147,298
Mr. Leung Ming Ho (Note (h)) 梁銘浩先生(附註(h))	-	28,710	-	1,436	30,146
<b>Independent non-executive directors</b> 獨立非執行董事					
Dr. Liu Yongping (Note (a) and (e)) 劉勇平博士(附註(a)及(e))	76,344	-	-	-	76,344
Mr. Wu Chi Keung (Note (a) and (e)) 胡志強先生(附註(a)及(e))	91,613	-	-	-	91,613
Mr. Wang Siyong (Note (a) and (e)) 王斯勇先生(附註(a)及(e))	76,344	-	-	-	76,344
Mr. Tse Ting Kwan (Note (h)) 謝庭均先生(附註(h))	28,710	-	-	-	28,710
Mr. Fung Tze Wa (Note (h)) 馮子華先生(附註(h))	28,710	-	-	-	28,710
Mr. Ting Wong Kacee (note (i)) 丁煌先生(附註(i))	20,323	-	-	-	20,323
<b>Total</b> 總額	<b>322,044</b>	<b>1,672,385</b>	<b>574,489</b>	<b>36,853</b>	<b>2,605,771</b>



# NOTES TO THE FINANCIAL STATEMENTS

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

For the year ended 31 December 2011

### 9. 董事酬金及五位最高薪酬人士(續)

截至二零一一年十二月三十一日止年度

Name of director	Fees	Ex-gratia payments (note (j))	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement benefits scheme contributions	Total emoluments
董事姓名	袍金	特惠款項 (附註(j))	薪金、津貼及實物利益	酌情花紅	退休福利計劃供款	酬金總額
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元	港元
<b>Executive directors 執行董事</b>						
Ms. Zhang Qian (Note (a))	張謙女士(附註(a))	-	301,073	-	5,000	306,073
Mr. He Xianmei (Note (a))	何顯梅先生(附註(a))	-	225,806	-	-	225,806
Mr. Niu Jinsheng (Note (a))	牛進生先生(附註(a))	-	150,536	-	-	150,536
Mr. Leung Kwok Pong (Note (b))	梁國邦先生(附註(b))	-	6,000	-	-	6,000
Mr. Leung Kwok Yin	梁國賢先生	-	216,000	134,000	12,000	362,000
Mr. Yan Siu Wai (Note (c))	甄兆威先生(附註(c))	-	255,000	88,750	7,500	351,250
Mr. Bao Jisheng (Note (c))	鮑繼聲先生(附註(c))	-	435,000	283,750	-	718,750
<b>Non-executive director 非執行董事</b>						
Mr. Kwan Kai Cheong (Note (d))	關啟昌先生(附註(d))	62,367	37,633	-	-	100,000
<b>Independent non-executive directors 獨立非執行董事</b>						
Dr. Liu Yongping (Note (a))	劉勇平博士(附註(a))	37,500	-	-	-	37,500
Mr. Wu Chi Keung (Note (a))	胡志強先生(附註(a))	45,000	-	-	-	45,000
Mr. Wang Siyong (Note (a))	王斯勇先生(附註(a))	37,500	-	-	-	37,500
Mr. Garry Alides, Willinge (Note (d))	Garry Alides Willinge 先生(附註(d))	62,367	37,633	-	-	100,000
Mr. Yu Hon Wing, Allan (Note (d))	俞漢榮先生(附註(d))	37,419	22,581	-	-	60,000
Mr. Chu Kwok Man (Note (d))	朱國民先生(附註(d))	37,419	22,581	-	-	60,000
<b>Total</b>	<b>總額</b>	319,572	120,428	1,589,415	506,500	2,560,415

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For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

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

- Note:
- (a) Appointed on 16 August 2011.
  - (b) Appointed on 30 September 2011.
  - (c) Resigned on 16 August 2011 and become key management of the Group since then.
  - (d) Resigned on 16 August 2011.
  - (e) Resigned on 5 October 2012.
  - (f) Retired on 14 May 2012.
  - (g) Appointed on 21 September 2012.
  - (h) Appointed on 5 October 2012.
  - (i) Appointed on 31 October 2012.
  - (j) On 16 August 2011, the board of directors of the Company resolved that in appreciation and recognition of the contribution by Mr. Kwan Kai Cheong, the former non-executive director of the Company, Mr. Yu Hon Wing Allan, Mr. Garry Alides Willinge and Mr. Chu Kwok Man, the former independent non-executive directors of the Company (collectively the "Former Directors") to the Company during their appointment, the Company would pay an ex-gratia payment to the Former Directors calculated with reference to the amount of annual director's fee according to the appointment letters entered into between the Company and each of the Former Directors payable for the period from the date of their resignation (i.e. 16 August 2011) to 31 December 2011.

### 9. 董事酬金及五位最高薪酬人士(續)

- 附註：
- (a) 於二零一一年八月十六日獲委任。
  - (b) 於二零一一年九月三十日獲委任。
  - (c) 於二零一一年八月十六日辭任，隨後成為本集團之主要管理人員。
  - (d) 於二零一一年八月十六日辭任。
  - (e) 於二零一二年十月五日辭任。
  - (f) 於二零一二年五月十四日退休。
  - (g) 於二零一二年九月二十一日獲委任。
  - (h) 於二零一二年十月五日獲委任。
  - (i) 於二零一二年十月三十一日獲委任。
  - (j) 於二零一一年八月十六日，本公司董事會議決，為表彰本公司前非執行董事關啟昌先生、本公司前獨立非執行董事俞漢榮先生、Garry Alides Willinge先生及朱國民先生(統稱「前董事」)於任期內對本公司所作的貢獻，本公司將向前董事支付特惠款項，該特惠款項乃參考本公司與各名前董事訂立之委任函列明於彼等退任之日(即二零一一年八月十六日)至二零一一年十二月三十一日期間應付之年度董事袍金計算。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

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

There was no arrangement under which a director waived or agreed to waive any emoluments during the year (2011: HK\$Nil).

The five highest paid individuals in the Group for the year ended 31 December 2012 included one director (2011: four directors, two of them were resigned on 16 August 2011 and became key management of the Group since then, details of whose emoluments are disclosed above). Details of the emoluments of the remaining four (2011: one and the emoluments of the two resigned directors after become the key management of the Group for the year ended 31 December 2011) highest paid individuals are set out below:

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物利益	3,014,538	1,418,998
Discretionary bonuses	酌情花紅	4,920	264,359
Retirement benefits scheme contributions	退休福利計劃供款	45,632	28,055
		<b>3,065,090</b>	<b>1,711,412</b>

The emoluments fell within the following band:

		Number of individuals 人數	
		2012 二零一二年	2011 二零一一年
Nil to HK\$1,000,000	零港元至1,000,000港元	3	3
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	-

During the year, no emoluments were paid or payable by the Group to any of the directors or the five highest paid individuals as an inducement to join, or upon joining the Group, or as compensation for loss of office (2011: HK\$Nil).

### 9. 董事酬金及五位最高薪酬人士(續)

年內，董事概無根據任何安排放棄或同意放棄領取酬金(二零一一年：零港元)。

本集團於截至二零一二年十二月三十一日止年度的五位最高薪酬人士包括一位(二零一一年：四位，其中兩位已於二零一一年八月十六日辭任，並自當時起成為本集團之主要管理人員，彼等的酬金詳情載於上文)董事。其餘四位(二零一一年：一位及兩位辭任董事成為本集團之主要管理人員之後於截至二零一一年十二月三十一日止年度的酬金)最高薪人士的酬金詳情載列如下：

酬金介乎下列範圍之間：

年內，本集團概無向任何董事或五位最高薪酬人士支付或應支付酬金作為加入本集團或加入本集團後的獎賞或作為離職補償(二零一一年：零港元)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 10. FINANCE COSTS

### 10. 融資成本

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Interest on bank loans and overdrafts	銀行貸款及透支利息	4,187,872	5,848,911
Representing:	以下各項應佔：		
Continuing operations	持續經營業務	4,187,872	3,804,933
Discontinued operations (note 12)	已終止經營業務(附註12)	-	2,043,978
		<b>4,187,872</b>	<b>5,848,911</b>

### 11. INCOME TAX EXPENSE

### 11. 所得稅開支

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

(a) 載入綜合收益表的稅項如下：

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Current tax – PRC enterprise income tax	即期稅項－中國企業所得稅		
Provision for the year	本年度撥備	115,388	6,535,983
Under-provision in prior years	過往年度撥備不足	171,118	-
		<b>286,506</b>	<b>6,535,983</b>
Current tax – PRC land appreciation tax	即期稅項－中國土地增值稅	7,933,850	-
Deferred tax – Withholding tax on dividend – PRC (note 25)	遞延稅項－股息預扣稅 －中國(附註25)	-	5,805,728
		<b>8,220,356</b>	<b>12,341,711</b>
Representing:	以下各項應佔：		
Continuing operations	持續經營業務	8,220,356	8,547,723
Discontinued operations (note 12)	已終止經營業務(附註12)	-	3,793,988
		<b>8,220,356</b>	<b>12,341,711</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 11. INCOME TAX EXPENSE (Continued)

- (a) Taxation included in the consolidated income statement represents: (Continued)

No provision for Hong Kong Profits Tax is required since the Group has no assessable profit for the year (2011: HK\$Nil).

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

Pursuant to the new PRC enterprise income tax law passed by the Tenth National People's Congress on 16 March 2007 and effective from 1 January 2008, the enterprise income tax has various changes. It includes the unification of the enterprise income tax rate for domestic and foreign enterprises at 25%; cancellation of existing tax holiday available to export-oriented enterprises; and enforcement of commencement of the tax holiday ("Enforcement of Tax Holiday") on 1 January 2008 for those Foreign Investment Enterprise which have not commenced their tax holiday due to ongoing tax losses since their commencement of businesses.

寧波捷豐金屬製品有限公司 (Ningbo JF Metal Products Co., Ltd.) ("JF Metal"), a subsidiary of the Company operating in Zhejiang Province, the PRC, is entitled to a two-year exemption from enterprise income tax starting from its first profit-making year followed by a 50% reduction for the subsequent three years. Pursuant to the Enforcement of Tax Holiday, tax holiday for JF Metal commenced on 1 January 2008. Hence, JF Metal is subject to the PRC enterprise income tax rate of 12.5% in the current year (2011: 12.5%).

The relevant tax holiday for the other operating PRC subsidiary of the Company, JF Ningbo, had expired. Hence, JF Ningbo is subject to the PRC enterprise income tax rate of 25% (2011: 25%).

### 11. 所得稅開支(續)

- (a) 載入綜合收益表的稅項如下：(續)

由於本集團於年內並無應課稅溢利(二零一一年：零港元)，故無須就香港利得稅作出撥備。

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

根據第十屆全國人民代表大會於二零零七年三月十六日通過及於二零零八年一月一日起生效之新中國企業所得稅法，企業所得稅出現多項變動。新稅法包括將內資及外資企業的企業所得稅稅率統一為25%，取消出口型企業現時享有之稅務優惠期，以及就因自開業以來持續錄得營業稅務虧損而尚未開始其稅務優惠期的外商投資企業，該稅務優惠期必須於二零零八年一月一日開始(「稅務優惠期的實施」)。

本公司於中國浙江省經營之附屬公司寧波捷豐金屬製品有限公司(「捷豐金屬」)自其首個獲利年度起兩年獲豁免企業所得稅，並於其後三年獲寬減50%稅項。根據稅務優惠期的實施，捷豐金屬的稅務優惠期於二零零八年一月一日開始。因此，捷豐金屬於本年度按12.5%之稅率繳納中國企業所得稅(二零一一年：12.5%)。

本公司於中國經營之另一間附屬公司寧波捷豐之相關稅務優惠期已經屆滿。因此，寧波捷豐按25%(二零一一年：25%)之稅率繳納中國企業所得稅。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 11. INCOME TAX EXPENSE (Continued)

- (a) Taxation included in the consolidated income statement represents: (Continued)

In 2011, 寧波捷豐現代傢俱有限公司 (Ningbo JF Furniture Co., Ltd.) ("JF Furniture"), a former subsidiary of the Company operating in Zhejiang Province, the PRC, which had been disposed by the Group in 2011 (note 12), was entitled to a two-year exemption from enterprise income tax starting from its first profit-making year followed by a 50% reduction for the subsequent three years. Pursuant to the Enforcement of Tax Holiday, tax holiday for JF Furniture commenced on 1 January 2008. Hence, JF Furniture was subject to the PRC enterprise income tax rate of 12.5% for the period from 1 January 2011 to the disposal date.

- (b) The reconciliation between the income tax expense and the product of (loss)/profit before tax multiplied by the PRC enterprise income tax rate is as follows:

### 11. 所得稅開支(續)

- (a) 載入綜合收益表的稅項如下:(續)

於二零一一年,本公司於中國浙江省經營之前附屬公司寧波捷豐現代傢俱有限公司(「捷豐傢俱」)已於二零一一年被本集團出售(附註12),該公司自其首個獲利年度起兩年獲豁免企業所得稅,並於其後三年獲寬減50%稅項。根據稅務優惠期的實施,捷豐傢俱的稅務優惠期於二零零八年一月一日開始。因此,捷豐傢俱於二零一一年一月一日至出售日期期間按12.5%之所得稅稅率繳納中國企業所得稅。

- (b) 所得稅開支與除稅前(虧損)/溢利乘中國企業所得稅稅率之乘積對賬如下:

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
(Loss)/profit before tax	除稅前(虧損)/溢利	<b>(20,079,871)</b>	30,594,389
Tax at PRC enterprise income tax rate of 25%	按中國企業所得稅稅率25%計稅	<b>(5,019,968)</b>	7,648,597
Tax effect of income that is not taxable	毋須課稅收入的稅務影響	<b>(1,875,869)</b>	(19,280,846)
Tax effect of expenses that are not deductible	不可扣稅開支的稅務影響	<b>5,132,231</b>	19,094,794
Tax effect of income tax on concession	特許權所得稅的稅務影響	<b>(115,388)</b>	(226,166)
Tax effect of unrecognised tax losses	未確認稅項虧損的稅務影響	<b>53,717</b>	-
Effect of different tax rates of subsidiaries	附屬公司不同稅率的影響	<b>1,940,665</b>	(700,396)
Tax effect of withholding tax on dividend	股息預扣稅的稅務影響	-	5,805,728
Tax effect of PRC land appreciation tax	中國土地增值稅的稅務影響	<b>7,933,850</b>	-
Under-provision in prior years	過往年度撥備不足	<b>171,118</b>	-
Income tax expense	所得稅開支	<b>8,220,356</b>	12,341,711
Representing:	以下各項應佔:		
Continuing operations	持續經營業務	<b>8,220,356</b>	8,547,723
Discontinued operations (note 12)	已終止經營業務(附註12)	-	3,793,988
		<b>8,220,356</b>	12,341,711

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 12. DISCONTINUED OPERATIONS

Pursuant to an agreement dated 29 January 2011 and a supplemental agreement dated 11 May 2011 both entered into between a subsidiary of the Company, JF Household Furnishings (Asia) Ltd. ("JF Asia") and a connected person of the Company, First Priority Inc., which is owned by Mr. Leung Kwok Yin, an executive director of the Company, and Mr. Yan Siu Wai and Mr. Bao Jisheng, the former executive directors of the Company, JF Asia disposed of 100% interest in two wholly-owned subsidiaries, JF Household Furnishings (BVI) Ltd. ("JF BVI") and JF Furniture.

JF BVI and JF Furniture were engaged in investment holding and the manufacturing and sales of wooden panel furniture respectively. The disposal was completed on 10 June 2011 and the Group discontinued its manufacturing and sales of wooden furnishings and home products business from 10 June 2011.

The profit/(loss) for the year from the discontinued operations is analysed as follows:

### 12. 已終止經營業務

根據本公司的附屬公司捷豐家居用品(亞洲)有限公司(「捷豐亞洲」)與本公司之關聯人士 First Priority Inc.(由本公司執行董事梁國賢先生及本公司前執行董事甄兆威先生及鮑繼聲先生擁有)於二零一一年一月二十九日訂立之協議及於二零一一年五月十一日訂立之補充協議，捷豐亞洲出售於兩間全資附屬公司捷豐家居用品(維爾京群島)有限公司(「捷豐維爾京」)及捷豐家俱的全部權益。

捷豐維爾京及捷豐家俱分別從事投資控股以及製造及銷售木製家俱。出售事項於二零一一年六月十日完成，故本集團自二零一一年六月十日起終止其製造及銷售木製家俱及家居用品業務。

已終止經營業務年內溢利／(虧損)分析如下：

		<b>2012</b> 二零一二年 <b>HK\$</b> 港元	2011 二零一一年 HK\$ 港元
Loss of discontinued operations	已終止經營業務之虧損	-	(8,879,248)
Gain on disposal of discontinued operations (note 29(ii))	出售已終止經營業務之收益 (附註 29(i))	-	12,227,897
		-	3,348,649



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 12. DISCONTINUED OPERATIONS (Continued)

The results of the discontinued operations for the period from 1 January 2011 to 10 June 2011, which have been included in consolidated profit or loss, are as follows:

		<b>2012</b>	Period from 1 January 2011 to 10 June 2011 自二零一一年 一月一日至 二零一一年 六月十日期間
		二零一二年 HK\$ 港元	HK\$ 港元
Revenue	收益	-	60,516,103
Cost of goods sold	貨品銷售成本	-	(58,085,404)
Gross profit	毛利	-	2,430,699
Other income	其他收入	-	1,127,698
Distribution costs	分銷成本	-	(144,398)
Administrative expenses	行政開支	-	(6,452,212)
Other operating expenses	其他經營開支	-	(3,069)
Loss from operations	經營虧損	-	(3,041,282)
Finance costs	融資成本	-	(2,043,978)
Loss before tax	除稅前虧損	-	(5,085,260)
Income tax expense	所得稅開支	-	(3,793,988)
Loss for the period	期內虧損	-	(8,879,248)

During the year ended 31 December 2011, the disposed subsidiaries received approximately HK\$75,562,000 in respect of operating activities, received approximately HK\$76,090,000 in respect of investing activities and paid approximately HK\$156,860,000 in respect of financing activities.

No tax charge or credit arose on gain on disposal of the discontinued operations.

### 12. 已終止經營業務(續)

已終止經營業務自二零一一年一月一日至二零一一年六月十日之業績(已計入綜合損益內)如下:

		<b>2012</b>	Period from 1 January 2011 to 10 June 2011 自二零一一年 一月一日至 二零一一年 六月十日期間
		二零一二年 HK\$ 港元	HK\$ 港元
Revenue	收益	-	60,516,103
Cost of goods sold	貨品銷售成本	-	(58,085,404)
Gross profit	毛利	-	2,430,699
Other income	其他收入	-	1,127,698
Distribution costs	分銷成本	-	(144,398)
Administrative expenses	行政開支	-	(6,452,212)
Other operating expenses	其他經營開支	-	(3,069)
Loss from operations	經營虧損	-	(3,041,282)
Finance costs	融資成本	-	(2,043,978)
Loss before tax	除稅前虧損	-	(5,085,260)
Income tax expense	所得稅開支	-	(3,793,988)
Loss for the period	期內虧損	-	(8,879,248)

截至二零一一年十二月三十一日止年度，被出售附屬公司就經營活動取得約75,562,000港元，就投資活動取得約76,090,000港元並就融資活動支付約156,860,000港元。

出售已終止經營業務收益並無產生任何稅項開支或抵免。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 13. (LOSS)/PROFIT FOR THE YEAR

The Group's (loss)/profit for the year is stated after charging/(crediting) the following:

### 13. 年內(虧損)/溢利

本集團之年內(虧損)/溢利乃經扣除/(計入)下列各項列賬：

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Auditors' remuneration	核數師之酬金	550,000	580,000
Cost of inventories sold	已出售存貨成本	236,935,305	354,465,141
Depreciation	折舊	3,374,926	4,687,165
Allowance for inventories (included in other operating expenses)	存貨撥備(包括於其他經營開支中)	4,237,279	-
Research and development expenditure	研究及開發開支	56,380	3,704,943
Staff costs (including directors' emoluments (note 9))	員工成本(包括董事酬金(附註9))		
Fees	袍金	322,044	319,572
Basic salaries, bonuses, allowances and benefits in kind	基本薪金、花紅、津貼及實物利益	31,374,727	33,283,228
Retirement benefits scheme contributions	退休福利計劃供款	2,432,639	3,370,753
Operating lease – buildings	經營租約—建築物	2,709,225	786,011
Net exchange losses/(gains)	淨匯兌虧損/(收益)	133,828	(1,084,323)

Cost of inventories sold includes staff costs and depreciation of approximately HK\$24,032,000 (2011: HK\$30,030,000) which are included in the amounts disclosed separately above.

Note:

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The Group's contributions to MPF Scheme are calculated at 5% of the salaries and wages subject to a monthly maximum amount of HK\$1,250 (HK\$1,000 before June 2012) per employee and vest fully with employees when contributed into the MPF Scheme.

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

已出售存貨成本包括員工成本及折舊約24,032,000港元(二零一一年: 30,030,000港元), 已計入上述分別披露之款項內。

附註：

本集團已根據香港《強制性公積金計劃條例》的規定，為其全體香港合資格僱員設立強制性公積金計劃(「強積金計劃」)。本集團向強積金計劃之供款乃以薪金的5%計算及上限金額為每月每名僱員1,250港元(二零一二年六月之前1,000港元)，供款一旦注入強積金計劃，即悉數歸屬僱員。

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 14. DIVIDEND

Special dividend  
– HK\$Nil (2011: HK\$0.75998)  
per ordinary share

特別股息  
– 每股普通股零港元  
(二零一一年：0.75998港元)

### 14. 股息

	2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
	–	169,999,166

### 15. (LOSS)/EARNINGS PER SHARE

The calculation of basic and diluted (loss)/earnings per share are based on the following:

### 15. 每股(虧損)/盈利

每股基本及攤薄(虧損)/盈利乃根據下列各項計算：

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
<b>(Loss)/earnings</b>	<b>(虧損)/盈利</b>		
Continuing and discontinued operations	持續及已終止經營業務		
(Loss)/profit attributable to owners of the Company, used in the basic and diluted (loss)/earnings per share calculation	用於計算每股基本及攤薄(虧損)/盈利之本公司擁有人應佔(虧損)/溢利	<b>(28,300,227)</b>	18,252,678
Continuing operations	持續經營業務		
(Loss)/profit attributable to owners of the Company, used in the basic and diluted (loss)/earnings per share calculation	用於計算每股基本及攤薄(虧損)/盈利之本公司擁有人應佔(虧損)/溢利	<b>(28,300,227)</b>	14,904,029
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares used in basic (loss)/earnings per share calculation	用於計算每股基本(虧損)/盈利之普通股加權平均數	<b>236,561,131</b>	223,467,082
Effect of share options	購股權的影響	–	124,964
Weighted average number of ordinary shares used in diluted (loss)/earnings per share calculation	用於計算每股攤薄(虧損)/盈利之普通股加權平均數	<b>236,561,131</b>	223,592,046

The effects of all potential ordinary shares are anti-dilutive for the year ended 31 December 2012.

截至二零一二年十二月三十一日止年度，所有潛在普通股均具有反攤薄影響。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 15. (LOSS)/EARNINGS PER SHARE (Continued)

#### From discontinued operations

For the year ended 31 December 2011, basic earnings per share from the discontinued operations is HK1.5 cents per share and diluted earnings per share from the discontinued operations is HK1.5 cents per share, based on the profit for the year from discontinued operations attributable to the owners of the Company of HK\$3,348,649 and the denominators used are the same as those detailed above for both basic and diluted earnings per share.

### 15. 每股(虧損)/盈利(續)

#### 來自已終止經營業務

截至二零一一年十二月三十一日止年度，來自已終止經營業務之每股基本盈利為每股1.5港仙，來自已終止經營業務之每股攤薄盈利為每股1.5港仙，乃根據本公司擁有人應佔來自已終止經營業務之年內溢利3,348,649港元計算，所採用之分母與上文詳述的每股基本及攤薄盈利所用者相同。

### 16. PROPERTY, PLANT AND EQUIPMENT

### 16. 物業、廠房及設備

		Leasehold	Leasehold	Plant and	Furniture,	Motor	Construction	Total	
		land	improvement	machinery	fixtures and equipment	vehicles	in progress		
		租賃土地	建築物	租賃裝修	廠房及 機械	傢俱、 裝置及 設備	車輛	在建工程	總額
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元
<b>Cost</b>	<b>成本</b>								
At 1 January 2011	於二零一一年 一月一日	54,575,329	30,315,429	-	42,347,228	3,442,882	1,994,526	84,421,981	217,097,375
Additions	添置	-	-	-	239,470	237,462	869,024	14,586,270	15,932,226
Disposal	出售	-	-	-	(104,869)	-	(455,226)	-	(560,095)
Disposal of subsidiary	出售附屬公司	(55,322,178)	(30,730,290)	-	(14,311,795)	(731,018)	(995,280)	(100,523,614)	(202,614,175)
Exchange differences	匯兌差額	746,849	414,861	-	1,396,518	129,179	68,636	1,515,363	4,271,406
At 31 December 2011 and 1 January 2012	於二零一一年 十二月 三十一日及 於二零一二年 一月一日	-	-	-	29,566,552	3,078,505	1,481,680	-	34,126,737
Additions	添置	-	-	1,268,110	191,908	302,250	-	-	1,762,268
Exchange differences	匯兌差額	-	-	-	229,833	23,627	11,528	-	264,988
At 31 December 2012	於二零一二年 十二月 三十一日	-	-	1,268,110	29,988,293	3,404,382	1,493,208	-	36,153,993

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 16. PROPERTY, PLANT AND EQUIPMENT (Continued) 16. 物業、廠房及設備(續)

		Leasehold land	Buildings	Leasehold improvement	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
		租賃土地	建築物	租賃裝修	廠房及 機械	傢俱、 裝置及 設備	車輛	在建工程	總額
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
<b>Accumulated depreciation</b>	<b>累計折舊</b>								
At 1 January 2011	於二零一一年 一月一日	2,751,567	4,172,410	-	11,577,878	2,774,398	1,093,692	-	22,369,945
Charge for the year	年內折舊	452,991	562,010	-	3,101,313	292,274	278,577	-	4,687,165
Disposal	出售	-	-	-	(64,494)	-	(409,704)	-	(474,198)
Disposal of subsidiary	出售附屬公司	(3,252,557)	(4,804,357)	-	(2,821,016)	(456,271)	(519,058)	-	(11,853,259)
Exchange differences	匯兌差額	47,999	69,937	-	513,543	114,566	29,434	-	775,479
At 31 December 2011 and 1 January 2012	於二零一一年 十二月 三十一日及 於二零一二年 一月一日	-	-	-	12,307,224	2,724,967	472,941	-	15,505,132
Charge for the year	年內折舊	-	-	245,572	2,702,251	198,478	228,625	-	3,374,926
Exchange differences	匯兌差額	-	-	-	125,204	22,714	6,189	-	154,107
At 31 December 2012	於二零一二年 十二月 三十一日	-	-	245,572	15,134,679	2,946,159	707,755	-	19,034,165
<b>Carrying amount</b>	<b>賬面值</b>								
At 31 December 2012	於二零一二年 十二月 三十一日	-	-	1,022,538	14,853,614	458,223	785,453	-	17,119,828
At 31 December 2011	於二零一一年 十二月 三十一日	-	-	-	17,259,328	353,538	1,008,739	-	18,621,605

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

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 17. INVENTORIES

### 17. 存貨

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Raw materials	原材料	20,543,876	42,665,739
Work in progress	在製品	30,902,371	52,724,913
Finished goods	製成品	3,467,012	3,247,815
		<b>54,913,259</b>	98,638,467

### 18. TRADE RECEIVABLES

### 18. 應收貿易賬款

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Trade receivables	應收貿易賬款	20,795,572	30,439,962

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

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

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
0 – 30 days	0至30日	19,298,450	29,942,570
31 – 60 days	31至60日	1,336,002	496,741
61 – 90 days	61至90日	-	-
Over 90 days	超過90日	161,120	651
		<b>20,795,572</b>	30,439,962

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 18. TRADE RECEIVABLES (Continued)

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

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
RMB	人民幣	3,252,192	3,770,189
USD	美元	17,543,380	26,669,773
		<b>20,795,572</b>	<b>30,439,962</b>

### 19. DUE FROM RELATED COMPANIES

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

Name	Name of director having beneficial interest	Group 本集團		Maximum amount outstanding during the year
		Balance at 31 December 2012	Balance at 1 January 2012	
名稱	持有實益之董事姓名	於二零一二年十二月三十一日之結餘 HK\$ 港元	於二零一二年一月一日之結餘 HK\$ 港元	年內未償還之最高金額 HK\$ 港元
JF BVI 捷豐維爾京	Mr. Leung Kwok Yin 梁國賢先生	4,737,355	4,737,355	4,737,355
JF Furniture 捷豐家俱	Mr. Leung Kwok Yin 梁國賢先生	585,733	296,379	1,059,714
		<b>5,323,088</b>	<b>5,033,734</b>	

JF BVI and JF Furniture, the former subsidiaries of the Company, became the related companies after the completion of disposal on 10 June 2011 (note 12).

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

### 18. 應收貿易賬款(續)

本集團應收貿易賬款之賬面值乃按下列貨幣列值：

### 19. 應收關聯公司款項

根據香港公司條例第161B條披露之應收關聯公司款項如下：

於二零一一年六月十日出售完成後，本公司之前附屬公司捷豐維爾京及捷豐家俱成為關聯公司(附註12)。

所有上述結餘為無抵押、免息及無固定還款期。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 20. CASH AND BANK BALANCES

The Group's restricted cash and bank balances comprised guaranteed deposits for the issuance of bills and deposits pledged to banks to secure banking facilities granted to the Group as set out in note 24 to the financial statements.

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

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Guaranteed deposits for the issuance of bills	用於發出信用證之擔保存款	10,949,073	-
Pledged bank deposits	抵押銀行存款	1,073,288	1,069,594
		<b>12,022,361</b>	1,069,594

At 31 December 2012, the cash and bank balances of the Group denominated in RMB amounted to approximately HK\$25,136,000 (2011: HK\$11,469,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

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

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
HKD	港元	22,701,979	6,281,651
RMB	人民幣	25,136,073	11,468,639
USD	美元	418,445	2,824,729
EUR	歐元	551	842
Others	其他	25,033	16,121
		<b>48,282,081</b>	20,591,982

### 20. 現金及銀行結餘

本集團之受限制現金及銀行結餘包括用於發出人民幣信用證之擔保存款，以及已抵押予銀行作為授予本集團銀行信貸之擔保的存款（詳情載於財務報表附註24）。

受限制現金及銀行結餘之賬面值分析如下：

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Guaranteed deposits for the issuance of bills	用於發出信用證之擔保存款	10,949,073	-
Pledged bank deposits	抵押銀行存款	1,073,288	1,069,594
		<b>12,022,361</b>	1,069,594

於二零一二年十二月三十一日，本集團以人民幣列值之現金及銀行結餘約為25,136,000港元（二零一一年：11,469,000港元）。人民幣兌換為外幣須遵循中國外匯管制條例和結匯、售匯及付匯管理規定。

本集團之現金及銀行結餘賬面值乃按下列貨幣列值：

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
HKD	港元	22,701,979	6,281,651
RMB	人民幣	25,136,073	11,468,639
USD	美元	418,445	2,824,729
EUR	歐元	551	842
Others	其他	25,033	16,121
		<b>48,282,081</b>	20,591,982

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 21. NON-CURRENT ASSETS HELD FOR SALE

On 30 September 2010, JF Ningbo signed a sales and purchase agreement (the “Agreement”) to dispose of the leasehold land and buildings owned by JF Ningbo (the “Disposal”) to a third party (the “Original Buyer”). The completion of the transaction is subject to the approval of transfer of the title by the relevant government authorities. Details of the Disposal by JF Ningbo had been disclosed in an announcement of the Company dated 30 September 2010.

The leasehold land and buildings, which were expected to be sold within twelve months, had been classified as non-current assets held for sale and were presented separately in the statement of financial position. The disposal assets were included in the Group’s stainless steel furnishings segment for the year ended 31 December 2011.

The major classes of assets classified as held for sale at 31 December are as follows:

Leasehold land	租賃土地
Buildings	建築物

At 31 December 2011, the Group’s leasehold land and buildings classified as non-current assets held for sale with carrying value of approximately HK\$1,171,000 and HK\$5,429,000 respectively were pledged as security to a bank for the Group’s banking facilities (note 24).

On 29 December 2012, a supplemental agreement (the “Supplemental Agreement”) was entered pursuant to which the Original Buyer nominated another third party (the “New Buyer”) to substitute it in accordance with the terms of the Agreement. According to the Supplemental Agreement, the Disposal had been regarded as being taken place after full payment of the remaining installments of the consideration by the New Buyer on 29 December 2012. Details of the supplemental agreement had been disclosed in an announcement of the Company dated 30 December 2012.

### 21. 持作出售之非流動資產

於二零一零年九月三十日，寧波捷豐簽訂買賣協議(「協議」)以向第三方(「原買方」)出售寧波捷豐擁有的租賃土地及建築物(「出售事項」)。該項交易須待相關政府部門批准轉讓業權後方告完成。有關寧波捷豐的出售事項詳情已於本公司日期為二零一零年九月三十日的公告中披露。

該等租賃土地及建築物預期將於十二個月內出售，已被劃分為持作出售之非流動資產並於財務狀況表單獨呈列。出售資產計入截至二零一一年十二月三十一日本集團之不銹鋼傢俱分部。

於十二月三十一日，劃分為持作出售之資產的主要類別如下：

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Leasehold land	租賃土地	-	1,171,053
Buildings	建築物	-	10,461,124
		-	11,632,177

於二零一一年十二月三十一日，本集團劃分為持作出售之非流動資產，賬面值分別約1,171,000港元及5,429,000港元的租賃土地及建築物已抵押予銀行，作為授予本集團銀行融資之擔保(附註24)。

於二零一二年十二月二十九日，已訂立一份補充協議(「補充協議」)，據此原買方已舉薦另一第三方(「新買方」)根據協議之條款代替原買方。根據補充協議，在新買方於二零一二年十二月二十九日全數支付餘下分期代價後，出售事項視作已發生。補充協議之詳情已於本公司日期為二零一二年十二月三十日之公告中披露。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 21. NON-CURRENT ASSETS HELD FOR SALE

(Continued)

As at 31 December 2012, although the ownership has been transferred to the New Buyer under the Supplemental Agreement, the titles of the disposed leasehold land and buildings are still in the process of application for transfer and still being pledged as securities for certain bank borrowings (note 24) and bills payable (note 22) of the Group.

As at 31 December 2012, total bank borrowings and bills payable that used the disposed leasehold land and buildings as securities amounted to approximately HK\$13,431,000 and HK\$1,958,000 respectively. The management of the Group has already noticed the corresponding bank for the status of the Disposal and the bank accepted to use other forms of securities as a substitute to the disposed leasehold land and buildings when the titles of the disposed leasehold land and buildings are being transferred. In the opinion of the management of the Group, there will be no liquidity risk for the corresponding bank borrowings and bills payable to be caused by the Disposal.

### 22. TRADE AND BILLS PAYABLES

Trade payables	應付貿易賬款
Bills payables	應付票據

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

### 21. 持作出售之非流動資產(續)

於二零一二年十二月三十一日，儘管所有權根據補充協議已轉讓予新買方，已出售租賃土地及建築物之業權仍在申請轉讓過程中且仍被抵押作為本集團若干銀行借貸(附註24)及應付票據(附註22)之擔保。

於二零一二年十二月三十一日，使用已出售租賃土地及建築物作為擔保之銀行借貸及應付票據總額分別為約13,431,000港元及1,958,000港元。本集團管理層已通知相關銀行出售事項之狀況，且該銀行接納待已出售租賃土地及建築物之業權轉讓後使用其他形式的擔保作為已出售租賃土地及建築物之替代。本集團管理層認為，出售事項將不會導致就相關銀行借貸及應付票據產生流動資金風險。

### 22. 應付貿易賬款及應付票據

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Trade payables	應付貿易賬款	12,582,312	36,392,511
Bills payables	應付票據	21,898,146	-
		<b>34,480,458</b>	36,392,511

供應商授予本集團的信貸期一般為30至90日。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 22. TRADE AND BILLS PAYABLES (Continued)

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

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
0 – 30 days	0至30日	6,407,042	19,041,000
31 – 60 days	31至60日	3,972,181	9,597,773
61 – 90 days	61至90日	1,912,133	4,057,120
Over 90 days	超過90日	290,956	3,696,618
		<b>12,582,312</b>	36,392,511

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

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
RMB	人民幣	34,419,949	26,848,675
USD	美元	60,509	9,543,836
		<b>34,480,458</b>	36,392,511

The bills payable were secured by the guaranteed deposits of the Group (note 20) and legal charge on leasehold land and buildings owned by a third party (note 21).

### 23. OTHER PAYABLES AND ACCRUALS

Deposit received	已收按金
Accruals	應計項目
Other payables	其他應付款項

### 22. 應付貿易賬款及應付票據(續)

應付貿易賬款按收取貨物日期之賬齡分析如下：

本集團應付貿易賬款及應付票據之賬面值乃按下列貨幣列值：

應付票據以本集團的擔保存款(附註20)及由一名第三方擁有的租賃土地及建築物的法定抵押(附註21)作抵押。

### 23. 其他應付款項及應計項目

	2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
	113,500	15,655,889
	6,488,802	4,722,116
	<b>23,394,717</b>	14,181,589
	<b>29,997,019</b>	34,559,594

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For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 23. OTHER PAYABLES AND ACCRUALS (Continued)

As at 31 December 2012, other payables included a loan from an independent third party of approximately HK\$17,000,000 (2011: HK\$9,900,000). The loan is unsecured, interest charged at a fixed rate of 3.5% (2011: 3.5%) per annum and repayable within one year.

### 24. BANK BORROWINGS

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

### 23. 其他應付款項及應計項目(續)

於二零一二年十二月三十一日，其他應付款項包括來自一名獨立第三方之貸款約17,000,000港元(二零一一年：9,900,000港元)。該貸款為無抵押，按固定年息3.5%(二零一一年：3.5%)計息及須於一年內償還。

### 24. 銀行借貸

銀行借貸之賬面值分析如下：

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
<b>Current liabilities</b>	<b>流動負債</b>		
Bank overdrafts repayable on demand – unsecured	應要求償還之銀行透支—無抵押	290,013	718,990
Portion of bank loans from banks due for repayment within one year	須於一年內償還之部分銀行貸款		
– secured	– 已抵押	17,373,334	19,614,270
– unsecured	– 無抵押	26,383,475	51,572,585
		<b>44,046,822</b>	71,905,845
The borrowings are repayable as follows:	借貸償還期限如下：		
Within one year	一年內	<b>44,046,822</b>	71,905,845

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

上述金額乃基於貸款協議所載預定還款日期呈列，並忽略應要求償還條款之影響。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 24. BANK BORROWINGS (Continued)

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

		HKD 港幣 HK\$ 港元	RMB 人民幣 HK\$ 港元	USD 美元 HK\$ 港元	Total 總計 HK\$ 港元
<b>2012</b>	<b>二零一二年</b>				
<b>Bank overdrafts</b>	<b>銀行透支</b>	<b>290,013</b>	<b>-</b>	<b>-</b>	<b>290,013</b>
<b>Bank loans</b>	<b>銀行貸款</b>	<b>8,213,622</b>	<b>28,354,080</b>	<b>7,189,107</b>	<b>43,756,809</b>
		<b>8,503,635</b>	<b>28,354,080</b>	<b>7,189,107</b>	<b>44,046,822</b>
2011	二零一一年				
Bank overdrafts	銀行透支	718,990	-	-	718,990
Bank loans	銀行貸款	7,039,874	30,356,400	33,790,581	71,186,855
		7,758,864	30,356,400	33,790,581	71,905,845

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

		2012 二零一二年	2011 二零一一年
Bank loans	銀行貸款	1.31% – 7.87%	3.50% – 7.54%
Bank overdrafts	銀行透支	5.25%	6.75%

At 31 December 2012, the Group's bank facilities were secured by the following:

- legal charge on leasehold land and certain buildings owned by a third party (2011: owned by the Group);
- corporate guarantee given by the Company and one related company (2011: two related companies); and
- all monies charge over deposits executed by a subsidiary of the Company in favour of a bank of HK\$1,000,000 (2011: HK\$1,000,000).

### 24. 銀行借貸(續)

本集團借貸之賬面值乃按下列貨幣列值：

於十二月三十一日之平均年利率如下：

於二零一二年十二月三十一日，本集團之銀行信貸由以下項目作抵押：

- 一名第三方擁有(二零一一年：本集團擁有)的租賃土地及若干建築物的法定抵押；
- 本公司及一家關聯公司(二零一一年：兩家關聯公司)提供的公司擔保；及
- 本公司附屬公司以銀行為受益人作出全數存款抵押1,000,000港元(二零一一年：1,000,000港元)。

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## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 25. DEFERRED TAX LIABILITIES

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

### 25. 遞延稅項負債

本集團確認的主要遞延稅項負債如下：

		Undistributed earnings of PRC subsidiaries 中國附屬公司之 未分配盈利 HK\$ 港元
At 1 January 2011	於二零一一年一月一日	1,223,267
Settlement during the year	於年內結算	(2,675,674)
Charge to profit or loss for the year (note 11a)	於年內損益中扣除(附註11a)	5,805,728
Disposal of subsidiaries	出售附屬公司	(2,637,352)
At 31 December 2011, 1 January 2012 and 31 December 2012	於二零一一年十二月三十一日、 二零一二年一月一日及 二零一二年十二月三十一日	1,715,969

At the end of the reporting period the Group has unused tax losses of HK\$6,691,000 (2011: HK\$Nil) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. The unrecognised tax losses will expire in 2017.

於報告期結束時，本集團擁有未動用稅項虧損6,691,000港元(二零一一年：零港元)可用於抵銷未來溢利。由於未來溢利流之不可預測性，故並無確認遞延稅項資產。未確認稅項虧損將於二零一七年屆滿。

### 26. SHARE CAPITAL

### 26. 股本

		Ordinary shares of HK\$0.01 each 每股面值0.01港元的普通股	
		Number of shares 股份數目	Par value 面值 HK\$ 港元
		Note 附註	
Authorised:	法定：		
At 1 January 2011, 31 December 2011, 1 January 2012 and 31 December 2012	於二零一一年一月一日、 二零一一年十二月三十一日、 二零一二年一月一日及 二零一二年十二月三十一日		5,000,000
Issued and fully paid:	已發行及已繳足：		
At 1 January 2011	於二零一一年一月一日		2,226,890
Shares issued on exercise of share options	行使購股權時發行的股份	(i)	10,000
At 31 December 2011 and 1 January 2012	於二零一一年十二月三十一日及 二零一二年一月一日		2,236,890
Placement of shares	配售股份	(ii)	156,000
At 31 December 2012	於二零一二年十二月三十一日		2,392,890



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 26. SHARE CAPITAL (Continued)

Note:

- (i) During the year ended 31 December 2011, 1,000,000 ordinary shares of HK\$0.01 each were issued in relation to share options exercised by senior management under the New Share Option Scheme of the Company at HK\$0.9 for a total cash consideration of HK\$900,000. The excess of the subscription consideration received over the nominal values issued, amounting to HK\$890,000, was credited to the share premium account.
- (ii) On 5 March 2012, the Company completed a private placement of 15,600,000 shares at a placing price of HK\$1.92 per share, which raised a gross proceeds of HK\$29,952,000. The excess of the subscription consideration received over the nominal values issued, net of share issue expenses, amount to approximately HK\$28,688,000, was credited to share premium account.

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

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

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

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

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

### 26. 股本(續)

附註：

- (i) 於截至二零一一年十二月三十一日止年度，高級管理層根據本公司的新購股權計劃按0.9港元的價格行使購股權而發行1,000,000股每股面值0.01港元的普通股，現金總代價為900,000港元。收到的認購代價高出發行面值的超額部分為890,000港元，已計入股份溢價賬。
- (ii) 於二零一二年三月五日，本公司完成以配售價每股1.92港元私人配售15,600,000股股份，籌集所得款項總額29,952,000港元。收到的認購代價高出發行面值的超額部分為約28,688,000港元，已計入股份溢價賬。

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

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

本集團以債務對經調整資本比率為基準監控資本。該比率以債務淨額除以經調整資本計算。債務淨額以債務總額減現金及現金等值物計算。經調整資本包括所有權益部分，即股本、股份溢價、保留溢利及其他儲備。

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

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 27. SHARE – BASED PAYMENTS

#### Equity-settled share option scheme

##### *New Share Option Scheme*

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

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

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

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

### 27. 以股份支付款項

#### 以股權結算的購股權計劃

##### *新購股權計劃*

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

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

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

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

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## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 27. SHARE – BASED PAYMENTS (Continued)

#### Equity-settled share option scheme (Continued)

##### New Share Option Scheme (Continued)

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

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

Details of the specific categories of options are as follows:

	Date of grant 授出日期	Vesting date 歸屬日	Exercise period 行使期	Exercise price 行使價 HK\$ 港元
Senior management 高級管理層	4 August 2009 二零零九年 八月四日	4 August 2009 二零零九年 八月四日	4 August 2009 to 3 August 2014 二零零九年 八月四日至 二零一四年 八月三日	0.90

If the options remain unexercised after a period of 5 years from the date of grant, the options expire. Options are forfeited on the date which is 3 months after the date on which the eligible employee ceases to be an employee of the Group.

### 27. 以股份支付款項(續)

#### 以股權結算的購股權計劃(續)

##### 新購股權計劃(續)

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

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

購股權之特定分類詳情如下：

倘若自授出日期起五年期滿後購股權仍未獲行使，購股權將屆滿。當合資格員工不再為本集團之員工，自其離職日起三個月後，購股權將會被作廢。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 27. SHARE – BASED PAYMENTS (Continued)

#### Equity-settled share option scheme (Continued)

#### New Share Option Scheme (Continued)

Details of the share options outstanding during the year are as follows:

		2012 二零一二年		2011 二零一一年	
		Number of share options 購股權數目	Weighted average exercise price 加權平均行使價 HK\$ 港元	Number of share options 購股權數目	Weighted average exercise price 加權平均行使價 HK\$ 港元
Outstanding at the beginning of the year	年初尚未行使	-	-	1,000,000	0.9
Exercised during the year	年內已行使	-	-	(1,000,000)	0.9
Outstanding at the end of the year	年末尚未行使	-	N/A 不適用	-	N/A 不適用
Exercisable at the end of the year	年末可予行使	-	N/A 不適用	-	N/A 不適用

The weighted average share price at the date of exercise for share options exercised during the year ended 31 December 2011 was HK\$2.60.

### 28. WARRANT

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

### 27. 以股份支付款項(續)

#### 以股權結算的購股權計劃(續)

#### 新購股權計劃(續)

年內尚未行使的購股權之詳情如下：

### 28. 認股權證

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 28. WARRANT (Continued)

The warrants were placed at a warrant placing price of HK\$0.01 per warrant and the gross proceeds of the warrant placing were HK\$180,000. The warrants were issued on 5 March 2012 and the subscription period is 18 months from the date of issue of the warrants. During the year, no warrant was exercised.

### 29. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### (i) Disposal of subsidiaries

As referred to in note 12 to the financial statements, on 10 June 2011 the Group discontinued its wooden furnishings business at the time of the disposal of its subsidiaries, JF BVI and JF Furniture.

Net assets at the date of disposal were as follows:

### 28. 認股權證(續)

認股權證已按認股權證配售價每份認股權證0.01港元進行配售及認股權證配售之所得款項總額為180,000港元。認股權證已於二零一二年三月五日發行及認購期為自發行認股權證日期起18個月。年內，並無認股權證被行使。

### 29. 綜合現金流量報表附註

#### (i) 出售附屬公司

誠如財務報表附註12所述，於二零一一年六月十日，本集團於出售其附屬公司捷豐維爾京及捷豐家具時終止其木製傢俱業務。

於出售日期之淨資產如下：

		HK\$ 港元
Property, plant and equipment	物業、廠房及設備	190,760,916
Inventories	存貨	38,880,204
Trade receivables	應收貿易賬款	31,110,106
Deposits, other receivables and prepayments	按金、其他應收款項及預付款項	38,836,787
Cash and bank balances	現金及銀行結餘	10,467,517
Trade payables	應付貿易款項	(30,439,483)
Other payables and accruals	其他應付款項及應計項目	(67,032,979)
Due to former immediate parent	應付前直接母公司	(2,100,003)
Short term bank loans	短期銀行貸款	(107,269,236)
Deferred tax liabilities	遞延稅項負債	(2,637,352)
Net assets disposed of	已出售淨資產	100,576,477
Release of foreign currency translation reserve	解除外幣匯兌儲備	(16,910,891)
Direct cost to the disposal	出售之直接成本	4,682,994
Gain on disposal of subsidiaries	出售附屬公司收益	12,227,897
Total consideration – satisfied by cash	總代價－以現金支付	100,576,477
Net cash inflow arising on disposal:	出售所產生之現金流入淨額：	
Cash consideration received	已收現金代價	100,576,477
Cash paid for direct cost	以現金支付直接成本	(4,682,994)
Cash and cash equivalents disposed of	已出售現金及現金等值物	(10,467,517)
		85,425,966

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 29. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

#### (ii) Disposal of non-current assets held for sale

On 29 December 2012, the Group disposed of its leasehold land and buildings classified as non-current assets held for sale, details of which are disclosed in note 21. Total consideration for the disposal of non-current assets held for sale is HK\$30,752,500. Half of the consideration, amounted to HK\$15,376,250, was received and included in other payable in 2011. Such amount together with the remaining half of the consideration received in current year, netting off with the carrying amount of non-current assets held for sales and exchange difference, amounted to HK\$19,157,086, were recognised as gain on disposal of non-current assets held for sale in profit or loss in current year.

### 29. 綜合現金流量報表附註(續)

#### (ii) 出售持作出售之非流動資產

於二零一二年十二月二十九日，本集團出售其劃分為持作出售之非流動資產的租賃土地及建築物，有關詳情於附註21中披露。出售持作出售之非流動資產的總代價為30,752,500港元。一半代價15,376,250港元已被收取並計入二零一一年度的其他應付款項。該等款項連同本年度已收取的另一半代價經扣除持作出售之非流動資產的賬面值及匯兌差額後為19,157,086港元，已於本年度損益內確認為出售持作出售之非流動資產之收益。

### 30. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 30. 本公司之財務狀況表

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Investments in subsidiaries	於附屬公司之投資	3,558,133	42,967,028
Due from subsidiaries	應收附屬公司款項	68,718,032	46,110,512
Other current assets	其他流動資產	833,134	363,610
Due to subsidiaries	應付附屬公司款項	(25,102,307)	(24,757,689)
Other current liabilities	其他流動負債	(1,538,809)	(1,113,975)
<b>NET ASSETS</b>	<b>淨資產</b>	<b>46,468,183</b>	63,569,486
Share capital	股本	2,392,890	2,236,890
Reserves	儲備	44,075,293	61,332,596
<b>TOTAL EQUITY</b>	<b>總權益</b>	<b>46,468,183</b>	63,569,486

Note:

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

附註：

應收/(應付)附屬公司款項為無抵押、免息及無固定還款期。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 31. RESERVES

#### (a) Group

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

#### (b) Company

### 31. 儲備

#### (a) 本集團

本集團之儲備金額以及其變動載列於綜合全面收益表及綜合權益變動表。

#### (b) 本公司

			Shares premium (note (c)(i))	Contributed surplus (note (c)(ii))	Share-based payments reserve (note (c)(iii)) 以股份支付	Warrant reserve (note 28)	Retained Profits/ (accumulated losses)	Total
	Note	股份溢價 (附註(c)(i))	繳入盈餘 (附註(c)(ii))	款項儲備 (附註(c)(iii))	認股權證儲備 (附註28)	保留溢利/ (累計虧損)	總值	
	附註	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	
At 1 January 2011	於二零一一年一月一日	67,955,349	42,967,020	217,000	-	13,079,389	124,218,758	
Shares issued on exercise of share options	因行使購股權而發行的股份 26(i)	1,107,000	-	(217,000)	-	-	890,000	
Transfers	轉撥 (d)	(67,955,349)	-	-	-	67,955,349	-	
Dividend paid	已付股息	-	-	-	-	(169,999,166)	(169,999,166)	
Profit for the year	年內溢利	-	-	-	-	106,223,004	106,223,004	
At 31 December 2011	於二零一一年十二月三十一日	1,107,000	42,967,020	-	-	17,258,576	61,332,596	
At 1 January 2012	於二零一二年一月一日	1,107,000	42,967,020	-	-	17,258,576	61,332,596	
Shares issued on placement	配售時發行股份 26(ii)	28,687,840	-	-	-	-	28,687,840	
Issue of warrants	發行認股權證	-	-	-	180,000	-	180,000	
Loss for the year	年內虧損	-	-	-	-	(46,125,143)	(46,125,143)	
At 31 December 2012	於二零一二年十二月三十一日	29,794,840	42,967,020	-	180,000	(28,866,567)	44,075,293	



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 31. RESERVES (Continued)

#### (c) Nature and purpose of reserves

- (i) Under the Companies Law of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum and Articles of Association and provided that immediately following the distribution or dividend the Company is able to pay its debts as they fall due in the ordinary course of business.
- (ii) The contributed surplus of the Company arose as a result of the Corporate Reorganisation and represents the excess of the then combined net assets of the subsidiaries acquired, over the nominal value of the Company's shares issued in exchange therefor.
- (iii) The share-based payments reserve of the Company and the Group arises on the grant of share options of employees under New Share Option Scheme. Further information about share-based payments to employees is set out in note 27 to the financial statements.

- (d) Pursuant to the extraordinary general meeting passed on 31 May 2011, the amount of HK\$67,955,349 standing to the credit of the share premium account of the Company was cancelled as a capital reduction. The credit arising from the capital reduction was transferred to retained profits of the Company for the distribution of special dividend.

### 31. 儲備(續)

#### (c) 儲備之性質及用途

- (i) 根據開曼群島公司法，本公司的股份溢價可根據本公司的公司組織章程大綱及公司細則的規定，用於向股東作出分派或派付股息，惟本公司在緊隨分派或派付股息後仍須有能力支付在日常業務過程中到期應付之債務。
- (ii) 本公司的繳入盈餘因企業重組產生，為所收購附屬公司當時的合併資產淨值超過為進行收購交換股份而發行的本公司股份面值的數額。
- (iii) 本公司及本集團之以股份支付款項儲備於根據新購股權計劃將購股權授予僱員時產生。有關以股份支付予僱員之款項的進一步詳情載列於財務報表附註27。

- (d) 根據於二零一一年五月三十一日通過之股東特別大會，本公司因削減股本而註銷股份溢價賬的進賬額67,955,349港元。削減股本產生之進賬款項已轉撥至本公司之保留溢利，以作分派特別股息。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 32. SUBSIDIARIES

Particulars of the subsidiaries as at 31 December 2012 are as follows:

### 32. 附屬公司

附屬公司於二零一二年十二月三十一日的詳情如下：

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 32. SUBSIDIARIES (Continued)

### 32. 附屬公司(續)

Company 公司	Place of incorporation/ establishment and operation 註冊成立/ 成立及經營地點	Attributable interest 應佔權益	Nominal value of issued and paid- up ordinary shares/ registered capital 已發行及繳足 普通股面值/註冊資本	Principal activities 主要業務
<i>Indirectly held</i> 間接持有				
JF Ningbo**	PRC	100%	Registered capital and paid-up capital of US\$7,000,000	Manufacturing and sales of stainless steel furnishings and home products and accessories
寧波捷豐**	中國		註冊資本及繳足資本 7,000,000美元	製造及銷售不銹鋼傢俱、家居用品及配件
JF Metal**	PRC	100%	Registered capital and paid-up capital of US\$140,000	Manufacturing and processing of stainless steel rods and other accessories
捷豐金屬**	中國		註冊資本及繳足資本 140,000美元	製造及加工不銹鋼桿及其他配件
JF Household Furnishings Macao Commercial Offshore Limited#	Macao	100%	MOP100,000	General trading
捷豐家居用品澳門離岸商業服務有限公司#	澳門		100,000澳門幣	一般貿易
Fast Mind Corporation Limited	Hong Kong	100%	1,000 ordinary share of HK\$1 each	Provision of consultancy services
本迅有限公司	香港		1,000股每股面值1港元之普通股	提供顧問服務
Jin Zhi (Guangzhou) Mining Company Limited**△	PRC	100%	Registered capital of HK\$10,000,000 and paid-up capital of HK\$3,500,000	Not yet commenced business
金至(廣州)礦業有限公司**△	中國		註冊資本10,000,000港元及繳足資本 3,500,000港元	尚未開始營業
Jiefeng Kuang Yuan Investment Consultancy (Beijing) Limited**△	PRC	100%	Registered capital and paid-up capital of RMB1,000,000	Not yet commenced business
捷豐礦源投資諮詢(北京)有限公司**△	中國		註冊資本及繳足資本 人民幣1,000,000元	尚未開始營業

# Statutory financial statements not audited by RSM Nelson Wheeler

\* Wholly-owned foreign enterprise established in the PRC

△ The English translation of the above subsidiaries' names are for reference only. The official names of these subsidiaries are in Chinese.

# 法定財務報表未經中瑞岳華(香港)會計師事務所審核

\* 在中國成立的外商獨資企業

△ 上述附屬公司名稱之英文翻譯僅供參考。該等附屬公司之官方名稱為中文

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 33. CONTINGENT LIABILITIES

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

### 34. OPERATING LEASE COMMITMENTS

At 31 December 2012, the Group had total future minimum lease payments under non-cancellable operating leases for leasehold land and buildings falling due as follows:

Within one year	一年內
In the second to fifth years, inclusive	二至五年(包括首尾兩年)

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

### 33. 或然負債

於二零一二年十二月三十一日，本集團並無任何重大或然負債(二零一一年：無)。

### 34. 經營租賃承擔

於二零一二年十二月三十一日，本集團於下列期間就租賃土地及建築物之不可撤銷經營租賃支付之未來最低租金總額如下：

	2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
	<b>3,175,788</b>	245,028
	<b>937,588</b>	83,700
	<b>4,113,376</b>	328,728

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

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 35. RELATED PARTY TRANSACTIONS

In addition to those transactions and balances disclosed elsewhere in the financial statements, in the normal course of business, the Group had the following transactions with its related parties during the year, of which certain key managements of the Company are also directors of these companies or held beneficial interests therein, as follows:

### 35. 關聯人士交易

除財務報表其他部分所披露的交易及結餘外，於年內，本集團在正常業務過程中與其關聯人士進行以下交易，其中本公司若干主要管理人員亦為該等公司的董事或持有其實益權益，有關資料載列如下：

		2012 二零一二年 HK\$ 港元	2011 二零一一年 HK\$ 港元
Rental income from – JF Furniture	來自以下公司之租金收入 – 捷豐家俱	852,497	587,477
Sales to – 寧波鑫龍空調器材有限公司 (Ningbo Xinlong Air-Conditioner Equipment Co., Ltd.)	向以下公司出售 – 寧波鑫龍空調器材有限公司	606	–
Purchases from – 余姚捷豐空調風機有限公司 (Yuyao Jiefeng Fan and Air-conditioning Co., Ltd.)	向以下公司購買 – 余姚捷豐空調風機有限公司	–	641
Leasing charges paid to – 余姚捷豐空調設備有限公司 (Yuyao Jiefeng Air Conditioning Equipment Co., Ltd.)	向以下公司支付租賃費用 – 余姚捷豐空調設備有限公司	571,102	556,431
Processing charges paid to – JF Furniture	向以下公司支付加工費 – 捷豐家俱	568,565	299,625
License fees paid to – A.C.R. Equipment Supplies Limited	向以下公司支付特許費 – 捷豐冷凍器材有限公司	120,000	120,000
Rental expenses paid to – Senior management	向以下人士支付租金 – 高級管理層	82,800	82,800

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

### 35. RELATED PARTY TRANSACTIONS (Continued)

JF Furniture has guaranteed bank loans made to the Group totalling HK\$16,110,000 at 31 December 2012 (2011: HK\$24,073,000).

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

During the year, the key management personnel compensation paid by the Group is disclosed in note 9 to the financial statements.

### 36. EVENT AFTER THE REPORTING PERIOD

On 21 January 2013, the shareholders of the Company at the extraordinary general meeting approved the increase in authorised share capital of the Company from HK\$5,000,000 divided into 500,000,000 ordinary shares of HK\$0.01 each ("Shares") to HK\$50,000,000 divided into 5,000,000,000 Shares by the creation of an additional 4,500,000,000 new Shares. The new Shares shall rank pari passu with the existing Shares upon issue.

### 37. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 28 March 2013.

### 35. 關聯人士交易(續)

於二零一二年十二月三十一日捷豐家俱已向本集團之銀行貸款共計16,110,000港元(二零一一年: 24,073,000港元)作出擔保。

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

於年內,本集團支付予主要管理人員的酬金於財務報表附註9披露。

### 36. 報告期後事件

於二零一三年一月二十一日,本公司股東於股東特別大會上批准,透過增設額外4,500,000,000股新股份將本公司法定股本由5,000,000,000港元分為500,000,000股每股0.01港元之普通股(「股份」)增加至50,000,000,000港元分為5,000,000,000股股份。新股份於發行後與現有股份享有同等權益。

### 37. 財務報表的批准

董事會已於二零一三年三月二十八日批准及授權刊發本財務報表。





JF Household Furnishings Limited

捷豐家居用品有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

