



WING LEE HOLDINGS LIMITED
永利控股有限公司
STOCK CODE 股份代號：876

Interim Report 2014 中期報告

董事

執行董事

溫家瓏先生(主席兼行政總裁，
於二零一四年六月三日
獲委任)

吳曉林先生(副主席，於二零一四年
六月二十日獲委任)

周德雄先生(於二零一四年六月二十日
調任為非執行董事)

周煥燕女士(於二零一四年六月二十日
辭任)

非執行董事

周德雄先生(於二零一四年六月二十日
從執行董事調任)

林國昌先生(於二零一四年六月二十日
從獨立非執行董事調任)

黃少華女士(於二零一四年六月二十日
辭任)

周彩花女士(於二零一四年六月二十日
辭任)

獨立非執行董事

曾肇林先生(於二零一四年六月二十日
獲委任)

陸海林博士(於二零一四年六月二十日
獲委任)

龍子明先生(於二零一四年六月二十日
獲委任)

劉宇新博士(於二零一四年六月二十日
辭任)

葉棣謙先生(於二零一四年六月二十日
辭任)

林國昌先生(於二零一四年六月二十日
調任為非執行董事)

審核委員會

陸海林博士(主席)

曾肇林先生

龍子明先生

林國昌先生

DIRECTORS

Executive Directors

Mr. Wen Jialong (*Chairman and Chief Executive Officer,*
appointed on 3 June 2014)

Mr. Wu Xiaolin (*Deputy Chairman,*
appointed on 20 June 2014)

Mr. Chow Tak Hung (redesignated to Non-executive
Director with effect from
20 June 2014)

Ms. Chow Woon Yin (resigned on 20 June 2014)

Non-executive Directors

Mr. Chow Tak Hung (redesignated from Executive
Director with effect from
20 June 2014)

Mr. Lam Kwok Cheong (redesignated from Independent
Non-executive Director with
effect from 20 June 2014)

Ms. Wong Siu Wah (resigned on 20 June 2014)

Ms. Chau Choi Fa (resigned on 20 June 2014)

Independent Non-executive Directors

Mr. Zeng Zhaolin (appointed on 20 June 2014)

Dr. Loke Yu alias Lok Hoi Lam (appointed on 20 June 2014)

Mr. Lung Chee Ming George (appointed on 20 June 2014)

Dr. Lau Yue Sun (resigned on 20 June 2014)

Mr. Yip Tai Him (resigned on 20 June 2014)

Mr. Lam Kwok Cheong (redesignated to Non-executive
Director on 20 June 2014)

AUDIT COMMITTEE

Dr. Lok Yu alias Loke Hoi Lam (*Chairman*)

Mr. Zeng Zhaolin

Mr. Lung Chee Ming George

Mr. Lam Kwok Cheong

薪酬委員會

曾肇林先生(主席)
溫家瓏先生
龍子明先生

提名委員會

溫家瓏先生(主席)
曾肇林先生
龍子明先生

公司秘書

許惠敏女士

獨立核數師

德勤•關黃陳方會計師行
執業會計師

法律顧問

百慕達

Conyers Dill & Pearman

主要往來銀行

恒生銀行有限公司
南洋商業銀行有限公司

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

總辦事處及主要營業地點

香港
中環
德輔道中 19 號
環球大廈
24 樓 2405 室

REMUNERATION COMMITTEE

Mr. Zeng Zhaolin (*Chairman*)
Mr. Wen Jialong
Mr. Lung Chee Ming George

NOMINATION COMMITTEE

Mr. Wen Jialong (*Chairman*)
Mr. Zeng Zhaolin
Mr. Lung Chee Ming George

COMPANY SECRETARY

Ms. Hui Wai Man, Shirley

INDEPENDENT AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants

LEGAL ADVISERS

Bermuda

Conyers Dill & Pearman

PRINCIPAL BANKERS

Hang Seng Bank Limited
Nanyang Commercial Bank, Limited

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 2405, 24th Floor
World Wide House
19 Des Voeux Road Central
Central
Hong Kong

股份過戶登記處

百慕達總處

Codan Services Limited
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

香港分處

卓佳登捷時有限公司
香港
灣仔
皇后大道東 183 號
合和中心 22 樓

股份代號

香港聯合交易所有限公司
股份代號：876

公司網址

www.wingleeholdings.com

SHARE REGISTRARS

Bermuda Principal

Codan Services Limited
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Hong Kong Branch

Tricor Tengis Limited
Level 22, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

STOCK CODE

Stock Code on The Stock Exchange of
Hong Kong Limited: 876

COMPANY WEBSITE

www.wingleeholdings.com

管理層討論及分析

本人謹代表董事會(「董事會」)欣然向股東提呈本集團截至二零一四年六月三十日止六個月(「本期間」)之中期業績。

業績及股息

截至二零一四年六月三十日止六個月，本集團營業額約為175,000,000港元(二零一三年：139,000,000港元)，較二零一三年同期增加約26%。

除息稅、攤銷及折舊前持續經營業務之盈利(EBITDA)約為12,000,000港元(二零一三年：盈利4,000,000港元)，較二零一三年同期增加8,000,000港元。

每股基本盈利(來自持續經營業務)為3.21港仙(二零一三年：虧損(3.26)港仙)。

除簡明綜合財務報表附註6所披露者外，董事會已議決不派發中期股息。

MANAGEMENT DISCUSSION AND ANALYSIS

On behalf of the board of directors (the "Board"), I would like to present to shareholders the interim results of the Group for the six months ended 30 June 2014 (the "Period").

RESULTS AND DIVIDEND

For the six months ended 30 June 2014, the Group's turnover was approximately HK\$175 million (2013: HK\$139 million), representing an increase of approximately 26% as compared to the corresponding period of 2013.

The earnings before interest, tax, amortisation and depreciation (EBITDA) of the continuing operation was approximately HK\$12 million (2013: earnings of HK\$4 million), representing an increase of HK\$8 million as compared to the corresponding period of 2013.

Basic earning per share (from continuing operation) was 3.21 HK cents (2013: loss of (3.26) HK cents)

Except as disclosed in note 6 to the condensed consolidated financial statements, the Board has resolved not to declare an interim dividend.

業務回顧

電子製造服務業務（「電子製造服務業務」）

全球家用電子娛樂產品的需求有所增加，從而帶動電子及電器零部件製造領域的整體銷售上升。電子製造服務業務的銷售較二零一三年同期增加約26%至175,000,000港元。

截至二零一四年六月三十日止六個月，雖然本集團電子製造服務業務的銷售收入增加，惟其錄得毛利率減少。

物料成本較二零一三年同期增長。數項固定經常性開支亦較二零一三年同期高。雖然本集團銷售營業額增加26%，但廠房及設備之折舊及維修開支增加。工廠須支付之勞工成本及地方省政府徵稅按年增加，而根據中華人民共和國企業所得稅法（「企業所得稅法」）及企業所得稅法之實施規例，自二零零八年起，工廠享有稅項減半優惠，直至二零一二年年底為止。這些均對國內工廠的營運環境帶來不利影響。

董事以審慎態度對若干廠房及設備的商業價值進行審核評估。家用電子娛樂產品的發展日新月異，直接影響了傳統電子及電器零部件的需求。

出售附屬公司

於截至二零一四年六月三十日止六個月，本集團出售永利電業有限公司及其附屬公司（統稱為「永利電業集團」）以及中國王控股有限公司及其附屬公司（統稱為「中國王集團」）以方便本集團重組。

有關出售之詳情已載於簡明綜合財務報表附註17。

BUSINESS REVIEW

Electronic Manufacturing Services Business (the “EMS Business”)

The global demand on home electronic entertainment product increased, which in turn raised the overall sales of the electronic and electrical component manufacturing sector. The sales of the EMS Business increased by approximately 26% to HK\$175 million, as compared to the corresponding period of 2013.

While the increase in sales turnover of the EMS business of the Group, it has recorded a decrease of gross profit margin for the six months ended 30 June 2014.

Material cost increased as compared to the corresponding period of 2013. Several fixed overhead expenses were higher as compared to the corresponding period of 2013, depreciation and repairing expenditure on plant and equipments increased although the sale turnover of the Group increased by 26%. Labour cost and local provincial government duties charged to the factory increased year by year and under the Law of the People's Republic of China on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law since 2008, the 50% tax concession given to our factory expired by end of 2012. These are detrimental factors to the operating environment of the factory in the PRC.

The Directors have cautiously carried out a review assessing the commercial value of certain plant and equipments. Given the ever-changing advancement of home electronic entertainment products, it directly affects the demand of traditional electronic and electrical components, equipments.

DISPOSAL OF SUBSIDIARIES

During the six months ended 30 June, 2014, the Group disposed of Wing Lee (Switch & Jack) Limited and its subsidiaries (collectively referred to as the “Wing Lee Switch & Jack Group”), and China King Holdings Limited and its subsidiaries (collectively referred to as the “China King Group”) to facilitate the Group restructuring.

Details of the disposals were set out in note 17 to the condensed consolidated financial statements.

財務回顧

流動資金及財務資源

於二零一四年六月三十日，本集團之流動資產淨值約為43,000,000港元（二零一三年十二月三十一日：88,000,000港元），流動及速動比率分別為1.4及1.1（二零一三年十二月三十一日：1.9及1.4），減少主要是因為現金及銀行結存減少。

於二零一四年六月三十日，本集團共持有約35,000,000港元之銀行存款及現金（二零一三年十二月三十一日：73,000,000港元）。

本集團繼續採取審慎財務管理政策，乃主要依賴內部資源所產生之現金。資本負債比率（按銀行借貸總額除以本公司股權持有人應佔權益計算）為零（二零一三年十二月三十一日：6%）。

資本及儲備

股東資金約為148,000,000港元（二零一三年十二月三十一日：335,000,000港元）。於截至二零一四年六月三十日止六個月，已確認每股普通股30港仙之特別股息而於二零一四年六月九日，合共65,649,879股永利地產股份（相當於約17%之永利地產股份）已分派予本公司股權持有人。因此，已從保留溢利分別扣除約96,000,000港元及71,000,000港元。

資本支出

於截至二零一四年六月三十日止六個月，電子製造服務業務投資約12,000,000港元（二零一三年十二月三十一日：11,000,000港元），主要是購置自動化機器以進一步提高本公司核心產品的質素及生產效率。於二零一四年六月三十日，資本支出承擔約為529,000港元。

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 30 June 2014, the net current assets of the Group amounted to approximately HK\$43 million (31 December 2013: HK\$88 million). The current and quick ratio was 1.4 and 1.1 (31 December 2013: 1.9 and 1.4) respectively, the decrease was mainly owing to the reduction in cash and bank balance.

As at 30 June 2014, the bank deposits and cash of the Group were approximately HK\$35 million (31 December 2013: HK\$73 million).

The Group continued to adopt a prudent financial management policy, which heavily relies on cash generated from internal resources. The gearing ratio, calculated by dividing total bank borrowings by equity attributable to owners of the Company, was Nil (31 December 2013: 6%).

Capital and Reserves

Shareholders' funds were to approximately HK\$148 million (31 December 2013: HK\$335 million). During the six months ended 30 June 2014, special dividend of 30 HK cents per ordinary share was recognised and on 9 June 2014, a total of 65,649,879 Wing Lee Property shares, representing approximately 17% of the shares of Wing Lee Property were distributed to the owners of the Company. Accordingly, there were approximately HK\$96 million and HK\$71 million were reduced from the retained profits, respectively.

Capital Expenditure

During the six months ended 30 June 2014, the EMS Business has invested approximately HK\$12 million (31 December 2013: HK\$11 million), mainly on automatic machineries to further improve the quality and production efficiency of our core products. As at 30 June 2014, there was capital expenditure commitment of approximately HK\$529,000.

財務回顧(續)

庫務政策

本集團之銷售額主要以美元及港元定值，而採購額主要以人民幣及港元進行交易。人民幣於二零一四年之波動並無對本集團於截至二零一四年六月三十日止六個月之成本及營運造成重大影響，董事預計不會有重大匯率波動風險。現時本集團並無訂立任何金融工具以作對沖用途。然而，本集團將密切監察整體外匯風險及利率風險，並考慮於必要時對沖該等風險。

或然負債

本集團於二零一四年六月三十日並無重大或然負債。

僱員及薪酬政策

於二零一四年六月三十日，本集團在香港及中國合共聘請約840名(二零一三年十二月三十一日：1,690名)僱員。截至二零一四年六月三十日止六個月之薪金及工資總額約為61,000,000港元(二零一三年：35,000,000港元)。

僱員之薪酬乃根據彼等之表現、經驗及現行行業慣例釐定。本集團管理層定期檢討本集團之薪酬政策及組合。除提供具競爭力之薪酬組合外，本集團亦根據營運狀況及個人表現向合資格僱員授出酌情花紅及購股權(如有)，以認購本公司之股份。

FINANCIAL REVIEW (CONTINUED)

Treasury Policy

The Group's sales were principally denominated in US dollars and Hong Kong dollars while purchases were transacted mainly in Renminbi and Hong Kong dollars. The fluctuation of Renminbi in 2014 did not materially affect the costs and operations of the Group for the six months ended 30 June 2014 and the Directors do not foresee significant risk in exchange rate fluctuation. Currently, the Group has not entered into any financial instruments for hedging purposes. However, the Group will closely monitor its overall foreign exchange exposures and interest rate exposures, and consider hedging against the exposures should the need arise.

Contingent Liabilities

The Group had no significant contingent liabilities as at 30 June 2014.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2014, the Group employed a total of approximately 840 employees (31 December 2013: 1,690 employees) in Hong Kong and the PRC. The total salaries and wages for the six months ended 30 June 2014 amounted to approximately HK\$61 million (2013: HK\$35 million).

Employees are remunerated based on their performance, experience and prevailing industry practice. The Group's remuneration policies and packages are reviewed by the management on a regular basis. In addition to offering competitive salary packages, the Group also grants discretionary bonuses and share options, if any, to subscribe shares of the Company to qualified employees based on operation conditions and individual performance.

未來展望

隨著本公司於截至二零一三年六月三十日止六個月完成將物業投資業務分拆上市，本集團開始專注其電子製造服務業務。

本公司客戶群仍主要包括國際知名的電子消費產品品牌，其廠房遍佈全球。本公司管理層會與當地的生產人員保持直接聯絡，以向客戶提供最佳的質素服務。由於蘋果公司將於二零一四年年底前推出一項移動裝置(iPhone 6)以及將有許多新通訊產品面世，對電子設備及家庭娛樂產品之需求將帶來正面影響，預期全球消費情緒將有輕微好轉。

面對生產成本日益上漲的壓力，本集團將進一步觀察物料市價趨勢、加強存貨控制及採購程序(以取得較低市價)；進一步整合工廠的各種後勤職能，以節省間接成本；及提高生產工程的效率和質素，以縮短交貨期，同時保持高品質。本集團亦將審慎監察生產和貿易業務。本集團擁有充足的現金儲備，並無對外借貸。我們將力爭透過拓展客戶群及產品多元化為日後的發展奠定堅實基礎。

PROSPECTS

With the spin-off of the Property Investment Business of the Company completed during the six months ended 30 June 2013, the Group focuses on its EMS Business.

Our customer base comprises continuously a majority of internationally renowned electronic consumer product brands. Their manufacturing plants located globally. Our management maintains direct contact with the production people there in order to provide the best quality services to our customers. As Apple Inc. will launch a model device (iPhone 6) together with many new telecommunication products at the end of 2014, there will be a positive impact on the demand of electronic device and home entertainment product and a slight recovery on the global sentiment is anticipated.

Experiencing the pressure of increasing production costs, the Group will further look into the market trend on material prices, strengthen inventory control and procurement process in order to capture low market rates; further consolidate different back-office functions in the factory so as to save indirect costs; improve the efficiency and quality in production engineering so as to shorten lead time on delivery and maintain our product in high standard. The Group cautiously monitors the manufacturing and trading business. The Group has sufficient cash reserves and no external borrowing. We will seek to lay a solid foundation for the future through expanding customer and product diversity.

Deloitte. 德勤

簡明綜合財務報表審閱報告

致永利控股有限公司股東

引言

本核數師(以下簡稱「我們」)已審閱刊載於第11至46頁永利控股有限公司(「貴公司」)及其附屬公司(以下合稱「貴集團」)之簡明綜合財務報表,此簡明綜合財務報表包括於二零一四年六月三十日的簡明綜合財務狀況表及截至該日止六個月的相關簡明綜合損益及其他全面收益表、權益變動表及現金流量表,以及若干附註解釋。香港聯合交易所有限公司主板證券上市規則規定,編製中期財務資料的報告必須符合以上規則的有關條文以及香港會計準則第34號「中期財務報告」(「香港會計準則第34號」)。貴公司董事須負責根據香港會計準則第34號編製及呈列該等簡明綜合財務報表。我們的責任是根據我們的審閱對該等簡明綜合財務報表作出結論,並按照我們所協定之委聘條款僅向閣下全體報告。除此以外,我們之報告不可用作其他用途。我們概不就本報告的內容,對任何其他人士負責或承擔任何責任。

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF WING LEE HOLDINGS
LIMITED

Introduction

We have reviewed the condensed consolidated financial statements of Wing Lee Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") as set out on pages 11 to 46, which comprise the condensed consolidated statement of financial position as of 30 June 2014 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34"). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

審閱範圍

我們已根據香港會計師公會頒佈的香港審閱委聘準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。該等簡明綜合財務報表審閱工作包括主要向負責財務會計事項人員詢問，並實施分析和其他審閱程序。由於審閱的範圍遠較按照香港審計準則進行審核的範圍為小，故不能保證我們會注意到在審核中可能會被發現的所有重大事項。因此我們不會發表審核意見。

結論

根據我們的審閱工作，我們並沒有注意到任何事項，令我們相信簡明綜合財務報表在所有重大方面並無按照香港會計準則第34號編製。

德勤•關黃陳方會計師行
執業會計師
香港
二零一四年八月二十九日

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
29 August 2014

簡明綜合損益及其他全面收益表

CONDENSED CONSOLIDATED
STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME

截至二零一四年六月三十日止六個月

FOR THE SIX MONTHS ENDED 30 JUNE 2014

		截至六月三十日止六個月 Six months ended	
		二零一四年 30.6.2014 千港元 HK\$'000 (未經審核) (unaudited)	二零一三年 30.6.2013 千港元 HK\$'000 (未經審核) (unaudited)
	附註 Notes		
持續經營業務	Continuing operation		
營業額	Turnover	174,588	139,386
已售貨品成本	Cost of goods sold	(137,998)	(105,262)
毛利	Gross profit	36,590	34,124
其他收入	Other income	4,168	2,801
銷售及分銷成本	Selling and distribution costs	(6,283)	(3,517)
行政支出	Administrative expense	(45,779)	(35,616)
其他支出	Other expenses	(5,878)	(863)
出售附屬公司之收益	Gain on disposal of subsidiaries	17 52,033	–
就物業、廠房及設備確認 之減值虧損	Impairment loss recognised in respect of property, plant and equipment	10 (36,375)	(9,034)
投資物業公平值變動	Changes in fair value of investment properties	164	(533)
融資成本	Finance costs	(196)	(116)
分佔一間聯營公司溢利	Share of profit of an associate	3,331	3,065
除稅前溢利(虧損)	Profit (loss) before taxation	4 1,775	(9,689)
稅項支出	Taxation	5 (2,777)	(1,097)
來自持續經營業務 之期間虧損	Loss for the period from continuing operation	(1,002)	(10,786)
已終止經營業務	Discontinued operation		
來自已終止經營業務 之期間溢利	Profit for the period from discontinued operation	7 –	8,136
期間虧損	Loss for the period	(1,002)	(2,650)

簡明綜合損益及其他全面收益表(續)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

截至二零一四年六月三十日止六個月

FOR THE SIX MONTHS ENDED 30 JUNE 2014

		截至六月三十日止六個月 Six months ended	
		二零一四年 30.6.2014 千港元 HK\$'000 (未經審核) (unaudited)	二零一三年 30.6.2013 千港元 HK\$'000 (未經審核) (unaudited)
	附註 Note		
其他全面開支 其後可予重新分類至損益 之項目：	Other comprehensive expense Items that may be subsequently reclassified to profit or loss:		
換算海外業務所產生 之匯兌差額：	Exchange differences arising on translation of foreign operation:		
期內產生之匯兌差額	Exchange differences arising during the period	(9,412)	-
因出售附屬公司而 將匯兌差額 重新分類	Reclassification of exchange differences upon disposal of subsidiaries	(28,049)	-
期間全面開支總額	Total comprehensive expense for the period	<u>(38,463)</u>	<u>(2,650)</u>
本公司股權持有人應佔 期間溢利(虧損)：	Profit (loss) for the period attributable to owners of the Company:		
一來自持續經營業務	- from continuing operation	10,296	(10,455)
一來自已終止經營業務	- from discontinued operation	-	8,136
		<u>10,296</u>	<u>(2,319)</u>
非控股權益應佔 期間虧損：	Loss for the period attributable to non-controlling interests:		
一來自持續經營業務	- from continuing operation	(11,298)	(331)
一來自已終止經營業務	- from discontinued operation	-	-
		<u>(11,298)</u>	<u>(331)</u>
期間虧損	Loss for the period	<u>(1,002)</u>	<u>(2,650)</u>
由下列應佔全面 開支總額：	Total comprehensive expense attributable to:		
本公司股權持有人	Owners of the Company	(26,187)	(2,319)
非控股權益	Non-controlling interest	(12,276)	(331)
		<u>(38,463)</u>	<u>(2,650)</u>
每股盈利(虧損)	Earnings (loss) per share		
來自持續經營 及已終止經營業務	From continuing and discontinued operations		
一基本	- Basic	<u>HK3.21 cents 港仙</u>	<u>HK(0.72) cents 港仙</u>
來自持續經營業務	From continuing operation		
一基本	- Basic	<u>HK3.21 cents 港仙</u>	<u>HK(3.26) cents 港仙</u>

簡明綜合財務狀況表

於二零一四年六月三十日

CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2014

			二零一四年 六月三十日 30.6.2014 千港元 HK\$'000 (未經審核) (unaudited)	二零一三年 十二月三十一日 31.12.2013 千港元 HK\$'000 (經審核) (audited)
非流動資產	Non-current assets			
投資物業	Investment properties	9	–	33,276
物業、廠房及設備	Property, plant and equipment	10	102,603	146,991
預付租賃款項	Prepaid lease payments		8,586	13,028
於一間聯營公司之權益	Interest in an associate	11	–	67,363
就收購物業、廠房 及設備之已付按金	Deposits paid for acquisition of property, plant and equipment		–	543
			111,189	261,201
流動資產	Current assets			
存貨	Inventories		32,419	44,121
貿易及其他應收賬項	Trade and other receivables	12	79,188	65,289
可收回稅項	Taxation recoverable		11,114	8,924
銀行結存及現金	Bank balances and cash		35,305	72,962
			158,026	191,296
流動負債	Current liabilities			
貿易及其他應付賬項	Trade and other payables	13	71,570	66,684
應付董事款項	Amount due to a director	14	10,000	–
應付一間附屬公司 之非控股股東款項	Amount due to non-controlling shareholder of a subsidiary	15	17,897	–
應付稅項	Taxation payable		15,613	16,402
銀行貸款	Bank loans		–	20,000
			115,080	103,086
流動資產淨值	Net current assets		42,946	88,210
總資產減流動負債	Total assets less current liabilities		154,135	349,411
非流動負債	Non-current liabilities			
遞延稅項負債	Deferred tax liabilities		14	13,997
			154,121	335,414

簡明綜合財務狀況表(續)

CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION
(CONTINUED)

於二零一四年六月三十日

AT 30 JUNE 2014

			二零一四年 六月三十日	二零一三年 十二月三十一日
		附註 Note	30.6.2014 千港元 HK\$'000 (未經審核) (unaudited)	31.12.2013 千港元 HK\$'000 (經審核) (audited)
資本及儲備	Capital and reserves			
股本	Share capital	16	3,205	160,263
儲備	Reserves		<u>144,302</u>	<u>175,151</u>
本公司股權持有人 應佔權益	Equity attributable to owners of the Company		<u>147,507</u>	335,414
非控股權益	Non-controlling interest		<u>6,614</u>	—
			<u>154,121</u>	<u>335,414</u>

第 11 至 46 頁之簡明綜合財務報表乃經董事會於二零一四年八月二十九日批准及授權刊發並經下列人士代表董事會簽署：

The condensed consolidated financial statements on pages 11 to 46 were approved and authorised for issue by the Board of Directors on 29 August 2014 and are signed on its behalf by:

董事
DIRECTOR

董事
DIRECTOR

簡明綜合權益變動表

CONDENSED CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY

截至二零一四年六月三十日止六個月

FOR THE SIX MONTHS ENDED 30 JUNE 2014

		本公司股權擁有人應佔權益										非控股權益	
		Equity attributable to owners of the Company										Non-	
股本	股份溢價	特別儲備	物業重估儲備	中國法定儲備	匯兌折算儲備	資本贖回儲備	保留溢利	非控股權益					
Share capital	Share premium	Special reserve	Property reserve	PRC statutory reserve	Translation reserve	Capital redemption reserve	Retained profits	小計	controlling interest	總計			
千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元		
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
於二零一三年一月一日(經審核)	At 1 January 2013 (audited)	160,263	78,815	1,545	10,141	4,574	61,865	30,790	776,652	1,124,865	(1,168)	1,123,677	
期間虧損及全面開支總額	Loss and total comprehensive expense for the period	-	-	-	-	-	-	-	(2,319)	(2,319)	(331)	(2,650)	
進行實物分派時取消確認(附註6)	Derecognition upon distribution in specie (Note 6)	-	-	-	-	-	-	-	(756,677)	(756,677)	-	(756,677)	
於二零一三年六月三十日(未經審核)	At 30 June 2013 (unaudited)	160,263	78,815	1,545	10,141	4,574	61,865	30,790	17,856	365,869	(1,519)	364,350	
於二零一四年一月一日(經審核)	At 1 January 2014 (audited)	160,263	78,815	1,545	10,141	4,574	64,647	-	15,429	335,414	-	335,414	
期間溢利(虧損)	Profit (loss) for the period	-	-	-	-	-	-	-	10,296	10,296	(11,298)	(1,002)	
期間其他全面開支	Other comprehensive expense for the period	-	-	-	-	-	(36,483)	-	-	(36,483)	(978)	(37,461)	
期間全面收益(開支)總額	Total comprehensive income (expense) for the period	-	-	-	-	-	(36,483)	-	10,296	(26,187)	(12,276)	(38,463)	
資本削減(附註16)	Capital reduction (Note 16)	(157,058)	(78,815)	-	-	-	-	-	235,673	-	-	-	
已付特別股息(附註6)	Special dividend paid (Note 6)	-	-	-	-	-	-	-	(96,158)	(96,158)	-	(96,158)	
進行實物分派時取消確認(附註6)	Derecognition upon distribution in specie (Note 6)	-	-	-	-	-	-	-	(70,694)	(70,694)	-	(70,694)	
於出售附屬公司時轉讓物業重估儲備	Transfer of property revaluation reserve upon disposal of a subsidiary	-	-	-	(10,141)	-	-	-	10,141	-	-	-	
部分出售附屬公司(並無失去控制權)(附註20a)	Partial disposal of a subsidiary without losing control (Note 20a)	-	-	-	-	(1,006)	(6,959)	-	13,097	5,132	18,890	24,022	
於二零一四年六月三十日(未經審核)	At 30 June 2014 (unaudited)	3,205	-	1,545	-	3,568	21,205	-	117,984	147,507	6,614	154,121	

簡明綜合現金流量表

CONDENSED CONSOLIDATED
STATEMENT OF CASH FLOWS

截至二零一四年六月三十日止六個月

FOR THE SIX MONTHS ENDED 30 JUNE 2014

		截至六月三十日止六個月	
		Six months ended	
		二零一四年	二零一三年
		30.6.2014	30.6.2013
		千港元	千港元
		HK\$'000	HK\$'000
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
	附註 Notes		
經營業務產生(耗用) 之現金淨額	Net cash from (used in) operating activities		
— 來自持續經營業務	— from continuing operation	65	(723)
— 來自已終止經營業務	— from discontinued operation	-	69
		65	(654)
投資活動	Investing activities		
出售附屬公司現金 流入淨額	Net cash inflow on disposal of subsidiaries	17(a) & (b) 40,501	-
出售投資物業所得款項	Proceeds from disposal of an investment property	876	-
出售物業、廠房 及設備所得款項	Proceeds from disposal of property, plant and equipment	689	1,461
已收利息	Interest received	181	241
購買物業、廠房及設備	Purchase of property, plant and equipment	(11,876)	(2,277)
開立定期存款	Placement of fixed deposits	-	(61)
已終止經營業務 之現金流出淨額	Net cash outflow on discontinued operation	17(c) -	(28,043)
投資活動所得(耗用) 之現金淨額	Net cash from (used in) investing activities	30,371	(28,679)

簡明綜合現金流量表(續)

CONDENSED CONSOLIDATED
STATEMENT OF CASH FLOWS
(CONTINUED)

截至二零一四年六月三十日止六個月

FOR THE SIX MONTHS ENDED 30 JUNE 2014

		截至六月三十日止六個月	
		Six months ended	
		二零一四年	二零一三年
		30.6.2014	30.6.2013
		千港元	千港元
		HK\$'000	HK\$'000
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
融資活動	Financing activities		
部分出售於附屬公司 之權益所得款項	Proceed from partial disposal of interest in a subsidiary	24,022	-
來自一間附屬公司 之非控股股東墊款	Advance from a non-controlling shareholder of a subsidiary	17,897	-
董事墊款	Advance from a director	10,000	-
新增銀行貸款	New bank loans raised	-	10,000
已付特別股息	Special dividend paid	(96,158)	-
償還銀行貸款	Repayment of bank loans	(20,000)	(23,640)
已付利息	Interest paid	(121)	(478)
融資活動耗用之現金淨額	Net cash used in financing activities	(64,360)	(14,118)
現金及現金等值項目 減少淨額	Net decrease in cash and cash equivalents	(33,924)	(43,451)
於一月一日之現金 及現金等值項目	Cash and cash equivalents at 1 January	72,962	97,543
外匯利率變動之影響	Effect of foreign exchange rate changes	(3,733)	-
於六月三十日之現金 及現金等值項目， 即銀行結存及現金	Cash and cash equivalents at 30 June, representing bank balances and cash	35,305	54,092

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

1. 一般事項及編製基準

本公司於百慕達註冊成立為獲豁免有限責任公司。其股份於香港聯合交易所有限公司（「聯交所」）上市。於二零一四年三月二十八日，本公司當時之直接最終控股公司 Bright Asia Holdings Limited（「Bright Asia」）與本集團之一名獨立第三方 Weltrade Group Limited（「Weltrade」，於英屬處女群島註冊成立之公司）訂立買賣協議，據此，Weltrade 向 Bright Asia 收購本公司全部已發行股本之 70.11%（「股份轉讓」）。股份轉讓已於二零一四年五月二十七日完成，而 Weltrade 因此已成為本公司之直接最終控股公司。

本簡明綜合財務報表乃根據香港會計師公會頒佈的香港會計準則第 34 號「中期財務報告」（「香港會計準則第 34 號」）以及聯交所證券上市規則附錄 16 的適用披露規定而編製。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

1. GENERAL AND BASIS OF PREPARATION

The Company was incorporated in Bermuda as an exempted company with limited liability. Its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). On 28 March 2014, Bright Asia Holdings Limited (“Bright Asia”), the then immediate and ultimate holding company of the Company, has entered into a sales and purchase agreement with an independent third party to the Group, Weltrade Group Limited (“Weltrade”), a company incorporated in the British Virgin Islands, pursuant to which Weltrade acquire 70.11% of the total number of issued share capital of the Company from Bright Asia (the “Share Transfer”). The Share Transfer was completed on 27 May 2014, as a result, Weltrade has become the immediate and ultimate holding company of the Company.

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

簡明綜合財務報表附註(續)

截至二零一四年六月三十日止六個月

1. 一般事項及編製基準(續)

於截至二零一三年六月三十日止六個月，本集團完成分派其物業投資業務；分派乃通過以介紹形式，藉著向本公司股東實物分派永利地產發展有限公司(「永利地產」)約83.0%已發行股本之方式分派特別股息，將永利地產及其附屬公司(統稱「地產集團」)於聯交所主板獨立上市，有關詳情載於永利地產日期為二零一三年二月二十八日之上市文件(「上市文件」)。地產集團主要於香港及中華人民共和國(「中國」)經營本集團之物業投資業務。分拆已於二零一三年三月十九日完成。地產集團截至二零一三年六月三十日止六個月之業績已於本集團二零一三年中期報告內作為已終止經營業務呈列。

2. 主要會計政策

簡明綜合財務報表乃按歷史成本基準編製，惟投資物業乃以公平值計量。

除下文所述者外，編製截至二零一四年六月三十日止六個月之簡明綜合財務報表所採用的會計政策及計算方法與編製本集團截至二零一三年十二月三十一日止年度之全年財務報表所採納者一致。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2014

1. GENERAL AND BASIS OF PREPARATION (CONTINUED)

During the six months ended 30 June 2013, the Group completed an exercise for distribution of its properties investment operation through the separate listing of Wing Lee Property Investments Limited ("Wing Lee Property") and its subsidiaries (collectively referred to as the "Property Group") on the Main Board of the Stock Exchange, which principally carries the Group's properties investment operation in Hong Kong and the People's Republic of China (the "PRC"), by way of introduction through a special dividend distribution satisfied by distribution in specie of approximately 83.0% of the issued share capital of Wing Lee Property to the Company's shareholders, the details of which are set out in the listing document of Wing Lee Property dated 28 February 2013 (the "Listing Document"). The spin-off exercise completed on 19 March 2013. The Property Group's results for the six months ended 30 June 2013 was presented as a discontinued operation in the Group's 2013 interim report.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties that are measured at fair value.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2014 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2013.

簡明綜合財務報表附註(續)

截至二零一四年六月三十日止六個月

2. 主要會計政策(續)

於本中期期間，本集團首次應用由香港會計師公會頒佈與編製本集團簡明綜合財務報表相關之以下香港財務報告準則(「香港財務報告準則」)之修訂及詮釋：

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(修訂本)	投資實體
香港會計準則第32號(修訂本)	抵銷金融資產及金融負債
香港會計準則第36號(修訂本)	披露非金融資產之可收回金額
香港會計準則第39號(修訂本)	衍生工具之約務更替及對沖會計之持續
香港(國際財務報告詮釋委員會) – 詮釋第21號	徵費

於本中期期間應用上述香港財務報告準則之修訂及詮釋對本簡明綜合財務報表所匯報之金額及／或本簡明綜合財務報表所載之披露並無重大影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2014

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

In the current interim period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) and Interpretations issued by the HKICPA that are relevant for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment entities
Amendments to HKAS 32	Offsetting financial assets and financial liabilities
Amendments to HKAS 36	Recoverable amount disclosures for non-financial assets
Amendments to HKAS 39	Novation of derivatives and continuation of hedge accounting
HK(IFRIC) – Int 21	Levies

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

簡明綜合財務報表附註(續)

截至二零一四年六月三十日止六個月

3. 營業額及分部資料

本集團的經營業務目前歸屬於單一個專注於在中國及香港製造及買賣電子零部件的經營分部(持續經營業務)。此經營分部乃基於遵循香港財務報告準則的會計政策而編製之內部管理報告予以識別，並由本公司之執行董事(「執行董事」，為本公司之主要經營決策者)定期審閱。執行董事審閱本集團之內部呈報以評估表現及分配資源。

地產集團從物業投資業務，主要為於香港及中國租賃已落成商業及住宅物業。誠如附註7所討論，在永利地產分拆及於二零一三年三月十九日在聯交所獨立上市後，本集團將不再從物業投資業務，故本集團之物業投資分部於上個中期間被列為本集團一項已終止經營業務。

以下為以經營分部劃分之本集團收入及業績分析。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2014

3. TURNOVER AND SEGMENT INFORMATION

The Group's operating activities are currently attributable to a single operating segment focusing on the manufacture of and trading in electronic components in the PRC and Hong Kong (continuing operation). This operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies conform to HKFRSs, that are regularly reviewed by the executive directors of the Company (the "Executive Directors") (being the chief operating decision maker of the Company). The Executive Directors review the Group's internal reporting in order to assess performance and allocate resources.

The Property Group engages in properties investment business, principally the leasing of completed commercial and residential properties in Hong Kong and the PRC. As discussed in note 7, after the spin-off and separate listing of Wing Lee Property on the Stock Exchange on 19 March 2013, the Group no longer carried on the business of properties investment and the properties investment division of the Group is classified a discontinued operation of the Group in the prior interim period.

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

簡明綜合財務報表附註(續)

截至二零一四年六月三十日止六個月

3. 營業額及分部資料(續)

分部收入及業績

截至二零一四年六月三十日
止六個月營業額
對外銷售

業績

分部業績
未分配收入
未分配開支
融資成本
出售附屬公司之收益
分佔一間聯營公司之溢利

除稅前溢利

NOTES TO THE CONDENSED
CONSOLIDATED FINANCIAL
STATEMENTS (CONTINUED)

For the six months ended 30 June 2014

3. TURNOVER AND SEGMENT INFORMATION
(CONTINUED)

Segment revenues and results

持續
經營業務 –
電子零部件
製造及買賣
Continuing
operation –
Manufacture
of and
trading in
electronic
components
千港元
HK\$'000

For the six months ended
30 June 2014

TURNOVER

External sales

174,588

RESULTS

Segment results (48,409)
Unallocated income 4,168
Unallocated expenses (9,152)
Finance costs (196)
Gain on disposal of subsidiaries 52,033
Share of profit of an associate 3,331

Profit before taxation

1,775

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED
CONSOLIDATED FINANCIAL
STATEMENTS (CONTINUED)

截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

3. 營業額及分部資料(續)

3. TURNOVER AND SEGMENT INFORMATION
(CONTINUED)

分部收入及業績(續)

Segment revenues and results (Continued)

	持續 經營業務 – 電子零部件 製造及買賣	已終止 經營業務 – 物業投資
	Continuing operation Manufacture of and trading in electronic components 千港元 HK\$'000	Discontinued operation – Properties investment 千港元 HK\$'000

截至二零一三年
六月三十日止六個月

For the six months
ended 30 June 2013

營業額

對外銷售
分部間銷售
對銷

TURNOVER

External sales	139,386	4,948
Inter-segment sales	–	634
Eliminations	–	(634)
	<u>139,386</u>	<u>4,948</u>

業績

分部業績
未分配收入
未分配開支
融資成本
分佔一間聯營公司之溢利

RESULTS

Segment results	(8,113)	13,897
Unallocated income	2,801	86
Unallocated expenses	(7,326)	(4,956)
Finance costs	(116)	(400)
Share of profit of an associate	<u>3,065</u>	<u>–</u>

除稅前(虧損)溢利

(Loss) profit before taxation (9,689) 8,627

簡明綜合財務報表附註(續)

截至二零一四年六月三十日止六個月

3. 營業額及分部資料(續)

分部收入及業績(續)

分部業績指各分部所賺取之溢利/產生之(虧損)，當中並未分配中央行政成本，以及其他收入/開支、融資成本、出售附屬公司之收益及分佔一間聯營公司溢利。此乃為分配資源及評估表現而向執行董事匯報之基準。

4. 除稅前溢利(虧損)

除稅前溢利(虧損)已扣除(計入)下列各項：

預付租賃款項之攤銷
物業、廠房及設備之折舊
永利地產上市之有關開支
(包括於其他開支)
壞賬收回(包括於其他收入)
出售物業、廠房及設備之收益
(包括於其他收入)
銀行存款之利息
匯兌(收益)虧損淨額
(包括於其他收入/開支)
存貨撥備之撥回
(包括於已售貨品成本)

Profit (loss) before taxation has been arrived at after charging (crediting):

Amortisation of prepaid lease payments	109	177	-	-
Depreciation of property, plant and equipment	10,570	13,678	-	379
Expenses in relation to the listing of Wing Lee Property (included in other expenses)	-	-	-	3,993
Bad debts recovered (included in other income)	-	(10)	-	-
Gain on disposal of property, plant and equipment (included in other income)	(604)	(1,461)	-	-
Interest on bank deposits	(181)	(162)	-	(82)
Net exchange (gains) losses (included in other income/expenses)	(2,271)	873	-	(17)
Reversal of allowance for inventories (included in cost of goods sold)	-	(341)	-	-

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2014

3. TURNOVER AND SEGMENT INFORMATION (CONTINUED)

Segment revenues and results (Continued)

Segment results represents the profit earned/(loss) incurred by each segment without allocation of central administration costs and other income/expenses, finance costs, gain on disposal of subsidiaries and share of profit of an associate. This is the measure reported to the Executive Directors for the purposes of resource allocation and performance assessment.

4. PROFIT (LOSS) BEFORE TAXATION

持續經營業務 截至六月三十日止 六個月 Continuing operation Six months ended		已終止經營業務 截至六月三十日止 六個月 Discontinued operation Six months ended	
二零一四年 千港元	二零一三年 千港元	二零一四年 千港元	二零一三年 千港元
30.6.2014	30.6.2013	30.6.2014	30.6.2013
HK\$000	HK\$000	HK\$000	HK\$000

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED
CONSOLIDATED FINANCIAL
STATEMENTS (CONTINUED)

截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

5. 稅項

5. TAXATION

	持續經營業務		已終止經營業務	
	截至六月三十日止 六個月		截至六月三十日止 六個月	
	Continuing operation		Discontinued operation	
	Six months ended		Six months ended	
	二零一四年	二零一三年	二零一四年	二零一三年
	千港元	千港元	千港元	千港元
本期稅項：				
香港利得稅	261	-	-	439
過往期間香港利得稅 之超額撥備	-	-	-	(20)
中國企業所得稅	2,456	1,247	-	8
	<u>2,717</u>	<u>1,247</u>	<u>-</u>	<u>427</u>
遞延稅項支出(抵免)	60	(150)	-	64
	<u>2,777</u>	<u>1,097</u>	<u>-</u>	<u>491</u>

Current tax:	
Hong Kong Profits Tax	261
Overprovision of Hong Kong Profits Tax in prior periods	-
PRC Enterprise Income Tax	2,456

香港利得稅按兩個期間估計應課稅溢利的16.5%的稅率計算。

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

香港稅務局(「稅務局」)自二零一一年起就本集團自二零零四／零五年以來的課稅年度進行稅務審核。於二零一二年，稅務局已就於二零零四／零五年至二零零六／零七年有關貿易及製造業務之集團內公司間交易之定價政策，向本公司一間附屬公司發出該等年度之額外評稅共約18,375,000港元(「二零一二年評稅」)。

The Hong Kong Inland Revenue Department ("IRD") has been conducting a tax audit to the Group for the years of assessment back from 2004/05 since 2011. In 2012, the IRD issued additional assessments for the years from 2004/05 to 2006/07 demanding for an aggregate of approximately HK\$18,375,000 (the "2012 Assessments") to one of the Company's subsidiaries in connection with the pricing policy of its intergroup transactions of the trading and manufacturing operations in these years.

簡明綜合財務報表附註(續)

截至二零一四年六月三十日止六個月

5. 稅項(續)

於二零一二年，本集團已就二零一二年評稅向稅務局提出反對，並就二零零四／零五及二零零五／零六課稅年度向稅務局作出部份臨時性繳款，共計9,100,000港元(部份以儲稅券方式作出)。本公司董事已向稅務局建議，調整集團內公司間交易之定價，從而建議其於香港及中國之附屬公司於該等年度之應課稅溢利將根據該建議調整(「該建議」)。本公司董事認為，該建議應為值得嘗試之可行方案，而本集團已於截至二零一二年十二月三十一日止年度就二零零四／零五課稅年度至二零一零／一一課稅年度作出11,276,000港元之進一步撥備(連同支銷作行政支出的相關潛在稅項罰款)。

於截至二零一三年十二月三十一日止年度，本集團已支付二零零六／零七課稅年度之9,275,000港元稅款，且支付逾期附加費約464,000港元(已支銷作行政支出)。於二零一三年，繼最近與稅務局進行討論後，本公司董事已修改該建議，進一步調整集團內公司間交易之定價以及其於香港及中國之附屬公司的應課稅利潤，以加快與稅務局達成和解(「經修訂建議」)。根據經修訂建議，本集團已於截至二零一三年十二月三十一日止年度就二零零四／零五課稅年度至二零一二／一三課稅年度作出19,886,000港元之進一步稅項撥備(連同已支銷作行政支出的相關稅項潛在罰款)。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2014

5. TAXATION (CONTINUED)

In 2012, the Group lodged objections to the IRD against the 2012 Assessments and had made partial payments in aggregate of HK\$9,100,000 with respect of the years of assessment 2004/05 and 2005/06 to the IRD temporarily (part of which was in the form of tax reserve certificate). The directors of the Company proposed to the IRD to adjust the pricing of the intercompany transactions, thus, the assessable profits of its subsidiaries in Hong Kong and the PRC will be adjusted based on the proposal in these years (the "Proposal"). In the opinion of the directors of the Company, it should be a valid case to pursue, and the Group had made further provisions of HK\$11,276,000 (together with related potential tax penalty which has been charged as administration expense) for the years of assessment from 2004/05 to 2010/11 during the year ended 31 December 2012.

During the year ended 31 December 2013, the Group paid tax of HK\$9,275,000 with respect to the year of assessment 2006/07 and paid a late payment surcharge of approximately HK\$464,000 which had been charged as administrative expense. In 2013, further to the latest discussions with the IRD, the directors of the Company have revised its Proposal to further adjust the pricing of the intercompany transaction and the assessable profits of its subsidiaries in Hong Kong and the PRC in order to expedite the settlement with the IRD (the "Revised Proposal"). Based on the Revised Proposal, the Group had made further tax provisions of HK\$19,886,000 (together with related tax potential penalty which has been charged as administrative expense) for the years of assessment from 2004/2005 to 2012/2013 during the year ended 31 December 2013.

簡明綜合財務報表附註(續)

截至二零一四年六月三十日止六個月

5. 稅項(續)

於本中期期間，本集團已於收到稅務局之額外評稅後就二零零七／零八課稅年度進一步繳稅2,000,000港元。截至該等簡明綜合財務報表日期為止，就評稅所進行磋商仍未完成，而本集團仍正與稅務局就經修訂建議進行磋商。本公司董事認為，經修訂建議將會獲稅務局接納，因此於本中期期間並無就以往年度之評稅作出額外稅項撥備。

倘經修訂建議獲稅務局接納，有關二零一二年評稅之稅項審核之最終結果少於上述金額，則多出餘額應可退還本集團。另一方面，倘稅務局不同意上述基準而本集團未能成功提出反對，則可收回稅項(包括本集團購買之儲稅券)將於損益賬扣除。

中國企業所得稅(「企業所得稅」)乃按就中國稅務用途之估計應課稅收入及期間之適用稅率進行撥備。根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施規定，中國附屬公司的稅率為25%。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2014

5. TAXATION (CONTINUED)

During the current interim period, the Group has further paid tax of HK\$2,000,000 with respect to the year of assessment 2007/08 upon receiving the additional assessment from the IRD. Up to the date of these condensed consolidated financial statements, the negotiations for tax assessments were not yet concluded and the Group is still in the process of negotiating with the IRD in respect of the Revised Proposal. The directors of the Company are of the view that the Revised Proposal would be accepted by the IRD, thus no additional tax provision in respect of the prior years' assessments was made in the current interim period.

In the event where the Revised Proposal is accepted by the IRD, final settlement of the tax audit in respect of the 2012 Assessments could be less than the amount aforementioned, the excess balance should be refundable to the Group. On the other hand, the tax recoverable including the tax reserve certificate purchased by the Group would be charged to profit or loss, if the IRD disagrees with the above mentioned basis and the Group failed the objection.

The provision for PRC Enterprise Income Tax ("EIT") is based on the estimated taxable income for PRC taxation purpose at the rate of taxation applicable for the period. Under the Law of the PRC on EIT (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED
CONSOLIDATED FINANCIAL
STATEMENTS (CONTINUED)

截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

6. 股息

6. DIVIDENDS

		截至六月三十日止六個月	
		Six months ended	
		二零一四年	二零一三年
		30.6.2014	30.6.2013
		千港元	千港元
		HK\$'000	HK\$'000
本期間內已確認為分派之股息：	Dividends recognised as distribution during the period:		
– 特別股息每股普通股 30 港仙 (截至二零一三年六月三十日止六個月：無)	– Special dividend of 30 HK cents (six months ended 30 June 2013: nil) per ordinary share	96,158	–
– 以實物分派永利地產股份之方式派付之特別股息 (附註a及b)	– Special dividend, by way of a distribution in specie of shares of Wing Lee Property (notes a and b)	70,694	756,677
		<u>166,852</u>	<u>756,677</u>

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED
CONSOLIDATED FINANCIAL
STATEMENTS (CONTINUED)

截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

6. 股息(續)

附註：

- (a) 於二零一四年四月八日，本公司董事會宣派以分派本公司持有之永利地產股份的方式作出的有條件特別股息，比例為本公司股東每持有一股股份獲派0.2048股，相當於永利地產已發行股本約17%。於二零一四年六月九日，合共65,649,879股永利地產股份(即永利地產約17%股份)已隨著此項分派之所有條件均已達成而分派予於二零一四年五月二十六日營業時間結束時名列本公司股東名冊之本公司股權持有人。
- (b) 於二零一三年二月十九日，本公司董事會宣派附條件的特別中期股息，將由本公司於資本化發行後把本公司所持永利地產股份(按本公司股東每持有一股股份獲發一股永利地產股份之比例)，即永利地產約83.0%之已發行股本作分派的形式支付，惟須待分拆條件(資本化發行及分拆條件之定義見上市文件)達成後，方可作實。於二零一三年三月十九日，合共320,525,879股永利地產股份(即永利地產約83.0%股份)已根據分派(定義見附註7)分派予本公司股權持有人。

除上述之特別股息及實物分派外，於截至二零一四年六月三十日止六個月概無派付、宣派或建議派付任何股息。

6. DIVIDENDS (CONTINUED)

Notes:

- (a) On 8 April 2014, the board of directors of the Company declared a conditional special dividend by way of a distribution in respect of Wing Lee Property shares held by the Company in proportion of 0.2048 share for every one share held by the shareholders of the Company, representing approximately 17% of the issued share capital of Wing Lee Property. On 9 June 2014, a total of 65,649,879 Wing Lee Property shares, representing approximately 17% of the shares of Wing Lee Property were distributed to the owners of the Company, whose names appear on the register of members of the Company at the close of business on 26 May 2014, pursuant to the fulfillment of all conditions to this distribution.
- (b) On 19 February 2013, the board of directors of the Company declared a conditional special interim dividend by way of a distribution in respect of Wing Lee Property shares held by the Company in proportion of one Wing Lee Property share for every one share held by the shareholders of the Company, representing approximately 83.0% of the issued share capital of Wing Lee Property after the Capitalisation Issue, subject to the Spin-Off Condition (both Capitalisation Issue and Spin-Off Condition are defined in the Listing Document). On 19 March 2013, a total of 320,525,879 Wing Lee Property shares, representing approximately 83.0% of the shares of Wing Lee Property were distributed to the owners of the Company pursuant to the Distribution (as defined in note 7).

Other than the special dividend and the distribution in specie indicated above, no dividend were paid, declared or proposed for the six months ended 30 June 2014.

簡明綜合財務報表附註(續)

截至二零一四年六月三十日止六個月

7. 已終止經營業務

於二零一三年三月十九日，本集團透過向本公司股東實物分派永利地產約83.0%已發行股本之特別中期股息分派(「分派」)，以介紹形式將地產集團於聯交所獨立上市，從而分拆其物業投資業務。

截至二零一三年六月三十日止六個月來自已終止經營業務之溢利分析如下：

營業額	Turnover	4,948
直接經營支出	Direct operating expenses	(337)
其他收入	Other income	86
投資物業公平值變動淨額	Net changes in fair value of investment properties	10,976
行政支出	Administrative expense	(2,653)
其他支出	Other expenses	(3,993)
融資成本	Finance costs	(400)
除稅前溢利	Profit before taxation	8,627
稅項	Taxation	(491)
期間溢利	Profit for the period	8,136

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2014

7. DISCONTINUED OPERATION

On 19 March 2013, the Group spun off its properties investment business through the separate listing of the Property Group on the Stock Exchange by way of introduction, through a special interim dividend distribution satisfied by distribution in specie of approximately 83.0% of the issue share capital of Wing Lee Property to the Company's shareholders (the "Distribution").

Profit for the six months ended 30 June 2013 from the discontinued operation is analysed as follows:

二零一三年
一月一日至
二零一三年
三月十八日
1.1.2013
to
18.3.2013
千港元
HK\$'000

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED
CONSOLIDATED FINANCIAL
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截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

7. 已終止經營業務(續)

於截至二零一三年六月三十日止六個月，已終止經營業務為本集團經營活動淨額貢獻現金流量69,000港元，為本集團投資活動貢獻53,000港元及就融資活動支付4,002,000港元。

8. 每股盈利(虧損)

來自持續經營業務及已終止經營業務

本公司股權持有人應佔每股基本盈利(虧損)乃根據以下資料計算：

7. DISCONTINUED OPERATION (CONTINUED)

During the six months ended 30 June 2013, the discontinued operation contributed cash flows of HK\$69,000 in respect of the Group's net operating activities, contributed HK\$53,000 in respect of investing activities and paid HK\$4,002,000 in respect of financing activities.

8. EARNINGS (LOSS) PER SHARE

From continuing and discontinued operations

The calculation of the basic earnings (loss) per share attributable to owners of the Company is based on the following data:

截至六月三十日止六個月

Six months ended

二零一四年	二零一三年
30.6.2014	30.6.2013
千港元	千港元
HK\$'000	HK\$'000

盈利(虧損)

Earnings (loss)

計算每股基本
盈利(虧損)
之本公司股權
持有人應佔期
內溢利(虧損)

Profit (loss) for the period attributable
to owners of the Company for the
purpose of basic earnings (loss)
per share

10,296

(2,319)

股份數目

Number of shares

二零一四年
六月三十日及
二零一三年
六月三十日
**30.6.2014 &
30.6.2013**

計算每股基本
盈利(虧損)
之普通股數目

Number of ordinary shares for the purpose
of basic earnings (loss) per share

320,525,879

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED
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截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

8. 每股盈利(虧損)(續)

來自持續經營業務

本公司股權持有人應佔來自持續經營業務之每股基本盈利(虧損)乃根據以下資料計算：

本公司股權持有人應佔期內溢利(虧損)	Profit (loss) for the period attributable to owners of the Company	10,296	(2,319)
減：本公司股權持有人應佔來自已終止經營業務之期內虧損	Less: Loss for the period from the discontinued operation attributable to owners of the Company	-	(8,136)
計算持續經營業務之每股基本盈利(虧損)之盈利(虧損)	Earnings (loss) for the purpose of basic earnings (loss) per share from the continuing operation	10,296	(10,455)

所用分母與以上計算每股基本盈利(虧損)所用者相同。

8. EARNINGS (LOSS) PER SHARE (CONTINUED)

From continuing operation

The calculation of the basic earnings (loss) per share from continuing operation attributable to owners of the Company is based on the following data:

截至六月三十日止六個月	
Six months ended	
二零一四年	二零一三年
30.6.2014	30.6.2013
千港元	千港元
HK\$'000	HK\$'000

The denominators used are the same as those above for basic earnings (loss) per share.

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

8. 每股盈利(虧損)(續) 來自已終止經營業務

於截至二零一三年六月三十日止六個月，已終止經營業務之每股基本盈利為每股2.54港仙，乃根據來自已終止經營業務之期內溢利8,136,000港元及以上所述計算每股基本盈利(虧損)之分母計算。

由於期內並無發行潛在攤薄股份，因此，並無呈列每股攤薄盈利。

9. 投資物業之變動

於本中期期間，本集團透過向一名獨立第三方出售中國王集團(定義見附註17(b))及出售一項投資物業而出售其全部投資物業組合。本集團於本中期期間在損益確認公平值增加164,000港元(截至二零一三年六月三十日止六個月：公平值減少533,000港元)。

本集團於二零一三年十二月三十一日之投資物業公平值乃按與本集團並無關連之獨立專業物業估值師永利行評值顧問有限公司(「永利行」)於該日進行之估值而得出。估值乃使用直接比較法經參考實際銷售所變現之價格及/或可比較物業之間價得出，若無可供比較之市場價格可用，則使用折舊重置成本法，基於土地現有用途的市場估值，加上改善工程的目前重置成本，再按實際損耗及一切相關形式的陳舊及優化作出扣減計算。

8. EARNINGS (LOSS) PER SHARE (CONTINUED) From discontinued operation

During the six months ended 30 June 2013, basic earnings per share for discontinued operation was 2.54 HK cents per share based on the profit for the period from discontinued operation of HK\$8,136,000 and the denominator set out above for basic earnings (loss) per share.

No diluted earnings per share is presented as there were no potential dilutive shares in issue for both periods.

9. MOVEMENTS IN INVESTMENT PROPERTIES

During the current interim period, the Group disposed of its entire investment properties portfolio through disposal of China King Group (as defined in note 17(b)) and disposal of an investment property to an independent third party. The Group recognised an increase in fair value of HK\$164,000 to profit or loss (six months ended 30 June 2013: decrease in fair value of HK\$533,000) in the current interim period.

The fair value of the Group's investment properties at 31 December 2013 had been arrived at on the basis of a valuation carried out on that date by RHL Appraisal Limited ("RHL"), an independent firm of professional property valuers not related to the Group. The valuation was arrived at by using direct comparison method by making reference to the prices realised on actual sales and/or asking prices of comparable properties and where comparable market prices were not available, depreciated replacement cost approach was used and based on an estimation of the market value for the existing use of the land, plus the current cost of replacement of the improvements less allowance for physical deterioration and all relevant forms of obsolescence and optimisation.

簡明綜合財務報表附註(續)

截至二零一四年六月三十日止六個月

10. 物業、廠房及設備之變動

於本中期期間，本集團購買物業、廠房及設備11,876,000港元(截至二零一三年六月三十日止六個月：2,277,000港元)。

此外，本集團按所得款項689,000港元(截至二零一三年六月三十日止六個月：賬面值零，所得款項1,461,000港元)出售若干賬面值85,000港元之物業、廠房及設備，出售收益604,000港元(截至二零一三年六月三十日止六個月：1,461,000港元)已於損益確認。

於本中期期間，由於位於中國之若干生產線已停產，且本公司董事認為該等生產線並非本集團核心業務設施之一部份，因並無進行生產及此等生產線生產之產品面對之需求持續疲弱而關閉，本集團已對若干物業、廠房及設備作出36,375,000港元(截至二零一三年六月三十日止六個月：9,034,000港元)之減值虧損。

於二零一四年六月三十日，本公司董事亦就本集團之其餘物業、廠房及設備之減值及是否出現任何事情或變動導致一項資產的賬面值未能收回進行審視，並最終決定並無跡象顯示餘下資產出現減值。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2014

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group acquired property, plant and equipment of HK\$11,876,000 (six months ended 30 June 2013: HK\$2,277,000).

In addition, the Group disposed of certain property, plant and equipment with carrying amount of HK\$85,000 for proceeds of HK\$689,000 (six months ended 30 June 2013: zero carrying amount for proceeds of HK\$1,461,000), resulting in a gain on disposal of HK\$604,000 (six months ended 30 June 2013: HK\$1,461,000) recognised in profit or loss.

During the current interim period, the Group has made impairment loss on certain property, plant and equipment of HK\$36,375,000 (six months ended 30 June 2013: HK\$9,034,000) due to cessation of certain production lines in the PRC and in the opinion of the directors of the Company, these production lines were not part of the Group's core production facility and were closed down due to non-performance and continuation of weak demand of the products of these production lines.

At 30 June 2014, the directors of the Company also carried out a review of Group's remaining property, plant and equipment for impairment and whether any events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable and concluded that there is no indicator for impairment for the remaining assets.

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED
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截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

11. 於一間聯營公司之權益

11. INTEREST IN AN ASSOCIATE

		二零一四年 六月三十日 30.6.2014 千港元 HK\$'000	二零一三年 十二月三十一日 31.12.2013 千港元 HK\$'000
於一間聯營公司 之投資成本	Cost of investment in an associate	62,696	62,696
應佔收購後溢利 及其他全面 收益，扣除已 收取之股息	Share of post-acquisition profit and other comprehensive income, net of dividend received	7,998	4,667
以實物分派永利 地產之方式 作出之特別股息 (附註6)	Special dividend, by way of distribution in specie of Wing Lee Property (Note 6)	(70,694)	—
		—	67,363

12. 貿易及其他應收賬款

12. TRADE AND OTHER RECEIVABLES

於二零一四年六月三十日，計入貿易及其他應收賬項之應收貿易賬款為69,937,000港元(二零一三年十二月三十一日：59,609,000港元)。本集團與客戶主要以信貸方式進行付款。發票一般須在發出後30至90日內支付，惟若干關係良好客戶之付款期限可延至120日。

At 30 June 2014, included in trade and other receivables were trade receivables of HK\$69,937,000 (31 December 2013: HK\$59,609,000). Payment terms with customers are mainly on credit. Invoices are normally payable within 30 to 90 days after issuance, except for certain well-established customers, where the terms are extended to 120 days.

簡明綜合財務報表附註(續)

截至二零一四年六月三十日止六個月

12. 貿易及其他應收賬款(續)

於報告期末，本集團以發票日期(亦與收益確認日期相若)為基準呈列之貿易應收賬款之賬齡分析如下：

0至90日	0 – 90 days
91至180日	91 – 180 days

13. 貿易及其他應付賬項

貿易應付賬款	Trade payables
應計費用	Accrued expenses
其他應付稅項	Other tax payables
其他應付款項	Other payables
稅務罰款	Tax penalty

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2014

12. TRADE AND OTHER RECEIVABLES (CONTINUED)

The following is an aged analysis of trade receivables, presented based on invoice dates (also approximates to revenue recognition date) at the end of the reporting period:

二零一四年 六月三十日	二零一三年 十二月三十一日
30.6.2014	31.12.2013
千港元	千港元
HK\$'000	HK\$'000
68,768	58,463
1,169	1,146
69,937	59,609

13. TRADE AND OTHER PAYABLES

二零一四年 六月三十日	二零一三年 十二月三十一日
30.6.2014	31.12.2013
千港元	千港元
HK\$'000	HK\$'000
13,402	9,711
26,922	18,999
11,767	14,761
1,979	5,713
17,500	17,500
71,570	66,684

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED
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截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

13. 貿易及其他應付賬項(續)

於報告期末，本集團以發票日期為基準呈列之貿易應付賬款之賬齡分析如下：

0至90日	0 – 90 days
91至180日	91 – 180 days

13. TRADE AND OTHER PAYABLES
(CONTINUED)

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

二零一四年 六月三十日	二零一三年 十二月三十一日
30.6.2014	31.12.2013
千港元	千港元
HK\$'000	HK\$'000
13,253	9,649
149	62
13,402	9,711

14. 應付董事款項

有關款項代表應付本公司非執行董事周德雄先生並按年利率3厘計息之結餘。此款項為無抵押及須於一年內償還。

14. AMOUNT DUE TO A DIRECTOR

The amount represents balance due to Mr. Chow Tak Hung, a non-executive director of the Company, which carries interest rate at 3% per annum. The amount is unsecured and repayable within one year.

15. 應付一間附屬公司之非控股股東款項

此款項為無抵押、免息及須於要求時償還。

15. AMOUNT DUE TO NON-CONTROLLING
SHAREHOLDER OF A SUBSIDIARY

The amount is unsecured, interest-free and repayable on demand.

簡明綜合財務報表附註(續)

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截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

16. 股本

16. SHARE CAPITAL

		股份數目 Number of shares	股本 Share capital 千港元 HK\$'000
法定：	Authorised:		
於二零一三 年一月一日及 二零一三年 十二月三十一日 (每股面值 0.50 港元)	At 1 January 2013 and 31 December 2013 (HK\$0.50 each)	400,000,000	200,000
透過將每股 面值 0.50 港元 之未發行現有股份 拆細為 50 股 每股面值 0.01 港元 之新股份而增加法定 股本(附註)	Increased in authorised share capital by sub-dividing each of the unissued existing shares of HK\$0.50 into 50 new shares of HK\$0.01 each (Note)	19,600,000,000	—
於二零一四年六月三十日 (每股面值 0.01 港元)	At 30 June 2014 (HK\$0.01 each)	20,000,000,000	200,000
已發行及繳足：	Issued and fully paid:		
於二零一三年 一月一日及 二零一三年 十二月三十一日 (每股面值 0.50 港元)	At 1 January 2013 and 31 December 2013 (HK\$0.50 each)	320,525,879	160,263
每股股份之面值 由 0.50 港元削 減至 0.01 港元(附註)	Reduction of par value of each share from HK\$0.50 to HK\$0.01 (Note)	—	(157,058)
於二零一四年 六月三十日 (每股面值 0.01 港元)	At 30 June 2014 (HK\$0.01 each)	320,525,879	3,205

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED
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截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

16. 股本(續)

附註：根據於本公司股東特別大會上通過之特別決議案，本公司於二零一四年五月二十日進行削減股本，當中涉及以下各項：(i) 將本公司已發行股本中每股已發行現有股份之繳足股本註銷0.49港元，並將有關削減產生之進賬用於本公司之繳入盈餘賬或本公司其他賬項(須為根據本公司之公司細則及百慕達適用法律可由本公司董事會運用之一項可供分派儲備)；(ii) 將本公司法定股本中每一股每股面值0.50港元之未發行現有股份拆細為50股每股面值0.01港元之新股份；及(iii) 將本公司股份溢價賬中全部為數約78,800,000港元之進賬額削減，並將有關削減產生之進賬用於本公司之繳入盈餘賬或本公司其他賬項(須為根據本公司之公司細則及百慕達適用法律可由本公司董事會運用之一項可供分派儲備)。削減股本之詳情載於本公司日期為二零一四年四月十七日之通函。

17. 出售附屬公司

(a) 出售永利電業有限公司及其附屬公司(統稱為「永利電業集團」)

於二零一四年五月，本集團以27,024,000港元之現金代價將其於永利電業集團(主要從事電子元件製造)之全部股本權益出售予Bright Asia。Bright Asia為投資控股公司(其為本公司之前直接最終控股公司)，其已發行股本之60%由周德雄先生擁有，因此為本公司之關連人士。

16. SHARE CAPITAL (CONTINUED)

Note: Pursuant to a special resolution passed in a special general meeting of the Company, the Company effected a capital reduction on 20 May 2014 which involved: (i) cancelling paidup capital in the amount of HK\$0.49 on each of the issued existing shares in the issued share capital of the Company and applying the credit arising from such reduction to the contributed surplus account of the Company or other account of the Company which may be utilised by the board of directors of the Company as a distributable reserve in accordance with the bye-laws of the Company and applicable laws in Bermuda; (ii) sub-dividing each of the unissued existing shares of HK\$0.50 in the authorised share capital of the Company into 50 new shares of HK\$0.01 each; and (iii) reducing the entire amount of approximately HK\$78.8 million standing to the credit of the Company's share premium account and applying the credit arising from such reduction to the contributed surplus account of the Company or other account of the Company which may be utilised by the board of directors of the Company as a distributable reserve in accordance with the bye-laws of the Company and applicable laws in Bermuda. Details of the capital reduction were set out in the circular of the Company dated 17 April 2014.

17. DISPOSAL OF SUBSIDIARIES

(a) Disposals of Wing Lee (Switch & Jack) Limited and its subsidiaries (collectively referred to as the "Wing Lee Switch & Jack Group")

In May 2014, the Group disposed of its entire equity interest in Wing Lee (Switch & Jack) Group, principally engaged in manufacturing of electronic components, to Bright Asia for a cash consideration of HK\$27,024,000. Bright Asia is an investment holding company (formerly the immediate and ultimate holding company of the Company), with 60% of its issued share capital owned by Mr. Chow Tak Hung, and hence a connected person of the Company.

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED
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17. 出售附屬公司(續)

17. DISPOSAL OF SUBSIDIARIES (CONTINUED)

(a) 出售永利電業集團(續)

(a) Disposals of Wing Lee Switch & Jack Group (Continued)

千港元
HK\$'000

永利電業集團於出售日期之資產及負債分析如下：	Analysis of assets and liabilities of Wing Lee Switch & Jack Group at the date of disposal were as follows:	
物業、廠房及設備	Property, plant and equipment	6,345
預付租賃款項	Prepaid lease payments	1,521
其他應收賬項及預付款項	Other receivables and prepayments	8,489
銀行結存及現金	Bank balances and cash	5,949
其他應付賬項	Other payables	(13,384)
應付一間同系附屬公司款項	Amount due to a fellow subsidiary	(4,738)
應付稅項	Taxation payable	(390)
所出售之資產淨值	Net assets disposed of	<u>3,792</u>
出售附屬公司之收益：	Gain on disposal of subsidiaries:	
已收代價	Consideration received	27,024
所出售之資產淨值	Net assets disposed of	(3,792)
有關附屬公司資產淨值之累計匯兌差額於出售時從權益重新分類至損益	Cumulative exchange differences in respect of the net assets of the subsidiary reclassified from equity to profit or loss upon disposal	<u>10,003</u>
出售之收益	Gain on disposal	<u>33,235</u>
出售產生之現金流入淨額：	Net cash inflow arising on disposal:	
已收現金代價	Cash consideration received	27,024
所出售之銀行結存及現金	Bank balances and cash disposed of	(5,949)
		<u>21,075</u>

簡明綜合財務報表附註(續)

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截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

17. 出售附屬公司(續)

(b) 出售中國王集團

於二零一四年五月，本集團以30,118,000港元之現金代價將其於中國王集團(主要從事電子元件製造)之全部股本權益出售予Bright Asia。

17. DISPOSAL OF SUBSIDIARIES (CONTINUED)

(b) Disposals of China King Group

In May 2014, the Group disposed of its entire equity interest in China King Group, principally engaged in manufacturing of electronic components, to Bright Asia for a cash consideration of HK\$30,118,000.

千港元
HK\$'000中國王集團於出售
日期之資產及負債
分析如下：Analysis of assets and liabilities of
China King Group at the date of
disposal were as follows:

投資物業	Investment properties	31,750
預付租賃款項	Prepaid lease payments	2,548
應收同系附屬公司款項	Amounts due from fellow subsidiaries	4,738
其他應收賬項 及預付款項	Other receivables and prepayments	722
銀行結存及現金	Bank balances and cash	10,692
其他應付賬項	Other payables	(5,330)
已收租金按金	Rental deposits received	(310)
應付稅項	Taxation payable	(1,865)
遞延稅項負債	Deferred tax liabilities	(13,579)
所出售之資產淨值	Net assets disposed of	<u>29,366</u>

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED
CONSOLIDATED FINANCIAL
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截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

17. 出售附屬公司(續)

17. DISPOSAL OF SUBSIDIARIES (CONTINUED)

(b) 出售中國王集團(續)

(b) Disposals of China King Group
(Continued)千港元
HK\$'000

出售附屬公司之收益：	Gain on disposal of subsidiaries:	
已收代價	Consideration received	30,118
所出售之資產淨值	Net assets disposed of	(29,366)
有關附屬公司資產淨值 之累計匯兌差額 於出售時從權益 重新分類至損益	Cumulative exchange differences in respect of the net assets of the subsidiary reclassified from equity to profit or loss upon disposal	
		<u>18,046</u>
出售之收益	Gain on disposal	<u>18,798</u>
出售產生之現金 流入淨額：	Net cash inflow arising on disposal:	
已收現金代價	Cash consideration received	30,118
所出售之現金 及現金等值項目	Cash and cash equivalents disposed of	
		<u>(10,692)</u>
		<u>19,426</u>

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED
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截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

17. 出售附屬公司(續)

(c) 於二零一三年分拆永利地產上市

如附註1及7所詳述，本公司於地產集團之持股已於二零一三年三月十九日分派之後由100%減至17.0%。本集團已於分拆完成後失去對永利地產之控制權，但仍保留對地產集團具有施行重大影響力之權力。永利地產因此視作本公司之聯營公司，並以權益法入賬。地產集團於分拆日期之資產淨值如下：

17. DISPOSAL OF SUBSIDIARIES (CONTINUED)

(c) Spin-off listing of Wing Lee Property in 2013

As detailed in notes 1 and 7, the Company's shareholding in Property Group has decreased from 100% to 17.0% following the distribution on 19 March 2013. The Group has lost control in Wing Lee Property upon completion of the spin-off exercise, but retained the power to exercise significant influence over the Property Group. Wing Lee Property is therefore regarded as an associate of the Company and is accounted for by equity method. The net assets of the Property Group at the date of spin-off were as follows:

		二零一三年 三月十九日 19.3.2013 千港元 HK\$'000
投資物業	Investment properties	895,130
物業、廠房及設備	Property, plant and equipment	6,549
租金及其他應收款項	Rental and other receivables	484
可收回稅項	Taxation recoverable	19
定期存款	Fixed deposits	30,079
銀行結存及現金	Bank balances and cash	28,043
其他應付款項及 已收租金按金	Other payables and rental deposits received	(13,187)
應付稅項	Taxation payable	(730)
銀行貸款	Bank loans	(122,594)
遞延稅項負債	Deferred tax liabilities	(4,420)
已出售淨資產	Net assets disposed of	819,373
轉入於聯營公司 之權益(附註11)	Transferred to interest in an associate (note 11)	(62,696)
總代價	Total consideration	756,677

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED
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截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

17. 出售附屬公司(續)

(c) 於二零一三年分拆永利地產上市(續)

以下列方式支付：

實物分派特別中期股息

分派產生之現金
流出淨額

地產集團投資物業於分拆當日之公平值乃按二零一三年三月十九日由永利行進行之估值而得出。

17. DISPOSAL OF SUBSIDIARIES (CONTINUED)

(c) Spin-off listing of Wing Lee Property in 2013 (Continued)

Satisfied by:

Special interim dividend in species

Net cash outflow on distribution

The fair value of the Property Group's investment properties was arrived at on the basis of a valuation carried out on 19 March 2013 by RHL at the date of spin-off.

756,677(28,043)

18. 資本承擔

就收購物業、
廠房及設備
已訂約但未
於簡明綜合
財務報表內
撥備之資本開支Capital expenditure contracted
for but not provided in the
condensed consolidated financial
statements in respect of the acquisition
of property, plant and equipment

18. CAPITAL COMMITMENTS

二零一四年 六月三十日	二零一三年 十二月三十一日
30.6.2014	31.12.2013
千港元	千港元
HK\$'000	HK\$'000

5291,265

19. 金融工具之公平值計量

本公司董事認為按攤銷成本在簡明綜合財務報表入賬之金融資產及金融負債之賬面值與其公平值相若。

19. FAIR VALUE MEASUREMENTS OF
FINANCIAL INSTRUMENTS

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

簡明綜合財務報表附註(續)

截至二零一四年六月三十日止六個月

20. 關連人士交易

除相關附註所披露與關連人士之交易及結餘外，本集團有以下與關連人士之交易：

- (a) 截至二零一四年六月三十日止六個月，本集團出售其於一間中國附屬公司之部份股權予 Bright Asia 而並無失去對該附屬公司之控制權。由於出售部份權益，為數 13,097,000 港元之差額(代表已收代價淨額 24,022,000 港元與確認非控股權益 18,890,000 港元以及取消確認換算儲備 6,959,000 港元及中國法定儲備 1,006,000 港元之差額)已直接於權益確認。
- (b) 截至二零一四年六月三十日止六個月，本集團向碧豪發展有限公司(永利地產之全資附屬公司)租賃若干物業，租金約 439,800 港元已經支付並確認為開支(租金 829,600 港元已於二零一三年三月十九日(永利地產成為本公司聯營公司之日期)至二零一三年六月三十日期間支付)。
- (c) 截至二零一三年六月三十日止六個月，本集團以 850,000 港元之現金代價將一處物業出售予本公司若干前董事所擁有之關連公司。相關代價乃基於永利行參照相近地點之類似物業之交易價格的市場憑證而釐定。
- (d) 截至二零一三年六月三十日止六個月，本集團按現行市價向永利地產董事雷兆峰先生租出一項物業，並於二零一三年一月一日至二零一三年三月十九日(永利地產成為本公司聯營公司之日期)期間收到租金收入 34,000 港元。

NOTES TO THE CONDENSED
CONSOLIDATED FINANCIAL
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For the six months ended 30 June 2014

20. RELATED PARTIES TRANSACTIONS

Other than the transactions and balances with related parties disclosed in the respective notes, the Group had the following related party transactions:

- (a) During the six months ended 30 June 2014, the Group disposed of part of its shareholding in a PRC subsidiary to Bright Asia without losing control over that subsidiary. As a result of the partial disposal, the difference of HK\$13,097,000, representing the difference between the net consideration received of HK\$24,022,000, the recognition of non-controlling interest of HK\$18,890,000 and derecognition of translation reserve of HK\$6,959,000 and PRC statutory reserve of HK\$1,006,000 was directly recognised in equity.
- (b) During the six months ended 30 June 2014, the Group has rented certain properties from Extra Rich Development Limited, a wholly-owned subsidiary of Wing Lee Property, rentals of approximately HK\$439,800 has been paid and recognised as an expense (rentals of HK\$829,600 has been paid during the period from 19 March 2013 (the date of which Wing Lee Property became an associate of the Company) to 30 June 2013).
- (c) During the six months ended 30 June 2013, the Group sold a property to a related company which was owned by certain former directors of the Company at a cash consideration of HK\$850,000. The consideration was determined based on a valuation carried out by RHL with reference to market evidence of transaction prices for similar properties in similar location.
- (d) During the six months ended 30 June 2013, the Group has rented a property at prevailing market rent to Mr. Lui Siu Fung, a director of Wing Lee Property and a rental income of HK\$34,000 has been received during the period from 1 January 2013 to 19 March 2013 (date of which Wing Lee Property became an associate of the Company).

簡明綜合財務報表附註(續)

截至二零一四年六月三十日止六個月

21. 報告期間結束後事項

於報告期間結束後，本公司在二零一四年七月三日發行本金額為99,840,000港元之6厘票息可換股票據，有關可換股票據將在其發行日期起計滿首週年時到期。可換股票據賦予持有人權利，可於票據發行日期至到期日止期間內任何時間，按每股換股價1.56港元將可換股票據轉換為64,000,000股本公司新普通股。可換股票據按年利率6厘計息並須於到期日支付利息。可換股票據之詳情載於本公司日期為二零一四年六月二十三日及二零一四年七月三日之公佈。發行可換股票據之所得款項將用於本集團之一般營運。於本中期報告日期，本公司董事仍在計量可換股票據之財務影響。

此外，於二零一四年八月二十九日，本公司已就以下各項刊發通函：

- (i) 待本公司股東於二零一四年九月舉行之股東特別大會上通過一項普通決議案後，建議將本公司股本中每股面值0.01港元之本公司現有已發行及未發行股份拆細為8股每股面值0.00125港元之拆細股份；
- (ii) 於股份拆細生效時，建議將本公司股份買賣單位由每手2,000股股份更改為10,000股拆細股份；及
- (iii) 建議將本公司之名稱由「Wing Lee Holdings Limited」改為「WING TAI INVESTMENT HOLDINGS LIMITED」，惟須待本公司股東於二零一四年九月舉行之股東特別大會上通過一項特別決議案後方可作實。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2014

21. EVENTS AFTER THE END OF THE REPORTING PERIOD

Subsequent to the end of the reporting period, on 3 July 2014, the Company issued 6% coupon convertible notes at a principal amount of HK\$99,840,000 maturing on the first anniversary of the date of issue of the convertible notes. The convertible notes entitle the holders to convert at any time between the date of issue of the notes and their maturity date into 64,000,000 new ordinary shares of the Company at a conversion price of HK\$1.56 per share. The convertible notes carries interest of 6% per annum and would be payable at the maturity date. Details of the convertible notes are set out in the Company's announcement dated 23 June 2014 and 3 July 2014. The proceed from the convertible notes will be used for general operation of the Group. At the date of this interim report, the directors of the Company are still in the process of quantifying the financial impact of the convertible notes.

In addition, 29 August 2014, the Company has issued a circular in respect of the following:

- (i) The existing issued and unissued shares of the Company of HK\$0.01 each in the share capital of the Company are proposed being subdivided into eight subdivided shares of the Company of HK\$0.00125 each upon the passing of an ordinary resolution by the shareholders of the Company at the Special General Meeting in September 2014;
- (ii) Board lot size of trading in the shares of the Company are proposed to change from 2,000 shares to 10,000 subdivided shares when the Share Subdivision becoming effective; and
- (iii) The Company's name is proposed the change from "Wing Lee Holdings Limited" to "WING TAI INVESTMENT HOLDINGS LIMITED" subject to the passing of a special resolution by the shareholders of the Company at the Special General Meeting in September 2014.

股息

董事會建議不派發截至二零一四年六月三十日止六個月之中期股息(二零一三年：零)。

董事及主要行政人員於證券之權益

於二零一四年六月三十日，董事、主要行政人員及彼等之聯繫人於本公司或其任何相聯法團之股份、相關股份中擁有需記載於本公司根據證券及期貨條例(「證券及期貨條例」)第352條存置之登記冊的權益，或根據上市發行人董事進行證券交易的標準守則及證券及期貨條例須另行知會本公司及香港聯合交易所有限公司(「聯交所」)的權益如下：

- (a) 於本公司每股面值0.01港元之普通股之好倉(「股份」)：

DIVIDEND

The Board does not recommend an interim dividend for the six months ended 30 June 2014 (2013: Nil).

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

At 30 June 2014, the interests of the Directors and the chief executives and their associates in the shares, underlying shares of the Company or any of its associated corporations, as recorded in the register maintained by the Company pursuant to section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed issuers and the SFO, were as follows:

- (a) Long positions in ordinary shares of HK\$0.01 each of the Company ("Shares");

董事姓名 Name of Director	公司權益 Corporate interest	股份總數 Total number of Shares	佔本公司已發行 股本之概約百分比 Approximate percentage of the Company's issued share capital
溫家瓏先生(附註1) Mr. Wen Jialong (note 1)	224,712,255	224,712,255	70.11%

附註：

Notes:

- (1) 溫家瓏先生乃 Weltrade Group Limited 的唯一董事及其全部已發行股本之實益擁有人。Weltrade Group Limited 於英屬處女群島註冊成立，實益擁有本公司 224,712,255 股普通股，為本公司之最終母公司。溫家瓏先生就證券及期貨條例而被視為為於 Weltrade Group Limited 持有之股份中擁有權益。

- (1) Mr. Wen Jialong is the sole director and beneficial owner of the 100% issued share capital of Weltrade Group Limited, a company incorporated in the British Virgin Islands, which beneficially owns 224,712,255 ordinary shares of the Company and is the Company's ultimate parent undertaking. Mr. Wen Jialong is deemed under the SFO to be interested in the Shares held by Weltrade Group Limited.

董事及主要行政人員於證券之權益 (續)

- (b) 於本公司相聯法團(定義見證券及期貨條例)已發行股本之好倉：

董事姓名	相聯法團名稱	身份/權益性質	股份數目 (詳述)	佔該相聯法團 已發行股本之 概約百分比 Approximate percentage of such associated corporation's issued share capital
Name of Director	Name of associated corporation	Capacity/Nature of interest	Number of Shares (description)	
溫家驩先生	Weltrade Group Limited (「Weltrade Group」)(附註1)	實益權益	224,712,255	100%
Mr. Wen Jialong	Weltrade Group Limited (「Weltrade Group」)(Note 1)	Beneficial	224,712,255	100%

附註：

Weltrade Group 擁有 224,712,255 股股份之權益，佔本公司已發行股份約 70.11%。因此，Weltrade Group 為本公司之控股公司(及最終母公司)，就證券及期貨條例而言亦屬本公司之相聯法團。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES (CONTINUED)

- (b) Long positions in the issued share capital of the Company's associated corporations (as defined in the SFO):

董事姓名	相聯法團名稱	身份/權益性質	股份數目 (詳述)	佔該相聯法團 已發行股本之 概約百分比 Approximate percentage of such associated corporation's issued share capital
Name of Director	Name of associated corporation	Capacity/Nature of interest	Number of Shares (description)	
溫家驩先生	Weltrade Group Limited (「Weltrade Group」)(附註1)	實益權益	224,712,255	100%
Mr. Wen Jialong	Weltrade Group Limited (「Weltrade Group」)(Note 1)	Beneficial	224,712,255	100%

Notes:

Weltrade Group is interested in 224,712,255 Shares, representing approximately 70.11% of the Company's issued shares. Weltrade Group is therefore a holding company (and ultimate parent undertaking) of the Company, and an associated corporation of the Company for the purposes of the SFO.

購股權計劃與董事獲取股份或債券之權利

本公司於二零零三年採納之購股權計劃(「該計劃」)已於二零一三年一月三十一日屆滿。

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

The share option scheme adopted by the Company in 2003 (the "Scheme") expired on 31 January 2013.

主要股東

除上文「董事及主要行政人員於證券之權益」一節就若干董事所作權益披露外，誠如本公司根據證券及期貨條例第336條須予存置之主要股東登記冊內所記錄，下列人士於二零一四年六月三十日持有本公司已發行股本中須予知會之權益：

SUBSTANTIAL SHAREHOLDERS

Other than the interests disclosed above in respect of certain Directors in the section headed “Directors and Chief Executives’ interests in Securities”, as recorded in the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO the following person had a notifiable interest in the issued share capital of the Company as at 30 June 2014:

主要股東名稱	身份／權益性質	股份總數	佔本公司已發行股本之概約百分比
Name of Substantial Shareholder	Capacity/ Nature of Interest	Total number of Shares (附註 1) (Note 1)	Approximate percentage of the Company's issued share capital
Weltrade Group	實益權益	224,712,255 (L)	70.11%
Weltrade Group	Beneficial	224,712,255 (L)	70.11%
Genius Earn Limited (附註2)	實益權益	64,000,000 (L)	16.64%
Genius Earn Limited (Note 2)	Beneficial	64,000,000 (L)	16.64%
劉小林(附註2)	實益權益	64,000,000 (L)	16.64%
Liu Xiaolin (Note 2)	Beneficial	64,000,000 (L)	16.64%
白銀帝國控股有限公司(附註2)	實益權益	64,000,000 (L)	16.64%
Silver Empire Holding Limited (Note 2)	Beneficial	64,000,000 (L)	16.64%

附註：

Notes:

1. 字母「L」及「S」指於本公司股份的好倉及淡倉。
1. The letters “L” and “S” denote long position and short position in the shares of the Company.
2. 根據本公司可獲得的資料，白銀帝國控股有限公司由Genius Earn Limited全資擁有，而Genius Earn Limited則由劉小林全資擁有。
2. According to the information available to the Company, Silver Empire Holding Limited is wholly owned by Genius Earn Limited. Genius Earn Limited is wholly owned by Liu Xiaolin.

董事獲取股份或債券之權利

概無董事有權利獲取本公司或其附屬公司之股份或債券。

企業管治

本公司已遵守上市規則附錄 14 所載之企業管治守則（「該守則」），惟以下偏離情況除外：

守則條文第 A.2.1 條

守則條文第 A.2.1 條 — 此項守則規定主席及行政總裁必須區分，不應由同一人擔任。

周德雄先生於二零一四年一月一日至二零一四年六月二日期間同時擔任主席及行政總裁（「行政總裁」）。於二零一四年六月三日，彼辭去主席之職務並於二零一四年六月二十日調任為本公司非執行董事。溫家瓏先生於二零一四年六月三日獲委任為本公司執行董事及主席，並於二零一四年六月二十日獲委任為行政總裁。董事會認為，主席及行政總裁由同一人承擔有利於執行本公司業務策略及盡量提升營運效率。根據目前之董事會架構及業務範圍，董事會認為，並無即時需要將主席及行政總裁之角色分由兩名人士擔任。然而，董事會將繼續檢討本集團企業管治架構之成效，以評估是否需要分開主席及行政總裁之職位。

守則條文第 A.6.7 條

守則條文第 A.6.7 條 — 此項守則規定獨立非執行董事應出席股東大會。

曾肇林先生及龍子明先生因其他業務原因而並無出席於二零一四年六月二十七日舉行之股東週年大會。

DIRECTOR RIGHTS TO ACQUIRE SHARES OR DEBENTURES

No director has right to acquire shares or debentures of the Company or its subsidiaries.

CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance Code (the "Code") as contained in Appendix 14 of the Listing Rules, except the following deviation:

Code Provision A.2.1

Code Provision A.2.1 – this Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. Chow Tak Hung held both positions of Chairman and Chief Executive Officer (the "CEO") from 1 January 2014 to 2 June 2014. On 3 June 2014, he had relinquished his position as the Chairman and was re-designated as Non-executive Director of the Company on 20 June 2014. Mr. Wen Jialong was appointed as Executive Director and Chairman of the Company on 3 June 2014, and was appointed as the CEO on 20 June 2014. The Board considers that vesting the roles of Chairman and CEO in the same person facilitates the execution of the Company's business strategies and maximizes the effectiveness of its operation. With the present Board structure and scope of business, the Board considers that there is no imminent need to separate the roles into two individuals. However, the Board will continue to review the effectiveness of the Group's corporate governance structure to assess whether the separation of the position of the Chairman and CEO is necessary.

Code Provision A.6.7

Code Provision A.6.7 – this Code stipulates that independent non-executive directors should attend general meetings.

Due to other business engagements, Mr. Zeng Zhaolin and Mr. Lung Chee Ming, George did not attend the annual general meeting held on 27 June 2014.

董事進行證券交易之標準守則

本公司已採納香港聯合交易所有限公司證券上市規則(「上市規則」)附錄10所載上市發行人董事進行證券交易之標準守則(「標準守則」)作為其本身有關董事進行證券交易之行為守則。經本公司作出特定查詢後，全體董事確認彼等於截至二零一四年六月三十日止六個月已遵守標準守則所載之規定標準。

購買、出售或贖回本公司之上市證券

於本期間內，本公司及其任何附屬公司並無購買、出售或贖回任何股份。

審核委員會

審核委員會乃根據該守則之規定成立，旨在對本集團之財務申報程序及內部監控進行檢討及提供監督。審核委員會前由三名獨立非執行董事組成，即葉棟謙先生、劉宇新博士及林國昌先生。葉棟謙先生及劉宇新博士已辭任審核委員會成員，由二零一四年六月二十日起生效。林國昌先生自二零一四年六月二十日起由獨立非執行董事調任為非執行董事，目前仍為審核委員會成員。陸海林博士獲委任為審核委員會主席及成員而曾肇林先生及龍子明先生獲委任為審核委員會成員，由二零一四年六月二十日起生效。陸海林博士、曾肇林先生及龍子明先生為本公司獨立非執行董事。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”) as its own code of conduct regarding securities transactions by the Directors. Following specific enquiry by the Company, all Directors have confirmed that they have complied with the required standard as set out in the Model Code during the six months ended 30 June 2014.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any Shares.

AUDIT COMMITTEE

The Audit Committee was established in accordance with the requirements of the Code for the purposes of reviewing and providing supervision over the Group’s financial reporting process and internal controls. The Audit Committee previously comprised three independent non-executive Directors, Mr. Yip Tai Him, Dr. Lau Yue Sun and Mr. Lam Kwok Cheong. Mr. Yip Tai Him and Dr. Lau Yue Sun resigned from the Audit Committee with effect from 20 June 2014. Mr. Lam Kwok Cheong was re-designated from independent non-executive director to non-executive director from 20 June 2014 and still be the member of the Audit Committee. Dr. Loke Yu alias Lok Hoi Lam was appointed as Chairman and member of the Audit Committee and Mr. Zeng Zhaolin and Mr. Lung Chee Ming, George were appointed as members of the Audit Committee with effect from 20 June 2014. Dr. Loke Yu alias, Loke Hoi Lam, Mr. Zeng Zhaolin and Mr. Lung Chee Ming, George are the independent non-executive Directors of the Company.

審閱中期簡明綜合財務報表

本公司截至二零一四年六月三十日止六個月之簡明綜合財務報表已由審核委員會及本公司核數師德勤•關黃陳方會計師行根據香港會計師公會頒佈之香港審閱委聘準則第2410號「由實體的獨立核數師執行中期財務資料審閱」審閱。

致謝

本人謹代表董事會，向本集團各股東、客戶、銀行、夥伴以及全體員工於本公司邁向長遠成功之過程中，對本集團的全面信任及無限支持，致以最衷心感謝。

承董事會命

溫家瓏

主席

香港

二零一四年八月二十九日

REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The condensed consolidated financial statements of the Company for the six months ended 30 June 2014 have been reviewed by the Audit Committee and Company's auditor, Messrs. Deloitte Touche Tohmatsu, in accordance with the Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA.

APPRECIATION

On behalf of the Board, I would like to extend my heartfelt gratitude to the full trust and enormous support of our shareholders, customers, banks, partners and employees, which set the Company on course for long-term success.

By order of the Board

Wen Jialong

Chairman

Hong Kong

29 August 2014

WING LEE HOLDINGS LIMITED
永利控股有限公司