

SINOMAX

Sinomax Group Limited 盛諾集團有限公司

(incorporated under the laws of the Cayman Islands with limited liability)
(根據開曼群島法例註冊成立的有限公司)

Stock Code 股份代號 : 1418



2015
ANNUAL
REPORT
年報



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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

LAM Chi Fan (*Chairman of the Board*)
CHEUNG Tung (*President*)
CHEN Feng
LAM Kam Cheung
(*Chief Financial Officer and Company Secretary*)
LAM Fei Man

Independent Non-executive Directors

WONG Chi Keung
Professor LAM Sing Kwong, Simon
FAN Chun Wah, Andrew
ZHANG HWO Jie
WU Tak Lung

AUDIT COMMITTEE

WONG Chi Keung (*Chairman*)
Professor LAM Sing Kwong, Simon
FAN Chun Wah, Andrew
ZHANG HWO Jie
WU Tak Lung

NOMINATION COMMITTEE

LAM Chi Fan (*Chairman*)
WONG Chi Keung
Professor LAM Sing Kwong, Simon

REMUNERATION COMMITTEE

Professor LAM Sing Kwong, Simon (*Chairman*)
LAM Chi Fan
FAN Chun Wah, Andrew

CORPORATE GOVERNANCE COMMITTEE

WONG Chi Keung (*Chairman*)
Professor LAM Sing Kwong, Simon
FAN Chun Wah, Andrew
ZHANG HWO Jie
WU Tak Lung

董事會

執行董事

林志凡 (*董事會主席*)
張棟 (*總裁*)
陳楓
林錦祥
(*首席財務官兼公司秘書*)
林斐雯

獨立非執行董事

王志強
林誠光教授
范駿華
張傑
吳德龍

審核委員會

王志強 (*主席*)
林誠光教授
范駿華
張傑
吳德龍

提名委員會

林志凡 (*主席*)
王志強
林誠光教授

薪酬委員會

林誠光教授 (*主席*)
林志凡
范駿華

企業管治委員會

王志強 (*主席*)
林誠光教授
范駿華
張傑
吳德龍

CORPORATE INFORMATION

公司資料

COMPANY SECRETARY

LAM Kam Cheung (CPA, ACCA)

AUTHORISED REPRESENTATIVES

CHEUNG Tung
LAM Kam Cheung

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
35/F, One Pacific Place
88 Queensway
Hong Kong

LEGAL ADVISOR

Minter Ellison
Level 25, One Pacific Place
88 Queensway
Hong Kong

COMPLIANCE ADVISOR

Somerley Capital Limited
20th Floor, China Building
29 Queen's Road Central
Hong Kong

公司秘書

林錦祥 (CPA, ACCA)

授權代表

張棟
林錦祥

核數師

德勤•關黃陳方會計師行
註冊會計師
香港
金鐘道88號
太古廣場一期35樓

法律顧問

銘德律師事務所
香港
金鐘道88號
太古廣場一期25樓

合規顧問

新百利融資有限公司
香港
皇后大道中29號
華人行20樓

CORPORATE INFORMATION

公司資料

PRINCIPAL BANKERS

Hang Seng Bank Limited
83 Des Voeux Road Central
Central
Hong Kong

Standard Chartered Bank (Hong Kong) Limited
15/F Standard Chartered Tower
388 Kwun Tong Road
Hong Kong

China CITIC Bank International Limited
61-65 Des Voeux Road Central
Central
Hong Kong

Citibank, N.A., Hong Kong
22/F Citi Tower, One Bay East
83 Hoi Bun Road
Kwun Tong,
Hong Kong

SHARE REGISTRARS

Hong Kong share registrar

Tricor Investor Services Limited
Level 22 Hopewell Centre
183 Queen's Road East
Hong Kong

Cayman Islands principal share registrar and transfer office

Maples Fund Services (Cayman) Limited
P.O. Box 1093, Boundary Hall
Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

REGISTERED OFFICE

P.O. Box 309 Ugland House
Grand Cayman KY1-1104 Cayman Islands

主要往來銀行

恒生銀行有限公司
香港
中環
德輔道中 83 號

渣打銀行(香港)有限公司
香港
觀塘道 388 號
渣打中心 15 樓

中信銀行(國際)有限公司
香港
中環
德輔道中 61-65 號

香港花旗銀行
香港
觀塘
海濱道 83 號
One Bay East, Citi Tower 22 樓

股份過戶登記處

香港股份過戶登記處

卓佳證券登記有限公司
香港
皇后大道東 183 號
合和中心 22 樓

開曼群島股份過戶登記總處

Maples Fund Services (Cayman) Limited
P.O. Box 1093, Boundary Hall
Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

註冊辦事處

P.O. Box 309 Ugland House
Grand Cayman KY1-1104 Cayman Islands

CORPORATE INFORMATION

公司資料

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Units 2005-2007
Level 20 Tower 1
MegaBox Enterprise Square Five
38 Wang Chiu Road
Kowloon Bay
Hong Kong

LISTING INFORMATION

The Stock Exchange of Hong Kong Limited
Stock Code: 1418

WEBSITE

www.sinomax.com/group

INVESTOR RELATIONS CONTACT

Email: ir@sinomax.com

總部及香港主要營業地點

香港
九龍灣
宏照道38號
企業廣場五期MegaBox
1座20樓
2005-2007室

上市資料

香港聯合交易所有限公司
股份代號：1418

網站

www.sinomax.com/group

投資者關係聯絡

電郵：ir@sinomax.com

FINANCIAL HIGHLIGHTS

財務概要

Year ended/as at 31 December
截至12月31日止年度／於12月31日

2015 2014 Change
2015年 2014年 變動

		2015	2014	Change
		2015年	2014年	變動
Operating results (HK\$'000)	經營業績 (千港元)			
Revenue	收入	2,869,846	2,683,408	6.9%
Gross profit	毛利	787,476	736,384	6.9%
Profit before tax	除稅前溢利	244,439	246,867	-1.0%
Profit for the year	年內溢利	184,676	202,947	-9.0%
Profit for the year attributable to owners of the Company	本公司擁有人應佔年內溢利	172,674	194,393	-11.2%
Financial position (HK\$'000)	財務狀況 (千港元)			
Total assets	總資產	1,809,711	1,621,266	11.6%
Net current assets	流動資產淨額	671,204	611,326	9.8%
Bank borrowings	銀行貸款	160,541	233,016	-31.1%
Net assets	資產淨值	1,096,689	913,113	20.1%
Net assets attributable to owners of the Company	本公司擁有人應佔資產淨值	1,058,352	876,320	20.8%
Per share data (HK cents)	每股數據 (港仙)			
Dividend per share	每股股息			
— Interim	— 中期	1.5	1.0	50.0%
— Final	— 末期	2.5	2.5	—
— Total	— 總計	4.0	3.5	14.3%
Earnings per share	每股盈利			
— Basic	— 基本	10.09	12.37	-18.4%
— Diluted	— 攤薄	10.07	12.35	-18.5%
Net assets value per share	每股資產淨值	62.7	55.3	13.4%
Share price as at 31 December	於12月31日的股價	81.0	75.0	8.0%
Key statistics	主要數據			
Gross profit margin (%)	毛利率 (%)	27.4%	27.4%	—
Net profit margin (%)	淨利率 (%)	6.4%	7.6%	-15.8%
Inventory turnover (days)	存貨周轉天數 (天數)	61.1	70.0	-12.7%
Debtors' turnover (days)	債務人的周轉天數 (天數)	68.5	67.4	1.6%
Creditors' turnover (days)	債權人的周轉天數 (天數)	42.4	50.0	-15.2%
Payout ratio (%)	派息率 (%)	37.9%	28.5%	33.0%
Dividend yield (%)	股息收益率 (%)	4.9%	4.7%	4.3%
Return on total assets (%)	總資產回報率 (%)	10.2%	12.5%	-18.4%
Return on net assets (%)	資產淨值回報率 (%)	16.8%	22.2%	-24.3%
Gearing ratio (%)	資產負債比率 (%)	14.6%	25.5%	-42.7%
Current ratio (%)	流動比率 (%)	195.5%	187.6%	4.2%



CHAIRMAN'S STATEMENT 董事長致辭

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Sinomax Group Limited (the “**Company**”) and its subsidiaries (altogether, the “**Group**”), I have the great pleasure of presenting to you our annual report for the financial year ended 31 December 2015 (the “**Reporting Period**”).

2015 was a challenging year. Facing with different business environments, our three business segments had different performance during the Reporting Period. We experienced remarkable growth in retail and corporate sales, a moderate growth in polyurethane foam sales and a slight decline in export sales.

We strategically focus on the People's Republic of China (other than Hong Kong and Macau) (the “**PRC**”) and the United States of America (the “**US**”) markets. During the Reporting Period, we had made the following major investments:

- acquired a 100% equity interest in Shanghai Luen Tai Polyurethane Co. Ltd.* (上海聯大海綿有限公司) (“**Shanghai Luen Tai**”) in the PRC
- invested in Dormeo North America, LLC (“**Dormeo**”) in the US, which became the Company's associated company
- concluded the setting up of a new manufacturing facility in the US

In February 2016, we entered into an agreement to acquire 51% equity interest in Chengdu Xingang Sponge Co., Ltd.* (成都新港海綿有限公司) (“**Chengdu Xingang**”) in the PRC.

We expect the above investments would make profit contributions to the Group in the coming years. Upon completion of the set up of a new manufacturing facility in the US, we are able to provide US made products to capture different market segments in the US. With the presence of production facilities in both the US and the PRC, we can provide global logistic support to customers with different needs.

本人欣然代表盛諾集團有限公司(「**本公司**」)及其附屬公司(統稱「**本集團**」)董事(「**董事**」)會(「**董事會**」)向閣下呈列本公司截至2015年12月31日止財政年度(「**報告期**」)年報。

2015年是充滿挑戰的一年。面對不同的經營環境，我們的三個業務分部於報告期內表現各異。我們的零售及公司銷售錄得顯著增長，聚氨酯泡沫銷售錄得適度增長及出口銷售錄得輕微下跌。

在戰略上，我們專注於中華人民共和國(香港及澳門除外)(「**中國**」)及美國(「**美國**」)市場。於報告期內，我們已作出以下重大投資：

- 在中國收購上海聯大海綿有限公司(「**上海聯大**」)的全部股權
- 投資 Dormeo North America, LLC (「**Dormeo**」)(成為本公司的聯營公司)
- 決定在美國建立新的生產設施

於2016年2月，我們訂立協議在中國收購成都新港海綿有限公司(「**成都新港**」)的51%股權。

我們預期上述投資將在未來幾年為本集團貢獻利潤。於完成在美國建立的生產設施後，我們能提供美國製造產品，從而佔有美國不同的市場份額。鑒於我們在美國及中國均有生產設備，我們可向客戶提供全球物流支持，滿足其不同需求。

* English translated name is for identification purpose only

CHAIRMAN'S STATEMENT

董事長致辭

The listing platform has enable the Company to gain access to the international capital market and the Company has completed a placing and top-up subscription of 100,000,000 shares at HK\$1.06 per share in May 2015. The net proceeds from the subscription of approximately HK\$101.8 million were used to fund the Group's business expansion in the US and for general working capital purposes.

The global economy will be highly dynamic in the coming year. We will closely monitor the latest developments and will continue to focus on the PRC and the US markets. Other than the existing brands like "Sinomax", "SPA Supreme", "Tung Ah", "ComforZen" and "Dream Serenity", we would introduce and promote more brands like "Customizer" and "Zeopedic" to target different sectors of the markets and customers.



"Zeopedic" memory foam pillow
「Zeopedic」記憶海綿枕

上市平台使本公司得以進入國際資本市場，及本公司已於2015年5月完成配售並按每股1.06港元補足認購100,000,000股股份。本公司已動用認購所得款項淨額約101.8百萬港元資助本集團在美國進行業務擴張及用於一般營運資金。

未來數年，全球經濟將充滿生機與活力。我們將密切監測最新進展並將繼續聚焦中國及美國市場。除了現有品牌「Sinomax」、「SPA Supreme」、「東亞」、「ComforZen」及「Dream Serenity」，我們將針對市場上的不同行業及消費者推出及推廣諸如「Customizer」及「Zeopedic」等更多品牌。



"Customizer" memory foam mattress topper
「Customizer」記憶海綿床墊

With a healthy financial position, the Group will continue to seek for other strategic acquisition opportunities, including but not limited to acquisitions of brands, distribution networks and/or production facilities.

On behalf of the Board, I would like to take this opportunity to thank all staff members for their dedication to the Group and the shareholders of the Company (the "Shareholders"), valued customers, suppliers, bankers and other business partners for the continuous support.

憑藉穩健的財務狀況，本集團將繼續尋求其他戰略收購機遇，包括但不限於收購品牌、分銷網絡及／或生產設施。

本人謹代表董事會向我們全體員工表示謝意，感謝他們對本集團所作出的貢獻，並感謝本公司股東（「股東」）、尊貴客戶、供應商、銀行及其他商業夥伴的持續支持。

Lam Chi Fan
Chairman
18 March 2016

主席
林志凡
2016年3月18日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

REVENUE BY OPERATING SEGMENTS

During the Reporting Period, revenue of the Group increased by approximately HK\$186.4 million or 6.9% to approximately HK\$2,869.8 million (the financial year ended 31 December 2014 (“FY2014”): approximately HK\$2,683.4 million). Retail and corporate sales and polyurethane foam sales continued to record substantial revenue growth for the Reporting Period comparing with FY2014:

按經營分部劃分的收入

於報告期，本集團的收入增長約186.4百萬港元或6.9%至約2,869.8百萬港元(截至2014年12月31日止財政年度(「2014年財政年度」): 約2,683.4百萬港元)。於報告期，零售及公司銷售和聚氨酯泡沫銷售，與2014年財政年度相比均繼續錄得大幅收入增長：

		For the year ended 31 December 截至12月31日止年度		
		2015	2014	Changes
		2015年	2014年	變動
		HK\$'000	HK\$'000	%
		千港元	千港元	%
Export sales	出口銷售	1,198,664	1,374,634	-12.8
Retail and corporate sales	零售及公司銷售	567,137	380,522	49.0
Polyurethane foam sales	聚氨酯泡沫銷售	1,104,045	928,252	18.9
Total	總計	2,869,846	2,683,408	6.9

EXPORT SALES

The Group sells its visco-elastic products on a wholesale basis primarily to leading retailers in the US. These US retailers typically resell the products to consumers through their own country-wide retail networks. The products are sold under own, licensed or third-party brands.

出口銷售

本集團主要以批發方式向美國主要零售商出售其慢回彈產品，而美國零售商一般會透過其遍及全國的零售網絡轉售產品予消費者。產品以自有品牌、授權品牌或第三方品牌出售。

The Group has been successful in developing its business in the US market. However, the strict US-only buying guidelines and retailers' preferences for US made products restricted the Group's growth in the US market. During the Reporting Period, though there has been a slight increase in terms of quantity sold, the amount of export sales dropped by approximately HK\$176.0 million or 12.8% to approximately HK\$1,198.7 million (FY2014: approximately HK\$1,374.6 million).

本集團順利於美國市場開拓業務。然而，嚴苛的僅買美國貨指引及零售商偏向使用美國本地製造產品，限制了本集團於美國市場的增長。於報告期間，儘管銷售數量稍微上升，出口銷售金額減少約176.0百萬港元或12.8%至約1,198.7百萬港元(2014年財政年度：約1,374.6百萬港元)。



Own brand product - “ComforZen” memory foam pillow
自有品牌產品 — 「ComforZen」記憶海綿枕



Licensed brand product - “Homedics” memory foam topper
授權品牌產品 — 「Homedics」記憶海綿床墊

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

RETAIL AND CORPORATE SALES

The Group sells its products under its "SINOMAX" brand through its retail networks comprise of stand-alone retail shops (the "Life Stores") and concession counters in department stores in Hong Kong, the PRC and Macau. The Group also conducts direct sales to corporate and other customers in Hong Kong and the PRC. Online sales are also maintained by the Group.

The strong growth in revenue from retail and corporate sales was mainly driven by the increased sales of products under the Group's flagship brand "SINOMAX". During the Reporting Period, sales to various corporate customers recorded a substantially high growth.

In terms of sales channel, same-store sales recorded a decrease of approximately 1.1% for the Reporting Period. Same-store sales for each of Life Stores and concession counters decreased by approximately 3.7% and 0.3% respectively for the Reporting Period. During the Reporting Period, the Group opened seventeen new Life Stores in Hong Kong and in the PRC.

POLYURETHANE FOAM SALES

The Group supplies quality polyurethane foam on a wholesale basis to furniture manufacturers in the PRC under the "Tung Ah" (東亞) brand.

As announced on 23 January 2015 and approved by the independent shareholders of the Company on 6 March 2015, the Group acquired a 100% equity interest in Shanghai Luen Tai which contributed revenue of approximately RMB162.7 million (equivalent to approximately HK\$200.4 million) and profit after tax of approximately RMB19.0 million (equivalent to approximately HK\$23.4 million) to the Group during the Reporting Period since completion of the acquisition.

Revenue from polyurethane foam sales increased by approximately HK\$175.8 million or 18.9% from approximately HK\$928.3 million for FY2014 to approximately HK\$1,104.0 million for the Reporting Period due to the successful acquisition of Shanghai Luen Tai as well as the increasing demand for high quality furniture and home accessories in the PRC market, driving the rise in demand for the Group's polyurethane foam during the Reporting Period.

零售及公司銷售

本集團亦以「SINOMAX」品牌透過其零售網絡，包括於香港、中國及澳門的獨立零售店（「生活館」）及百貨公司的寄售專櫃出售產品。本集團亦向香港及中國的公司及其他客戶進行直接銷售。網上銷售亦由本集團進行。

零售及公司銷售收入的強勁增長主要由於本集團的旗艦品牌「SINOMAX」項下的產品銷售增長所致。於報告期，我們向多個公司客戶的銷售錄得大幅增長。

就銷售渠道而言，於報告期同店銷售錄得下跌約1.1%。於報告期，生活館及寄售專櫃的同店銷售分別下跌約3.7%及0.3%。於報告期，本集團在香港及中國開業十七家新設生活館。

聚氨酯泡沫銷售

本集團亦以批發方式在中國以「東亞」品牌向家具製造商供應優質聚氨酯泡沫。

誠如2015年1月23日刊發公告及本公司獨立股東於2015年3月6日批准，本集團已收購上海聯大的全部股權。於報告期內，上海聯大自收購完成以來為本集團貢獻收益約人民幣162.7百萬元（相當於約200.4百萬港元）及除稅後溢利約人民幣19.0百萬元（相當於約23.4百萬港元）。

由於順利收購上海聯大，加上中國市場對優質家具及家居配件的需求不斷增長，導致報告期間對本集團聚氨酯泡沫產品的需求上漲，報告期間聚氨酯泡沫銷售收入增長約175.8百萬港元或18.9%（從2014年財政年度的約928.3百萬港元增至約1,104.0百萬港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

GROSS PROFIT

With an increase of approximately 6.9% in the Group's revenue, gross profit ("GP") increased by approximately HK\$51.1 million or 6.9% to approximately HK\$787.5 million during the Reporting Period as compared to approximately HK\$736.4 million for FY2014.

The GP margin of 27.4% during the Reporting Period remained the same as in FY2014. For the Reporting Period, the cost of chemicals, which are the major components of the Group's product manufacturing cost, decreased by approximately 23.7% while on the other hand, the average selling price decreased by approximately 18.5% as compared to FY2014. However, it was offset by the original equipment manufacturing purchases from the US manufacturers with a relatively lower GP margin.

COSTS AND EXPENSES

Selling and distribution costs for the Reporting Period increased by approximately HK\$10.7 million or 3.2% to approximately HK\$342.4 million, as compared to approximately HK\$331.8 million for FY2014. The increase was mainly due to the increase in staff costs and rental as a result of the newly opened Life Stores, and the increase in sales commission.

Administrative expenses for the Reporting Period increased by approximately HK\$7.0 million or 4.5% to approximately HK\$162.6 million as compared to approximately HK\$155.5 million for FY2014.

Other expenses for the Reporting Period mainly consisted of research and development expenses amounting to approximately HK\$39.8 million as compared to approximately HK\$16.0 million for FY2014. The Group has put much more resources on improving and developing more foam features to meet the increasing customers' needs.

PROFIT FOR THE YEAR

Profit for the Reporting Period decreased by approximately HK\$18.3 million or 9.0% to approximately HK\$184.7 million as compared to approximately HK\$202.9 million for FY2014.

毛利

由於本集團的收入增長約6.9%，報告期毛利(「毛利」)增長約51.1百萬港元或6.9%至約787.5百萬港元，而2014年財政年度則為約736.4百萬港元。

與2014年財政年度相比，報告期的毛利率27.4%保持不變。於報告期間，化學原料成本(是本集團產品製造成本的主要組成部分)下跌約23.7%，而另一方面，平均售價較2014年財政年度下跌約18.5%。然而，有關下跌由毛利率相對較低的美國製造商的原設備製造採購所抵銷。

成本及開支

於報告期，銷售及分銷成本從2014年財政年度的約331.8百萬港元增長約10.7百萬港元或3.2%至約342.4百萬港元。該增長主要由於新開設生活館導致員工成本及租金增加以及銷售佣金增加所致。

於報告期間，行政開支增長約7.0百萬港元或4.5%至約162.6百萬港元，而2014年財政年度約為155.5百萬港元。

報告期的其他開支主要包括為數約39.8百萬港元的研發開支，而2014年財政年度約為16.0百萬港元。本集團投入更多資源改進及開發更多泡沫特色，以滿足客戶與日俱增的需求。

年內溢利

報告期的溢利減少約18.3百萬港元或9.0%至約184.7百萬港元，而2014年財政年度約為202.9百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS

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USE OF PROCEEDS FROM THE GLOBAL OFFERING

The issued ordinary shares of the Company (“Shares”) were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) with effect from 10 July 2014 (the “Listing Date”), the net proceeds received by the Group from the Global Offering (as defined in the prospectus of the Company dated 30 June 2014 (the “Prospectus”)) amounted to approximately HK\$127.1 million after deducting underwriting commissions and all related expenses. The Group has fully utilized the net proceeds in accordance with the proposed application set out in the Prospectus.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

The financial position of the Group was healthy as at 31 December 2015. Net cash from operating activities during the Reporting Period amounted to HK\$406.3 million. It was further enhanced by the net proceeds received by the Company from the top-up placing of new Shares completed during the Reporting Period (further details as were disclosed under the paragraph headed “Equity-Linked Agreements” in the Directors’ Report). As at 31 December 2015, the Group had net current assets of approximately HK\$671.2 million as compared to approximately HK\$611.3 million as at 31 December 2014.

BORROWINGS AND PLEDGE OF ASSETS

As at 31 December 2015, the Group had banking facilities (which included unsecured bank borrowings and bills payables) amounted to approximately HK\$1,251.8 million of which approximately HK\$220.0 million was utilized (31 December 2014: banking facilities amounted to approximately HK\$1,011.7 million of which approximately HK\$325.4 million was utilized).

As at 31 December 2015, the bills payables of the Group were secured by bank deposits of approximately HK\$8.5 million (as at 31 December 2014: approximately HK\$14.8 million).

全球發售所得款項用途

本公司已發行普通股(「股份」)自2014年7月10日(「上市日期」)起於香港聯合交易所有限公司(「聯交所」)主板上市，本集團自全球發售(定義見本公司日期為2014年6月30日的招股章程(「招股章程」)收取之所得款項淨額(已扣除包銷佣金及所有相關開支)約127.1百萬港元。本集團已根據招股章程所載之建議用途悉數動用所得款項淨額。

流動資金、財務及資本資源

本集團於2015年12月31日的財務狀況穩健。於報告期，經營活動產生現金淨額為406.3百萬港元。本集團的財務狀況因本公司向於報告期間內完成的補足配售新股份收取的所得款項淨額而改善(進一步詳情於董事報告書「股權掛鈎協議」一段所披露)。於2015年12月31日，本集團的流動資產淨值約為671.2百萬港元，而於2014年12月31日則約為611.3百萬港元。

借款及抵押資產

於2015年12月31日，本集團的銀行融資(其中包括無抵押銀行借款及應付票據)約為1,251.8百萬港元，其中約220.0百萬港元已動用(2014年12月31日：銀行融資約為1,011.7百萬港元，其中約325.4百萬港元已動用)。

於2015年12月31日，本集團應付票據以銀行存款約8.5百萬港元(於2014年12月31日：約14.8百萬港元)抵押。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

CAPITAL EXPENDITURE

The Group's capital expenditure for the Reporting Period amounted to approximately HK\$86.1 million which amount was mainly expended for the purchase of the Group's plant and machinery.

Financial ratios

資本開支

報告期間本集團的資本開支約為86.1百萬港元，該款項主要用於購買本集團的設備及機器。

財務比率

		As at	
		31 December	31 December
		2015	2014
		2015年	2014年
		12月31日	12月31日
Current ratio ⁽¹⁾	流動比率 ⁽¹⁾	195.5%	187.6%
Quick ratio ⁽²⁾	速動比率 ⁽²⁾	153.0%	130.5%
Gearing ratio ⁽³⁾	資產負債比率 ⁽³⁾	14.6%	25.5%
Debt to equity ratio ⁽⁴⁾	債務對權益比率 ⁽⁴⁾	N/A 不適用	N/A 不適用

Notes:

- ⁽¹⁾ Current ratio is equal to current assets divided by current liabilities.
- ⁽²⁾ Quick ratio is equal to current assets less inventories and divided by current liabilities.
- ⁽³⁾ Gearing ratio is derived by dividing interest-bearing debt incurred in the ordinary course of business by total equity.
- ⁽⁴⁾ Debt to equity ratio is derived by dividing net debt by total equity. Net debt is defined to include all borrowings net of cash and cash equivalents.

附註：

- ⁽¹⁾ 流動比率按流動資產除以流動負債計算。
- ⁽²⁾ 速動比率按流動資產減存貨除以流動負債計算。
- ⁽³⁾ 資產負債比率通過日常業務過程中產生的計息債務除以權益總額而得出。
- ⁽⁴⁾ 債務對權益比率按債務淨額除以權益總額得出。債務淨額被界定為包括所有借款扣除現金及現金等價物。

FOREIGN CURRENCY EXPOSURE

The Group carries on business mainly in Hong Kong, the PRC and the US. The Group is exposed to foreign exchange risk principally in Renminbi which can be largely offset by its revenue and expenditure in the PRC. The Group does not expect any appreciation or depreciation of the Hong Kong Dollar against Renminbi which could materially affect the Group's results on operations, and therefore no hedging instrument has been employed. The Group will closely monitor the trend of the Renminbi and take appropriate measures to deal with the foreign exchange exposure if necessary.

外匯風險

本集團主要在香港、中國及美國經營業務。本集團於中國主要面對人民幣的外匯風險，而此種風險基本可做到收支相抵。本集團預期港幣兌人民幣升值或貶值不會對本集團的經營業績產生任何重大影響，因而並無採用任何對沖工具。本集團將會密切留意人民幣走勢，必要時將採取適當的措施以應對外匯風險。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

TREASURY POLICY AND MARKET RISKS

The Group has a treasury policy that aims to better control its treasury operations and lower borrowing cost. Such treasury policy requires the Group to maintain an adequate level of cash and cash equivalents, and sufficient available banking facilities to finance the Group's daily operations and to address short term funding needs. The Group reviews and evaluates its treasury policy from time to time to ensure its adequacy and effectiveness.

PROSPECTS

All of the Group's current production facilities are located in the PRC. To meet the increasing demand for US made products, the Group has original equipment manufacturing purchases from the US manufacturers of approximately HK\$237.7 million during the Reporting Period. In the longer run and as announced on 11 November 2015, the Group is setting up a new manufacturing facility in the US, which will use state-of-art technology and will have greater automation than current facilities in the PRC. The total investment of the new facility is estimated to be approximately US\$28.0 million (equivalent to approximately HK\$217.0 million) and this new facility is expected to commence trial production in mid-2016 and put into full production in early 2017. With the set up of the new manufacturing facility, it is expected that the Group will be able to provide US made products to capture different market segments in the US and also shorten the lead time between production and delivery and thus better serves the customers in the US.

During the Reporting Period, the Group invested in Dormeo, a company having a well-known brand in the US. Upon completion of the investment, Dormeo became an associated company of the Group. This strategic move marks a significant progress in enriching Sinomax's brand recognition and broadening the sales networks in the memory foam market in North America. The Group shared the post-acquisition loss of approximately HK\$7.9 million during the Reporting Period. It is expected that the financial results of this associated company will be improved in the coming years.

庫務政策及市場風險

本集團設有庫務政策，旨在更有效地控制其庫務運作及降低借貸成本。該等庫務政策要求本集團維持足夠水平的現金及現金等價物，以及充分的可動用銀行融資，以撥付本集團日常營運及應付短期資金需要。本集團不時檢討及評價庫務政策，以確保其充足及有效程度。

前景

本集團目前的生產設施全部位於中國。為滿足美國製造產品日益增加的需求，本集團於報告期有向美國製造商的原設備製造採購約237.7百萬港元。長遠而言及誠如2015年11月11日所公佈，本集團正在美國建立新的製造設施，此將引入一流技術，且自動化程度較中國目前設施更高。新設備的投資總額估計約為28.0百萬美元(相當於約217.0百萬港元)。該新設備預期於2016年中試產，並於2017年初全面投產。憑藉建立新製造設施，預期本集團可提供美國製造的產品，從而佔有美國不同的市場份額，並能夠縮短生產與交貨之間的交付周期，為美國客戶提供更好的服務。

於報告期間，本集團投資 Dormeo，該公司在美國擁有一個知名品牌。完成投資後，Dormeo 成為本集團的聯營公司。該戰略性舉動極大地提升了 Sinomax 的品牌知名度，拓寬了北美記憶海綿市場的銷售網絡。於報告期間，本集團分擔收購後虧損約7.9百萬港元。預期該聯營公司之財務業績將於未來數年有所改善。



"Dormeo" memory foam mattress
「Dormeo」記憶海綿床褥

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The Group will continue to upgrade its machinery so as to improve the production efficiency and to increase the Group's competitiveness in the market. The Group will also put more resources on research and development to develop more innovative products and to enhance its product features.

The Group offers a wide range of health and household products in Hong Kong, the PRC and Macau under its flagship brand "SINOMAX". The Group will further enhance brand management through various marketing activities to reinforce brand recognition and to enhance the image of health, relaxation and comfort of the "SINOMAX" brand. The Group plans to promote its flagship brand "SINOMAX" in the US as well, focusing on the middle to high-end retail markets.

During the Reporting Period, seventeen Life Stores were opened in Hong Kong and in the PRC. The Group will continue to promote its brands and products to corporate customers so as to increase its corporate sales. The Group is also expanding e-commerce sales channels to promote and distribute its products. During the Reporting Report, e-commerce sales of the Group recorded a substantial growth of approximately HK\$8.7 million or 44.2% to approximately HK\$28.4 million, as compared to approximately HK\$19.7 million for FY2014. The Group will continue to expand more e-commerce sales channel to promote its products and continue to develop more new products for e-commerce in the coming years.

The Group plans to continue to achieve a grow in its business by exploring attractive acquisitions and collaboration opportunities that are compatible with its business vision. As announced on 19 February 2016, the Group entered into an agreement to acquire a 51% equity interest in Chengdu Xingang. Details of the acquisition are set out in the paragraph headed "Events after the Reporting Period" in this report.

本集團將繼續對其機器進行升級，以改善生產效率及提高本集團在市場上的競爭力。本集團亦會將更多資源投入研發以開發更多創新產品及提高其產品性能。

本集團以其旗艦品牌「SINOMAX」在香港、中國及澳門提供多項保健及家居產品。本集團將藉多項市場營銷活動進一步提升品牌管理，以加強品牌認知度以及提升「SINOMAX」品牌的「健康、放鬆及舒適」形象。本集團亦計劃在美國推廣其旗艦品牌「SINOMAX」，以中高端零售市場為重點。

於報告期，在香港和中國共開設十七家生活館。本集團將持續向企業客戶推廣其品牌及產品，以增加其企業銷售。本集團亦擴大電子商務銷售渠道，以推廣及分銷其產品。於報告期間，本集團的電子商務銷售錄得大幅增長，由2014年財政年度約19.7百萬港元增加約8.7百萬港元或44.2%至約28.4百萬港元。本集團將於未來數年繼續擴大電子商務銷售渠道以推廣其產品及繼續為電子商務開發更多新產品。

本集團計劃通過發掘具有吸引力並能與其業務相配合的收購及合作機遇繼續實現業務增長。誠如於2016年2月19日所公佈，本集團訂立協議以收購成都新港51%的股權。收購之詳情載於本報告「報告期後事項」一段。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

MATERIAL ACQUISITIONS AND DISPOSALS

On 23 January 2015, an indirect wholly-owned subsidiary of the Company entered into an acquisition agreement (the “**SLT Acquisition Agreement**”) with Mil-ton Company Limited (“**Mil-ton**”), a company incorporated in Hong Kong with limited liability and wholly owned by a connected person of the Company, and Chori Co., Ltd. (“**Chori**”), an independent third party incorporated in Japan with limited liability whose shares are listed on the Tokyo Stock Exchange, Inc.. Pursuant to the SLT Acquisition Agreement, the Group conditionally agreed to acquire and Mil-ton and Chori conditionally agreed to sell respectively 60% and 40% of the equity interest in Shanghai Luen Tai, a company which is established in the PRC with limited liability and principally engages in the processing, manufacturing and sales of polyurethane foam and products including mattress, sofa and pillows in Shanghai. The cash consideration of the acquisition was RMB21.0 million (equivalent to approximately HK\$26.5 million) and RMB14.0 million (equivalent to approximately HK\$17.7 million), to Mil-ton and Chori, respectively. The acquisition was completed on 1 April 2015.

Acquisition-related costs amounting to approximately HK\$1.0 million related to the above acquisition had been excluded from the cost of acquisition and had been recognised as an expense in the Reporting Period, included in “other expenses” in the consolidated statement of profit or loss and other comprehensive income.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at the date of this report, save as disclosed under the paragraph headed “Prospects”, the Group does not have other plans for material investments or capital assets.

EVENTS AFTER THE REPORTING PERIOD

On 19 February 2016, an indirect wholly-owned subsidiary of the Company entered into an acquisition agreement (the “**Acquisition Agreement**”) with Mr. Liu Jiaming (“**Mr. Liu**”), an independent third party. Pursuant to the Acquisition Agreement, the Group conditionally agreed to acquire, and Mr. Liu conditionally agreed to sell, 51% equity interest in Chengdu Xingang. Chengdu Xingang is a company established in the PRC with limited liability and is principally engaged in the manufacturing and sales of polyurethane foam, sales of decorative materials, sofa materials, cloth materials and mattress materials in Chengdu. The cash consideration of the acquisition was approximately RMB81.7 million (equivalent to approximately HK\$97.3 million). The acquisition was completed on 1 March 2016.

EMPLOYEE

As at 31 December 2015, the total number of the Group’s employees was 3,197 (as at 31 December 2014: 2,582) and the total staff costs, including Directors’ remuneration and share option expenses, amounted to approximately HK\$275.1 million for the Reporting Period (FY2014: approximately HK\$264.1 million). The significant increase in staff costs was primarily due to salary increment, increase in social insurance contributions and housing provident fund.

重大收購及出售

於2015年1月23日，本公司間接全資附屬公司與萬東有限公司（「萬東」）（一間於香港註冊成立的有限公司，並由本公司一名關連人士全資擁有）及蝶理株式会社（「蝶理」）（獨立第三方，一間於日本註冊成立的有限公司，其股份於東京證券交易所上市）訂立收購協議（「SLT收購協議」）。根據SLT收購協議，本集團有條件同意收購而萬東及蝶理有條件同意分別出售上海聯大的60%及40%股權，後者為一間於中國成立的有限公司，主要在上海從事加工、生產及銷售聚氨酯泡沫及產品，包括床墊、沙發及枕頭。收購的現金代價為人民幣21.0百萬元（相等於約26.5百萬港元）及人民幣14.0百萬元（相等於約17.7百萬港元）分別應付予萬東及蝶理。該收購已於2015年4月1日完成。

收購相關成本約1.0百萬港元與上述收購有關，已從收購成本中除開，並於報告期間確認為開支，計入綜合損益及其他全面收益表內的「其他開支」項目。

重大投資或資本資產的日後計劃

於本報告日期，除「前景」一節所披露者外，本集團並無有關重大投資或資本資產的其他計劃。

報告期後事項

於2016年2月19日，本公司間接全資附屬公司與獨立第三方劉家明先生（「劉先生」）訂立收購協議（「收購協議」）。根據收購協議，本集團有條件收購，而劉先生有條件同意出售成都新港51%股權。成都新港為一間於中國成立的有限公司，主要在成都從事生產及銷售聚氨酯泡沫以及銷售裝飾物料、沙發物料、布料及床褥物料業務。收購的現金代價約為人民幣81.7百萬元（相等於約97.3百萬港元）。該收購於2016年3月1日完成。

僱員

於2015年12月31日，本集團僱員總數為3,197人（於2014年12月31日：2,582人），報告期員工總成本（包括董事酬金及購股權開支）約為275.1百萬港元（2014年財政年度：約264.1百萬港元）。員工成本大幅增長主要由於工資增長、社保供款及住房公積金增長所致。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

The biographical details of the Directors and the senior management of the Company who held office during the Reporting Period and up to the date of this report are as follows:

EXECUTIVE DIRECTORS

Mr. LAM Chi Fan (林志凡先生), aged 57

Mr. Lam is a co-founder of the Group, the Chairman and an executive Director. Mr. Lam is also the chairman of the Company's nomination committee and a member of the Company's remuneration committee. Mr. Lam was appointed to the Board in June 2012. Mr. Lam is responsible for formulation of the overall business strategies and management of the Group and business planning. He is also a director of certain subsidiaries of the Group except Sinohome Household Products (Shenzhen) Limited* (賽諾家居用品(深圳)有限公司), Haining Sinomax Trading Co. Limited* (海寧聖諾盟貿易有限公司) ("Haining Sinomax"), Dongguan Sinohome Limited* (東莞賽諾家居用品有限公司) ("Dongguan Sinohome") and Sinomax East Inc. ("Sinomax East"). Mr. Lam has over 20 years' experience in the polyurethane foam business. Prior to founding the Group on 19 January 2000, he was a director of Luen Tai Component Limited, a company incorporated in Hong Kong and engaged in the sales of foam products, from March 1991 to July 1996. He was appointed as a member of the 13th Chinese People's Political Consultative Conference Jiashan, Zhejiang Province Committee (中國人民政治協商會議浙江省嘉善縣第十三屆委員會特邀委員) in February 2012, the executive vice president of the Dongguan City Tang Xia Association of Enterprises with Foreign Investment (東莞市塘廈外商投資企業協會常務副會長) in January 2013, the vice president of the Shau Kei Wan District of the Scout Association of Hong Kong (香港童軍總會筲箕灣區副會長) in August 2012 and in September 2013 and an affiliated supervisor of the Huangpu Customs of the People's Republic of China (中華人民共和國黃埔海關辦事處特邀監督員) in April 2014. Mr. Lam is the uncle of Mr. Cheung Tung, the President and an executive Director; the father of Mr. Lam Sze Chiu, a senior management member of the Group; and a cousin of Ms. Lam Fei Man, an executive Director. He is also a director of Sinomax Enterprises Limited ("Sinomax Enterprises"), the Company's controlling Shareholder.

於報告期至本報告日期任職的本公司董事及高級管理層的履歷詳情如下：

執行董事

林志凡先生，57歲

林先生為本集團聯合創辦人，為董事長兼執行董事。林先生亦為本公司提名委員會主席及本公司薪酬委員會成員。林先生於2012年6月獲委任加入董事會。林先生負責制訂全面業務策略，管理本集團及業務規劃。彼亦為本集團若干附屬公司的董事，惟賽諾家居用品(深圳)有限公司、海寧聖諾盟貿易有限公司(「海寧聖諾盟」)、東莞賽諾家居用品有限公司(「東莞賽諾家居用品」)及 Sinomax East Inc. (「Sinomax East」)除外。林先生在聚氨酯泡沫業務方面擁有逾20年經驗。在2000年1月19日創辦本集團前，彼自1991年3月至1996年7月擔任聯大集成有限公司董事，該公司在香港註冊成立，從事泡沫產品銷售。於2012年2月，彼獲委任為中國人民政治協商會議浙江省嘉善縣第十三屆委員會特邀委員、於2013年1月獲委任為東莞市塘廈外商投資企業協會常務副會長、於2012年8月及2013年9月獲委任為香港童軍總會筲箕灣區副會長及於2014年4月獲委任為中華人民共和國黃埔海關辦事處特邀監督員。林先生為張棟(總裁兼執行董事)的叔叔；林仕超(本集團高級管理層)的父親；以及林斐雯(執行董事)的表哥。彼亦為本公司控股股東聖諾盟企業有限公司(「聖諾盟企業」)的董事。

* English translated name is for identification purpose only

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. CHEUNG Tung (張棟先生), aged 40

Mr. Cheung is the President of the Company and an executive Director. Mr. Cheung joined the Group on 21 July 2003 as the Chairman's assistant, responsible for handling the information technology infrastructure of the Group. He was appointed to the Board in June 2012. He is currently responsible for the overall management and daily operations of the Group. He is also a director of certain subsidiaries of the Group except Haining Sinomax, Dongguan Sinohome and Sinomax East. Prior to joining the Group, Mr. Cheung assisted in setting up C&T Solutions Limited, a company incorporated in Hong Kong and engaged in providing information technology services, in March 2000. Mr. Cheung holds a bachelor's degree in computer engineering from the Hong Kong University of Science and Technology and a master's degree in business administration jointly issued by Northwestern University and the Hong Kong University of Science and Technology. Mr. Cheung was granted the "Young Industrialist Award of Hong Kong 2014" by the Federation of Hong Kong Industries. Mr. Cheung is a nephew of Mr. Lam Chi Fan, the Chairman and an executive Director; a nephew of Ms. Lam Fei Man, an executive Director; and a cousin of Mr. Lam Sze Chiu, a senior management member of the Group. He is also a director of Sinomax Enterprises, the Company's controlling Shareholder.

張棟先生，40歲

張先生為本公司總裁兼執行董事。張先生於2003年7月21日加入本集團為主席助理，負責處理本集團的資訊科技基建。彼於2012年6月獲委任加入董事會。彼現時負責全面管理本集團及其日常運作。彼亦為本集團若干附屬公司的董事，惟海寧聖諾盟、東莞賽諾家居用品及Sinomax East除外。加入本集團前，張先生於2000年3月協助創辦C&T Solutions Limited，該公司於香港註冊成立，從事提供信息技術服務。張先生擁有香港科技大學計算機工程學士學位，並取得西北大學及香港科技大學聯合頒發的工商管理碩士學位。張先生獲香港工業總會頒發「2014年香港青年工業家獎」。張先生乃林志凡（董事長兼執行董事）的侄子，林斐雯（執行董事）的表姨甥；及林仕超（本集團高級管理層）的堂兄。彼亦為本公司控股股東聖諾盟企業的董事。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. CHEN Feng (陳楓先生), aged 52

Mr. Chen is an executive Director. He was appointed to the Board in June 2012. He is responsible for the overall management of the export sales business and product development of the Group. He is also the key executive in mapping the sales and marketing strategies in the US through Sinomax USA Inc. (“**Sinomax USA**”). He is currently a director of various wholly-owned subsidiaries of the Group, namely, Year Prosper Limited, Sinomax Health & Household Products Limited (“**Sinomax Health**”), Fullelite Limited, Wonderful Health Limited, Sinomax USA, Sinomax East, Sinomax International Investment Limited and Sinomax (Zhejiang) Polyurethane Household Products Limited* (聖諾盟(浙江)聚氨酯家居用品有限公司) (“**Sinomax Zhejiang**”). Mr. Chen joined the Group on 19 January 2000 as an export sales manager and became the vice president of the Group in 2007. He assisted in setting up Sinomax USA, the company engaging in export sales in the US, and has been the president and director of Sinomax USA since its establishment in 2005. Mr. Chen holds a master of science degree in industrial engineering from Louisiana State University in Baton Rouge, US and a bachelor of engineering degree in safety engineering from 北京經濟學院, now known as Capital University of Economics and Business (首都經濟貿易大學), in Beijing, the PRC. Mr. Chen is a cousin of the mother of Ms. Lam Fei Man, an executive Director. He is also a director of Sinomax Enterprises, the Company’s controlling Shareholder.

Mr. LAM Kam Cheung (林錦祥先生), aged 48

Mr. Lam is an executive Director, chief financial officer and company secretary of the Company. Mr. Lam joined the Group in May 2004 as the financial controller and was appointed to the Board in June 2012. He was appointed as the chief financial officer in August 2013 and is responsible for the financial management of the Group. Mr. Lam has over 20 years’ experience in accounting and auditing. Prior to joining the Group, he was an executive director and company secretary of Yeebo (International Holdings) Limited (stock code: 0259), a listed public company in Hong Kong, from October 1995 to May 2004. Mr. Lam holds a bachelor’s degree in business administration from the Chinese University of Hong Kong. He is a member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

陳楓先生，52歲

陳先生為本公司執行董事。彼於2012年6月獲委任加入董事會。彼負責全面管理本集團的出口銷售業務及產品發展。彼亦透過 Sinomax USA Inc. (「**Sinomax USA**」) 成為制訂美國銷售及市場策略的主要行政人員。彼目前為本集團多間全資附屬公司(即盛年有限公司、聖諾盟健康家居用品有限公司(「**聖諾盟健康**」)、傑豐有限公司、Wonderful Health Limited、Sinomax USA、Sinomax East、聖諾盟國際投資有限公司及聖諾盟(浙江)聚氨酯家居用品有限公司(「**聖諾盟(浙江)**」))的董事。陳先生在2000年1月19日加入本集團，擔任其出口銷售經理，並於2007年成為本集團的副總裁。彼協助成立 Sinomax USA(本集團的全資附屬公司，從事美國出口銷售)，並自其於2005年成立以來一直擔任 Sinomax USA 的總裁兼董事。陳先生在位於美國巴騰魯日市的路易斯安那州立大學取得工業工程的理學碩士學位，及於中國北京的北京經濟學院(現稱為首都經濟貿易大學)取得安全工程系工程學學士學位。陳先生為林斐雯(執行董事)母親的堂弟。彼亦為本公司控股股東聖諾盟企業的董事。

林錦祥先生，48歲

林先生為本公司執行董事、首席財務官及公司秘書。林先生在2004年5月加入本集團擔任財務總監，並於2012年6月獲委任加入董事會。彼於2013年8月擔任首席財務官，負責本集團的財務管理。林先生於會計及審計方面擁有逾20年經驗。加入本集團前，彼自1995年10月至2004年5月為香港上市公眾公司億都(國際控股)有限公司(股份代號：0259)的執行董事及公司秘書。林先生在香港中文大學取得工商管理學士學位。彼為香港會計師公會會員，及英國特許公認會計師協會會員。

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DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Ms. LAM Fei Man (林斐雯小姐), aged 41

Ms. Lam is an executive Director. She is responsible for the Group's purchasing operations. She is also a director of certain subsidiaries of the Group except Haining Sinomax, Dongguan Sinohome, Sinomax USA, Sinomax East, Sinomax Zhejiang and Shanghai Luen Tai. Ms. Lam joined the Group in January 2000 and served as the assistant administration manager of Sinomax (Holding) Group Limited, a predecessor company of Sinomax Enterprises, until January 2003. From June 2003 to January 2006 Ms. Lam worked as a merchandiser in Capital 88 Incorporation Limited, a company engaged in general trading. Ms. Lam rejoined the Group in February 2006 as purchasing manager. She was appointed to the Board in June 2012. Ms. Lam has over 15 years' experience in purchasing and logistics. She holds a bachelor's degree in commerce jointly issued by the University of Canberra and the Hong Kong Baptist University. Ms. Lam is a cousin of Mr. Lam Chi Fan, the Chairman of the Board and an executive Director; the daughter of a cousin of Mr. Chen Feng, an executive Director; and aunt of Mr. Cheung Tung, the President and an executive Director.

林斐雯小姐，41歲

林小姐為執行董事。彼負責本集團的採購營運。彼亦為本集團若干附屬公司的董事，惟海寧聖諾盟、東莞賽諾家居用品、Sinomax USA、Sinomax East、聖諾盟(浙江)及上海聯大除外。林小姐於2000年1月加入本集團，於2003年1月前擔任聖諾盟企業的前身公司聖諾盟控股集團有限公司的助理行政經理。自2003年6月至2006年1月，林小姐擔任富利金國際股份有限公司(一間在香港從事一般貿易的公司)的採購員。林小姐於2006年2月重新加入本集團擔任採購經理。彼在2012年6月獲委任加入董事會。林小姐在採購及物流方面擁有逾15年經驗。彼持有堪培拉大學及香港浸會大學聯合頒發的商業學士學位。林小姐為林志凡先生(董事長兼執行董事)的表妹，陳楓先生(執行董事)堂姊的女兒及張棟先生(總裁兼執行董事)的表姨。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. WONG Chi Keung (王志強先生), aged 49

Mr. Wong is an independent non-executive Director, the chairman of the audit committee and corporate governance committee and a member of the nomination committee of the Company. Mr. Wong was appointed to the Board on 4 March 2014. Mr. Wong is currently an executive director and the chief financial officer of Win Hanverky Holdings Limited (stock code: 3322), a listed public company in Hong Kong. He was previously the chief financial officer of Besunyen Holdings Company Limited (stock code: 0926) from September 2011 to September 2013 and China Dongxiang (Group) Co., Ltd. (stock code: 3818) from May 2007 to April 2010, all of which are listed public companies in Hong Kong. Between June 2002 and June 2006, Mr. Wong was a senior finance manager of China Netcom Group Corporation (Hong Kong) Limited (a company previously listed in Hong Kong (former stock code: 0906) which subsequently merged with China Unicom (Hong Kong) Limited (stock code: 0762), a listed public company in Hong Kong). Between July 1989 and December 1999, Mr. Wong was employed by PricewaterhouseCoopers, an international public accounting firm, in Hong Kong and was an audit manager. Mr. Wong holds a bachelor's degree in business administration from the Chinese University of Hong Kong and a master's degree in business administration from the Australian Graduate School of Management, jointly issued by the University of New South Wales and the University of Sydney. Mr. Wong is a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants.

獨立非執行董事

王志強先生，49歲

王先生為本公司獨立非執行董事，並為審核委員會主席及企業管治委員會主席以及提名委員會成員。王先生於2014年3月4日獲委任加入董事會。王先生現任香港上市公眾公司永嘉集團控股有限公司(股份代號：3322)執行董事兼首席財務官。王先生從2011年9月至2013年9月曾任碧生源控股有限公司(股份代號：0926)及自2007年5月至2010年4月擔任中國動向(集團)有限公司(股份代號：3818)的首席財務官，該等公司均為香港上市公眾公司。自2002年6月至2006年6月，王先生於中國網通集團(香港)有限公司任職高級財務經理。該公司曾經在香港上市(前股份代號：0906)，其後與香港上市公眾公司中國聯合網絡通信(香港)股份有限公司(股份代號：0762)合併。由1989年7月至1999年12月，王先生獲香港一間國際會計師事務所羅兵咸永道會計師事務所聘請，擔任審計經理。王先生擁有香港中文大學工商管理學士學位，並取得由新南威爾斯大學及悉尼大學聯合頒發的澳大利亞管理研究所(Australian Graduate School of Management)的工商管理碩士學位。王先生為英國特許公認會計師協會的資深會員及香港會計師公會會員。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Professor LAM Sing Kwong, Simon (林誠光教授), aged 57

Professor Lam is an independent non-executive Director, the chairman of the remuneration committee and a member of the audit committee, the nomination committee and the corporate governance committee of the Company. Professor Lam was appointed to the Board on 4 March 2014. Professor Lam joined the University of Hong Kong as full-time teaching staff in September 1989 and is currently the Professor of Management at the Faculty of Business and Economics at the University of Hong Kong. He has published a number of academic papers and case analysis on topics such as corporate strategies, organisation development and operations management. Professor Lam is an independent non-executive director of Overseas Chinese Town (Asia) Holdings Limited (stock code: 3366), Beijing Enterprises Clean Energy Group Limited (formerly known as Jin Cai Holdings Limited, stock code: 1250), Chun Sing Engineering Holdings Limited (stock code: 2277), King Force Security Holdings Limited (stock code: 8315), Glory Flame Holdings Limited (stock code: 8059) and Kwan On Holdings Limited (stock code: 8305), all of which are listed public companies in Hong Kong. Prior to joining the University of Hong Kong, Professor Lam was a regional support manager of Canadian Imperial Bank of Commerce from 1987 to 1989. Professor Lam holds a doctorate degree in commerce from the Australian National University.

林誠光教授，57歲

林教授為本公司獨立非執行董事、薪酬委員會主席、審核委員會成員、提名委員會成員及企業管治委員會成員。林教授於2014年3月4日獲委任加入董事會。林教授於1989年9月加入香港大學擔任全職教員，現為香港大學經濟及工商管理學院管理學系教授。他曾出版多份學術論文及個案研究，涵蓋的題目包括企業策略、組織發展及營運管理。林教授為華僑城(亞洲)控股有限公司(股份代號：3366)、北控清潔能源集團有限公司(前稱金彩控股有限公司)(股份代號：1250)、震昇工程控股有限公司(股份代號：2277)、冠輝保安控股有限公司(股份代號：8315)、朝威控股有限公司(股份代號：8059)及均安控股有限公司(股份代號：8305)的獨立非執行董事，該等公司均為香港上市公眾公司。加入香港大學前，林教授由1987年至1989年擔任加拿大帝國商業銀行的地區支援經理。林教授擁有澳洲國立大學商業博士學位。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. FAN Chun Wah, Andrew (范駿華先生), aged 37

Mr. Fan is an independent non-executive Director and a member of the audit committee, the corporate governance committee and the remuneration committee of the Company. Mr. Fan was appointed to the Board on 4 March 2014. He is a managing director of C.W. Fan & Co. Limited. He is currently an independent non-executive director of Chuang's China Investments Limited (stock code: 0298), LT Commercial Real Estate Limited (formerly known as LT Holdings Limited) (stock code: 0112), Fulum Group Holdings Limited (stock code: 1443), Culturecom Holdings Limited (stock code: 343), Hong Kong Resources Holdings Company Limited (stock code: 2882) and On Real International Holdings Limited (stock code: 8245), all of which are listed public companies in Hong Kong. In the last three years, Mr. Fan had been an independent non-executive director of CIG Yangtze Ports PLC (stock code: 8233) from February 2009 to March 2014 and Milan Station Holdings Limited from March 2013 to July 2015 (stock code: 1150), all of which are listed public companies in Hong Kong. Mr. Fan was appointed as the chairman of the 23rd council of Hong Kong United Youth Association with effect from 1 July 2015. He is also a committee member of the 10th and 11th Chinese People's Political Consultative Conference Zhejiang Province Committee* (中國人民政治協商會議浙江省第十屆及第十一屆委員會), the 4th and 5th Chinese People's Political Consultative Conference of Shenzhen Committee* (中國人民政治協商會議第四屆及第五屆深圳市委員會) and the vice chairman of Zhejiang Province United Young Association. Mr. Fan holds a bachelor's degree in business administration in accounting and finance from the University of Hong Kong and a bachelor's degree in laws from the University of London. Mr. Fan is a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants.

范駿華先生，37歲

范先生為本公司獨立非執行董事、審核委員會成員、企業管治委員會成員及薪酬委員會成員。范先生於2014年3月4日獲委任加入董事會。彼為泛華會計師行常務董事。彼目前為莊士中國投資有限公司(股份代號：0298)、勒泰商業地產有限公司(前稱勒泰控股有限公司)(股份代號：0112)、富臨集團控股有限公司(股份代號：1443)、文化傳信集團有限公司(股份代號：343)、香港資源控股有限公司(股份代號：2882)及安悅國際控股有限公司(股份代號：8245)的獨立非執行董事，該等公司均為香港上市公眾公司。於過去三年，范先生於2009年2月至2014年3月擔任中國基建港口有限公司(股份代號：8233)及於2013年3月至2015年7月擔任米蘭站控股有限公司(股份代號：1150)的獨立非執行董事，該等公司均為香港上市公眾公司。范先生自2015年7月1日起獲委任為香港青年聯會第二十三屆會董會主席。彼亦為中國人民政治協商會議浙江省第十屆及第十一屆委員會及中國人民政治協商會議第四屆及第五屆深圳市委員會的委員會會員及浙江省青年聯合會副主席。范先生在香港大學取得工商管理學士學位，主修會計及金融學，並在倫敦大學取得法律學學士學位。范先生為英國特許公認會計師協會的資深會員及香港會計師公會會員。

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DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. ZHANG HWO Jie (張傑先生), aged 53

Mr. Zhang is an independent non-executive Director, a member of the audit committee and the corporate governance committee of the Company. Mr. Zhang was appointed to the Board on 4 March 2014. Mr. Zhang is currently the chairman of EVA Precision Industrial Holdings Limited (stock code: 838), a listed public company in Hong Kong. Mr. Zhang has more than 20 years of experience in marketing, strategic planning and corporate management in manufacturing industry. Mr. Zhang was granted with the "Young Industrialist Award of Hong Kong" by the Federation of Hong Kong Industries in 2008, and was bestowed as an honorary fellow by The Professional Validation Council of Hong Kong Industries in 2014. He is currently a honorary chairman of The Hong Kong Metals Manufacturers Association, a honorary president of Hong Kong Mould and Product Technology Association and an executive vice president of Hong Kong Young Industrialists Council.

Mr. WU Tak Lung (吳德龍先生), aged 50

Mr. Wu is an independent non-executive Director and a member of the audit committee and the corporate governance committee of the Company. Mr. Wu was appointed to the Board on 4 March 2014. Mr. Wu is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants, the Taxation Institute of Hong Kong, the Hong Kong Institute of Chartered Secretaries and the Hong Kong Securities Institute. Mr. Wu had worked in Deloitte Touche Tohmatsu, an international accounting firm, for five years and had worked in several companies in Hong Kong as head of corporate finance and/or executive director. Mr. Wu had over 10 years' experience in the corporate finance field and held a Type 6 license (Advising on corporate finance) until 2012. Mr. Wu currently serves as an independent non-executive director of Aupu Group Holding Company Limited (stock code: 0477), Beijing Media Corporation Limited (stock code: 1000), China Machinery Engineering Corporation* (中國機械設備工程股份有限公司) (stock code: 1829), all are listed public companies in Hong Kong, and First Tractor Company Limited (a company listed in both Hong Kong, stock code: 0038, and Shanghai). In the past three years, Mr. Wu served as an independent non-executive director of Valuetronics Holdings Limited, a listed company in Singapore. Mr. Wu holds a bachelor's degree in business administration in accounting from the Hong Kong Baptist University and a master's degree in business administration jointly issued by the University of Manchester and the University of Wales.

張傑先生，53歲

張先生為本公司獨立非執行董事、審核委員會成員及企業管治委員會成員。張先生於2014年3月4日獲委任加入董事會。張先生現任香港上市公眾公司億和精密工業控股有限公司(股份代號：838)的主席。張先生在製造業的市場營銷、戰略規劃和企業管理領域擁有逾20年經驗。張先生於2008年榮獲香港工業總會授予的「香港青年工業家獎」，並於2014年獲香港工業專業評審局頒授為榮譽院士。彼目前為香港金屬製造業協會榮譽主席、香港模具及產品科技協會名譽主席及為香港青年工業家協會執行副主席。

吳德龍先生，50歲

吳先生為本公司獨立非執行董事、審核委員會成員及企業管治委員會成員。吳先生於2014年3月4日獲委任加入董事會。吳先生為香港會計師公會會員及英國特許公認會計師協會、香港稅務學會、香港特許秘書公會及香港證券協會的資深會員。吳先生在國際會計師事務所德勤•關黃陳方會計師行任職五年，其後於數間香港公司擔任公司財務主管及/或執行董事。吳先生在企業金融領域擁有逾10年經驗並持有2012年到期的第6類(就企業金融提供意見)規管活動從業資格。吳先生現時為奧普集團控股有限公司(股份代號：0477)、北青傳媒股份有限公司(股份代號：1000)、中國機械設備工程股份有限公司(股份代號：1829)以及第一拖拉機股份有限公司(該公司於香港(股份代號：0038)及於上海上市)的獨立非執行董事，該等公司均為香港上市公眾公司。於過去三年，吳先生曾擔任新加坡上市公司Valuetronics Holdings Limited的獨立非執行董事。吳先生擁有香港浸會大學工商管理(會計學)學士學位及由曼切斯特大學和威爾士大學聯合授予的工商管理碩士學位。

* English translated name is for identification purpose only

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

SENIOR MANAGEMENT

Mr. LAM Sze Chiu (林仕超先生), aged 33

Mr. Lam is the marketing director of the Group. He is responsible for developing and communicating marketing strategies and coordinating marketing functions of the Group. Mr. Lam joined the Group in 2007 and has been working as the marketing director of the Group since 2012. Mr. Lam holds a bachelor of arts degree with honours from York University in Toronto, Canada. Mr. Lam is the son of Mr. Lam Chi Fan, the Chairman of the Board and an executive Director, and a cousin of Mr. Cheung Tung, the President and an executive Director.

Mr. QIAN Hong Xiang* (錢洪祥先生), aged 52

Mr. Qian is a director of certain subsidiaries of the Group, namely, Trade Sincere Limited (“Trade Sincere”), Sinomax Kuka (Zhejiang) Foam Co. Limited (“Sinomax Kuka”) and Haining Sinomax and a general manager of Sinomax Kuka. He is responsible for supervision of daily operation and management of Sinomax Kuka. Mr. Qian joined the Group in 2000 and worked as a general manager and chief of foam research. Prior to joining the Group, Mr. Qian worked at Tung Ah (China Holdings) Limited, a company engaged in the chemical and plastic business, as a factory manager and researcher in foams from 1993 to 2000. Mr. Qian has 20 years’ experience in foam production and research and has participated in formulating more than five national standards. Mr. Qian was a member of the Standardisation Administration of the People’s Republic of China (中國國家標準化管理委員會) until April 2018 and an expert in foaming plastics of the China Plastics Processing Industry Association (中國塑料加工工業協會) with tenure between November 2005 to September 2017. He was presented the National Science & Technology Progress Award (third class)* (科學技術進步三等獎) by the China Light Industry Council* (中國輕工業聯合會) in March 2008, the China Standards Innovation Contribution Award* (中國標準創新貢獻獎) jointly by the General Administration of Quality Supervision, Inspection and Quarantine of the People’s Republic of China (中華人民共和國國家質量監督檢驗檢疫總局) and the Standardisation Administration of the People’s Republic of China (中國國家標準化管理委員會) in December 2009. He was also awarded Outstanding Worker of the Plastic Industry in the PRC* (中國塑料行業先進工作者) by the China Plastics Processing Industry Association (中國塑料加工工業協會) in May 2009, and Good Citizen* (十佳新居民) between 2011 and 2012 in January 2013, Model Worker of Haining* (海寧市勞動模範) between 2008 and 2012 in April 2013 and Outstanding Entrepreneur of 2011* (2011年度優秀企業家) in March 2012 by the Jiaying People’s Government (嘉興市人民政府).

* English translated name is for identification purpose only

高級管理層

林仕超先生，33歲

林先生為本集團營銷總監，負責發展及傳遞營銷策略以及協調本集團的營銷職能。林先生於2007年加入本集團，自2012年起一直為本集團營銷總監。林先生擁有加拿大多倫多約克大學榮譽文學士學位。林先生為林志凡先生(董事長兼執行董事)的兒子，及張棟先生(總裁兼執行董事)的堂弟。

錢洪祥先生，52歲

錢先生為本集團若干附屬公司(即貿誠有限公司(「貿誠」)、浙江聖諾盟顧家海綿有限公司(「聖諾盟顧家」)及海寧聖諾盟的董事及聖諾盟顧家總經理。彼負責監察聖諾盟顧家的日常運作及管理。錢先生於2000年加入本集團，曾任職總經理及泡沫研究主管。加入本集團前，錢先生由1993年至2000年於東亞(華資集團)有限公司任職工廠經理及泡沫研究員，該公司從事化學及塑料業務。錢先生擁有約20年有關泡沫生產及研究的經驗，並參與制訂超過五個國家的準則。錢先生為中國國家標準化管理委員會會員，任期直至2018年4月；及中國塑料加工工業協會的泡沫塑料專家，任期由2005年11月至2017年9月。彼於2008年3月獲中國輕工業聯合會頒發科學技術進步三等獎，並於2009年12月獲中華人民共和國國家質量監督檢驗檢疫總局及中國國家標準化管理委員會共同頒發中國標準創新貢獻獎。彼於2009年5月獲中國塑料加工工業協會頒授中國塑料行業先進工作者名銜，以及獲嘉興市人民政府於2013年1月頒授2011年至2012年十佳新居民、於2013年4月獲其頒授2008年至2012年海寧市勞動模範及於2012年3月獲其頒授2011年度優秀企業家。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Ms. YUE Wai Fun (余慧芬小姐), aged 41

Ms. Yue was appointed as a general manager of Sinomax Health in June 2012. Ms. Yue is responsible for supervision of the daily operation and management of Sinomax Health. Ms. Yue joined the Group in 2004 and served as marketing manager and brand & marketing manager prior to being appointed as the general manager of Sinomax Health. Ms. Yue holds a bachelor of social science degree from the Chinese University of Hong Kong.

Mr. CHEN Xiao Hua* (陳小華先生), aged 54

Mr. Chen joined the Group in 2013 and was appointed as a general manager of Sinomax Zhejiang in October 2013. Mr. Chen is responsible for supervision of the daily operation and management of Sinomax Zhejiang. Prior to joining the Group, Mr. Chen was a general manager of Sinomax Polyurethane (Shanghai) Co., Ltd.* (聖諾盟聚氨酯(上海)有限公司), a company indirectly controlled by Mr. Lam Chi Fan, Mr. Cheung Tung and Mr. Chen Feng, the executive Directors, and Ms. Cheung Shui Ying, the mother of Mr. Cheung Tung, and engaging in foam manufacturing, from 2002 to 2013. Mr. Chen has over 20 years of experience in foam production and research. Mr. Chen completed a business administration course for company executives in Zhejiang University* (浙江大學) in November 2006.

余慧芬小姐，41歲

余小姐於2012年6月獲委任為聖諾盟健康總經理。余小姐負責監察聖諾盟健康的日常營運及管理。余小姐於2004年加入本集團，獲委任為聖諾盟健康總經理前曾出任市場經理與品牌及市場經理。余小姐擁有香港中文大學社會科學學士學位。

陳小華先生，54歲

陳先生於2013年加盟本集團，並於2013年10月獲委任為聖諾盟(浙江)的總經理。陳先生負責監察聖諾盟(浙江)的日常運作及管理。於加盟本集團前，自2002年至2013年，陳先生擔任聖諾盟聚氨酯(上海)有限公司的總經理，該公司為一家由林志凡先生、張棟先生、陳楓先生(全體均為執行董事)及張水英女士(張棟先生的母親)間接控制的公司，從事泡沫製造。陳先生擁有逾20年泡沫生產及研究的經驗。陳先生於2006年11月於浙江大學完成有關公司行政人員的業務管理課程。

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DIRECTORS' REPORT

董事報告書

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its principal subsidiaries are set out in note 36 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the Reporting Period are set out in the consolidated statement of profit or loss and other comprehensive income on page 69 of this annual report.

An interim dividend of HK1.5 cents per Share amounting to approximately HK\$26.3 million was paid to the Shareholders during the Reporting Period. The Board recommends the payment of a final dividend of HK2.5 cents per Share, amounting to approximately HK\$43.8 million to the Shareholders whose names appear on the register of members of the Company on 22 June 2016. The Final Dividend is subject to the approval of the Directors recommendation by the Shareholders at the annual general meeting of the Company ("AGM") to be held on 10 June 2016, the final dividend will be paid on 5 July 2016.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the investment properties and property, plant and equipment of the Group during the Reporting Period are set out in notes 14 and 15 to the consolidated financial statements.

DONATIONS

During the Reporting Period, the Group made charitable and other donations amounting to approximately HK\$1.1 million.

SHARE CAPITAL

Details of movements in the share capital of the Company during the Reporting Period are set out in note 27 to the consolidated financial statements.

主要業務

本公司為投資控股公司，其主要附屬公司的業務載於綜合財務報表附註36。

業績及股息

本集團於報告期的業績載於本年報第69頁綜合損益及其他全面收益表。

於報告期已向股東支付中期股息每股股份1.5港仙，合共約為26.3百萬港元。董事會建議向於2016年6月22日名列股東名冊的股東派付末期股息每股股份2.5港仙，合共約為43.8百萬港元。末期股息須待股東於本公司2016年6月10日舉行之股東週年大會(「股東週年大會」)上批准董事建議後，方可作實。末期股息將於2016年7月5日派付。

物業、廠房及設備

本集團投資物業及物業、廠房及設備於報告期的變動詳情載於綜合財務報表附註14及15。

捐贈

於報告期內，本集團作出慈善及其他捐款約為1.1百萬港元。

股本

本公司股本於報告期的變動詳情載於綜合財務報表附註27。

DIRECTORS' REPORT

董事報告書

DISTRIBUTABLE RESERVES

The Directors consider that the Company's reserves available for distribution to Shareholders comprise the share premium and the accumulated profits which amounted to approximately HK\$459.0 million as at 31 December 2015 (as at 31 December 2014: approximately HK\$274.2 million). Under the Companies Law (Revised) Chapter 22 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 of dividend the Company is able to pay its debts as they fall due in the ordinary course of business.

EQUITY-LINKED AGREEMENTS

On 15 May 2015, the Company entered into a placing agreement to place up to 100,000,000 new Shares to Sinomax Enterprises at HK\$1.06 per share. On 21 May 2015, 100,000,000 new Shares were issued and allotted upon the placement. The net proceeds are to be used to fund the Group's business expansion in the US and general working capital.

Save as disclosed above, the Company has not entered into any equity-linked agreement during the Reporting Period.

DIRECTORS

The Directors during the Reporting Period and up to the date of this report were as follows and their biographical information is set out in section headed "Directors and Senior Management" of this report.

Executive Directors

Mr. Lam Chi Fan (*Chairman of the Board*)
Mr. Cheung Tung (*President*)
Mr. Chen Feng
Mr. Lam Kam Cheung
(*Chief Financial Officer and Company Secretary*)
Ms. Lam Fei Man

Independent non-executive Directors

Mr. Wong Chi Keung
Professor Lam Sing Kwong, Simon
Mr. Fan Chun Wah, Andrew
Mr. Zhang Hwo Jie
Mr. Wu Tak Lung

可供分派儲備

於2015年12月31日，董事認為本公司可向股東分派的儲備包括約459.0百萬港元(2014年12月31日：約274.2百萬港元)的股份溢價及累計溢利。根據開曼群島公司法第22章(修訂本)，本公司股份溢價可用作向股東分派或支付股息，惟須符合組織章程大綱及公司章程之規定，且緊隨分派股息後，本公司須仍可支付日常業務過程中到期應付之債務。

股權掛鈎協議

於2015年5月15日，本公司訂立配售協議，以按每股1.06港元之價格向聖諾盟企業配售多達100,000,000股新股。於2015年5月21日，於配售中發行及配發100,000,000股新股。所得款項淨額將用作為本集團在美國的業務擴展提供資金，並作一般營運資金用途。

除上文披露者外，本公司於報告期間並未訂立任何股權掛鈎協議。

董事

於報告期至本報告日期董事載列如下，而其履歷詳情載於本報告「董事及高級管理層」一節。

執行董事

林志凡先生(*董事會主席*)
張棟先生(*總裁*)
陳楓先生
林錦祥先生
(*首席財務官及公司秘書*)
林斐雯小姐

獨立非執行董事

王志強先生
林誠光教授
范駿華先生
張傑先生
吳德龍先生

DIRECTORS' REPORT

董事報告書

In accordance with the articles of association of the Company, four Directors, namely, Ms. Lam Fei Man, Mr. Wong Chi Keung, Professor Lam Sing Kwong, Simon and Mr. Fan Chun Wah, Andrew will retire at the forthcoming AGM, and being eligible, offer themselves for re-election at the AGM.

PERMITTED INDEMNITY AND DIRECTORS LIABILITY INSURANCE

The articles of association of the Company provided that every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him/her as a Director in defending any proceedings, whether civil or criminal, in which judgment is given in his/her favour, or in which he/she is acquitted.

The Company has arranged approved Directors' liability insurance policy to protect the Directors against potential costs and liability arising from claims brought against the Directors.

DIRECTORS' SERVICES CONTRACTS

None of the Directors has a proposed service contract with the Company or any member of the Group which is not terminable within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN TRANSACTIONS ARRANGEMENTS OR CONTRACTS

Save as disclosed in the paragraph headed "Continuing Connected Transactions" of this report, no other transactions, arrangements or contracts of significance in relation to the Group's business to which the Company or its subsidiaries or holding company was a party and in which any Director or the Director's connected entity had a material interest, whether directly or indirectly, subsisted at the end or at any time during the Reporting Period.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the Reporting Period, none of the Directors or their respective close associates had any interests in any business which competes or are likely to compete, either directly or indirectly with the business of the Group.

根據本公司公司章程，四名董事，即林斐雯小姐、王志強先生、林誠光教授及范駿華先生將於應屆股東週年大會上告退及有權在股東週年大會上膺選連任。

獲准許的彌償保證及董事責任保險

本公司公司章程規定，每名董事倘以其董事身份對任何訴訟（不論民事或刑事）進行抗辯而得直或獲釋，所引致或蒙受之一切損失或債務應從本公司資產當中獲得彌償保證。

本公司已為獲批准的董事及辦理責任保險以保障針對董事提出的索償所產生的潛在費用及負債。

董事於合約之權益

概無董事與本公司或本集團任何成員公司擬訂立任何於一年內不作出賠償（法定賠償除外）則不可終止之服務合約。

董事於交易、安排或合約中之權益

除本報告「持續關連交易」一節所披露者外，本公司或其附屬公司或控股公司概無訂立任何董事和董事的關連實體於其中直接或間接擁有重大權益且於報告期完結時或報告期內任何時間持續有效之與本集團業務有關之其他重大交易、安排或合約。

董事於競爭業務之權益

於報告期間，概無董事或彼等各自之緊密聯繫人士於直接或間接對本集團業務構成或可能構成競爭之任何業務中擁有任何權益。

DIRECTORS' REPORT

董事報告書

MANAGEMENT CONTRACTS

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

REMUNERATION POLICY

The Company's policy and structure for remuneration of all Directors and senior management of the Group is formulated and reviewed by the remuneration committee of the Company, having regards to the comparable market practice, competitive market position, individual performance and the Group's operating results. Details of the remunerations of the Directors are set out in note 9 to the consolidated financial statements.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES

As at 31 December 2015, the interests or short positions of each Director and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning in Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO); (b) were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein; or (c) were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuer (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), to be notified to the Company and the Stock Exchange, were as follows:

管理層合約

於報告期內概無訂立或存有任何與本公司整體或任何重大部分業務之管理及行政事務有關之合約。

薪酬政策

本公司薪酬委員會於考慮可比較市場慣例、有競爭力的市場地位、個人表現及本集團的經營業績後，制定及審閱本公司對本集團全體董事及高級管理層的薪酬政策及結構。董事薪酬的詳情載於綜合財務報表附註9。

董事於股份的權益及淡倉

於2015年12月31日，本公司各董事及最高行政人員於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債權證中擁有(a)根據證券及期貨條例第XV部第7及8分部規定須知會本公司及聯交所的權益及淡倉(包括按照證券及期貨條例有關條文被視為或當作擁有的權益或淡倉)；(b)根據證券及期貨條例第352條須登記於其中所述由本公司存置之登記冊的權益及淡倉；或(c)根據聯交所證券上市規則(「上市規則」)附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉如下：

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Long positions in the Shares and underlying Shares

股份及相關股份的好倉

Name of Director	Nature of interest	Number of Shares and underlying Shares held under equity derivatives	Approximate percentage of the issued Shares as at 31 December 2015
董事姓名	權益性質	持有股份及股本衍生工具內相關股份的數目	於2015年12月31日已發行股份概約股權百分比(附註1)
Mr. Lam Chi Fan 林志凡先生	Founder of a discretionary trust (Note 2) 酌情信託的成立人(附註2)	1,069,738,000	61.13%
	Beneficial owner (Note 3) 實益擁有人(附註3)	6,650,000	0.38%
Mr. Cheung Tung 張棟先生	Beneficial owner (Note 3) 實益擁有人(附註3)	6,376,200	0.36%
Mr. Chen Feng 陳楓先生	Beneficial owner (Note 3) 實益擁有人(附註3)	3,050,000	0.17%
Ms. Lam Fei Man 林斐雯小姐	Beneficial owner (Note 3) 實益擁有人(附註3)	2,150,000	0.12%
Mr. Lam Kam Cheung 林錦祥先生	Beneficial owner (Note 3) 實益擁有人(附註3)	2,000,000	0.11%

Notes:

- The calculation is based on the total number of 1,750,002,000 Shares in issue as at 31 December 2015.
- These Shares belong to Sinomax Enterprises. Sinomax Enterprises is legally and beneficially owned as to 50% by Chi Fan Holding Limited and as to 50% by The Frankie Trust. The Frankie Trust is a discretionary family trust established by Mr. Lam Chi Fan as settlor and Orangefield Trustees (BVI) Limited acting as the trustee. The beneficiaries of The Frankie Trust are Mr. Lam Chi Fan and his family members.
- Each of Mr. Lam Chi Fan, Mr. Cheung Tung, Mr. Chen Feng, Ms. Lam Fei Man and Mr. Lam Kam Cheung, was granted share options to subscribe for 6,650,000 Shares, 6,376,200 Shares, 3,050,000 Shares, 2,150,000 Shares and 2,000,000 Shares, respectively, under the Pre-IPO Share Option Scheme, all of which are still outstanding, details of which are disclosed in the section headed "Share Option Schemes" on pages 44 to 47 of this annual report.

附註：

- 計算結果乃根據於2015年12月31日已發行股份總數為1,750,002,000股。
- 該等股份屬聖諾盟企業所有。聖諾盟企業分別由Chi Fan Holding Limited及Frankie信託法定及實益擁有50%權益及50%權益。Frankie信託乃林志凡成立的酌情家族信託，林志凡為財產授予人，而Orangefield Trustees (BVI) Limited為受託人。Frankie信託的受益人為林志凡先生及其家族成員。
- 執行董事林志凡先生、張棟先生、陳楓先生、林斐雯小姐及林錦祥先生均已根據首次公開發售前購股權計劃分別獲授予購股權以認購6,650,000、6,376,200、3,050,000、2,150,000及2,000,000股股份，全部發行在外，其詳情於本年報第44至47頁的「購股權計劃」一節中披露。

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Long positions in associated corporation — Sinomax Enterprises

相聯法團的好倉 — 聖諾盟企業

Name of Director 董事姓名	Nature of interest 權益性質	Number of shares 股份數目	Approximate percentage of shareholding 概約股權百分比
Mr. Lam Chi Fan 林志凡先生	Beneficiary of The Frankie Trust Frankie 信託的受益人	15	50%
Mr. Cheung Tung 張棟先生	Beneficiary of The Cheung's Family Trust 張氏家族信託的受益人	5	16.67%
Mr. Chen Feng 陳楓先生	Beneficiary of The Feng Chen's Family Trust 陳楓家族信託的受益人	5	16.67%

DIRECTORS' RIGHT TO ACQUIRE SHARES

Save as otherwise disclosed in this annual report, at no time during the Reporting Period, had any rights to acquire benefits by means of the acquisition of Shares or debentures of the Company been granted to any Director or their respective spouse or children under 18 years old, or had any such rights been exercised by them; or was the Company, its holding company or its subsidiaries a party to any arrangement to enable the Directors, or their respective spouse or children under 18 years old, to acquire such rights in any other body corporate.

董事購買股份的權利

除於本年報另有披露者外，於報告期內任何時間，概無向任何董事或彼等各自之配偶或18歲以下之子女賦予權力，以藉購入本公司股份或債券而獲益，且彼等亦無行使任何該等權力；而本公司、其控股公司或其附屬公司亦無參與任何安排，致使董事或彼等各自之配偶或18歲以下之子女可於任何其他法人團體獲得該等權利。

DIRECTORS' REPORT

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INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2015, the person(s) (other than a Director or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long positions in Shares

主要股東之權益

於2015年12月31日，有關人士（不包括本公司董事或執行董事）於股份或相關股份中擁有記錄於根據證券及期貨條例第336條所須存置的登記冊的權益或淡倉如下：

股份的好倉

Name	Nature of interest	Number of Shares	Approximate percentage of the issued Shares as at 31 December 2015 (Note 1) 於 2015年12月31日 已發行股份概約 股權百分比 (附註1)
姓名或名稱	權益性質	股份數目	
Sinomax Enterprises (Note 2) 聖諾盟企業(附註2)	Beneficial interest 實益權益	1,069,738,000	61.13%
Chi Fan Holding Limited	Interest of a controlled corporation 受控制法團權益	1,069,738,000 (Note 3) (附註3)	61.13%
Orangefield Trustees (BVI) Limited (Note 4) (附註4)	Trustee of various trusts 多個信託的受託人	1,069,738,000	61.13%
Li Ching Hau 李晶霞	Interest of spouse 配偶權益	1,076,388,000 (Note 5) (附註5)	61.51%

Notes:

- The calculation is based on the total number of 1,750,002,000 Shares in issue as at 31 December 2015.
- Sinomax Enterprises is legally owned as to 50%, 16.67%, 16.67% and 16.67% by Chi Fan Holding Limited, Wing Yiu Investments Limited, The James' Family Holding Limited and Venture Win Holdings Limited, respectively, and beneficially owned in the same proportion by The Frankie Trust, The Cheung's Family Trust, The James' Family Trust and The Feng Chen's Family Trust, respectively.

附註：

- 計算結果乃根據於2015年12月31日已發行股份總數為1,750,002,000股。
- 聖諾盟企業分別由Chi Fan Holding Limited、Wing Yiu Investments Limited、The James' Family Holding Limited及Venture Win Holdings Limited擁有50%、16.67%、16.67%及16.67%法定權益，並分別由Frankie信託、張氏家族信託、James家族信託及陳楓家族信託擁有相同比例實益權益。

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3. These Shares belong to Sinomax Enterprises, which is legally owned as to 50% by Chi Fan Holding Limited.
4. Orangefield Trustees (BVI) Limited acts as the trustee of The Frankie Trust, The James' Family Trust, The Cheung's Family Trust and The Feng Chen's Family Trust. The beneficiaries of The Frankie Trust are Mr. Lam Chi Fan and his family members. The beneficiaries of The Cheung's Family Trust are Mr. Cheung Tung and his family members. The beneficiaries of The James' Family Trust are Ms. Cheung Shui Ying and her family members. The beneficiaries of The Feng Chen's Family Trust are Mr. Chen Feng and his family members.
5. These interests belong to Mr. Lam Chi Fan, the spouse of Ms. Li Ching Hau. Under the SFO, Ms. Li Ching Hau is deemed to be interested in the same number of Shares which Mr. Lam Chi Fan is interested.
3. 該等股份屬聖諾盟企業所有，而聖諾盟企業乃由Chi Fan Holding Limited擁有50%法定權益。
4. Orangefield Trustees (BVI) Limited擔任Frankie信託、James家族信託、張氏家族信託及陳楓家族信託的受託人。Frankie信託的受益人為林志凡先生及其家族成員。張氏家族信託的受益人為張棟先生及其家族成員。James家族信託的受益人為張水英女士及其家族成員。陳楓家族信託的受益人為陳楓先生及其家族成員。
5. 該等權益屬李晶霞女士的配偶林志凡先生所有。根據證券及期貨條例，李晶霞女士被視為於林志凡先生擁有權益的相同股份數目中擁有權益。

CONTINUING CONNECTED TRANSACTIONS

During the Reporting Period, the Group had continuing connected transactions with certain connected persons, details of which have been disclosed in the Prospectus and the announcements of the Company dated 6 February 2015 and 18 December 2015. Certain continuing connected transactions are exempt from one or more of the reporting, announcement, shareholders' approval and annual review requirements for the purpose of Chapter 14A of the Listing Rules.

The following are the continuing connected transactions of the Group that are subject to the reporting and annual review requirements but otherwise exempt from the shareholders' approval requirement pursuant to Chapter 14A of the Listing Rules:

(i) **Lease agreements between Dongguan Sinohome and Dongguan Donglian Furniture Co., Ltd.* (東莞東聯傢俱有限公司) ("Dongguan Donglian")**

Dongguan Donglian is indirectly wholly-owned by Sinomax Enterprises, the controlling Shareholder. Dongguan Donglian is therefore an associate of Sinomax Enterprises and a connected person of the Company.

持續關連交易

於報告期內，本集團與若干關連人士進行持續關連交易，其詳情於招股章程及本公司日期為2015年2月6日及2015年12月18日的公告中披露。若干持續關連交易就上市規則14A章而言獲豁免遵守一項或多項申報、公告、股東批准及年度審核規定。

以下為本集團根據上市14A章須遵守申報及年度審核規定，但獲豁免股東批准規定的持續關連交易：

(i) **東莞賽諾家居用品及東莞東聯傢俱有限公司(「東莞東聯」)之間的租賃協議**

東莞東聯由本公司控股股東聖諾盟企業間接全資擁有。東莞東聯因此為聖諾盟企業的聯繫人士及本公司的關連人士。

* English translated name is for identification purpose only

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On 2 December 2013, Dongguan Sinohome, as tenant, entered into a lease agreement (the "**Lease Agreement of Dongguan Sinohome**") with Dongguan Donglian, as landlord, for the lease of No. 1 Dajieling Road, Shahu Village, Tang Xia Town, Dongguan, Guangdong Province, PRC ("**Dongguan Premises**") for a term of slightly more than two years at a monthly rental of approximately RMB695,000.

On 18 December 2015, Dongguan Sinohome entered into a renewal lease agreement (the "**Renewal Dongguan Lease Agreement**") with Dongguan Donglian for the lease of Dongguan Premises for a term of three years at a monthly rental of approximately RMB1.3 million after the expiry of the Lease Agreement of Dongguan Sinohome.

Details of the terms of the Lease Agreement of Dongguan Sinohome and the Renewal Dongguan Lease Agreement and the transactions contemplated thereunder were set out in the Prospectus and the announcement of the Company dated 18 December 2015, respectively.

The annual caps determined by the Directors in respect of the annual maximum aggregate value for such continuing connected transactions under the Lease Agreement of Dongguan Sinohome and the Renewal Dongguan Lease Agreement for the year ended 31 December 2015 and each of the three years ended 31 December 2018 were RMB8.5 million and approximately RMB15.7 million, respectively. The total amount of rent paid pursuant to the Lease Agreement of Dongguan Sinohome for the year ended 31 December 2015 was approximately RMB8.3 million (equivalent to approximately HK\$10.3 million).

於2013年12月2日，東莞賽諾家居用品（作為承租人）與東莞東聯（作為業主）就出租中國廣東省東莞塘廈鎮沙湖村大結嶺路1號（「東莞物業」）訂立租賃協議（「東莞賽諾家居用品租賃協議」），為期略長於兩年，月租為約人民幣695,000元。

於東莞賽諾家居用品租賃協議屆滿後，Sinohome於2015年12月18日就租賃東莞物業與東莞東聯訂立重續租賃協議（「重續東莞租賃協議」），租期三年，每月租金為約人民幣1.3百萬元。

東莞賽諾家居用品租賃協議及重續東莞租賃協議的條款以及協議項下擬進行的交易的詳情分別載於招股章程及本公司日期為2015年12月18日的公告。

董事根據截至2015年12月31日止年度及截至2018年12月31日止三個年度各年的東莞賽諾家居用品租賃協議及重續東莞租賃協議就該等持續關連交易的年度最高總價值釐定的年度上限分別為人民幣8.5百萬元及約人民幣15.7百萬元。於截至2015年12月31日止年度，根據東莞賽諾家居用品租賃協議支付的租金總金額為約人民幣8.3百萬元（相當於約10.3百萬港元）。

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(ii) **Lease agreement between Sinomax Kuka and Zhejiang Puruimei Industry Co., Ltd.* (浙江普瑞美實業有限公司) (“Zhejiang Puruimei”)**

Zhejiang Puruimei is indirectly wholly-owned by Mr. Qian Hong Xiang, who is a director of the Group's subsidiaries namely Trade Sincere, Sinomax Kuka and Haining Sinomax and a substantial shareholder of Trade Sincere. Zhejiang Puruimei is therefore an associate of Mr. Qian Hong Xiang and a connected person of the Company.

On 2 December 2013, Sinomax Kuka, as tenant, entered into a lease agreement (the “**Lease Agreement of Sinomax Kuka**”) with Zhejiang Puruimei, as landlord, for the lease of No. 99, Qi Chao Road, Haining Agriculture Foreign Integrated Development Area, Zhejiang, China for a two years at a monthly rental of approximately RMB237,000. Details of the terms of the Lease Agreement of Sinomax Kuka and the transactions contemplated thereunder were set out in the Prospectus.

The annual caps determined by the Directors in respect of the annual maximum aggregate value for such continuing connected transactions is approximately RMB2.9 million. The total amount of rent paid pursuant to the Lease Agreement of Sinomax Kuka for the year ended 31 December 2015 was approximately RMB2.8 million (equivalent to approximately HK\$3.5 million).

(ii) **聖諾盟顧家及浙江普瑞美實業有限公司 (「浙江普瑞美」) 之間的租賃協議**

浙江普瑞美由錢洪祥先生(本集團附屬公司貿誠、聖諾盟顧家及海寧聖諾盟的董事及貿誠的主要股東)間接全資擁有。浙江普瑞美因此為錢洪祥的聯繫人士及本公司的關連人士。

於2013年12月2日，聖諾盟顧家(作為承租人)與浙江普瑞美(作為業主)就出租於中國浙江海寧農業對外綜合開發區啓潮路99號訂立租賃協議(「**聖諾盟顧家租賃協議**」)，為期兩年，月租為約人民幣237,000元。聖諾盟顧家租賃協議及其下擬進行交易的條款詳情載於招股章程。

董事就該等持續關連交易的年度最高總價值釐定的年度上限為人民幣2.9百萬元。於截至2015年12月31日止年度，根據聖諾盟顧家租賃協議支付的租金總金額為約人民幣2.8百萬元(相當於約3.5百萬港元)。

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(iii) Sale of foams by Dongguan Sinohome to Huizhou City Huiyang Weijian Household Products Factory* (惠州市惠陽偉建家庭用品製品版) (“Huiyang Weijian”)

Huiyang Weijian is indirectly held as to 100% by Ms. Cheung Wan. Ms. Cheung Wan is the niece of Mr. Lam Chi Fan and the cousin of Mr. Cheung Tung, the executive Directors. Huiyang Weijian is therefore an associate of each of Mr. Lam Chi Fan and Mr. Cheung Tung and a connected person of the Company.

On 2 December 2013, Dongguan Sinohome entered into a framework sale and purchase agreement (the “**Weijian Foam S&P Agreement**”) with Huiyang Weijian, pursuant to which the Group will sell and Huiyang Weijian will purchase polyurethane foams for a term commencing from signing of the Weijian Foam S&P Agreement to 31 December 2015. The price, type, amount and specification of foams to be purchased depend on the purchase orders to be issued by Huiyang Weijian to Dongguan Sinohome from time to time, provided that the price of polyurethane foams shall be at terms no more favourable than that offered to other third-party purchasers by the Group. Details of the terms of the Weijian Foam S&P Agreement and the transactions contemplated thereunder were set out in the Prospectus.

The annual caps determined by the Directors in respect of the annual maximum aggregate value for such continuing connected transactions is RMB5.0 million. There was no transaction under the Weijian Foam S&P Agreement for the year ended 31 December 2015.

(iii) 東莞賽諾家居用品向惠州市惠陽偉建家庭用品製品廠(「惠陽偉建」)出售泡沫

張韻女士間接持有惠陽偉建 100% 權益。張韻女士乃執行董事林志凡先生的外甥女及執行董事張棟先生的表姊。惠陽偉建因此為林志凡先生及張棟先生的聯繫人士及本公司的關連人士。

於 2013 年 12 月 2 日，東莞賽諾家居用品與惠陽偉建訂立框架買賣協議(「**偉建泡沫買賣協議**」)，據此本集團將出售而惠陽偉建將購買聚氨酯泡沫，期限由簽訂偉建泡沫買賣協議起至 2015 年 12 月 31 日止。所購買泡沫的價格、種類、數量及規格視乎惠陽偉建不時向東莞賽諾家居用品發出的購買訂單而定，惟聚氨酯泡沫的價格條款不得優於本集團向其他第三方買方提供的條款。偉建泡沫買賣協議及其項下擬進行交易的條款詳情載於招股章程。

董事就該等持續關連交易的年度最高總價值釐定的年度上限為人民幣 5.0 百萬元。於截至 2015 年 12 月 31 日止年度，並未根據偉建泡沫買賣協議進行任何交易。

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(iv) **Sale of foams by Haining Sinomax to Gu Jia Household Co., Limited* (顧家家居股份有限公司) ("Gu Jia Household") and Zhejiang Gu Jia Meilin Household Co., Limited* (浙江顧家梅林家居有限公司) ("Gu Jia Meilin")**

Gu Jia Household holds 40% equity interest in Sinomax Kuka, which is an indirect non-wholly owned subsidiary of the Company. As a substantial shareholder of a subsidiary of the Company, Gu Jia Household is a connected person of the Company. Gu Jia Meilin, being the direct wholly-owned subsidiary of Gu Jia Household, is an associate of Gu Jia Household and hence a connected person of the Company.

On 6 February 2015, Haining Sinomax entered into a procurement agreement (the "**2015 Procurement Agreement**") with Gu Jia Household and Gu Jia Meilin, pursuant to which the Group will sell and Gu Jia Household and Gu Jia Meilin will purchase polyurethane foams for a term commencing from 1 January 2015 to 31 December 2015. The price, type, amount and specification of polyurethane foams to be purchased depend on the purchase orders issued by Gu Jia Household and Gu Jia Meilin to Haining Sinomax from time to time, provided that the price of polyurethane foams shall be with reference to market price.

On 18 December 2015, Haining Sinomax entered into a new procurement agreement (the "**Renewal Procurement Agreement**") with Gu Jia Household and Gu Jia Meilin to govern the sale and purchase of polyurethane foams between Haining Sinomax and Gu Jia Household and Gu Jia Meilin after the expiry of the 2015 Procurement Agreement.

Details of the terms of the 2015 Procurement Agreement and the Renewal Procurement Agreement and the transactions contemplated thereunder were set out in the announcement of the Company dated 6 February 2015 and 18 December 2015, respectively.

(iv) **海寧聖諾盟向顧家家居股份有限公司(「顧家家居」)及浙江顧家梅林家居有限公司(「顧家梅林」)銷售泡沫**

顧家家居於聖諾盟顧家(本公司間接非全資附屬公司)持有40%股權。作為本公司附屬公司的主要股東，顧家家居為本公司的關連人士。作為顧家家居的直接全資附屬公司，顧家梅林為顧家家居的聯繫人士，故為本公司的關連人士。

於2015年2月6日，海寧聖諾盟與顧家家居及顧家梅林訂立採購協議(「**2015年採購協議**」)，據此，於2015年1月1日起至2015年12月31日止期間，本集團將出售而顧家家居及顧家梅林將購買聚氨酯泡沫。所購買聚氨酯泡沫的價格、種類、數量及規格視乎顧家家居及顧家梅林不時向海寧聖諾盟發出的購買訂單而定，惟聚氨酯泡沫的價格參照市場價格。

於2015年12月18日，海寧聖諾盟與顧家家居及顧家梅林訂立新採購協議(「**續新採購協議**」)，以管治於2015年採購協議屆滿後海寧聖諾盟與顧家家居及顧家梅林之間的聚氨酯泡沫買賣。

有關2015年採購協議及續新採購協議以及該等協議項下擬進行交易之條款載於本公司日期分別為2015年2月6日及2015年12月18日之公告。

* English translated name is for identification purpose only

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The annual caps determined by the Directors in respect of the annual maximum aggregate value for such continuing connected transactions under the 2015 Procurement Agreement and the Renewal Procurement Agreement for the years ended 31 December 2015 and ended 31 December 2016 were RMB154.0 million respectively. The total amount of sales to Gu Jia Household and Gu Jia Melin pursuant to the 2015 Procurement Agreement for the year ended 31 December 2015 was approximately RMB94.7 million (equivalent to approximately HK\$116.9 million).

Pursuant to Rule 14A.55 of the Listing Rules, the independent non-executive Directors have reviewed the above continuing connected transactions for the year ended 31 December 2015 and confirmed that the transactions had been entered into:

- (a) in the ordinary and usual course of the business of the Group;
- (b) on normal commercial terms; and
- (c) in accordance with the relevant agreements governing them and on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions Under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued the unqualified letter containing the findings and conclusions in respect of the above continuing connected transactions in accordance with Rule 14A.56 of the Listing Rules.

董事就2015年採購協議及續新採購協議項下該等持續關連交易截至2015年12月31日止年度及2016年12月31日止年度的年度最高總價值釐定的年度上限均為人民幣154.0百萬元。截至2015年12月31日止年度，根據2015年採購協議對顧家家居及顧家梅林的銷售總金額為約人民幣94.7百萬元(相當於約116.9百萬港元)。

根據上市規則第14A.55條，獨立非執行董事已審閱上述截至2015年12月31日止年度持續關連交易及確認交易乃按以下基準訂立：

- (a) 於本集團日常及一般業務過程中；
- (b) 按正常商業條款；及
- (c) 根據其相關監管協議，而其條款為公平合理，並符合本公司及股東整體利益。

本公司核數師獲委聘按照香港會計師公會頒佈的香港核證工作準則第3000號(修訂本)「審核或審閱歷史財務資料以外的核證工作」及參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」匯報本集團的持續關連交易。核數師已根據上市規則第14A.56條發出無保留意見函件，載列其就上述持續關連交易之發現及結論。

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A copy of the auditor's letter had been provided by the Company to the Stock Exchange.

In the opinion of the Board, the Company has complied with the requirements under Chapter 14A of the Listing Rules in respect of all the connected and continuing connected transactions entered into by the Group during the year ended 31 December 2015 and all the above continuing connected transactions was entered into in the manners stated above.

RELATED PARTY TRANSACTIONS

Details of the significant related party transactions undertaken by the Group during the Reporting Period are set out in note 35 to the consolidated financial statements. Other than those transactions disclosed in the paragraph headed "Continuing Connected Transactions" above, these related party transactions either did not constitute connected transaction/continuing connected transactions or constituted connected transaction/continuing connected transactions that were exempted from all disclosure and independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

BUSINESS REVIEW

A fair review of the business of the Group and an analysis of the Group financial performance during the Reporting Period using financial key performance indicators can be found in the "Financial Highlights" and "Management Discussion and Analysis" sections on page 6 and pages 9 to 16 of this annual report, respectively.

本公司已向聯交所提供核數師函件副本。

董事會認為，本公司已就本集團於截至2015年12月31日止年度訂立之所有關連及持續關連交易遵守上市規則第14A章項下之規定，而所有上述持續關連交易按上述方式訂立。

關連方交易

本集團於報告期進行的重大關連方交易之詳情載於綜合財務報表附註35。除於上文「持續關連交易」一段披露的交易外，該等關連方交易根據上市規則第14A章未必構成關連交易／持續關連交易或構成關連交易／持續關連交易，但豁免遵守所有披露及獨立股東批准規定。

業務回顧

本集團業務的一般回顧及有關使用財務關鍵表現指標對本集團報告期間之財務表現之分析分別載於本年報第6頁「財務摘要」及第9頁至第16頁「管理層討論與分析」內。

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Environmental Policy and Performance

In conducting the business, the Group's objective is to minimize the adverse effects of its operations on the environment. In addition, in order to comply with the applicable environmental protection laws, the Group has established an environmental management system in its operations in accordance with ISO 14001:2004 international standards and obtained ISO 14001 certification. The environmental management system will be reviewed from time to time in order to reduce risks related to environmental issues. The Group has complied with a number of PRC environmental protection laws in connection with water pollutants, air pollutants, solid waste pollutants, as well as noise pollution generated from its manufacturing operations. During the Reporting Period, the Group was in compliance with the applicable PRC laws and regulations on environmental laws and was not subject to any fines or legal action resulting from incidents of non-compliance with any applicable PRC environmental regulations, nor was there any threatened or pending action by any PRC environmental regulatory authority.

Other green initiatives and measures have been adopted by the Group to control the use of energy and resources in the production, business operation and management activities so as to achieve economic benefit. Such initiatives include reducing manufacturing wastes by using scrap foams to produce pillows and mattresses, reducing electricity consumption by using the LED lightings and by using the diesel hot water system operated by solar energy, recycling of used papers, creating a paperless work environment and promoting water saving practices.

Compliance with Relevant Laws and Regulations

During the Reporting Period, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws and regulations by the Group that has a significant impact on the business and operations of the Group.

環境政策及表現

於從事商業活動中，本集團目標乃為將本集團營運對環境造成之不利影響降至最低。此外，為確保符合適用之環保法律，我們已根據ISO 14001：2004國際標準就我們的營運建立環境管理體系，並取得ISO 14001認證。該環境管理體系將不時受到檢討以降低環境相關事宜的風險。本集團已遵守與污水、大氣污染、固體廢物及生產營運中產生之噪音污染相關之多條中國環保法律。於報告期，本集團遵守適用之中國環境法律法規，並無因違反任何適用之中國環境法規而須繳納任何罰款或出現法律訴訟，亦無面臨或有任何未了結之任何中國環境監管機構之訴訟。

本集團已採納其他綠色倡議及措施以控制生產、業務營運及管理活動中耗用之能源及資源，藉以實現經濟效益。該等倡議包括透過使用泡沫碎片生產枕頭及床墊減少生產廢料，透過使用LED燈及太陽能發電的柴油熱水系統減少耗電，紙張循環再用，創造無紙化工作環境及節水實務。

遵守相關法律及法規

於報告期間，據本公司所知，本集團並無重大違反或不遵守適用法律法規，從而對本集團的業務及營運產生重大影響。

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Relationship with Employees, Suppliers, Customers, and other Stakeholders

The Group's long term success depends on its employees, customers, suppliers and other stakeholders. The Group recognizes the importance of its employees, it offers competitive remuneration packages commensurate with industry practice and provides various fringe benefits to employees including housing and travel allowances depending on their grade and ranking within the Group. The Group also maintains medical insurance for the benefit of its employees. The Group conducts induction training for all of its new employees and on-going training from time to time during their employment. The nature of training offered depends on their specific field of operation. The Group has adopted a share option scheme and also operates an employee incentive scheme pursuant to which rewards take the form of promotions, salary raises and monetary bonuses.

The Group strives to maintain and enhance the relationship with its customers and to maintain a fair and co-operating relationship with its suppliers. The Group also takes an active role to take part in the communities where it operates.

Principal risks and uncertainties

(1) Risk of customer concentration

Sales to the Group's top five customers accounted for approximately 43.3% of the Group's total revenue, with one customer in the Group's export sales segment accounted for approximately 26.3% of the Group's total revenue.

The Group does not enter into any long-term agreements with these top five customers. Their purchases are on an order-by-order basis. The Group cannot assure that it will be able to maintain stable relationships with its key customers. A substantial decrease of purchases could adversely affect product sales, financial condition and results of operations of the Group.

The Group will continue to diversify the customer's portfolio by actively searching for new customers and seeking for strategic acquisition in order to capture more customers in different markets.

與僱員、供應商、客戶及其他利益相關者的關係

本集團的長遠成功取決於本集團的僱員、客戶、供應商及其他利益相關者。本集團了解到僱員的重要性，為僱員提供符合行業慣例並具競爭力的薪酬待遇及各種福利，包括視乎其在本集團內的級別和等級享有住房及差旅津貼。本集團亦為僱員的利益投購醫療保險。本集團為所有新僱員進行入職培訓，並在彼等受僱期間不時提供持續培訓。所提供培訓的性質取決於彼等具體的工作領域。本集團已採納購股權計劃及僱員獎勵計劃，獎勵將以晉升、加薪及獎金的方式作出。

本集團致力於維持並加強與客戶的關係，並維持與供應商的公平合作關係。本集團亦在經營所在社區積極參與活動。

主要風險及不確定因素

(1) 與客戶集中相關的風險

向本集團五大客戶的銷售佔本集團總收入的約43.3%，而向本集團出口銷售分部中的一名客戶的銷售佔本集團總收入的約26.3%。

本集團並未與該五大客戶訂立任何長期協議。彼等採購乃按個別訂單進行。本集團無法保證其能與其主要客戶維持穩定關係。採購額大幅減少或會對本集團的產品銷售、財務狀況及經營業績造成不利影響。

本集團將繼續積極物色新客戶，尋求戰略性收購事項，豐富客戶組合，以吸納來自不同市場的更多新客戶。

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(2) Risk of changing in the economic conditions

It is anticipating that there will be a downturn in the economy of the PRC and in Hong Kong in the coming year. During the Reporting Period, approximately 58.9% of the Group's total revenue was generated from sales in the PRC and Hong Kong. The decline in the PRC and Hong Kong economy may dampen the demand for the Group's products which could have a material adverse effect on the Group's business, results of operations and financial condition.

To manage the risk of economic downturn in a particular region, the Group is trying to diversify its investment geographically. In particular, the Group invested in new production facilities and invested in Dormeo, a company having a well-known brand in the US. The management of the Group expects the total revenue from the US will increase in the coming years.

(3) Risk of deterioration in the value of the Group brands

The Group is dependent on the goodwill in its brands for the continued success and growth of its business. In particular, the Group relies on sales of its "Sinomax" branded products in Hong Kong and in the PRC, and products under other brands owned by or licensed to it in other territories. Adverse publicity or regulatory or legal action against the Group could damage the reputation, the brand images and reduce long-term demand for the Group's products.

The Group continues its strategy to promote its brand names through different marketing schemes. The Group also uses multi brands strategy to promote more brands like "Zeopedic", "Dream Serenity", "ComforZen", "Customizer", "Spa Supreme" and "Tung Ah" so as to reduce the risk and deterioration in a particular brand.

(4) Risk of volatility in the pricing of raw materials

The Group is exposed to commodity price risks resulting from fluctuation of prices of chemicals including polypropylene glycol and toluene diisocyanate, the principal raw materials for the production of polyurethane foams. The Group has not entered into any long-term agreement with any of its raw materials suppliers, nor has it entered into any hedging arrangements or transactions to reduce our exposure to fluctuations in raw materials costs.

(2) 與經濟狀況改變相關的風險

預期中國及香港的經濟於來年出現下滑。於報告期，本集團總收入的約58.9%產生於中國及香港的銷售。中國及香港的經濟下滑可能會削減對本集團產品的需求，從而對本集團的業務、經營業績及財務狀況產生重大不利影響。

為管理部分地區經濟下滑的風險，本集團正試圖實現地域投資多元化。尤其是，本集團投資新生產設備，並投資美國知名品牌公司Dormeo。本集團管理層期望美國的總收入將於來年增加。

(3) 與本集團品牌貶值相關的風險

本集團業務的持續成功及增長有賴於品牌的商譽。尤其是，本集團依賴「Sinomax」品牌產品於香港及中國的銷售及其他自有或授權品牌產品於其他地區的銷售。有關針對本集團的不利宣傳或監管或法律行動可能會損害本集團的聲譽和品牌形象，降低本集團產品的長遠需求。

本集團繼續採用策略以持續藉不同市場營銷計劃推廣品牌。本集團亦使用多個品牌策略推廣更多諸如「Zeopedic」、「Dream Serenity」、「ComforZen」、「Customizer」、「Spa Supreme」及「東亞」等品牌，以降低某一品牌的風險及貶值。

(4) 與原材料價格波動相關的風險

本集團面臨因化學物質(包括聚丙二醇及甲苯二異氰酸酯，即生產聚氨酯泡沫的主要原材料)價格波動所導致的商品價格風險。本集團並無與任何原材料供應商訂立任何長期協議，亦無訂立任何對沖安排或交易以減低原材料成本波動的風險。

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The Group implements a cost-plus pricing policy in the segments of export sales and polyurethane foam sales. Price quotations for orders are negotiated in an order-by-order basis. In determining the product prices, the Group usually takes into account of various factors such as production costs (including costs of the raw materials), production cycle, transportation costs, product types and specification, market price and global economic conditions.

PROSPECTS

A description of the likely future development in the Group's business is provided in the "Management Discussion and Analysis" section on pages 9 to 16 of this annual report.

EVENTS AFTER THE REPORTING PERIOD

The particulars of important events affecting the Company that have occurred since the end of the Reporting Period are set out in the "Management Discussion and Analysis" section on pages 9 to 16 of this annual report.

SHARE OPTION SCHEMES

(i) The Pre-IPO Share Option Scheme

On 13 December 2013, the Pre-IPO Share Option Scheme which complies with the requirements of Chapter 17 of the Listing Rules was adopted by the Shareholders.

The Pre-IPO Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions that the eligible participants under the scheme have or may have made to the Company.

The eligible participants include any full-time or part-time employees, executives or officers (including executive, non-executive and independent non-executive directors) of the Company or any of its subsidiaries and any suppliers, customers, consultants, agents and advisers who, in the opinion of the Directors, will contribute or have contributed to the Company and/or any of its subsidiaries.

本集團的出口銷售及聚氨酯泡沫銷售分部實行成本加成基準的定價政策。本集團按個別訂單基準協商訂單報價。於釐定產品價格時，本集團通常會考慮多項因素，如生產成本(包括原材料成本)、生產週期、運輸成本、產品類型及規格、市場價格及全球經濟狀況。

展望

有關本集團業務的未來潛在發展的描述載於本年報第9頁至第16頁的「管理層討論與分析」一節。

報告期後事項

有關於報告期後發生並對本公司產生影響的重大事件之詳情載於本年報第9頁至第16頁的「管理層報告與分析」一節。

購股權計劃

(i) 首次公開發售前購股權計劃

於2013年12月13日，符合上市規則第17章的首次公開發售前購股權計劃獲本公司股東採納。

首次公開發售前購股權計劃為一項股份獎勵計劃，旨在肯定及認可該計劃項下的合資格參與者對本公司已作出或可能已作出的貢獻。

合資格參與者包括本公司或其任何附屬公司的任何全職或兼職僱員、行政人員或高級職員(包括執行、非執行及獨立非執行董事)，以及本公司董事全權認為將會或已對本公司及/或其附屬公司作出貢獻的任何供應商、客戶、諮詢顧問、代理及顧問。

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Upon acceptance of the share option, the grantee shall pay HK\$1 to the Company by way of consideration for the grant.

On 13 December 2013, the Company has authorised to grant to 140 eligible participants to subscribe for an aggregate of 34,918,000 Shares under the Pre-IPO Share Option Scheme. In February 2014, the Company granted share options to 137 eligible participants to subscribe for an aggregate of 34,903,000 Shares.

The subscription price of a Share in respect of any particular share option offered under the Pre-IPO Share Option Scheme shall be a price representing 30% discount to the Offer Price (as defined in the Prospectus).

The share options granted to each grantee under the Pre-IPO Share Option Scheme shall be vested equally in five tranches commencing on the Listing Date and on each of the first, second, third and fourth anniversary of the Listing Date. The grantees to whom a share option has been granted under the Pre-IPO Share Option Scheme will be entitled to exercise the share option any time after the share option has been vested but in any event on or before the date falling on the fifth anniversary of the Listing Date. The share options granted under the Pre-IPO Share Option Scheme are not transferable and share options not exercised within the exercise period will lapse and cease to be of further effect.

The Pre-IPO Share Option Scheme expired on 10 July 2014 and ceased to have effect after 10 July 2014. Share options granted prior to the expiration of the Pre-IPO Share Option Scheme but not yet exercised at that time shall continue to be valid and exercisable in accordance with the Pre-IPO Share Option Scheme.

於接納購股權後，承授人將向本公司支付1港元作為獲授購股權的代價。

於2013年12月13日，本公司獲授權向首次公開發售前購股權計劃項下140名合資格參與者授出合共可認購34,918,000股股份的購股權。於2014年2月，本公司向137名合資格參與者授出合共可認購34,903,000股股份的購股權。

根據首次公開發售前購股權計劃發售之任何特定購股權涉及之股份之認購價將相當於發售價(定義見招股章程)折讓30%之價格。

根據首次公開發售前購股權計劃授予每名承授人的購股權將自上市日期開始，於上市日期首個週年日、第二個週年日、第三個週年日及第四個週年日平均分五批歸屬。根據首次公開發售前購股權計劃獲授購股權的承授人將有權於購股權獲歸屬後(惟在任何情況下須於上市日期第五個週年日當日或之前)隨時行使購股權。根據首次公開發售前購股權計劃授出的購股權不可轉讓，及於行使期間尚未行使的購股權將失效及不再具有其他效力。

首次公開發售前購股權計劃已於2014年7月10日屆滿，及於2014年7月10日後不再具有效力。於首次公開發售前購股權計劃屆滿前授出但當時尚未行使的購股權將繼續有效及根據首次公開發售前購股權計劃可予行使。

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The following tables disclose details of movements of share options granted under the Pre-IPO Share Option Scheme:

下表披露根據首次公開發售前購股權計劃授出的購股權變動詳情：

Grantee	Date of grant	Vesting period	Exercisable period	Exercise price per share	Number of share options			Outstanding at 31 Dec 2015
					Outstanding at 1 Jan 2015	Lapsed during the year	Exercised during the year	
承授人	授出日期	歸屬期	行使期	每股行使價 HK\$ 港元	於2015年 1月1日 尚未行使	於年內失效	於年內行使	於2015年 12月31日 尚未行使
Mr. Lam Chi Fan (Chairman) 林志凡先生(董事長)	10 Feb 2014	10 Feb 2014 — 10 Jul 2014	10 Jul 2014 — 10 Jul 2019	0.74	1,330,000	—	—	1,330,000
	2014年2月10日	2014年2月10日 — 2014年7月10日	2014年7月10日 — 2019年7月10日					
	10 Feb 2014	10 Feb 2014 — 10 Jul 2015	10 Jul 2015 — 10 Jul 2019	0.74	1,330,000	—	—	1,330,000
	2014年2月10日	2014年2月10日 — 2015年7月10日	2015年7月10日 — 2019年7月10日					
	10 Feb 2014	10 Feb 2014 — 10 Jul 2016	10 Jul 2016 — 10 Jul 2019	0.74	1,330,000	—	—	1,330,000
	2014年2月10日	2014年2月10日 — 2016年7月10日	2016年7月10日 — 2019年7月10日					
	10 Feb 2014	10 Feb 2014 — 10 Jul 2017	10 Jul 2017 — 10 Jul 2019	0.74	1,330,000	—	—	1,330,000
	2014年2月10日	2014年2月10日 — 2017年7月10日	2017年7月10日 — 2019年7月10日					
Mr. Cheung Tung (President) 張棟先生(總裁)	10 Feb 2014	10 Feb 2014 — 10 Jul 2014	10 Jul 2014 — 10 Jul 2019	0.74	1,275,240	—	—	1,275,240
	2014年2月10日	2014年2月10日 — 2014年7月10日	2014年7月10日 — 2019年7月10日					
	10 Feb 2014	10 Feb 2014 — 10 Jul 2015	10 Jul 2015 — 10 Jul 2019	0.74	1,275,240	—	—	1,275,240
	2014年2月10日	2014年2月10日 — 2015年7月10日	2015年7月10日 — 2019年7月10日					
	10 Feb 2014	10 Feb 2014 — 10 Jul 2016	10 Jul 2016 — 10 Jul 2019	0.74	1,275,240	—	—	1,275,240
	2014年2月10日	2014年2月10日 — 2016年7月10日	2016年7月10日 — 2019年7月10日					
	10 Feb 2014	10 Feb 2014 — 10 Jul 2017	10 Jul 2017 — 10 Jul 2019	0.74	1,275,240	—	—	1,275,240
	2014年2月10日	2014年2月10日 — 2017年7月10日	2017年7月10日 — 2019年7月10日					
Mr. Chen Feng (Executive Director) 陳楓先生(執行董事)	10 Feb 2014	10 Feb 2014 — 10 Jul 2014	10 Jul 2014 — 10 Jul 2019	0.74	610,000	—	—	610,000
	2014年2月10日	2014年2月10日 — 2014年7月10日	2014年7月10日 — 2019年7月10日					
	10 Feb 2014	10 Feb 2014 — 10 Jul 2015	10 Jul 2015 — 10 Jul 2019	0.74	610,000	—	—	610,000
	2014年2月10日	2014年2月10日 — 2015年7月10日	2015年7月10日 — 2019年7月10日					
	10 Feb 2014	10 Feb 2014 — 10 Jul 2016	10 Jul 2016 — 10 Jul 2019	0.74	610,000	—	—	610,000
	2014年2月10日	2014年2月10日 — 2016年7月10日	2016年7月10日 — 2019年7月10日					
	10 Feb 2014	10 Feb 2014 — 10 Jul 2017	10 Jul 2017 — 10 Jul 2019	0.74	610,000	—	—	610,000
	2014年2月10日	2014年2月10日 — 2017年7月10日	2017年7月10日 — 2019年7月10日					

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Grantee	Date of grant	Vesting period	Exercisable period	Exercise price per share	Number of share options			
					Outstanding at 1 Jan 2015	Lapsed during the year	Exercised during the year	Outstanding at 31 Dec 2015
承授人	授出日期	歸屬期	行使期	每股行使價 HK\$ 港元	於2015年 1月1日 尚未行使	於年內失效	於年內行使	於2015年 12月31日 尚未行使
Mr. Lam Kam Cheung (Executive Director) 林錦祥先生(執行董事)	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2014 2014年2月10日 — 2014年7月10日	10 Jul 2014 — 10 Jul 2019 2014年7月10日 — 2019年7月10日	0.74	400,000	-	-	400,000
	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2015 2014年2月10日 — 2015年7月10日	10 Jul 2015 — 10 Jul 2019 2015年7月10日 — 2019年7月10日	0.74	400,000	-	-	400,000
	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2016 2014年2月10日 — 2016年7月10日	10 Jul 2016 — 10 Jul 2019 2016年7月10日 — 2019年7月10日	0.74	400,000	-	-	400,000
	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2017 2014年2月10日 — 2017年7月10日	10 Jul 2017 — 10 Jul 2019 2017年7月10日 — 2019年7月10日	0.74	400,000	-	-	400,000
	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2018 2014年2月10日 — 2018年7月10日	10 Jul 2018 — 10 Jul 2019 2018年7月10日 — 2019年7月10日	0.74	400,000	-	-	400,000
Ms. Lam Fei Man (Executive Director) 林斐雯小姐(執行董事)	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2014 2014年2月10日 — 2014年7月10日	10 Jul 2014 — 10 Jul 2019 2014年7月10日 — 2019年7月10日	0.74	430,000	-	-	430,000
	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2015 2014年2月10日 — 2015年7月10日	10 Jul 2015 — 10 Jul 2019 2015年7月10日 — 2019年7月10日	0.74	430,000	-	-	430,000
	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2016 2014年2月10日 — 2016年7月10日	10 Jul 2016 — 10 Jul 2019 2016年7月10日 — 2019年7月10日	0.74	430,000	-	-	430,000
	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2017 2014年2月10日 — 2017年7月10日	10 Jul 2017 — 10 Jul 2019 2017年7月10日 — 2019年7月10日	0.74	430,000	-	-	430,000
	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2018 2014年2月10日 — 2018年7月10日	10 Jul 2018 — 10 Jul 2019 2018年7月10日 — 2019年7月10日	0.74	430,000	-	-	430,000
Other employees 其他僱員	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2014 2014年2月10日 — 2014年7月10日	10 Jul 2014 — 10 Jul 2019 2014年7月10日 — 2019年7月10日	0.74	2,847,360	(123,000)	-	2,711,360
	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2015 2014年2月10日 — 2015年7月10日	10 Jul 2015 — 10 Jul 2019 2015年7月10日 — 2019年7月10日	0.74	2,849,360	(123,000)	-	2,713,360
	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2016 2014年2月10日 — 2016年7月10日	10 Jul 2016 — 10 Jul 2019 2016年7月10日 — 2019年7月10日	0.74	2,849,360	(123,000)	-	2,713,360
	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2017 2014年2月10日 — 2017年7月10日	10 Jul 2017 — 10 Jul 2019 2017年7月10日 — 2019年7月10日	0.74	2,849,360	(123,000)	-	2,713,360
	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2018 2014年2月10日 — 2018年7月10日	10 Jul 2018 — 10 Jul 2019 2018年7月10日 — 2019年7月10日	0.74	2,849,360	(123,000)	-	2,713,360
	10 Feb 2014 2014年2月10日	10 Feb 2014 — 10 Jul 2019 2014年2月10日 — 2019年7月10日	10 Jul 2019 — 10 Jul 2019 2019年7月10日 — 2019年7月10日	0.74	2,849,360	(123,000)	-	2,713,360
					34,471,000	(615,000)	-	33,856,000
Number of share options exercisable at 31 December 2015								13,541,200
於2015年12月31日可行使購股權數目								

Notes:

- (a) 10 eligible participants (FY2014: 16), who have been granted share options have ceased to become eligible participants upon termination of employment during the Reporting Period and the said share options have automatically lapsed.
- (b) Other details of the Pre-IPO Share Option Scheme are set out in note 28 to the consolidated financial statements.

附註:

- (a) 10名獲授購股權的合資格參與者(2014年財政年度: 16名)於報告期間終止僱傭關係後不再為合資格參與者, 而上述購股權已自動失效。
- (b) 首次公開發售前購股權計劃其他詳情載於綜合財務報表附註28。

DIRECTORS' REPORT

董事報告書

(ii) The Post-IPO Share Option Scheme

On 4 March 2014, the Post-IPO Share Option Scheme was conditionally adopted by the Shareholders. Details of the Post-IPO Share Option Scheme are set out in note 28 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

The articles of association of the Company and the Companies Law (2013 Revision) of the Cayman Islands do not entitle any Shareholder to any pre-emptive right or other similar rights to subscribe for the Shares.

PURCHASE, SALES OR REDEMPTION OF SHARES

Save as disclosed in the section headed "Equity-Link Agreements", neither the Company nor any of its subsidiaries has purchased, sold or redeemed any Shares during the Reporting Period.

NON-COMPETITION UNDERTAKINGS

The Company has received an annual confirmation from each of the controlling Shareholders, namely, Sinomax Enterprises, Mr. Lam Chi Fan, Mr. Cheung Tung, Mr. Chen Feng and Ms. Cheung Shui Ying, in respect of their compliance with the terms of the deed of non-competition as set out in the Prospectus for the financial year ended 31 December 2015.

INDEPENDENT NON-EXECUTIVE DIRECTORS' CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive Directors (the "INED") an annual confirmation of his independence as required under Rule 3.13 of the Listing Rules. The Company considers all of the INEDs are independent.

(ii) 首次公開發售後購股權計劃

於2014年3月4日，股東有條件採納首次公開發售後購股權計劃。首次公開發售後購股權計劃的詳情載於綜合財務報表附註28。

優先購股權

本公司公司章程及開曼群島公司法(2013年修訂本)概無賦予任何股東任何優先購股權或其他類似權利以認購股份。

購買、出售或贖回股份

除「股權掛鈎協議」一節所披露者外，本公司及其任何附屬公司於報告期間概未購買、出售或贖回任何股份。

不競爭承諾

本公司已就各控股股東(即聖諾盟企業、林志凡先生、張棟先生、陳楓先生及張水英女士)於截至2015年12月31日止財政年度期間遵守招股章程所載不競爭契據的條款接獲其發出的年度確認書。

獨立非執行董事確認其獨立性

本公司已接獲各獨立非執行董事(「獨立非執行董事」)根據上市規則第3.13條的規定就其獨立性所發出的年度確認書。本公司認為全體獨立非執行董事均為獨立人士。

DIRECTORS' REPORT

董事報告書

MAJOR SUPPLIERS AND CUSTOMERS

During the Reporting Period, the aggregate purchases from the Group's five largest suppliers was approximately 31.4% of the Group's total purchases. The Group's largest supplier accounted for approximately 8.6% of the Group's total purchases.

During the Reporting Period, the aggregate sales to the Group's five largest customers was approximately 43.3% of the Group's total revenue. The Group's largest customer accounted for approximately 26.3% of the Group's total revenue.

None of the Directors or any of their close associates or any Shareholder (which to the knowledge of the Directors own more than 5% of the issued Shares) had a beneficial interest in the Group's five largest customers or suppliers.

PROFESSIONAL TAX ADVICE

If any Shareholders has any doubt about the taxation implication of purchasing, holding, disposing of, dealing in, or exercise of any rights in relation to the Shares, they are advised to consult their own professional advisers.

AUDITOR

The Group's consolidated financial statements have been audited by Messrs. Deloitte Touche Tohmatsu, Certified Public Accountants, who will retire and offer itself for re-appointment at the forthcoming AGM. A resolution will be submitted to the AGM to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

AUDIT COMMITTEE

The audited consolidated financial statements for the Reporting Period have been reviewed by the audit committee of the Company.

CORPORATE GOVERNANCE

The principal corporate governance practices adopted by the Company are set out in the "Corporate Governance Report" on pages 51 to 66 of this annual report.

主要供應商及客戶

於報告期，本集團自五大供應商的採購合計佔本集團總採購約31.4%。本集團最大供應商佔本集團總採購約8.6%。

於報告期，本集團向五大客戶的銷售合計佔本集團總收入約43.3%。本集團最大客戶佔本集團總收入約26.3%。

概無董事或彼等任何緊密聯繫人士或任何股東(據董事所知擁有已發行股份超過5%)於本集團五大客戶或供應商擁有實益權益。

專業稅務意見

如任何股東對購買、持有、出售、買賣或行使任何有關股份任何權利的稅務影響有任何疑問，務請諮詢其專業顧問。

核數師

本集團綜合財務報表已由註冊會計師德勤•關黃陳方會計師行審核，其任期將於應屆股東週年大會日期屆滿，並表示願意繼續連任。決議案將呈交股東7週年大會以重新任命德勤•關黃陳方會計師行為本公司核數師。

審核委員會

本報告期經審核綜合財務報表已由本公司審核委員會審閱。

企業管治

本公司採納之主要企業管治常規載於本年報第51至66頁「企業管治報告」一段。

DIRECTORS' REPORT

董事報告書

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and to the knowledge of the Directors, at least 25% of the Company's total issued share capital, the prescribed minimum percentage of public float approved by the Stock Exchange and permitted under the Listing Rules, are held by the public at all times during the Reporting Period and up to the date of this report.

This report is signed for and on behalf of the Board.

Lam Chi Fan
Chairman

Hong Kong, 18 March 2016

充分公眾持股量

根據本公司公開可得資料及據董事所知，本公司已發行股本總額的最少25%（即聯交所規定及上市規則允許的最低公眾持股量）於報告期間及截至本報告日期任何時間一直由公眾人士持有。

代表董事局簽署本報告書。

董事長
林志凡

香港，2016年3月18日

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of its Shareholders and to enhance corporate value and accountability. The Board believes that good corporate governance provides a framework that is essential for effective management and healthy corporate culture, thereby earning the confidence of the Shareholders and the public.

The Company has adopted the code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Listing Rules as its own code of corporate governance. The Company had met the applicable code provisions set out in the CG Code during the Reporting Period.

The Board will continue to monitor and review the Company’s corporate governance practices to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for the Directors and relevant employees, who are likely to possess inside information of the Company, in their dealings in the Company’s securities. The code of conduct are on terms no less exacting than the required standard set out in the Model Code.

The Company has made specific enquiry of all Directors and all Directors confirmed that they had fully complied with the required standards set out in the Model Code during the Reporting Period.

企業管治常規

本公司致力於維持高標準的企業管治以保障其股東的利益及提升企業價值及問責性。董事會相信良好的企業管治能為有效管理及健康企業文化訂立框架，從而獲取股東及公眾的信心。

本公司已採納符合上市規則附錄十四所載企業管治守則（「企業管治守則」）所載守則條文作為其自身的企業管治守則。於報告期間，本公司已遵守企業管治守則載列之適用守則條文。

董事會將持續監控及審閱本公司的企業管治常規以確保符合企業管治守則。

進行證券交易的標準守則

本公司已就有可能擁有有關本公司證券買賣的內幕資料的董事及有關僱員採納行為守則。行為守則條款不寬鬆於標準守則所載的規定標準。

本公司已就全體董事作出具體具體查詢，而全體董事均確認於報告期間一直全面遵從標準守則所規定標準。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS

Board composition

The Board currently comprises ten Directors, with five executive Directors and five INEDs. The Directors' biographical details are set out in the "Directors and Senior Management" section on pages 17 to 26 of this annual report and are posted on the Company's website at www.sinomax.com/group, The Directors during the Reporting Period and up to the date of this report were as follows:

Executive Directors	:	Mr. Lam Chi Fan (<i>Chairman</i>) Mr. Cheung Tung (<i>President</i>) Mr. Chen Feng Mr. Lam Kam Cheung (<i>Chief Financial Officer & Company Secretary</i>) Ms. Lam Fei Man
Independent non-executive Directors	:	Mr. Wong Chi Keung Professor Lam Sing Kwong, Simon Mr. Fan Chun Wah, Andrew Mr. Zhang Hwo Jie Mr. Wu Tak Lung

Every Director is subject to retirement by rotation at least once every three years pursuant to the Cayman Island laws and the CG Code.

The list of Directors and their roles and functions are posted on the websites of the Company and the Stock Exchange.

The relationships among the members of the Board are disclosed under "Directors and Senior Management" on pages 17 to 26 of this annual report.

Save as disclosed above, there are no financial, business, family or other material relationships among members of the Board.

董事會

董事會組成

董事會現時由十名董事組成，其中有五名執行董事及五名獨立非執行董事。董事履歷詳情載於本年報第17至26頁「董事及高級管理層」一節，並刊載於本公司網站 www.sinomax.com/group。於報告期間及截至本報告日期之董事如下所示：

執行董事：	林志凡先生(主席) 張棟先生(總裁) 陳楓先生 林錦祥先生(首席財務官及公司秘書) 林斐雯小姐
獨立非執行董事：	王志強先生 林誠光教授 范駿華先生 張傑先生 吳德龍先生

根據開曼群島法律及企業管治守則，每名董事須至少每三年輪休退任一次。

董事名單及其角色及職能刊於本公司及聯交所網站。

董事會成員間的關係如本年報第17至26頁「董事及高級管理層」所披露。

除上文所披露者外，董事會成員間概無財務、業務、家庭或其他重大關係。

CORPORATE GOVERNANCE REPORT

企業管治報告

The structure, size and composition of the Board will be reviewed from time to time by the nomination committee of the Company to ensure the Board has a balance of skills and experience appropriate for the Company's business. The independence of the INEDs is assessed according to the relevant rules and requirements under the Listing Rules. The Company requests the Directors to disclose annually to the Company the number and nature of office held in public companies or organizations and other significant commitments with an indication of time involved.

Delegation by the Board

The Board is responsible and has general power for the management and conduct of the business of the Group. It delegates day-to-day management and operations functions of the Company to the executive committee and senior management of the Company with clear directions and authority framework set by the Board. The Board will review periodically the delegation given to management to ensure that they are appropriate and continue to be beneficial to the Group as a whole.

The Board has delegated specific roles and responsibilities to the Company's audit committee, corporate governance committee, remuneration committee and nomination committee. Further details of these committees are set out on pages 56 to 62 of this report.

Chairman and President

Mr. Lam Chi Fan is the Chairman of the Board. Mr. Lam is responsible for the formulation of the overall business strategies and business planning of the Group.

Mr. Cheung Tung is the President (equivalent to the role of a chief executive) of the Company. Mr. Cheung is responsible for the overall management of the day-to-day operations of the Group.

Mr. Lam Chi Fan is the uncle of Mr. Cheung Tung. However, there is a clear distinction between the Chairman's responsibility and the President's responsibility.

本公司提名委員會不時檢討董事會的架構、人數和成員組合，以確保董事會由具備適用於本公司業務的不同技能和經驗的人士所組成。獨立非執行董事的獨立性乃根據上市規則相關條例及規定而作出評核。本公司要求董事每年向本公司披露於公眾公司或機構所擔任的職位的數目及性質以及其他重大承擔，以及其所涉及之時間。

董事會授權

董事會負責及擁有管理及經營本集團業務的一般權力。董事會授權本公司執行委員會及高級管理層處理本公司的日常管理及營運職能，並設立明確的方向及權力框架。董事會將定期審閱授予管理層的權力，藉此確保其乃適當並對本集團整體有利。

董事會已向本公司審核委員會、企業管治委員會、薪酬委員會及提名委員會授權特定角色及責任。該等委員會的詳情載於本報告第56至62頁。

董事長及總裁

林志凡先生為董事會主席及本集團聯合創辦人。林先生負責制訂本集團的全面業務策略，管理業務規劃。

張棟先生為本公司總裁(相當於行政總裁的職能)。張先生負責全面管理本集團及其日常運作。

林志凡先生為張棟先生的叔叔。然而，主席職責與總裁職責之間有明確區分。

CORPORATE GOVERNANCE REPORT

企業管治報告

Independent non-executive Directors

The Company currently has five INEDs, and at least one of them has appropriate professional qualifications or accounting or related financial management expertise.

The Company has received from all INEDs their confirmation of independence pursuant to the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all INEDs met the independence guidelines and are independent. These INEDs are high calibre executives who bring a diversified range of expertise and serve the crucial function of providing checks and balances for safeguarding the interests of Shareholders and the Group as a whole.

Board meetings

The Board meets at least four times a year and a tentative schedule for regular Board meetings for each year is provided to Directors prior to the beginning of each calendar year. Between scheduled regular Board meetings, Directors may approve various matters by way of passing written resolutions. Additional Board meetings may be arranged if required. In addition, at least 14 days' notice of a regular Board meeting shall be given and the Company aims at sending the agenda and the accompanying board papers to Directors at a reasonable time before the intended date of a Board meeting.

During the Reporting Period, the Board held four meetings to consider and approve the audited annual results for the year ended 31 December 2014, unaudited interim results for the six months ended 30 June 2015 and continuing connected transactions. At these Board meetings, the Board also reviewed and discussed the business updates and development of the Group.

The Board minutes are kept by the company secretary of the Company and are open for inspection by the Directors.

獨立非執行董事

本公司目前擁有五名獨立非執行董事，而當中至少一名具有合適專業資格或會計或相關財務管理專長。

公司已獲得全體獨立非執行董事根據上市規則第3.13條所載之獨立性指引作出的獨立性確認。本公司認為全體獨立非執行董事均符合獨立性指引及均具獨立性。該等獨立非執行董事皆為優秀之行政人員，彼等具備多方面的專業知識，可為本集團提供足夠的審核及制衡，以保障股東及本集團的整體利益。

董事會會議

董事會每年至少召開四次常規會議，而本公司會於每個歷年開始前向董事提供該年度董事會常規會議之初擬時間表。於常規董事會會議間，董事可以書面決議形式批准各項事宜。若有需要，可另行召開董事會會議。此外，董事會常規會議一般須發出至少14天通知，而本公司亦致力於在董事會會議預定日期前一段合理時間向董事發出議程及隨附董事會文件。

於報告期，董事會召開四次常規會議，考慮及批准截至2014年12月31日止年度之經審計年度業績，截至2015年6月30日止六個月之未經審計中期業績及持續關聯交易。於該等董事會會議上，董事會亦檢討及討論本集團業務更新及發展。

董事會會議記錄由本公司公司秘書保存並供董事公開查閱。

CORPORATE GOVERNANCE REPORT

企業管治報告

The attendance records of the Directors at the Board meetings held during the Reporting Period are set out as follows:

董事出席報告期舉行的董事會會議記錄載列如下：

Name of Directors 董事姓名		Meetings attended 出席會議次數
Executive Directors		
Mr. Lam Chi Fan	林志凡先生	4/4
Mr. Cheung Tung	張棟先生	4/4
Mr. Chen Feng	陳楓先生	4/4
Mr. Lam Kam Cheung	林錦祥先生	4/4
Ms. Lam Fei Man	林斐雯小姐	4/4
Independent non-executive Directors		
Mr. Wong Chi Keung	王志強先生	4/4
Professor Lam Sing Kwong, Simon	林誠光教授	4/4
Mr. Fan Chun Wah, Andrew	范駿華先生	4/4
Mr. Zhang Hwo Jie	張傑先生	4/4
Mr. Wu Tak Lung	吳德龍先生	4/4

Accountability and Audit

The Directors are responsible for overseeing the preparation of the consolidated financial statements for the year ended 31 December 2015 to ensure that the financial statements give a true and fair view of the Group's financial position on a going-concern basis and other financial disclosures. Board members are provided with monthly updates on the Group's financial position, which give the Directors a clear assessment of the performance, position and prospect of the Group. A statement from the external auditor relating to their reporting responsibilities is set out in the independent auditor's report on pages 67 to 68.

責任及審計

董事負責監管編製截至2015年12月31日止年度之綜合財務報表，以確保按持續基準真實而公平地反映出本集團的財務狀況及其他財務披露。董事會成員獲提供本集團財務狀況之月度更新，其向董事提供本集團表現、狀況及前景清晰明確的評估。外部審計機構就其報告責任的說明載於第67頁至第68頁之獨立核數師報告內。

Training and support for Directors

Directors must keep abreast of their collective responsibilities and are committed to participating in continuous professional development to develop their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant.

董事的培訓及支援

董事必須清楚彼等之整體責任，並須致力於參加持續專業發展，以拓展其知識及技能，確保彼等在具備全面資訊及切合所需的情況下對董事會作出貢獻。

The Company provides regular updates on changes and developments relating to the Group's business and the legislative and regulatory environments to the Directors at regular Board meetings. In addition, the Company also organises briefing sessions to the Directors which place emphasis on the roles, functions and duties of a listed company director, as well as the latest developments regarding the Listing Rules and other applicable regulatory requirements.

本公司定期於常規董事會會議上向董事更新與本集團之業務相關變動以及進展及法律及法規環境。此外，本公司亦為董事安排簡報會，着重上市公司董事的角色、職能及責任，以及上市規則及其他適用監管規定的最新發展。

CORPORATE GOVERNANCE REPORT

企業管治報告

The training records of the Directors during the Reporting Period are set out as follows:

於報告期間，董事之培訓記錄載列如下：

Name of Director 董事姓名	Reading materials regarding regulatory updates and corporate governance matters 有關監管更新及 企業管治事宜的 閱讀材料	Attending seminars and/or conferences and/ or briefings 出席研討會及/ 或會議及/或簡報
Executive Directors	執行董事	
Mr. Lam Chi Fan	林志凡先生	
Mr. Cheung Tung	張棟先生	✓
Mr. Chen Feng	陳楓先生	✓
Mr. Lam Kam Cheung	林錦祥先生	✓
Ms. Lam Fei Man	林斐雯小姐	✓
Independent non-executive Directors	獨立非執行董事	
Mr. Wong Chi Keung	王志強先生	✓
Professor Lam Sing Kwong, Simon	林誠光教授	✓
Mr. Fan Chun Wah, Andrew	范駿華先生	✓
Mr. Zhang Hwo Jie	張傑先生	✓
Mr. Wu Tak Lung	吳德龍先生	✓

BOARD COMMITTEES

The Company has set up four committees, namely, the audit committee, remuneration committee, nomination committee and corporate governance committee, for overseeing particular aspects of the Company. The terms of reference of these committees are available on the websites of the Company and the Stock Exchange.

Audit Committee

The audit committee comprises five INEDs, namely Mr. Wong Chi Keung, Professor Lam Sing Kwong, Simon, Mr. Fan Chun Wah, Andrew, Mr. Zhang Hwo Jie and Mr. Wu Tak Lung. Mr. Wong, who has professional qualifications in accounting and financial management expertise, is the chairman of the audit committee.

董事委員會

本公司設立4個委員會，即審核委員會、薪酬委員會、提名委員會及企業管治委員會，以監督本公司的特定事務。該等委員會職權範圍可於本公司網站及聯交所網站查詢。

審核委員會

審核委員會由五位獨立非執行董事組成，即王志強先生、林誠光教授、范駿華先生、張傑先生及吳德龍先生。王先生具備會計及財務管理專長相關之專業資格，為審核委員會主席。

CORPORATE GOVERNANCE REPORT

企業管治報告

The primary duties of the audit committee include, among other things:

- reviewing and monitoring the external auditor's independence and objectivity;
- recommending to the Board on the re-appointment of the external auditor and approve its remuneration;
- reviewing the Group's consolidated financial statements, annual reports and interim reports before submitting them to the Board;
- overseeing the Group's financial reporting system, internal control and risk management procedures and audit process;
- reviewing the Group's financial and accounting policies and practices of the Group; and
- meeting with the external auditor to discuss issues regarding audit at least once a year in the absence of the management.

During the Reporting Period, the audit committee held four meetings and reviewed the interim and annual results of the Group and discussed and approved the relevant financial reports. It also discussed matters related to internal controls and appointment of external auditor.

A summary of work of the audit committee during the Reporting Period is as follows:

- (a) reviewed the annual results for the year ended 31 December 2014 and interim results for the six months ended 30 June 2015;
- (b) reviewed the internal control review plan and the internal controls report of the Group prepared by the internal control advisor;
- (c) approved and confirmed the annual audit plan for the year ended 31 December 2015; and
- (d) recommended the Board to approve the revised terms of reference of the audit committee.

審核委員會的主要職責其中包括：

- 審閱及監督外部核數師的獨立性及客觀性；
- 就重新委任外部核數師對董事會作出建議及核准其酬金；
- 於向董事會提交前審閱本集團綜合財務報表、年報及中期報告；
- 監督本集團的財務報告系統、內部控制程序及審核過程；
- 審閱本集團財務及會計政策以及本集團的慣例；及
- 每年一次於並無管理層在場的情況下與外部核數師討論有關審核的事宜。

於報告期，審核委員會召開四次會議並審閱本集團中期及年度業績，並討論及批准相關財務報告。會上亦討論內部控制及委任外部核數師相關事宜。

報告期內審核委員會工作概要如下：

- (a) 審閱截至2014年12月31日止年度的年度業績及截至2015年6月30日止六個月的中期業績；
- (b) 審閱由內部控制顧問編製的內部控制審閱計劃及本集團內部控制報告；
- (c) 批准及確認截至2015年12月31日止年度的年度審核計劃；及
- (d) 建議董事會批准審核委員會的經修訂職權範圍。

CORPORATE GOVERNANCE REPORT

企業管治報告

The attendance record of each member of the audit committee at the meetings held during the Reporting Period is set out as follows:

各審核委員會成員於報告期內舉行之會議的出席記錄載列如下：

Name of members of audit committee	審核委員會成員姓名	Meetings attended 出席會議次數
Mr. Wong Chi Keung	王志強先生	4/4
Professor Lam Sing Kwong, Simon	林誠光教授	4/4
Mr. Fan Chun Wah, Andrew	范駿華先生	4/4
Mr. Zhang Hwo Jie	張傑先生	4/4
Mr. Wu Tak Lung	吳德龍先生	4/4

There was no disagreement between the Board and the audit committee's view on the selection, appointment, resignation or dismissal of the external auditor.

董事會與審核委員會概無就甄選、委任、辭任或罷免外部核數師事宜有任何意見分歧。

Auditor's Remuneration

核數師酬金

The audit committee monitors the audit and non-audit services rendered to the Group by the external auditor and ensures that the engagement of external auditor in non-audit services will not impair its audit independence or objectivity.

審核委員會監控由外部核數師向本集團提供的審核及非審核服務，並確保委聘外部核數師作非審核服務將不會損害其審核獨立性及客觀性。

For the year ended 31 December 2015, the fees in respect of the audit and non-audit services provided to the Group by Messrs. Deloitte Touche Tohmatsu, is set out as follows:

於截至2015年12月31日止年度，就德勤•關黃陳方會計師行向本集團提供的審核及非審核服務而支付的費用載列如下：

		Fee 費用 HK\$'000 千港元
Audit services	審核服務	2,400
Non-audit services:	非審核服務：	
Reviewing the Company's interim financial information, report on continuing connected transactions and review of internal control of the Group, and conducting financial and tax due diligence for potential acquisition	審核之本公司中期財務資料、持續關聯交易報告及審核本集團的內部控制，就潛在收購事項作出財務及稅務方面之盡職審查	1,495
		3,895

CORPORATE GOVERNANCE REPORT

企業管治報告

Corporate Governance Committee

The corporate governance committee comprises five INEDs, namely, Mr. Wong Chi Keung, the chairman of the corporate governance committee, Professor Lam Sing Kwong, Simon, Mr. Fan Chun Wah, Andrew, Mr. Zhang Hwo Jie and Mr. Wu Tak Lung.

The primary duties of the corporate governance committee include, among other things:

- developing and reviewing the policies and practices of the Company on corporate governance and making recommendation to the Board with regard to any change;
- reviewing and monitoring the training and continuous professional development of Directors and senior management on corporate governance;
- reviewing and monitoring the policies and practices of the Company on compliance with legal and regulatory requirements on corporate governance and making recommendation to the Board with regard to any change;
- developing, reviewing and monitoring the code of conduct and corporate governance manual applicable to employees and Directors; and
- reviewing the Company's compliance with the CG Code and disclosure in the corporate governance report.

During the Reporting Period, the corporate governance committee held one meeting to review the Company's corporate governance policies and practices and the compliance with the CG Code.

企業管治委員會

企業管治委員會由五位獨立非執行董事組成，即王志強先生(企業管治委員會主席)、林誠光教授、范駿華先生、張傑先生及吳德龍先生。

企業管治委員會的主要職責其中包括：

- 檢討本公司企業管治的政策及常規，並就任何變動向董事會作出建議；
- 就企業管治檢討及監察董事及高級管理層的培訓及持續專業發展；
- 檢討及檢查本公司政策及常規遵守法律及法例規定的情況，並就任何變動向董事會作出建議；
- 制定、檢討及監察適用於員工及董事的行為守則及企業管治手冊；及
- 檢討本公司就企業管治守則及企業管治報告中的披露的合規情況；

於報告期，企業管治委員會召開一次會議以審閱本公司的企業管治政策及常規，及遵守企業管治守則之情況。

CORPORATE GOVERNANCE REPORT

企業管治報告

The attendance record of each member of the corporate governance committee at the meeting held during the Reporting Period is set out as follows:

各企業管治委員會成員於報告期內於舉行之企業管治委員會會議的出席記錄載列如下：

Name of members of corporate governance committee	企業管治委員會成員姓名	Meetings attended 出席會議次數
Mr. Wong Chi Keung	王志強先生	1/1
Professor Lam Sing Kwong, Simon	林誠光教授	1/1
Mr. Fan Chun Wah, Andrew	范駿華先生	1/1
Mr. Zhang Hwo Jie	張傑先生	1/1
Mr. Wu Tak Lung	吳德龍先生	1/1

Remuneration Committee

The remuneration committee consists of one executive Director and two INEDs. The remuneration committee is chaired by Professor Lam Sing Kwong, Simon, an INED. Other members are Mr. Fan Chun Wah, Andrew, an INED and Mr. Lam Chi Fan, the Chairman of the Board.

薪酬委員會

薪酬委員會包括一位執行董事及兩位獨立非執行董事。薪酬委員會主席為獨立非執行董事林誠光教授。其他成員為獨立非執行董事范駿華先生、董事會主席林志凡先生。

The primary duties of the remuneration committee include, among other things:

薪酬委員會的主要職責其中包括：

- studying and making recommendations or proposals to the Board for its review on the Company’s policy and structure for remuneration of all Directors and senior management, on the Company’s incentive schemes and on the establishment of a formal and transparent procedure for formulating the remuneration policies and incentive schemes;
 - determining the remuneration packages of all executive Directors and senior management and making recommendation to the Board on the remuneration of the non-executive Directors; and
 - reviewing and approving performance-based remuneration by reference to corporate objectives approved by the Board from time to time.
- 就其審閱本公司所有董事及高級管理層的薪酬政策與架構、本公司獎勵計劃及為制定有關薪酬政策及獎勵計劃而設立正式及透明的程序作出研究，並向董事會作出推薦意見或建議；
 - 釐定所有執行董事及高級管理層的薪酬待遇，並就非執行董事的薪酬向董事會提供推薦意見；及
 - 檢討及批准參考董事會不時批准的公司目標而制定的表現掛鉤薪酬。

During the Reporting Period, the remuneration committee held one meeting to review and approve the Directors’ and senior management’s performance bonus, taking into consideration the comparable market practice, competitive market position, individual performance and contributions and the Company’s operating results.

於報告期，薪酬委員會召開一次會議，並在考慮可比較市場慣例、具競爭力的市場地位、個人表現及貢獻以及本公司經營業績後，審閱及批准董事及高級管理層的表現花紅。

CORPORATE GOVERNANCE REPORT

企業管治報告

In order to recognize and acknowledge the contributions of key employees of the Company, the Company adopted the Pre-IPO Share Option Scheme. This incentive scheme enables the eligible persons to have a personal stake in the Company and thus motivate them to optimize their performance efficiency for the benefit of the Company.

為肯定及認可本公司主要僱員的貢獻，本公司採納首次公開發售前購股權計劃。該獎勵計劃可令合資格人士於本公司中擁有個人權益，從而鼓勵彼等為本公司的利益提升工作效率。

Details of the Directors' emolument for the year ended 31 December 2015 and the Pre-IPO Share Option Scheme are set out in note 9 and note 28 to the consolidated financial statements, respectively.

有關截至2015年12月31日止年度的董事酬金及首次公開發售前購股權計劃之詳情分別載於綜合財務報表附註9及附註28。

The attendance record of each member of the remuneration committee at the meeting held during the Reporting Period is set out as follows:

各薪酬委員會成員於報告期內舉行之各薪酬委員會會議的出席記錄載列如下：

Name of members of remuneration committee	薪酬委員會成員姓名	Meetings attended 出席會議次數
Professor Lam Sing Kwong, Simon	林誠光教授	1/1
Mr. Lam Chi Fan	林志凡先生	1/1
Mr. Fan Chun Wah, Andrew	范駿華先生	1/1

Nomination Committee

提名委員會

The nomination committee comprises three members with the majority of its members being INEDs. The nomination committee is chaired by Mr. Lam Chi Fan, the Chairman of the Board. Other members are Mr. Wong Chi Keung and Professor Lam Sing Kwong, Simon, both being INEDs.

提名委員會由三位成員組成，其絕大部分成員為獨立非執行董事。提名委員會主席為董事會主席林志凡先生。其他成員為獨立非執行董事王志強先生及林誠光教授。

The primary duties of the nomination committee include, among other things:

提名委員會的主要職責其中包括：

- reviewing the structure, size, diversity and composition of the Board and making recommendations regarding any proposed changes to the Board in line with the Company's strategies;
 - developing and formulating relevant procedures for nomination and appointment of directors;
 - identifying suitable candidates for appointment as directors; and
 - assessing the independence of independent non-executive Director.
- 審閱董事會的架構、規模、多元性及組成，並根據本公司策略就任何建議變動向董事會作出建議；
 - 發展及制定提名及委任董事的相關程序；
 - 就董事委任物識適合人選；及
 - 評估獨立非執行董事的獨立性。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the Reporting Period, the nomination committee held one meeting to review the structure, size and composition of the Board. The Company recognises and embraces the benefits of diversity among its Board members. The nomination committee has a policy concerning the diversity of Board members with measurable objectives. Selection of candidates is based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, length of service and the legitimate interests of the principal Shareholders.

The attendance record of each member of the nomination committee at the meeting held during the Reporting Period is set out as follows:

Name of members of nomination committee	提名委員會成員姓名	Meetings attended 出席會議次數
Mr. Lam Chi Fan	林志凡先生	1/1
Mr. Wong Chi Keung	王志強先生	1/1
Professor Lam Sing Kwong, Simon	林誠光教授	1/1

於報告期，提名委員會召開一次會議並檢討董事會的架構、規模及組成。本公司確認及擁護董事會成員多元化的利益。提名委員會就董事會成員多元化採納具有重大目標的政策。候選人的選擇乃基於一系列多元化的視角，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識、服務年期及主要股東的合法利益。

各提名委員會成員於報告期內舉行之會議的出席記錄載列如下：

COMPANY SECRETARY

Mr. Lam Kam Cheung was appointed as the company secretary of the Company on 4 March 2014. The biographical details of Mr. Lam is set out in the paragraph headed "Directors and Senior Management" on page 19 of this report.

During the Reporting Period, Mr. Lam took no less than 15 hours of relevant professional training.

公司秘書

林錦祥先生於2014年3月4日獲委任為本公司公司秘書。有關林錦祥先生的履歷詳情載於本報告第19頁「董事及高級管理層」一段。

於報告期間，林先生參加了不少於15小時的有關專業培訓。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMUNICATION WITH SHAREHOLDERS

The Company respects the rights of Shareholders and seeks to facilitate the effective exercise of those rights by ensuring that the Company communicates effectively with its Shareholders.

The Company promotes effective communication with Shareholders and encourages effective participation by Shareholders at general meetings of the Company. To ensure a high quality of communication and level of clarity with all investors and other stakeholders, whilst complying with its statutory disclosure obligations, the Company endeavours to provide Shareholders with ready and easy access on a timely basis to matters that affect their investment in the Company; communicate in a clear, accurate and easy to understand manner with investors and other stakeholders. Communication with Shareholders would be mainly through the Company's interim and annual reports, announcements and circulars, general meetings and disclosure on the Company's website.

General Meetings

The Board also considers that general meetings of the Company provide an useful forum for Shareholders to exchange views with the Board. The Company shall in each year hold a general meeting as its AGM. All general meetings other than AGM shall be called extraordinary general meetings ("EGM").

Members of the audit committee, remuneration committee, corporate governance committee and nomination committee and the external auditors also attend the AGMs to answer questions from Shareholders. Notice of AGM is sent to all Shareholders at least 20 clear business days before the AGM and the accompanying circular also sets out details of each proposed resolution and other relevant information as required under the Listing Rules. The vote results are posted on the websites of the Stock Exchange and the Company on the same day of the AGM.

與股東的溝通

本公司尊重股東的權利並致力透過確保本公司與其股東有效溝通促進有關權利的有效行使。

本公司促進與股東的有效溝通，並鼓勵股東有效參與本公司股東大會。為確保與所有投資者及其他利益相關者的高質量溝通及清楚程度，而同時遵守其法定披露責任，本公司致力及時令股東可以隨時及輕易知悉有關影響其於本公司的投資的事宜，並與投資者及其他利益相關者以清晰、準確及易於明白的方式溝通。與股東的溝通將主要透過本公司中期及年度報告、公佈及通函、股東大會及本公司網站披露進行。

股東大會

董事會亦認為本公司股東大會為股東提供一個有用的論壇以與董事會交換意見。本公司應每年舉行股東大會作為其股東週年大會。本公司鼓勵股東於股東週年大會上與董事會會面及溝通，並就所有決議案投票。除股東週年大會以外的所有股東大會均為股東特別大會（「股東特別大會」）。

審核、薪酬、企業管治及提名委員會成員及外部核數師亦出席股東週年大會，以回答股東的提問。股東週年大會通告在股東週年大會舉行前不少於20個營業日寄發予所有股東，而隨附通函亦須載明各提呈決議案之詳情及上市規則要求之其他相關資料。投票表決的結果會於股東週年大會舉行當日在聯交所及本公司的網站刊發。

CORPORATE GOVERNANCE REPORT

企業管治報告

The 2015 AGM was held on 11 June 2015 and an EGM was held on 6 March 2015. The attendance records of the Directors at the 2015 AGM and other EGM held during the year are set out below:

2015年股東週年大會於2015年6月11日舉行及股東特別大會於2015年3月6日舉行，股東於年內舉行的2015年股東週年大會及其他股東特別大會的出席記錄載列如下：

Name of Directors	董事姓名	AGM attended 出席股東週年大會	EGM attended 出席股東特別大會
Executive Director	執行董事		
Mr. Lam Chi Fan	林志凡先生	1/1	1/1
Mr. Cheung Tung (Chairman of the AGM and EGM)	張棟先生(股東週年大會及 股東特別大會之主席)	1/1	1/1
Mr. Chen Feng	陳楓先生	1/1	1/1
Mr. Lam Kam Cheung	林錦祥先生	1/1	1/1
Ms. Lam Fei Man	林斐雯小姐	1/1	1/1
Independent non-executive Directors	獨立非執行董事		
Mr. Wong Chi Keung	王志強先生	1/1	1/1
Professor Lam Sing Kwong Simon	林誠光教授	1/1	1/1
Mr. Fan Chun Wah Andrew	范駿華先生	1/1	1/1
Mr. Zhang Hwo Jie	張傑先生	1/1	0/1
Mr. Wu Tak Lung	吳德龍先生	1/1	1/1

Rights and Procedures for Shareholders to Convene General Meetings

Any two or more members of the Company, at the date of the deposit of a written requisition holding not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings, shall at all times have the right to require an EGM to be called by the Board for the transaction of any business specified in such requisition.

The written requisition must specify the purpose of the meeting, signed by the requisitionists and deposit it with the Company Secretary of the Company at the Company's principal place of business in Hong Kong at Units 2005-2007, Level 20, Tower 1, MegaBox Enterprise Square Five, No. 38 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong.

If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the EGM to be held within a further 21 days, the requisitionists themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the EGM, but any EGM shall not be held after the expiration of three months from the date of deposit of the requisition.

An EGM so convened by the requisitionists shall be convened in the same manner, as nearly possible, as that in which meetings are to be convened by the Board.

股東召開股東大會的權利及過程

凡於書面請求發出日期持有不少於本公司繳足股本(附帶於股東大會上投票之權利)十分之一之兩名或以上本公司股東，隨時有權要求董事會就該請求處理指定的任何事務召開股東特別大會。

書面請求必須述明會議的目的，由請求人簽署並交本公司公司秘書，地址為本公司主要營業地點香港九龍灣宏照道38號企業廣場五期MegaBox一座20樓2005-2007室。

倘董事會於該請求書交付日期起計21天內未有正式落實將於往後21天內召開股東特別大會，請求人或任何佔全體一半以上總表決權的人士可自行召開股東特別大會，惟任何股東特別大會不得在交付請求日期起計三個月屆滿後舉行。

由請求人如此召開的股東特別大會須盡可能以接近董事會召開股東大會的方式召開。

CORPORATE GOVERNANCE REPORT

企業管治報告

Right to put enquiries to the Board

Shareholders may, at any time, direct questions or requests for information to the Directors or management through the 'Contact Us' section in the Company's website at www.sinomax.com or in writing and sent by post to the Company's principal place of business in Hong Kong.

Right to put forward proposals at general meetings

As a matter of Cayman Islands law, no members nor Shareholders are permitted to propose new resolutions at the general meetings if the intention to propose the new resolutions is not specified in the notice convening the general meeting. However, procedures for proposing candidate(s) for election as Directors at a Shareholder's meeting are set out in the Corporate Governance section of the Company's website at ir.sinomax.com.

INVESTOR RELATIONS

The Company believes that communicating with its Shareholders, investors and other stakeholders by electronic means, particularly through its website, is an efficient way of distributing information in a timely and convenient manner. The Company's website at www.sinomax.com/group provides the following information:

- the Board, committee charters, key corporate governance policies and constitutional documents;
- latest news, announcements, financials including interim and annual reports and all material information submitted to the Stock Exchange;
- other information relating to the Group and its business.

向董事會作出查詢的權利

股東可於任何時間透過本公司網站(www.sinomax.com)的「聯繫我們」或以書面及郵寄至本公司香港主要營業地點向本公司或管理層指出疑問或要求資料。

於股東大會提呈議案的權利

就開曼群島法例而言，倘提呈新決議案的意向並未於召開股東大會的通告上指明，概無成員或股東獲准於股東大會提呈新決議案。然而，於股東大會上建議董事候選人的程序載於本公司網站(ir.sinomax.com)的企業管治章節。

投資者關係

本公司相信透過電子方式(特別是其網站)與其股東、投資者及其他持份者溝通乃及時和便捷的資料發佈方式：本公司網站(www.sinomax.com/group)具有以下資料：

- 董事會、委員會章程、主要企業管治政策及章程文件；
- 最新新聞、公佈、財務材料(包括中期及年度報告以及呈交聯交所之所有重大資料)；及
- 關本集團及其業務的其他資料。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the Reporting Period, there had been no significant change in the Company's constitutional documents.

Shareholders can make any query in respect of the Group or to make request for the Company's financial reports. The designated contact details are as follows:

By post: Sinomax Group Limited
Units 2005-2007, Level 20, Tower 1,
MegaBox Enterprise Square Five
No. 38 Wang Chiu Road, Kowloon Bay,
Hong Kong

By email: ir@sinomax.com

Shareholders who have any matters related to change of name or address, transfer of shares and stolen or loss of share certificates, please contact the Company's share registrar, Tricor Investor Services Limited. The contact details are as follows:

Address Tricor Investor Services Limited
Level 22, Hopewell Centre,
183 Queen's Road East, Hong Kong

Tel: (852) 2980 1333

於報告期，本公司之章程文件並無重大變動。

股東可就本集團作出查詢或就本公司財務報告作出詢問。指定聯絡詳情如下：

郵寄地址： 盛諾集團有限公司
香港九龍灣
宏照道38號
企業廣場五期MegaBox
一座20樓2005-2007室

電郵： ir@sinomax.com

股東倘姓名或地址變動、轉讓股份、股票遭盜或丟失，請聯繫本公司的股份過戶登記處卓佳證券登記有限公司。聯繫詳情如下：

地址 卓佳證券登記有限公司
香港皇后大道東183號
合和中心22樓

電話： (852) 2980 1333

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



TO THE MEMBERS OF SINOMAX GROUP LIMITED

盛諾集團有限公司

(incorporated in Cayman Islands with limited liability)

We have audited the consolidated financial statements of Sinomax Group Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 69 to 159, which comprise the consolidated statement of financial position as at 31 December 2015, and the consolidated statement of profit or loss and other 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 applicable 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, 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. 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.

致盛諾集團有限公司股東

(於開曼群島註冊成立的有限公司)

吾等已審核列載於第69至159頁盛諾集團有限公司(「**貴公司**」)及其附屬公司(以下統稱「**貴集團**」)的綜合財務報表，包括於2015年12月31日的綜合財務狀況表，與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他說明資料。

董事就綜合財務報表的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及適用香港《公司條例》的披露規定編製真實而公平地列報的該等綜合財務報表，及落實其認為編製該等綜合財務報表所必要的內部控制，以使該等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。

核數師的責任

吾等的責任是根據吾等的審核對該等綜合財務報表作出意見。吾等的報告僅按照吾等協定的委聘條款，為股東(作為一個團體)而編製，並不為其他任何目的。吾等並不就本報告之內容對任何其他人士承擔任何義務或接受任何責任。吾等已根據香港會計師公會頒佈的香港審計準則進行審核。該等準則要求吾等遵守道德規範，並規劃及執行審核，以合理確定綜合財務報表是否並無任何重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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 judgment, 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 financial position of the Group as at 31 December 2015, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the applicable disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
18 March 2016

審核涉及執行程序以獲取綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該實體編製真實而公平地列報該等綜合財務報表相關的內部控制，以設計適當的審核程序，但並非為對實體的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

吾等相信，吾等所獲得的審核憑證可充足和適當地為我們的審核意見提供基礎。

意見

吾等認為，綜合財務報表已根據香港財務報告準則真實而公平地反映 貴集團於2015年12月31日的財務狀況及截至該日止年度的財務表現及現金流量，並已按照適用香港《公司條例》的披露規定妥為編製。

德勤•關黃陳方會計師行
執業會計師
香港
2016年3月18日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

FOR THE YEAR ENDED 31 DECEMBER 2015

截至2015年12月31日止年度

		NOTES	2015	2014
		附註	2015年	2014年
			HK\$'000	HK\$'000
			千港元	千港元
Revenue	收入	5	2,869,846	2,683,408
Cost of sales	銷售成本		(2,082,370)	(1,947,024)
Gross profit	毛利		787,476	736,384
Other income	其他收入	6	47,946	43,152
Other gains and losses	其他收益及虧損	7	(11,229)	(3,673)
Selling and distribution costs	銷售及分銷成本		(342,416)	(331,756)
Administrative expenses	行政開支		(162,565)	(155,519)
Share of loss of an associate	應佔一間聯營公司之虧損	17	(7,924)	—
Interest on bank borrowings	銀行借款利息		(7,955)	(8,779)
Other expenses	其他開支		(58,894)	(32,942)
Profit before taxation	除稅前溢利	8	244,439	246,867
Income tax expenses	所得稅開支	11	(59,763)	(43,920)
Profit for the year	年內溢利		184,676	202,947
Other comprehensive (expense) income that may be reclassified subsequently to profit or loss	其後可能重新分類至損益的其他全面(開支)收入			
Exchange differences arising on translation of foreign operations	海外業務產生的匯兌差額		(28,069)	571
Total comprehensive income for the year	年內全面收入總額		156,607	203,518
Profit for the year attributable to:	下列人士應佔年內溢利：			
Owners of the Company	本公司擁有人		172,674	194,393
Non-controlling interests	非控股權益		12,002	8,554
			184,676	202,947
Total comprehensive income for the year attributable to:	下列人士應佔年內全面收入總額：			
Owners of the Company	本公司擁有人		146,381	194,793
Non-controlling interests	非控股權益		10,226	8,725
			156,607	203,518
Earnings per share	每股盈利	13		
— Basic	— 基本		HK10.09 cents 港仙	HK12.37 cents 港仙
— Diluted	— 攤薄		HK10.07 cents 港仙	HK12.35 cents 港仙

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

AT 31 DECEMBER 2015

於2015年12月31日

		NOTES 附註	2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Investment properties	投資物業	14	28,676	22,274
Property, plant and equipment	物業、廠房及設備	15	211,904	221,392
Prepaid lease payments	預付租賃款項	16	21,989	23,630
Deposits paid for acquisition of property, plant and equipment	就收購物業、廠房及設備支付的按金		61,893	7,791
Interests in an associate	於一間聯營公司之權益	17	71,569	–
Rental deposits	租金按金	18	19,764	18,482
Deferred tax assets	遞延稅項資產	19	19,937	18,230
			435,732	311,799
CURRENT ASSETS	流動資產			
Inventories	存貨	20	298,707	398,050
Prepaid lease payments	預付租賃款項	16	580	607
Trade and other receivables	貿易及其他應收款項	21	613,406	584,740
Bills receivables	應收票據	22	22,485	10,422
Tax recoverable	可收回稅項		17,841	6,426
Pledged bank deposits	已抵押銀行存款	23	8,513	14,786
Fixed bank deposits	定期銀行存款	23	57,118	15,156
Structured bank deposits	結構性銀行存款	23	26,539	25,260
Bank balances and cash	銀行結餘及現金	23	328,790	254,020
			1,373,979	1,309,467
CURRENT LIABILITIES	流動負債			
Trade and other payables	貿易及其他應付款項	24	367,557	275,730
Bills payables	應付票據	25	59,493	92,335
Taxation payable	應付稅項		115,184	97,060
Unsecured bank borrowings	無抵押銀行貸款	26	160,541	233,016
			702,775	698,141
NET CURRENT ASSETS	流動資產淨額		671,204	611,326
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		1,106,936	923,125
NON-CURRENT LIABILITY	非流動負債			
Deferred tax liabilities	遞延稅項負債	19	10,247	10,012
NET ASSETS	資產淨值		1,096,689	913,113
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	27	175,000	165,000
Reserves	儲備		883,352	711,320
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,058,352	876,320
Non-controlling interests	非控股權益		38,337	36,793
TOTAL EQUITY	權益總額		1,096,689	913,113

The consolidated financial statements on pages 69 to 159 were approved and authorised for issue by the board of directors of the Company on 18 March 2016 and are signed on its behalf by:

第69至159頁所載綜合財務報表於2016年3月18日獲本公司董事會批准及授權刊發，並由下列董事代表簽署：

CHEUNG Tung 張棟
Director 董事

LAM Kam Cheung 林錦祥
Director 董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

FOR THE YEAR ENDED 31 DECEMBER 2015

截至2015年12月31日止年度

		Equity attributable to owners of the Company 本公司擁有人應佔權益									Non-controlling interests	Total
		Share capital	Share premium	Merger reserve	Statutory reserve	Capital reserve	Share option reserve	Translation reserve	Retained profits	Total		Total
		股本	股份溢價	合併儲備	法定儲備	資本儲備	購股權儲備	匯兌儲備	保留溢利	總計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note (i)) (附註(i))	(Note (ii)) (附註(ii))	(Note (iii)) (附註(iii))						
At 1 January 2014	於2014年1月1日	5	343,846	(403,835)	6,593	1,510	-	41,329	550,823	540,271	34,985	575,256
Profit for the year	年內溢利	-	-	-	-	-	-	-	194,393	194,393	8,554	202,947
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	-	-	400	-	400	171	571
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	-	-	400	194,393	194,793	8,725	203,518
Dividend recognised as distribution (note 12)	確認為分派的股息(附註12)	-	(16,500)	-	-	-	-	-	-	(16,500)	(6,917)	(23,417)
Issue of shares (note 27(b))	發行股份(附註27(b))	15,000	144,000	-	-	-	-	-	-	159,000	-	159,000
Cost of issuing new shares	發行新股份成本	-	(8,676)	-	-	-	-	-	-	(8,676)	-	(8,676)
Capitalisation issue (note 27(a))	資本化發行(附註27(a))	149,995	(149,995)	-	-	-	-	-	-	-	-	-
Recognition of share based payment expense	確認股份付款開支	-	-	-	-	-	7,431	-	-	7,431	-	7,431
Issue of shares upon exercise of share options	行使購股權發行之股份	-	2	-	-	-	(1)	-	-	1	-	1
Transfers	轉讓	-	-	-	1,921	-	-	-	(1,921)	-	-	-
At 31 December 2014	於2014年12月31日	165,000	312,677	(403,835)	8,514	1,510	7,430	41,729	743,295	876,320	36,793	913,113
Profit for the year	年內溢利	-	-	-	-	-	-	-	172,674	172,674	12,002	184,676
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	-	-	(26,293)	-	(26,293)	(1,776)	(28,069)
Total comprehensive (expense) income for the year	年內全面(開支)收入總額	-	-	-	-	-	-	(26,293)	172,674	146,381	10,226	156,607
Dividend recognised as distribution (note 12)	確認為分派的股息(附註12)	-	-	-	-	-	-	-	(70,000)	(70,000)	(8,682)	(78,682)
Issue of shares (note 27(c))	發行股份(附註27(c))	10,000	96,000	-	-	-	-	-	-	106,000	-	106,000
Cost of issuing new shares	發行新股份成本	-	(4,157)	-	-	-	-	-	-	(4,157)	-	(4,157)
Recognition of share based payment expense	確認股份付款開支	-	-	-	-	-	3,808	-	-	3,808	-	3,808
Transfers	轉讓	-	-	-	1,858	-	-	-	(1,858)	-	-	-
At 31 December 2015	於2015年12月31日	175,000	404,520	(403,835)	10,372	1,510	11,238	15,436	844,111	1,058,352	38,337	1,096,689

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

FOR THE YEAR ENDED 31 DECEMBER 2015

截至2015年12月31日止年度

Notes:

(i) The merger reserve represented the difference between the total equity of those subsidiaries which were transferred from the shareholders of Sinomax Enterprises Limited, the immediate holding company of the Company ("Individual Shareholders") to Treasure Range Holdings Limited ("Treasure Range"), a wholly owned subsidiary of the Company, attributable to the owners of the Company and the aggregated share capital of the relevant subsidiaries pursuant to the group reorganisation where the transfer of the relevant subsidiaries to Treasure Range as satisfied by issue of new shares from Treasure Range to the Company and from the Company to Sinomax Enterprises, the immediate holding company of the Company.

(ii) According to the relevant requirements in the memorandum of association of the Company's PRC subsidiaries, a portion of their profits after taxation has to be transferred to the statutory reserve. The transfer had been made before the distribution of a dividend to equity owners. The reserve can be applied either to set off accumulated losses, if any, or to increase capital. The statutory reserve fund is non-distributable other than upon liquidation.

In accordance with the provisions of the Macao Commercial Code, the subsidiary of the Company incorporated in Macau is required to transfer a minimum of 25% of annual net profit to statutory reserve until the accumulated amount equals half of its quota capital. This reserve is not distributable to the shareholder.

(iii) During the year ended 31 December 2011, the Individual Shareholders acquired an additional 34% interest in Trade Sincere Limited ("Trade Sincere"), a non-wholly owned subsidiary of the Company, from a non-controlling shareholder for a consideration of US\$998,012 (equivalent to HK\$7,755,000) and the Group's interest in Trade Sincere was then increased from 51% to 85%. Simultaneously, Trade Sincere disposed of its 40% equity interest in Sinomax Kuka (Zhejiang) Foam Co. Limited ("Sinomax Kuka"), a then wholly-owned subsidiary of Trade Sincere to a non-controlling shareholder for a consideration of US\$1,174,132 (equivalent to HK\$8,855,000). Sinomax Kuka became a 60% owned subsidiary of Trade Sincere after this partial disposal. The Group's effective interest in Sinomax Kuka remained unchanged. The difference between the consideration received by the Group and the increase in non-controlling interests after these transactions amounting to approximately HK\$1,515,000 is recorded in capital reserve.

附註：

(i) 合併儲備乃指根據集團重組本公司擁有人應佔該等附屬公司的權益總額由本公司直接控股公司聖諾盟企業之股東(「個別股東」)向本公司全資附屬公司Treasure Range Holdings Limited(「Treasure Range」)轉讓與相關附屬公司股本總額的差額。向Treasure Range轉讓相關附屬公司的代價乃透過Treasure Range向本公司發行新股份及本公司向本公司直接控股公司聖諾盟企業發行新股份的方式支付。

(ii) 根據本公司的中國附屬公司組織章程大綱的相關規定，除稅後溢利部份須轉撥至法定儲備。該轉撥已向權益擁有人分派股息前進行。該儲備可用於抵銷累計虧損(如有)或增資。除進行清盤時外，法定儲備基金不得用作分派。

根據澳門《商法典》的規定，本公司於澳門註冊成立的附屬公司須轉撥最少25%的年度純利至法定儲備，直至累計金額等同於配額資本的一半。該儲備不得用作股東分派。

(iii) 截至2011年12月31日止年度，個別股東向非控股股東收購本公司非全資附屬公司質誠有限公司(「質誠」)的額外34%權益代價為998,012美元(相當於7,755,000港元)及本集團於質誠的權益因此由51%增加至85%。同時，質誠向非控股股東出售其於浙江聖諾盟顧家海綿有限公司(「聖諾盟顧家」)(當時質誠的一間全資附屬公司)的40%股權，代價為1,174,132美元(相當於8,855,000港元)。於該部份出售後，聖諾盟顧家成為質誠擁有60%權益的附屬公司。本集團於聖諾盟顧家的實際權益維持不變。於該等交易後，本集團所收取的代價與非控股權益增加的差額約為1,515,000港元，並計入資本儲備。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2015

截至2015年12月31日止年度

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
	NOTE 附註		
OPERATING ACTIVITIES	經營活動		
Profit before taxation	除稅前溢利	244,439	246,867
Adjustments for:	經下列各項調整：		
Net allowance for doubtful debts	呆賬撥備淨額	9,809	322
Reversal of allowance for inventories	存貨撥備撥回	(1,071)	(5,120)
Amortisation of prepaid lease payments	預付租賃款項攤銷	592	603
Depreciation of investment properties	投資物業折舊	1,564	905
Depreciation of property, plant and equipment	物業、廠房及設備折舊	29,934	25,980
Interest on bank borrowings	銀行借款利息	7,955	8,779
Interest income	利息收入	(6,531)	(3,093)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	103	-
Share-based payment expense	股份付款開支	3,808	7,431
Share of loss of an associate	應佔一間聯營公司之虧損	7,924	-
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	298,526	282,674
Increase in rental deposits	租金按金增加	(1,282)	(825)
Decrease (increase) in inventories	存貨減少(增加)	122,512	(47,000)
Decrease (increase) in trade and other receivables	貿易及其他應收款項減少(增加)	13,101	(76,857)
(Increase) decrease in bills receivables	應收票據(增加)減少	(12,797)	4,387
Increase (decrease) in trade and other payables	貿易及其他應付款項增加(減少)	70,913	(27,434)
Decrease in bills payables	應付票據減少	(29,522)	(21,212)
Decrease in amounts due to related parties	應付關連方款項減少	-	(56,195)
Cash generated from operations	經營產生現金	461,451	57,538
Hong Kong Profits Tax paid	已付香港利得稅	(10,537)	(5,061)
PRC Enterprise Income Tax paid	已付中國企業所得稅	(43,952)	(32,581)
US Income Tax paid	已付美國所得稅	(657)	(20,198)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	經營活動(動用)產生現金淨額	406,305	(302)
INVESTING ACTIVITIES	投資活動		
Payment for property, plant and equipment	物業、廠房及設備付款	(86,063)	(29,999)
Investment in an associate	於一間聯營公司之投資	(79,493)	-
Net placement of fixed bank deposits	存放定期銀行存款淨額	(43,548)	(15,156)
Acquisition of a subsidiary	收購一間附屬公司	(43,186)	-
Net (placement) withdrawal of structured bank deposits	(存放)提取已抵押銀行存款淨額	(2,464)	15,156
Interest received	已收取利息	6,531	3,093
Net withdrawal of pledged bank deposits	提取已抵押銀行存款淨額	5,728	117
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的所得款項	61	-
Repayments from related parties	關連方的還款	-	31,532
NET CASH (USED IN) FROM INVESTING ACTIVITIES	投資活動(動用)產生現金淨額	(242,434)	4,743

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2015

截至2015年12月31日止年度

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
FINANCING ACTIVITIES	融資活動		
Repayments of bank borrowings	償還銀行借款	(354,871)	(388,792)
Dividends paid	已付股息	(78,682)	(83,417)
Interest paid	已付利息	(7,955)	(8,779)
New bank borrowings raised	新籌集的銀行借款	258,274	459,363
Proceeds on issue of shares, net of share issue expenses	發行股份的所得款項， 扣除發行股份開支	101,843	127,120
Net proceeds on exercise of share option	行使購股權所得款項淨額	–	1
Repayments to related parties	償還關連方款項	–	(21,107)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	融資活動(動用)產生現金淨額	(81,391)	84,389
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額	82,480	88,830
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初現金及現金等價物	254,020	165,248
Effect of foreign exchange rate changes	匯率變動的影響	(7,710)	(58)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	年末現金及現金等價物， 以銀行結餘及現金呈列	328,790	254,020

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2015

截至2015年12月31日止年度

1. GENERAL

The Company was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 5 June 2012. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 10 July 2014. Its ultimate holding company is Sinomax Enterprises Limited ("**Sinomax Enterprises**"), a company incorporated in the British Virgin Islands (the "**BVI**").

The address of the registered office and the principal place of business of the Company are P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands and Units 2005-2007, Level 20 Tower 1, MegaBox Enterprise Square Five, 36 Wang Chiu Road, Kowloon Bay, Hong Kong, respectively.

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in note 36.

The consolidated financial statements are presented in Hong Kong dollar ("**HK\$**"), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("**HKFRSs**")

Application of new and revised HKFRSs

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") for the first time in the current year:

Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010–2012 Cycle
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011–2013 Cycle

The application of these amendments has had no material impact on the disclosures or amounts recognised in the Group's consolidated financial statements.

1. 一般事項

本公司於2012年6月5日根據開曼群島公司法第22章(1961年第三號法例，經綜合及修訂)於開曼群島註冊成立並登記為一間獲豁免有限公司。本公司的股份自2014年7月10日起於香港聯合交易所有限公司(「**聯交所**」)主板上市。其最終控股公司為聖諾盟企業有限公司(「**聖諾盟企業**」)，該公司為一間於英屬處女群島(「**英屬處女群島**」)註冊成立的公司。

本公司的註冊辦事處及主要營運地點分別為P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands及香港九龍灣宏照道36號企業廣場五期MegaBox 1座20樓2005–2007室。

本公司為投資控股公司其主要附屬公司的主要業務載於附註36。

綜合財務報表以港元(「**港元**」)呈列，港元亦為本公司的功能貨幣。

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

應用新訂及經修訂香港財務報告準則

本集團已於本年度首次應用由香港會計師公會(「**香港會計師公會**」)所頒佈的下列香港財務報告準則(修訂本)：

香港會計準則第19號(修訂本)	定額福利計劃：員員供款
香港財務報告準則(修訂本)	於2010年至2012年間香港財務報告準則年度改進
香港財務報告準則(修訂本)	於2011年至2013年間香港財務報告準則年度改進

應用該等修訂本對本集團綜合財務報表所確認之披露事項或金額並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2015

截至2015年12月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New or revised HKFRSs issued but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial Instruments ¹
HKFRS 14	Regulatory Deferral Accounts ²
HKFRS 15	Revenue from Contracts with Customers ¹
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations ³
Amendments to HKAS 1	Disclosure Initiative ³
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation ³
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012–2014 Cycle ³
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants ³
Amendments to HKAS 27	Equity Method in Separate Financial Statements ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception ³

¹ Effective for annual periods beginning on or after 1 January 2018

² Effective for first annual HKFRS financial statements beginning on or after 1 January 2016

³ Effective for annual periods beginning on or after 1 January 2016

⁴ Effective for annual periods beginning on or after a date to be determined

The directors of the Company anticipate that the application of the new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂或經修訂香港財務報告準則

本集團並無提早應用下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第14號	監管遞延賬目 ²
香港財務報告準則第15號	客戶合約收益 ¹
香港財務報告準則第11號(修訂本)	收購合營業務權益的會計處理 ³
香港會計準則第1號(修訂本)	披露計劃 ³
香港會計準則第16號及香港會計準則第38號(修訂本)	對可接受的折舊和攤銷方法的澄清 ³
香港財務報告準則(修訂本)	於2012年至2014年間香港財務報告準則年度改進 ³
香港會計準則第16號及香港會計準則第41號(修訂本)	農業：生產性植物 ³
香港會計準則第27號(修訂本)	獨立財務報表權益法 ³
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合資企業間的資產出售或注資 ⁴
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28號(修訂本)	投資實體：應用綜合入賬的例外情況 ³

¹ 於2018年1月1日或以後開始的年度期間生效

² 於2016年1月1日或以後開始的首個香港財務報告準則財務報表年度生效

³ 於2016年1月1日或以後開始的年度期間生效

⁴ 於待釐定日期當日或以後開始的年度期間生效

本公司董事預期，應用新訂及經修訂的香港財務報告準則對本集團的業績及財務狀況並無重大影響。

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3. PRINCIPAL ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and by the Hong Kong Companies Ordinance (“**CO**”).

The provision of the new Hong Kong Companies Ordinance (Cap. 622) regarding preparation of accounts and directors’ reports and audits became effective for the Company for the financial year ended 31 December 2015. Further, the disclosure requirements set out in the Listing Rules regarding annual accounts have been amended with reference to the new CO and to streamline with HKFRSs. Accordingly the presentation and disclosure of information in the consolidated financial statements for the financial year ended 31 December 2015 have been changed to comply with these new requirements. Comparative information in respect of the financial year ended 31 December 2014 are presented and disclosed in the consolidated financial statements based on the new requirements. Information previously required to be disclosed under the predecessor CO or Listing Rules but not under new CO or amended Listing Rules are not disclosed in these consolidated financial statements.

The consolidated financial statements have been prepared on historical basis at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則(「**上市規則**」)及香港《公司條例》(「**公司條例**」)所規定的適用披露資料。

新香港公司條例(第622章)有關編製賬目及董事報告及審核之條文已對本公司截至2015年12月31日止財政年度生效。此外，上市規則所載有關年度賬目之披露規定已參考新公司條例而修訂並藉此與香港財務報告準則精簡一致。因此，截至2015年12月31日止財政年度綜合財務報表內之資料呈列及披露已予更改以遵守此等新規定。有關截至2014年12月31日止財政年度之比較資料已根據新規定於綜合財務報表內呈列或披露。根據前公司條例或上市規則在以往須予披露但根據新公司條例或經修訂上市規則毋須披露之資料，在本綜合財務報表中已再無披露。

誠如下列會計政策所述，綜合財務報表乃於各報告期末按歷史基準而編製。

歷史成本一般按交換貨品及服務所付代價的公平值計算。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 "Share-based Payment", leasing transactions that are within the scope of HKAS 17 "Leases", and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 "Inventories" or value in use in HKAS 36 "Impairment of Assets".

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3. 主要會計政策 (續)

公平值是於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否直接可觀察或可使用其他估值技術估計。若市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特點，則本集團於估計資產或負債的公平值時會考慮該等特點。此等綜合財務報表中作計量及／或披露用途的公平值乃按此基準釐定，惟屬於香港財務報告準則第2號「股份付款」範圍的以股份付款的交易、屬於香港會計準則第17號「租賃」範圍內的租賃交易，以及與公平值有部份相若地方但並非公平值的計量，譬如香港會計準則第2號「存貨」內的可變現淨額或香港會計準則第36號「資產減值」的使用價值除外。

此外，就財務呈報而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體的重要性分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場之報價（未經調整）；
- 第二級輸入數據是就資產或負債直接或間接地可觀察之輸入數據（第一級內包括的報價除外）；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. 主要會計政策(續)

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及本公司控制的實體及其附屬公司的財務報表。當本公司完成以下事項則可被視為取得控制權：

- 可對被投資方行使權力；
- 承擔或擁有因參與被投資方業務產生的浮動回報的風險或權利；及
- 有能力使用其權力影響其回報。

倘有事實及情況顯示上述三項控制權要素有一項或以上出現變動，本集團會重新評估其是否對被投資方擁有控制權。

綜合附屬公司於本集團取得附屬公司的控制權時開始，並於本集團失去附屬公司的控制權時終止。尤其是，於年內收購或出售附屬公司的收入及開支，會由本集團取得控制的日期直至本集團失去附屬公司的控制權當日計入綜合損益及其他全面收益表。

溢利或虧損及其他全面收入的各個部份會分配予本公司擁有人及非控股權益。附屬公司的全面收入總額會分配予本公司擁有人及非控股權益，即使此舉將導致非控股權益出現虧絀結餘。

如需要，將會就附屬公司的財務報表作出調整，使其會計政策與本集團的會計政策貫徹一致。

本集團成員公司間的交易所涉及的所有集團內公司間資產及負債、權益、收入、開支及現金流量已於綜合賬目時全部對銷。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 "Income Taxes" and HKAS 19 "Employee Benefits" respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 "Share-based Payment" at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

3. 主要會計政策 (續)

業務合併

收購業務採用收購法入賬。業務合併所轉讓的代價按公平值計量，而計算方法為本集團所轉讓的資產、本集團向被收購方原擁有人產生的負債及本集團於交換被收購方的控制權發行的權益於收購日期之公平值總和。有關收購的成本一般於產生時在損益賬中確認。

於收購日期，已收購之可識別資產及已承擔之負債按其公平值確認，惟以下各項除外：

- 遞延稅項資產或負債及與僱員福利安排相關之資產或負債分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 於收購日，被收購方以股份為基礎的付款安排或本集團以股份為基礎的付款安排替代被收購方以股份為基礎的付款安排之負債或股權工具，應根據香港財務報告準則第2號「以股份為基礎之付款」計量（見下文會計政策）；及
- 根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產（或出售組合）根據該準則計量。

商譽以所轉讓之代價、被收購方任何非控股權益之金額及收購方過往持有之被收購方股權（如有）之公平值總和超出所收購之可識別資產及所承擔之負債於收購日之淨值之差額計量。倘（經重新評估後）所收購之可識別資產及所承擔之負債於收購日之淨額超出所轉讓之代價、被收購方任何非控股權益之金額及收購方過往持有被收購方權益（如有）之公平值總和，超出部分即時於損益中確認為議價收購收益。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

Investments in an associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of an associate are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of an associate used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

3. 主要會計政策(續)

業務合併(續)

屬現時擁有權益且於清盤時賦予其持有人按比例分佔實體資產淨值之非控股權益可初步按公平值或按非控股權益應佔被收購方之可識別資產淨值之已確認金額比例計量。計量基準之選擇乃按每次交易為基礎。其他類型之非控股權益乃按其公平值或(倘適用)按其他香港財務報告準則指定之基準計量。

於聯營公司之投資

聯營公司為一間本集團擁有重大影響力之實體。重大影響力乃為有權參與被投資公司之財務及經營政策決定而非控制或共同控制該等政策。

聯營公司之業績及資產與負債乃使用權益會計法併入該等綜合財務報表。作會計權益法用途之聯營公司財務報表乃按與本集團就同類交易及同類情況下事項之劃一會計政策編製。根據權益法，於聯營公司之投資以成本在綜合財務狀況表內初始確認，及調整其後確認本集團應佔聯營公司之損益及其他全面收益。當本集團應佔某聯營公司之虧損超出其於該聯營公司之權益(其包括任何長期權益，而該長期權益實質上構成本集團於該聯營公司之投資淨值之一部份)，則本集團不再確認應佔之進一步虧損。確認額外虧損僅以本集團已產生法律或推定責任或代表該聯營公司作出付款為限。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Investments in an associate (Continued)

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of Assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

3. 主要會計政策 (續)

於聯營公司之投資 (續)

於聯營公司之投資乃自該被投資方成為聯營公司之日起採用權益法入賬。於收購聯營公司投資時，任何投資成本超出本集團應佔該被投資方可辨別資產及負債之公平淨值之數額確認為商譽，而該商譽包括在投資之賬面值內。本集團應佔之可辨別資產及負債重估後之公平淨值超出收購成本之差額即時於收購該投資期間之損益中確認。

本集團應用香港會計準則第39號之規定，以釐定是否需要就本集團於聯營公司之投資確認任何減值虧損倘需要，投資之全部賬面值(包括商譽)會根據香港會計準則第36號「資產減值」作為單一資產與可收回金額(即使用價值與公平值減出售成本之較高者)及賬面值進行比較，測試是否減值。任何已確認減值虧損構成該項投資之賬面值之一部份。根據香港會計準則第36號，有關減值虧損之任何撥回確認，僅限於該項投資其後可收回金額增加之幅度。

倘本集團削減其於聯營公司之擁有權益而本集團繼續採用權益法，若有關收益或虧損會於出售相關資產或負債時重分類至損益，則本集團將有關削減擁有權益而先前已於其他全面收入確認之部分收益或虧損重分類至損益。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Investments in an associate (Continued)

When a group entity transacts with an associate of the Group (such as a sale or contribution of assets), profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts, returns and sales related taxes.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

The Group's policy for recognition of revenue from operating leases is described in the accounting policy below.

3. 主要會計政策(續)

於聯營公司之投資(續)

倘集團旗下實體與本集團之聯營公司交易(例如出售或投入資產)時,本集團之綜合財務報表確認與該聯營公司交易所產生之損益時,僅限於該聯營公司與本集團並無關聯之權益。

收入確認

收入按已收或應收代價的公平值計算,即就一般業務過程中所售商品而應收取的金額(扣除折扣、退貨及銷售相關稅項)。

銷售貨品所得收入於商品交付且已轉移所有權時確認。屆時,下列條件應已達成:

- 本集團已向買方轉移與商品擁有權有關的重大風險及回報;
- 本集團對已售商品不再具有一般與擁有權相關程度的持續管理參與權,亦無實際控制權;
- 收入金額能可靠計量;
- 與交易有關的經濟利益可能會流入本集團;及
- 交易已產生或將予產生的成本能可靠計量。

在經濟利益可能流入本集團及收入金額能夠可靠地計量的情況下,金融資產的利息收入會被確認。利息收入乃參照未償還本金額及適用實際利率按時間基準累算,適用實際利率即是把金融資產預計年內估計日後現金收入確切地折現至該資產初步確認賬面淨值的利率。

本集團就經營租賃的收入確認政策於以下會計政策載列。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

When an owner-occupied property becomes an investment property because its use has changed as evidenced by end of owner-occupation, the transfer is made at the carrying amount.

When there is a change of use of an investment property as evidenced by commencement of owner-occupation, the transfer is made at the carrying amount.

3. 主要會計政策 (續)

投資物業

投資物業包括持有以賺取租金及／或資本升值的物業。

投資物業初步按成本(包括任何直接應佔開支)計量。於初步確認後，投資物業乃按成本減其後累計折舊及任何累計減值虧損列賬。折舊乃按投資物業的估計可使用年期並計及其估計剩餘價值後以直線法撇銷其成本而確認。估計可使用年期、剩餘價值及折舊法於各報告期末檢討，而任何估計變動的影響按預期基準入賬。

投資物業乃於出售時或於投資物業永久終止使用及預期未來不能自出售投資物業取得經濟利益時終止確認。從終止確認物業產生的任何收益或虧損(按出售所得款項淨額與資產賬面值的差額計算)乃於物業終止確認期間計入損益表。

倘有證據顯示自用物業的用途因已更改為終止自用而成為投資物業，則有關轉變按賬面值入賬。

倘有證據顯示投資物業的用途已更改為業主自用，則有關轉變按賬面值入賬。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods, or for administrative purposes (other than construction in progress as described below) are stated in the consolidated statements of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Properties in the course of construction for production, supply or administrative purposes (i.e. construction in progress) are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 主要會計政策(續)

物業、廠房及設備

除下文所述在建工程外，物業、廠房及設備(包括持作生產或供應商品或作行政用途的樓宇)乃按成本減其後的累計折舊及累計減值虧損(如有)於綜合財務狀況表中列賬。

折舊乃按撇銷資產(在建工程除外)的成本減其於估計可使用年期內的剩餘價值使用直線法確認。於各報告期末檢討估計可使用年期、剩餘價值及折舊法，而任何估計變動的影響按預期基準入賬。

用作生產、供應或行政用途的在建物業(即在建工程)按成本減任何已確認減值虧損列賬。成本包括專業費用及就合資格資產而言，借貸成本乃根據本集團的會計政策撥充資本。當相關物業完工並可作擬定用途時，該等物業將分類至適當的物業、廠房及設備類別。該等資產的折舊於資產可投入擬定用途時開始按與其他物業資產相同的基準計算。

物業、廠房及設備項目會在出售或預期繼續使用資產不會帶來未來經濟利益時解除確認。物業、廠房及設備項目在出售或報廢時產生的任何收益或虧損，乃按出售所得款項與有關資產賬面值的差額計算，並於損益中確認。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Leasehold land for own use

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

3. 主要會計政策 (續)

租賃

當租賃條款轉移擁有權的絕大部分風險及回報予承租人時，租賃被分類為融資租賃。所有其他租賃被分類為經營租賃。

本集團作為出租人

經營租賃的租金收入於有關租賃期間按直線法於損益確認。

本集團作為承租人

經營租賃款項乃於租期內以直線法確認為開支。經營租賃下產生的或然租金在產生當期作為開支確認。

倘訂立經營租賃可以獲得租賃優惠，該等優惠確認為負債。優惠整體利益以直線法沖減租金開支確認。

自用租賃土地

當租賃包括土地及樓宇部分，本集團根據對附於各部分擁有權的絕大部分風險及回報是否已轉移至本集團的評估，分別將各部分的分類評定為融資或經營租賃。除非土地及樓宇部分均明確屬於經營租賃，於此情況下整項租賃分類為經營租賃。具體而言，最低租賃付款(包括任何一次性預付款項)於租約訂立時按租賃土地部分及樓宇部分中的租賃權益相對公平值比例於土地與樓宇部分間分配。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Leasing (Continued)

Leasehold land for own use (Continued)

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using the weighted average cost method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

The Group's financial assets are classified as loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

3. 主要會計政策(續)

租賃(續)

自用租賃土地(續)

倘租賃款項能可靠分配，則以經營租賃入賬的土地租賃權益在綜合財務狀況表中列為「預付租賃款項」，且於租期內按直線法攤銷。倘租賃款項無法於土地和樓宇部分間可靠分配時，則整項租賃通常分類為融資租賃，並入賬列作物業、廠房及設備。

存貨

存貨按成本及可變現淨值兩者較低者列賬。存貨成本使用加權平均成本法計算。可變現淨值按存貨估計售價減所有完工成本及銷售所需成本計。

金融工具

金融資產及金融負債於本集團成為工具合約條文的訂約方時確認。

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債直接應佔的交易成本於初步確認時計入或扣除自金融資產或金融負債的公平值(如適用)。

金融資產

本集團的金融資產分類為貸款及應收款項。分類視乎金融資產的性質及目的並於初步確認時釐定。

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3. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, bills receivables, pledged bank deposits, structured bank deposits, fixed bank deposits and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of loans and receivables below).

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

實際利率法

實際利率法指一種在有關期間內用於計算債務工具的攤銷成本以及分配利息收入的方法。實際利率指一種於初步確認時可將金融資產的預期年期或(如適用)較短期間內的預計未來現金收入額(包括構成實際利率部份的已付或已收取的全部費用、交易成本及其他溢價或折讓)準確折現至賬面淨值的利率。

債務工具的利息收入乃按實際利息基準確認。

貸款及應收款項

貸款及應收款項乃具有固定或可釐定付款而沒有於活躍市場報價的非衍生金融資產。初步確認後貸款及應收款項(包括貿易及其他應收款項、應收票據、已抵押銀行存款、結構性銀行存款、定期銀行存款及銀行結餘及現金)乃以實際利率法按攤銷成本減任何可識別減值虧損計量(請參閱下述有關貸款及應收款項減值的會計政策)。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of loans and receivables

Loans and receivables are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

Objective evidence of impairment of loans and receivables could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of loans and receivables, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the respective credit period, observable changes in national or local economic conditions that correlate with default on receivables.

The amount of impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

貸款及應收款項減值

貸款及應收款項須於各報告期末獲評估是否存有減值跡象。倘出現客觀證據，因金融資產初步確認後發生的一項或多項事件，導致估計未來現金流量受到影響，則金融資產將須予減值。

貸款及應收款項減值的客觀證據可能包括：

- 發行人或對手方出現重大財政困難；或
- 違反合約，如違約或拖欠利息或本金付款；或
- 借款人很大機會面臨破產或財務重組。

此外，對於資產不會進行個別減值評估的若干類別貸款及應收款項(如貿易應收款項)，會進行整體的減值評估。應收款項組合減值的客觀證據可能包括本集團過往收款經驗、組合內超過各自信貸期間的逾期還款數目上升、國家或地區經濟狀況出現明顯變動導致應收款項遭拖欠。

減值虧損金額按該資產的賬面值及估計未來現金流量按金融資產的原實際利率折現後的現值兩者之間的差額確認。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of loans and receivables (Continued)

The carrying amount of the loans and receivables is reduced by the impairment loss directly with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses were recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

貸款及應收款項減值 (續)

貸款及應收款項的減值虧損會直接於其賬面值中作出扣減，惟貿易應收款項除外，其賬面值會透過撥備賬作出扣減。撥備賬內的賬面值變動會於損益賬中確認。當貿易應收款項被視為不可收回時，會於撥備賬內撇銷。於其後收回的先前撇銷的款項將計入損益賬。

倘於其後期間減值虧損的金額減少，而此項減少可客觀地與確認減值虧損後發生的某一事件有關，則先前確認的減值虧損於損益賬中予以撥回，惟於撥回減值當日的資產賬面值不得超過於未確認減值時的攤銷成本。

金融負債及股本工具

由本集團發行的債務及股本工具按所訂立的合約安排性質，以及金融負債及股本工具的定義而分類為金融負債或股本。

實際利率法

實際利率法是計算金融負債的攤銷成本，及將利息開支在相關期間內分配的方法。實際利率指於初步確認時可將金融負債的預計年期或(如適用)較短期間內的估計未來現金付款(包括所有構成實際利率部份的已付或已收取的全部費用、交易成本及其他溢價或折讓)準確折現至賬面淨值的利率。

利息開支乃按實際利息基準確認。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by a group entity are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities of the Group, including trade and other payables, bills payables and bank borrowings, are subsequently measured at amortised cost using effective interest method.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or, when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 主要會計政策(續)

金融工具(續)

金融負債及股本工具(續)

股本工具

股本工具為證明本集團資產的剩餘權益(經扣除其所有負債)的任何合約。集團實體發行的股本工具按所收取的所得款項減直接發行成本後確認。

金融負債

本集團的金融負債(包括貿易及其他應付款項、應付票據及銀行借款)其後以實際利率法按攤銷成本計量。

終止確認

本集團僅於自資產獲取現金流量的合約權利到期時，或本集團將金融資產及資產擁有權的絕大部分風險及回報轉讓予另一實體時，方會取消確認金融資產。

於終止確認整項金融資產時，該項資產的賬面值與已收及應收代價的總額的差額已於損益確認。

本集團在及只有在本集團的責任獲免除、取消或終止時，方會終止確認金融負債。獲終止確認的金融負債的賬面值與已付及應付代價之間的差額會於損益確認。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Impairment losses

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets 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 the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or the CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or the CGU) 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 had no impairment loss been recognised for the asset (or the CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. 主要會計政策 (續)

減值虧損

於各報告期末，本集團會檢討其有形資產的賬面值，以確定是否有任何跡象顯示該等資產已出現減值虧損。倘有任何該等跡象，則估計有關資產的可收回款額，以確定減值虧損(如有)的程度。倘若不大可能估計個別資產的可收回金額，則本集團估計資產屬於的現金產生單位的可收回金額。如分配的合理及一致基準可予識別，則公司資產亦被分配至個別現金產生單位，或於其他情況下合理及一致分配基準可予識別時，將其分配至現金產生單位的最小組合。

可收回金額為公平值減去銷售成本及使用價值兩者中的較高者。於評估使用價值時，估計未來現金流量乃以稅前貼現率貼現至現值，該貼現率能反映貨幣時間值的當前市場評估及資產特定風險(針對該等未經調整的未來現金流量的估計)。

倘資產(或現金產生單位)的可收回金額估計將少於其賬面值，則資產(或現金產生單位)的賬面值會減少至其可收回金額。減值虧損會即時於損益確認。

倘減值虧損於其後撥回，則增加資產(或現金產生單位)的賬面值至其可收回金額經修訂估計金額惟增加後的賬面值不能超過倘於過往年度並無確認該資產(或現金產生單位)的減值虧損而應確定的賬面值。減值虧損的撥回會即時於損益確認。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

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 added to 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.

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

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3. 主要會計政策(續)

撥備

當本集團因過往事件而承擔現行責任(法律或推定)及本集團可能需要履行該責任，並且就責任金額作出可靠的估計，則確認撥備。確認作撥備的金額乃按於報告期末對履行現有責任所需代價的最佳估計，並計及責任的風險及不確定性而計量。倘撥備採用履行現有責任的估計現金流量計量，則其賬面值為該等現金流量的現值(倘對金額時間值影響重大)。

借貸成本

直接因收購、建設或生產合資格資產(需要一段長時間方能達致其擬定用途或出售者)而產生之借貸成本，用於增加資產的成本，直至該等資產實際達到預定用途或可供出售。

等待用於合資格資產的特定借貸的暫時投資所賺取的投資收入乃自合適作資本化的借貸成本中扣除。

所有其他借貸成本乃於產生期間於損益確認。

政府補助

政府補助可於合理確定本集團將符合政府補助附帶的條件及將會收取補助時方予確認。

作為已產生開支或虧損的補償或向本集團提供即時財務資助(並無日後相關成本)而可收取的政府補助金，乃於其成為可收取的期間於損益賬中確認。

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3. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Foreign currencies

In preparing the financial statements of each individual entity comprising the Group, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of the reporting period. Income and expenses are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and retranslated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

3. 主要會計政策 (續)

外幣

於編製本集團各個別實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)進行的交易，乃按交易日期的匯率以各自的功能貨幣(即實體營運所在主要經濟環境的貨幣)列賬。於報告期末，以外幣計值的貨幣項目，採用當日的匯率重新換算。以外幣按公平值計算的非貨幣項目，採用釐定公平值當日的匯率重新換算。以外幣按歷史成本計值的非貨幣項目不予重新換算。

結算貨幣項目及重新換算貨幣項目所產生的匯兌差額，於產生期間在損益內確認。

為呈列綜合財務報表，本集團海外業務的資產及負債均以報告期末的匯率換算為本集團的呈列貨幣(即港元)。收入及開支會按年內平均匯率進行換算。所產生的匯兌差額(如有)會於其他全面收入內確認，並會於權益下的匯兌儲備內累計(在適當情況下撥歸非控股權益)。

因收購海外業務而所產生之商譽及可辨認資產的公平值調整乃視作該海外業務之資產及負債，並按各報告期末之適用匯率重新換算。所產生之匯兌差額於其他全面收益確認。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Retirement benefit costs

Payments to defined contribution retirement benefit plans, government-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Equity-settled share-based payment transactions

Equity-settled share-based payments are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 28.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share option reserve).

At the end of each reporting period, the Group revises its estimates of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share option reserve.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in the share option reserve will be transferred to retained profits.

3. 主要會計政策(續)

退休福利成本

定額退休福利計劃、政府管理退休福利計劃及強制性公積金計劃的供款於僱員提供服務使彼等可享有供款時作為開支確認。

股權結算以股份支付之交易

股權結算以股份支付之交易乃以股權工具於授出日期的公平值計量。有關釐定股權結算以股份支付之交易的公平值詳情載於附註28。

於股權結算以股份支付之授出當日釐定的公平值按直線法於歸屬期支銷，相應增加計入權益(購股權儲備)。

於各報告期末時，本集團修訂其對預期歸屬之股本工具數目之估計。修訂於歸屬期的原有估計之影響(如有)於損益內確認，以使累計開支可反映經修訂之估計，而購股權儲備將作出相應調整。

當購股權獲行使時，過往於購股權儲備確認之金額將轉撥至股份溢價。倘購股權於歸屬日期後被沒收或於屆滿日期仍未獲行使，則過往於購股權儲備確認之金額將轉撥至保留溢利。

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3. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Research and development expenditure

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

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible asset is measured at cost less accumulated amortisation and accumulated impairment losses (if any).

3. 主要會計政策 (續)

研發費用

研究工作的費用於產生期間確認為開支。

由開發活動(或由內部項目開發階段產生)的內部產生無形資產於或僅於以下所有項目均得到證明時確認：

- 完成該無形資產的技術可行性從而使其可予使用或出售；
- 完成及使用或出售該無形資產的意圖；
- 使用或出售該無形資產的能力；
- 該無形資產將很有可能產生未來經濟利益的方式；
- 有充足的技術、財務或其他資源以完成開發及使用或出售該無形資產；及
- 能可靠地計量無形資產於其開發期間所用的開支。

內部產生無形資產的初步確認金額乃從無形資產首次符合上列確認條件的日期起所產生的開支總額如並無可確認的內部產生無形資產，開發開支將於產生期間計入損益。於初步確認後，內部產生無形資產將按成本減累計攤銷及累計減值虧損(如有)計量。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before taxation as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's 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 temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and an associate, 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. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. 主要會計政策(續)

稅項

所得稅開支指即期應付稅項與遞延稅項的總和。

即期應付稅項乃根據年內應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表所呈報的除稅前溢利不同，乃由於其他年度的應課稅收入或可扣稅開支，及毋須課稅或不得扣稅的項目。本集團的即期稅項以於報告期末已實施或實際已實施的稅率計算。

遞延稅項按綜合財務報表內資產及負債的賬面值與計算應課稅溢利時使用的相應稅基之間的臨時性差額確認。遞延稅項負債通常會就所有應課稅臨時性差額確認，而遞延稅項資產一般會在可能出現可利用臨時性差額扣稅的應課稅溢利時就所有可扣減臨時性差額確認。若於一項交易中，因初始確認(業務合併除外)資產與負債而引致的臨時性差額既不影響應課稅溢利亦不影響會計溢利，則有關資產與負債不會予以確認。此外，若暫時差額是源自商譽之初始確認，則不確認遞延稅項負債。

遞延稅項負債會就與投資於附屬公司及聯營公司有關的應課稅臨時性差額確認，惟倘本集團有能力控制臨時性差額的撥回且臨時性差額可能不會於可見將來撥回，則另作別論。因與該等投資有關的可扣減臨時性差額而引致的遞延稅項資產，僅會於可能有足夠應課稅溢利可以使用臨時性差額的利益，且預期於可預見未來撥回時確認。

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3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of the 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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets 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 their assets and liabilities.

Current and deferred tax are recognised in profit or loss. When current tax or deferred tax arises from initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

3. 主要會計政策 (續)

稅項 (續)

遞延稅項資產的賬面值會於報告期末作檢討，並在不再可能會有足夠的應課稅溢利供收回全部或部分資產時作調減。

遞延稅項資產及負債乃按償還負債或變現資產所在期間預期將會適用的稅率，根據於報告期末已實施或實際已實施的稅率(及稅法)計算。

遞延稅項負債及資產的計量反映按照本集團預期於報告期末可收回或結算其資產及負債的賬面值方式計算而得出的稅務結果。

即期及遞延稅項於損益內確認。當即期或遞延稅項乃因業務合併的初次會計處理而產生，稅項影響將包含於業務合併的會計處理內。

4. 估計不明朗因素的主要來源

於應用本集團之會計政策(其於附註3內闡述)時，本公司董事須作出有關未能從其他來源輕易獲得之資產及負債賬面值之判斷、估計及假設。估計及相關假設乃基於過往經驗及被認為有關之其他因素。實際結果可能不同於該等估計。

估計及相關假設乃按持續經營基準予以檢討。倘會計估計之修訂僅影響估計獲修訂之期間，則會計估計之修訂於該期間予以確認，倘若修訂影響現時及未來期間，則會計估計之修訂於修訂及未來期間內予以確認。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

The following are 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.

Estimated allowance for inventories

Inventories are valued at the lower of cost and net realisable value. The Group regularly reviews its inventory levels in order to identify slow-moving and obsolete inventories. When the Group identifies items of inventories which have a realisable value that is lower than its carrying amount, the Group estimates the amount of write-down of inventories as allowance for inventories. If the realisable value of inventories of the Group becomes much lower than its carrying amount subsequently, additional allowance may be required.

Details of the Group's inventories are set out in note 20.

Estimated allowance for trade receivables

Management regularly reviews the recoverability of trade receivables. Allowance for these receivables is made based on evaluation of collectability and on management's judgment by reference to the estimation of the future cash flows discounted at an effective interest rate to calculate the present value. A considerable amount of judgment is required in assessing the ultimate realisation of these debtors, including their current creditworthiness. If the actual future cash flows were less than expected, additional allowance may be required.

Details of the Group's trade receivables are set out in note 21.

4. 估計不明朗因素的主要來源(續)

於報告期末有重大可能自使下一個財政年度的資產及負債賬面值須作重大調整而與未來有關的主要假設及估計不明朗因素的其他主要來源如下。

存貨的估計撥備

存貨按成本及可變現淨值兩者較低者計價。本集團定期審查其存貨水平，以辨別滯銷及陳舊存貨。當本集團發現存貨項目的可變現價值低於其賬面值時，本集團估計減值存貨的數目以作出存貨撥備。倘其後本集團的存貨可變現價值遠較其賬面值為低，可能須計提額外撥備。

本集團的存貨詳情載於附註20。

貿易應收款項的估計撥備

管理層定期審查貿易應收款項的可收回情況。該等應收款項撥備乃通過參考按實際利率計算現值的經貼現未來現金流量估計，按收回情況評估及管理層的判斷而確定。評估債務人的最終變現情況時，須作大量判斷，包括其當前的信譽情況。倘實際未來現金流量少於預期，則可能須作額外撥備。

本集團的貿易應收款項詳情載於附註21。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Estimated provision for the income tax and related obligations

As detailed in note 11, the Hong Kong Inland Revenue Department ("IRD") has initiated a tax audit on certain subsidiaries of the Company. The tax audit covers the years of assessment from 2005/06 onwards. The directors of the Company are of the opinion that the Group has made the best estimate of the provisions for Hong Kong Profits Tax and related potential penalty and/or interest for the tax audit in the consolidated financial statements. Provision for potential penalty and/or interest is recognised in other expenses on the consolidated statements of profit or loss and other comprehensive income and included in other payables. If the final payment required for the settlement of the tax audit is more or less than expected, additional impact to profit or loss may arise.

5. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the business of manufacture and sale of health and household products and polyurethane foam. Health and household products mainly represent quality visco-elastic pillows, mattress toppers and mattresses.

The Group mainly sells its visco-elastic products on a wholesale basis primarily to retailers in the United States of America (the "US"), who typically resell the products to consumers through their own country-wide retail networks. The products are sold under own, licensed or third-party brands.

The Group also sells its products under "SINOMAX" brand through its retail network comprising stand-alone retail shops and concession counters in department stores in the People's Republic of China (other than Hong Kong and Macau) (the "PRC"), Hong Kong and Macau. In addition to the retail network, the Group also conducts direct sales to corporates in Hong Kong and the PRC, and maintains online sales.

4. 估計不明朗因素的主要來源(續)

所得稅及相關責任的估計撥備

根據附註11所述，香港稅務局(「稅務局」)對本公司若干附屬公司進行稅務審查。稅務審查涵蓋自2005/06年起的課稅年度。本公司的董事認為本集團已就香港利得稅及綜合財務報表的相關潛在罰款及／或稅項審計利息計提的撥備作出最佳估計。就潛在罰款及／或利息計提的撥備於綜合損益及其他全面收益表下的其他開支確認，並計入其他應收款項。倘償付稅項審計所須的最終款項高於或低於預期，將可能對損益產生額外影響。

5. 收入及分部資料

本集團主要從事製造及銷售健康及家居產品及聚氨酯泡沫的業務。健康及家居產品主要為優質慢回彈枕頭、床墊及床褥。

本集團主要以批發方式向美國(「美國」)零售商出售其慢回彈產品，而美國零售商一般會透過其遍及全國的零售網絡轉售產品予消費者。產品以自有品牌、授權品牌或第三方品牌出售。

本集團亦以「SINOMAX」品牌透過其零售網絡，包括於中國(不包括香港及澳門)(「中國」)、香港及澳門的獨立零售店及百貨公司的寄售專櫃出售產品。除零售網絡外，本集團亦向香港及中國的公司進行直接銷售，並進行網上銷售。

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5. REVENUE AND SEGMENT INFORMATION (Continued)

As a separate business line, the Group also supplies quality polyurethane foam tailored to customers' specific needs and requirements under "Tung Ah" (東亞) brand primarily to furniture manufacturers in the PRC on a wholesale basis.

Taking into account the different types of products, the Group's operating segments, based on information reported to the chief operating decision maker ("CODM") (i.e. the executive directors of the Company) for the purposes of resource allocation and performance assessment, are as follows:

Export sales	–	wholesales of products to overseas customers;
Retail and corporate sales	–	sales of products through self-operated retail network, third-party distributors, direct sales to corporates and other customers and e-commerce sales channel; and
Polyurethane foam sales	–	wholesales of polyurethane foam to furniture manufacturers in the PRC.

These operating segments also represent the Group's reportable segments.

The accounting policies of the operating segments are the same as the Group's accounting policies.

5. 收入及分部資料(續)

作為獨立業務線，本集團亦以批發方式在中國以「東亞」品牌向傢具製造商供應符合客人特別需要及要求的優質聚氨酯泡沫。

考慮到不同種類的產品及根據向首席營運決策者(「首席營運決策者」，即本公司的執行董事)匯報以供其作資源分配及績效評估之用的資料，本集團的經營分部如下：

出口銷售	–	向海外客戶批發產品；
零售及公司銷售	–	透過自營零售網絡、第三方分銷商、直接向公司及其他客戶以及電子商貿銷售渠道銷售產品；及
聚氨酯泡沫銷售	–	向中國傢具製造商批發聚氨酯泡沫。

此等經營分部亦相當於本集團的可報告分部。

此等經營分部之會計政策與本集團之會計政策相同。

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5. REVENUE AND SEGMENT INFORMATION

(Continued)

Segment revenue and results

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

For the year ended 31 December 2015

		Export sales	Retail and corporate sales	Polyurethane foam sales	Consolidated
		出口銷售	零售及公司銷售	聚氨酯泡沫銷售	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
SEGMENT REVENUE	分部收入				
External sales	外部銷售	1,198,664	567,137	1,104,045	2,869,846
Segment profit	分部溢利	257,451	164,016	172,226	593,693
Share of loss of an associate	應佔一間聯營公司之虧損				(7,924)
Unallocated other income	未分配其他收入				40,922
Unallocated costs and expenses	未分配成本及開支				(382,252)
Profit before taxation	除稅前溢利				244,439

For the year ended 31 December 2014

		Export sales	Retail and corporate sales	Polyurethane foam sales	Consolidated
		出口銷售	零售及公司銷售	聚氨酯泡沫銷售	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
SEGMENT REVENUE	分部收入				
External sales	外部銷售	1,374,634	380,522	928,252	2,683,408
Segment profit	分部溢利	354,571	70,638	112,556	537,765
Unallocated other income	未分配其他收入				16,314
Unallocated costs and expenses	未分配成本及開支				(307,212)
Profit before taxation	除稅前溢利				246,867

There were no inter-segment sales during both years.

5. 收入及分部資料(續)

分部及收入業績

以下為本集團按經營分部劃分的收入及業績分析：

截至2015年12月31日止年度

截至2014年12月31日止年度

於兩年，並無分部間的銷售。

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5. REVENUE AND SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

In the preparation of the segment profit, certain other income items, costs of goods sold and expenses are unallocated and not included in the profit earned by each segment. Unallocated costs and expenses mainly represent unallocated costs of goods sold (representing manufacturing overhead attributable to manufacturing process undertaken in certain of the subsidiaries and allowance made for inventories), unallocated selling and distribution costs, corporate and headquarter expenses and other expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

No further analysis is presented for certain amounts included or excluded in the measure of segment profit or loss or segment assets and liabilities as the information are not regularly provided to the CODM for review.

Geographical information

Information about the Group's revenue from external customers is presented based on the location of the retail shops and concession counters for retail sales and location of customers for other sales.

5. 收入及分部資料(續)

分部及收入業績(續)

於編製分部溢利時，若干其他收入項目、銷貨成本及開支尚未被分配，亦未計入各分部所賺溢利。未分配成本及開支主要為未分配銷貨成本（為若干附屬公司進行的生產程序應佔的生產開支及存貨撥備）、未分配銷售及分銷成本、公司及總部開支及其他開支。此計量方法已向首席營運決策者呈報以供其進行資源分配及績效評估。

並無就計算分部損益及分部資產及負債時所計入或剔除的若干金額進一步呈列分析，因為有關資料並非定期提供予首席營運決策者審閱。

地域資料

本集團來自外部客戶收入的資料乃按進行零售銷售的零售店及寄售專櫃所在地及其他銷售客戶的所在地予以呈列。

		2015	2014
		2015年	2014年
		HK\$'000	HK\$'000
		千港元	千港元
The US	美國	1,101,612	1,280,811
The PRC	中國	1,532,469	1,137,157
Hong Kong	香港	157,893	164,403
Macau	澳門	6,465	7,406
Europe	歐洲	31,454	47,594
Other Asian countries	其他亞洲國家	18,259	19,780
Other American countries	其他美洲國家	17,144	22,828
Others	其他	4,550	3,429
		2,869,846	2,683,408

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5. REVENUE AND SEGMENT INFORMATION

(Continued)

Geographical information (Continued)

Information about the Group's non-current assets (excluding deferred tax assets) is presented based on the location of the assets:

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
The PRC	中國	276,317	264,464
The US	美國	119,174	9,211
Hong Kong	香港	20,265	17,218
Macau	澳門	39	2,676
		415,795	293,569

Information about major customers:

An analysis of revenue from a customer in the segment of export sales contributing over 10% of the Group's total revenue during the year is as follows:

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Customer A	客戶 A	755,508	833,673

6. OTHER INCOME

5. 收入及分部資料(續)

地域資料(續)

本集團非流動資產(不包括遞延稅項資產)的資料乃按資產所在地予以呈列:

主要客戶的資料:

於年內來自出口銷售分部的一位客戶的收入(貢獻本集團總收入的10%以上)的分析如下:

6. 其他收入

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Interest income	利息收入	6,531	3,093
Rental income	租金收入	6,414	5,299
Scrap sales (Note a)	零碎物料銷售(附註a)	31,723	28,077
Government subsidy (Note b)	政府補助(附註b)	1,579	3,757
Others	其他	1,699	2,926
		47,946	43,152

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6. OTHER INCOME (Continued)

Notes:

- (a) The corresponding cost of scrap inventories is inseparable from cost of sales.
- (b) During the current year, the PRC government granted subsidy of approximately HK\$1,579,000 (2014: HK\$1,198,000) to a PRC subsidiary of the Company with amounts equivalent to a certain percentage of the tax paid to the local government.

Additional subsidies of approximately HK\$85,000 (2014: HK\$2,559,000) were received on export insurance expense.

6. 其他收入(續)

附註：

- (a) 相關零碎物料存貨的成本計入銷售成本。
- (b) 於本年度，中國政府授予本公司一間中國附屬公司為數約1,579,000港元(2014年：1,198,000港元)之津貼，相等於其向地方政府所支付稅款若干百分比的金額。

出口保險開支收到約85,000港元(2014年：2,559,000港元)額外津貼。

7. OTHER GAINS AND LOSSES

7. 其他收益及虧損

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Allowance for doubtful debts	呆賬撥備	(10,804)	(18,634)
Reversal of allowance for doubtful debts	呆賬撥備撥回	995	18,312
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	(103)	—
Net exchange losses	匯兌虧損淨額	(1,317)	(3,351)
		(11,229)	(3,673)

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8. PROFIT BEFORE TAXATION

8. 除稅前溢利

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Profit before taxation has been arrived at after charging (crediting):	扣除(計入)以下各項後所得的除稅前溢利:		
Directors' remuneration (note 9)	董事薪酬(附註9)	14,268	16,066
Other staff costs	其他員工成本	227,385	215,105
Retirement benefit scheme contributions for other staff	其他員工的退休福利計劃供款	31,873	29,816
Share based payment expenses, excluding those of directors	股份支付開支(不包括董事)	1,534	3,125
Total staff costs	員工成本總額	275,060	264,112
Amortisation of prepaid lease payments	預付租賃款項攤銷	592	603
Depreciation of investment properties	投資物業折舊	1,564	905
Depreciation of property, plant and equipment	物業、廠房及設備折舊	29,934	25,980
Total depreciation and amortisation	折舊及攤銷總額	32,090	27,488
Operating lease rentals in respect of	下列各項的經營租賃租金:		
— rented premises	— 租賃物業	32,571	27,847
— retail stores (included in selling and distribution costs)	— 零售店(計入銷售及分銷成本)	21,932	15,582
		54,503	43,429
Department store counters concessionaire commission (included in selling and distribution costs) (Note a)	百貨公司專櫃特許經營佣金(計入銷售及分銷成本)(附註a)	56,193	58,279
		110,696	101,708
Auditor's remuneration (including fees for non-audit services)	核數師酬金(計入非審核服務費用)	3,895	4,663
Net reversal of allowance for inventories (included in cost of sales) (Note b)	存貨撥備撥回淨額(計入銷售成本)(附註b)	(1,071)	(5,120)
Cost of inventories recognised as expenses (included in cost of sales)	確認為開支的存貨成本(計入銷售成本)	2,083,441	1,952,144
Research and development expenses (included in other expenses) (Note c)	研發開支(計入其他開支)(附註c)	39,820	16,038
Listing expenses (included in other expenses)	上市開支(計入其他開支)	-	2,392

Notes:

- (a) Concessionaire commission in respect of department store counters is generally calculated by applying pre-determined percentages to actual sales made through respective counters.
- (b) The reversal of allowance for inventories was mainly resulted from the utilisation of the inventories of which allowance had previously been provided.
- (c) Research and development expenses comprised staff salaries of HK\$12,187,000 (2014: HK\$5,862,000), which were also included in the staff costs disclosed above.

附註:

- (a) 百貨公司專櫃特許經營佣金一般以各專櫃的實際銷售額按預先釐定百分比計算。
- (b) 存貨撥備撥回乃主要由於動用於之前已獲計提撥備的存貨所致。
- (c) 研發開支包括的員工薪金12,187,000港元(2014年: 5,862,000港元), 均計入上述所披露的員工成本。

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9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and chief executive's emoluments comprise payments to the following directors, which include the chief executive of the Company, by the Group in connection with the management of the affairs of the Group. The amount paid to each director was as follows:

9. 董事及最高行政人員酬金

董事及最高行政人員酬金包括就與管理本集團事務有關而向下列董事(包括本公司最高行政人員)支付的款項。向各董事支付的款項載列如下:

Name of Director	Fees	Salaries and allowances	Performance related incentive payments	Share based payment expense	Retirement benefit contributions	Total
董事姓名	袍金	薪金及津貼	有關表現的獎金	股份支付開支	退休福利計劃供款	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
			(Note (i))			
			(附註(i))			
For the year ended 31 December 2015	截至2015年12月31日止年度					
Mr. Lam Chi Fan (Chairman)	–	1,902	380	748	18	3,048
Mr. Cheung Tung (President and the Chief Executive)	–	1,969	450	717	18	3,154
Mr. Chen Feng	–	2,149	500	343	–	2,992
Mr. Lam Kam Cheung	–	1,470	480	225	18	2,193
Ms. Lam Fei Man	–	1,042	380	241	18	1,681
Mr. Wong Chi Keung	240	–	–	–	–	240
Professor Lam Sing Kwong Simon	240	–	–	–	–	240
Mr. Fan Chun Wah Andrew	240	–	–	–	–	240
Mr. Zhang Hwo Jie	240	–	–	–	–	240
Mr. Wu Tak Lung	240	–	–	–	–	240
	1,200	8,532	2,190	2,274	72	14,268

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9. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

9. 董事及最高行政人員酬金(續)

Name of Director	Fees	Salaries and allowances	Performance related incentive payments	Share based payment expense	Retirement benefit contributions	Total
董事姓名	袍金	薪金及津貼	有關表現的獎金	股份支付開支	退休福利計劃供款	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
			(Note (i))			
			(附註(i))			
For the year ended 31 December 2014 截至2014年12月31日止年度						
Mr. Lam Chi Fan (Chairman)		1,860	480	1,416	17	3,773
Mr. Cheung Tung (President and the Chief Executive)		1,925	650	1,357	17	3,949
Mr. Chen Feng		2,160	736	649	-	3,545
Mr. Lam Kam Cheung		1,420	500	426	17	2,363
Ms. Lam Fei Man		1,023	338	458	17	1,836
Mr. Wong Chi Keung (Note (ii))	120	-	-	-	-	120
Professor Lam Sing Kwong Simon (Note (ii))	120	-	-	-	-	120
Mr. Fan Chun Wah Andrew (Note (ii))	120	-	-	-	-	120
Mr. Zhang Hwo Jie (Note (ii))	120	-	-	-	-	120
Mr. Wu Tak Lung (Note (ii))	120	-	-	-	-	120
	600	8,388	2,704	4,306	68	16,066

Notes:

- (i) Performance related incentive payments is recommended by the remuneration committee of the Company and is approved by the board of directors, with reference to the Group's operating results, individual performance and comparable market statistics.
- (ii) These are the independent non-executive directors appointed on 4 March 2014.
- (iii) No director nor the chief executive of the Company waived any emoluments in respect of the years ended 31 December 2015 and 2014.
- (iv) There is no loans, quasi-loans and other dealings arrangement in favour of the directors of the Company, controlled bodies corporate of the directors of the Company and connected entities with such directors of the Company in respect of the years ended 31 December 2015 and 2014.

附註:

- (i) 有關表現的獎金乃參考本集團經營業績、個別人士表現及可資比較市場統計資料後由本公司薪酬委員會建議及董事會批准。
- (ii) 該等獨立非執行董事於2014年3月4日獲委任。
- (iii) 概無本公司董事或最高行政人員就截至2015年及2014年12月31日止年度放棄任何酬金。
- (iv) 截至2015年及2014年12月31日止年度，概無以本公司董事、本公司董事之受控制法團及本公司該等董事關連實體為受益人之貸款、準貸款及其他交易安排。

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10. EMPLOYEES' EMOLUMENTS

(a) Emoluments of senior management

Of the five senior management of the Company for the year ended 31 December 2014 and 2015, all of them are directors of the Company and their remuneration has been disclosed in note 9.

(b) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, for the year ended 31 December 2014 and 2015, all are directors of the Company whose emoluments are included in note 9.

10. 僱員薪酬

(a) 高級管理層薪酬

截至2014年及2015年12月31日止年度，本公司五位高級管理層當中，全體均為本公司董事及其薪酬於附註9披露。

(b) 五位最高薪酬人士

截至2014年及2015年12月31日止年度，本集團五位最高薪酬人士當中，全體均為本公司董事及其薪酬於附註9披露。

11. INCOME TAX EXPENSES

11. 所得稅開支

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Current tax	即期稅項		
Hong Kong Profits Tax (Note i)	香港所得稅(附註i)	1,393	2,119
PRC Enterprise Income Tax (the "EIT") (Note ii)	中國企業所得稅(「企業所得稅」)(附註ii)	56,781	31,756
US income tax (Note iii)	美國所得稅(附註iii)	4,757	9,666
		62,931	43,541
(Over) underprovision in prior years	過往年度(超額)不足撥備		
Hong Kong Profits Tax	香港利得稅	(588)	(157)
PRC EIT	中國企業所得稅	1,637	1,429
US income tax	美國所得稅	(2,743)	110
		(1,694)	1,382
Deferred taxation (note 19)	遞延稅項(附註19)	(1,474)	(1,003)
		59,763	43,920

Notes:

- (i) Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.
- (ii) PRC EIT is calculated based on the statutory rate of 25% of the assessable profit for those subsidiaries established in the PRC for both years.

The amounts include PRC withholding tax on distributed profits of a PRC subsidiary of HK\$1,115,000 (2014: HK\$466,000).

附註：

- (i) 兩個年度的香港利得稅乃按估計應課稅溢利的16.5%計算。
- (ii) 兩個年度的中國企業所得稅乃按於中國成立之附屬公司之應課稅溢利之25%之法定稅率計算。

金額包括就一間中國附屬公司所分派利潤的中國預扣稅1,115,000港元(2014年：466,000港元)。

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11. INCOME TAX EXPENSES (Continued)

Notes (Continued):

- (iii) The US income tax includes (a) federal income tax calculated at 34% on the estimated US federal taxable income and (b) state income tax calculated at various state income tax rates on the estimated state taxable income for both years. The income subject to tax in a specific state (i.e. state taxable income) is calculated from adjusting the federal taxable income with state modifications and apportionment (i.e. percentage of taxable income that should be allocated to each state in which the Group operates in).
- (iv) Under Decree-Law no. 58/99/M, the Group's Macau subsidiary incorporated under the Decree-Law, is exempted from Macau Complementary tax as it satisfies the relevant conditions as specified in the Decree-Law, one of which being that it does not sell its products to any Macau resident company during both years.

The income tax expenses for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

11. 所得稅開支(續)

附註(續):

- (iii) 美國所得稅包括(a)就估計美國聯邦應課稅收入，按34%的稅率計算的聯邦所得稅及(b)兩個年度內就估計州應課稅收入，按不同州所得稅率計算的州所得稅。特定州份的應課稅收入(即州應課稅收入)按州份改動及分派經調整聯邦應課稅收入(即須分配至本集團經營業務的各州份的應課稅收入百分比)而計算得出。
- (iv) 根據第58/99/M號法令，本集團根據該法令註冊成立的澳門附屬公司，可獲豁免繳納澳門補充稅，乃由於其符合該法令所訂明的相關條件，其中一項為其於兩個年度內並無向任何澳門本地公司銷售其產品。

綜合損益及其他全面收益表的除稅前溢利與年內的所得稅開支對照如下：

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Profit before taxation	除稅前溢利	244,439	246,867
Tax at Hong Kong Profits Tax rate of 16.5%	按香港利得稅率16.5%計算的稅項	40,332	40,733
Tax effect of share of loss of an associate	應佔聯營公司虧損的稅務影響	1,307	-
Tax effect of expenses not deductible for tax purposes	不可扣稅的開支對稅務的影響	2,833	7,548
Tax effect of income not taxable for tax purposes (Over) under provision in prior years	毋須繳稅的收入對稅務的影響 過往年度(超額)不足撥備	(580) (1,694)	(503) 1,382
Tax effect of deductible temporary difference not recognised	未予確認的可扣減臨時性差額的稅務影響	-	3
Utilisation of deductible temporary difference previously not recognised	動用於過往未予確認的可扣減臨時性差額	(844)	-
Deferred tax on withholding tax on undistributed earnings of PRC subsidiaries	中國附屬公司未分派盈利的預扣稅的遞延稅項	1,376	1,537
Tax effect of profit of a subsidiary under tax exemption in Macau	在澳門獲豁免稅項的附屬公司溢利的稅務影響	(5,913)	(21,287)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營的附屬公司的不同稅率影響	22,946	14,507
Income tax expenses	所得稅開支	59,763	43,920

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11. INCOME TAX EXPENSES (Continued)

The Inland Revenue Department (the "IRD") commenced a tax audit on certain subsidiaries of the Company in prior period. The IRD has issued estimated profits tax assessments of HK\$14,000,000, HK\$24,000,000, HK\$26,725,000 and HK\$9,900,000 to the Group relating to the years of assessment 2005/06, 2006/07, 2007/08 and 2008/09 for the financial years ended 31 December 2005, 2006, 2007 and 2008, respectively. The Group has lodged objection with the IRD against the assessments and the IRD agreed that the relevant subsidiaries can holdover the tax demanded for the said years of assessment, except for the amounts of HK\$175,000, HK\$2,272,000 and HK\$8,150,000 concerned for the years of assessment 2006/07, 2007/08 and 2008/09, respectively, were required to be paid by acquiring tax certificates by one of the subsidiaries in 2013, 2014 and 2015 respectively.

The Group has provided various information and supporting documents to address the enquiries raised by the IRD and to defend its tax position (i.e. offshore claim in relation to certain of its profits, as well as the tax deductibility of various expenses). The IRD is still in the process of reviewing the case and has not expressed any formal opinion on the potential tax liability.

In the opinion of the directors of the Company and based on their best estimate, the Group has made adequate provisions for Hong Kong Profits Tax and related potential penalty and/or interest for the tax audit as at 31 December 2015 and 2014.

11. 所得稅開支(續)

於過往期間，稅務局(「稅務局」)開始就本公司的若干附屬公司進行稅務審核。截至2005年、2006年、2007年及2008年12月31日止財政年度，稅務局已分別就2005/06年、2006/07年、2007/08年及2008/09年課稅年度向本集團發出金額為14,000,000港元、24,000,000港元、26,725,000港元及9,900,000港元的估計利得稅評估。本集團已就該等評估向稅務局提出異議，稅務局同意除其中一間附屬公司須透過分別獲得2013年、2014年及2015年稅務證明而分別就2006/07年、2007/08年及2008/09年課稅年度繳交金額175,000港元、2,272,000港元及8,150,000港元外，相關附屬公司可緩繳上述課稅年度要求的稅項。

本集團已就稅務局提出的查詢提供各種資料及支持文件，以就其應課稅狀況(即有關其溢利的離岸申索及多項開支的稅項扣減)提出抗辯。稅務局仍就有關個案進行審理及並未就潛在稅務負債發表任何正式意見。

本公司董事認為，以及根據彼等的最佳預測，於2015年及2014年12月31日，本集團已就財務審核為香港利得稅及相關潛在罰款及／或利息計提充足撥備。

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12. DIVIDENDS

12. 股息

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Dividends for ordinary shareholders of the Company recognised as distribution during the year:	年內確認為分派之本公司普通股股東股息：		
Interim, paid — HK1.5 cents per share for 2015 (2014: HK1.0 cent per share)	2015年已派付中期股息—每股股份1.5港仙(2014年：每股股份1.0港仙)	26,250	16,500
Final, paid — HK2.5 cents per share for 2014 (2014: nil for 2013)	2014年已派付末期股息—每股股份2.5港仙(2014年：2013年無)	43,750	—
		70,000	16,500

Subsequent to the end of the reporting period, a final dividend of HK2.5 cents per share in respect of the year ended 31 December 2015, amounting to approximately HK\$43,750,000 has been proposed by the board of directors and is subject to approval by the shareholders in the forthcoming annual general meeting. The proposed final dividend is not recognised as a liability in these consolidated financial statements.

於報告期末後，董事會建議就截至2015年12月31日止年度派付末期股息每股股份2.5港仙，合共約43,750,000港元，惟須待股東於應屆股東週年大會上批准。建議末期股息並未於該等綜合財務報表內確認為負債。

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13. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

13. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據以下數據計算：

		2015	2014
		2015年	2014年
		HK\$'000	HK\$'000
		千港元	千港元
<i>Earnings for the purpose of basic and diluted earnings per share:</i>			
計算每股基本及攤薄盈利之盈利：			
Profit for the year attributable to owners of the Company	本公司擁有人應佔年內溢利	172,674	194,393
		2015	2014
		2015年	2014年
<i>Number of shares:</i>			
股份數目：			
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利的普通股數目加權平均數	1,711,645,836	1,571,918,438
Effect of dilutive potential ordinary shares in respect of outstanding share options	有關未行使購股權的潛在攤薄普通股之影響	2,658,793	2,015,487
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利的普通股數目加權平均數	1,714,304,629	1,573,933,925

The number of ordinary shares for the purpose of basic and diluted earnings per share for 2014 has taken into account the shares issued pursuant to the Capitalisation Issue (as defined in note 27(a)).

計算2014年每股基本及攤薄盈利之普通股數目已計及根據資本化發行(定義見附註27(a))已發行之股份。

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14. INVESTMENT PROPERTIES

14. 投資物業

		HK\$'000 千港元
COST		
At 1 January 2014	於2014年1月1日	32,786
Exchange adjustments	匯兌調整	(91)
Transferred from property, plant and equipment	轉撥自物業、廠房及設備	23,617
Transferred to property, plant and equipment	轉撥至物業、廠房及設備	(32,532)
At 31 December 2014	於2014年12月31日	23,780
Exchange adjustments	匯兌調整	(1,270)
Transferred from property, plant and equipment	轉撥自物業、廠房及設備	9,740
At 31 December 2015	於2015年12月31日	32,250
DEPRECIATION		
At 1 January 2014	於2014年1月1日	3,956
Exchange adjustments	匯兌調整	(21)
Provided for the year	年度撥備	905
Transferred from property, plant and equipment	轉撥自物業、廠房及設備	591
Transferred to property, plant and equipment	轉撥至物業、廠房及設備	(3,925)
At 31 December 2014	於2014年12月31日	1,506
Exchange adjustments	匯兌調整	(113)
Provided for the year	年度撥備	1,564
Transferred from property, plant and equipment	轉撥自物業、廠房及設備	617
At 31 December 2015	於2015年12月31日	3,574
CARRYING VALUES		
At 31 December 2015	於2015年12月31日	28,676
At 31 December 2014	於2014年12月31日	22,274

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14. INVESTMENT PROPERTIES (Continued)

The Group's investment properties are erected on land in the PRC and are depreciated on a straight-line basis over the shorter of the term of the lease or 20 years.

As at 31 December 2015, the fair values of the Group's investment properties were HK\$91,679,000 (2014: HK\$43,508,000). The fair values have been determined by the directors of the Company.

The directors of the Company determined the fair values of the investment properties at the end of each reporting period by reference to the comparison method of valuation. The inputs used by the directors of the Company in the fair value measurements mainly include the market value of comparable properties of similar size, character and location.

In the opinion of the directors, the current use of the investment properties is their highest and best use.

The Group's investment properties represent industrial properties located in Zhejiang Province, the PRC and their fair values are measured with unobservable inputs, which is categorised within level 3 of the fair value hierarchy.

There were no transfers of investment properties into or out of level 3 during the year.

14. 投資物業(續)

本集團的投資物業乃建設於中國土地上，以直線法按租約年期內或20年計算折舊，以兩者中的較短者為準。

於2015年12月31日，本集團的投資物業公平值為91,679,000港元(2014年：43,508,000港元)。本公司董事已釐定公平值。

本公司董事在各報告期末按比較估值法釐定投資物業的公平值。於計算公平值時，本公司董事所用的輸入值主要包括面積、特點及位置相若的可比較物業之市值。

董事認為投資物業的目前用途乃其最高價值及最佳用途。

本集團的投資物業乃位於中國浙江省的工業物業，其公平值以不可觀察輸入數據計量，已予分類為公平值架構層級當中的第三級。

年內投資物業並無轉入或轉出第三級。

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Buildings	Plant and machinery	Leasehold improvements, furniture and fixtures 租賃裝修、家具及裝置	Motor vehicles	Construction in progress	Total
		樓宇	廠房及機器	租賃裝修、家具及裝置	汽車	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
COST	成本						
At 1 January 2014	於2014年1月1日	138,304	80,230	41,129	7,230	4,292	271,185
Exchange adjustments	匯兌調整	(52)	73	6	10	7	44
Additions	添置	10	21,805	10,689	2,067	-	34,571
Construction expenditure capitalised	資本化建設費用	-	-	-	-	5,052	5,052
Transfers	轉讓	1,538	2,024	-	-	(3,562)	-
Transferred from investment properties (Note)	轉撥自投資物業(附註)	32,532	-	-	-	-	32,532
Transferred to investment properties (Note)	轉撥至投資物業(附註)	(23,617)	-	-	-	-	(23,617)
At 31 December 2014	於2014年12月31日	148,715	104,132	51,824	9,307	5,789	319,767
Exchange adjustments	匯兌調整	(6,729)	(4,994)	(794)	(428)	(304)	(13,249)
Additions	添置	1,020	12,979	9,041	2,398	6,523	31,961
Disposal	出售	-	(701)	(48)	(245)	-	(994)
Acquisition of a subsidiary	收購一家附屬公司	1,312	4,252	48	1,272	-	6,884
Transfers	轉讓	87	4,267	-	-	(4,354)	-
Transferred to investment properties (Note)	轉撥至投資物業(附註)	(9,740)	-	-	-	-	(9,740)
At 31 December 2015	於2015年12月31日	134,665	119,935	60,071	12,304	7,654	334,629
DEPRECIATION	折舊						
At 1 January 2014	於2014年1月1日	19,059	23,133	24,222	2,530	-	68,944
Exchange adjustments	匯兌調整	57	42	14	4	-	117
Provided for the year	年度撥備	7,344	9,937	7,509	1,190	-	25,980
Transferred from investment properties (Note)	轉撥自投資物業(附註)	3,925	-	-	-	-	3,925
Transferred to investment properties (Note)	轉撥至投資物業(附註)	(591)	-	-	-	-	(591)
At 31 December 2014	於2014年12月31日	29,794	33,112	31,745	3,724	-	98,375
Exchange adjustments	匯兌調整	(1,654)	(1,875)	(429)	(179)	-	(4,137)
Provided for the year	年度撥備	7,441	11,832	8,613	2,048	-	29,934
Elimination on disposal	出售的對銷	-	(596)	(44)	(190)	-	(830)
Transferred to investment properties (Note)	轉撥至投資物業(附註)	(617)	-	-	-	-	(617)
At 31 December 2015	於2015年12月31日	34,964	42,473	39,885	5,403	-	122,725
CARRYING VALUES	賬面值						
At 31 December 2015	於2015年12月31日	99,701	77,462	20,186	6,901	7,654	211,904
At 31 December 2014	於2014年12月31日	118,921	71,020	20,079	5,583	5,789	221,392

The Group's buildings are erected on land in the PRC.

本集團的樓宇乃建設於中國土地上。

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15. PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation is provided to write off the cost of items of property, plant and equipment, other than construction in progress, less their residual values over their estimated useful lives, using the straight-line method and at the following rates per annum:

Buildings	Over the shorter of the term of the lease or 20 years
Plant and machinery	10%–20%
Leasehold improvements, furniture and fixtures	20%–33 $\frac{1}{3}$ % or over the term of the lease, whichever is shorter
Motor vehicles	20%

Note: Property, plant and equipment were transferred to investment properties evidenced by end of owner-occupation.

Investment properties were transferred to property, plant and equipment evidenced by commencement of owner-occupation.

15. 物業、廠房及設備 (續)

折舊乃按撇銷物業、廠房及設備項目(在建工程除外)的成本減其於估計可使用年期內的剩餘價值使用直線法及按下列年利率計提撥備:

樓宇	按租約年期或20年(以兩者中的較短者為準)
廠房及機器	10%–20%
租賃裝修、家具及裝置	20%–33 $\frac{1}{3}$ %或按租約年期(以兩者中的較短者為準)
汽車	20%

附註:物業、廠房及設備於不再由業主佔用時轉撥至投資物業。

投資物業於開始由業主佔用時轉撥至物業、廠房及設備。

16. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments comprise leasehold land interests in the PRC.

16. 預付租賃款項

本集團的預付租賃款項包括在中國的租賃土地權益。

		2015	2014
		2015年	2014年
		HK\$'000	HK\$'000
		千港元	千港元
Analysed for reporting purposes as:	就報告目的而分析為:		
Non-current asset	非流動資產	21,989	23,630
Current asset	流動資產	580	607
		22,569	24,237

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17. INTEREST IN AN ASSOCIATE

17. 於一間聯營公司之權益

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Cost of investment	投資成本	79,493	–
Share of post-acquisition loss	應佔收購後虧損	(7,924)	–
		71,569	–

Details of the associate of the Group at the end of the reporting period are as follows:

於報告期末本集團聯營公司之詳情如下：

Name of associate	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group 本集團持有所有權益及投票權的比例	Principal activities
聯營公司名稱	註冊成立及經營地點		主要業務
Dormeo North America, LLC	The US 美國	36.5% (Note) (附註)	Retail and wholesale of health and household products 零售及批發健康及家居產品

Note: During the year, a wholly-owned subsidiary of the Company entered into a securities purchase agreement (the "Purchase Agreement") with, among others, Dormeo North America, LLC ("Dormeo"), a company formed as a limited liability company pursuant to the Delaware Limited Liability Company Act, to acquire 36.5% of all of the membership interest in Dormeo at an aggregate cash consideration of United States dollars ("US\$") 10,000,000 (equivalent to HK\$77,500,000). Acquisition-related costs amounting to HK\$1,993,000 related to the acquisition had been included in the cost of investment. Pursuant to the Purchase Agreement, the Group's membership interest in Dormeo is initially set at 36.5%, but will be automatically reduced to 25% at 31 December 2017 if certain performance warranties given by the investee and its parent company are met. In the opinion of the directors of the Company, it is likely the performance warranties will be met and accordingly, the equity interest of the associate has accounted for 25% by the Group and the fair value of the derivative arising from the possible change in membership interest in Dormeo is considered insignificant.

附註：年內，本公司全資附屬公司與(其中包括)Dormeo North America, LLC(「Dormeo」)(一間根據特拉華州有限公司法成立的有限責任公司)訂立證券購買協議(「購買協議」)，以現金總代價10,000,000美元(「美元」)(相當於77,500,000港元)收購Dormeo 36.5%之股東權益。有關收購事項之收購相關成本合共1,993,000港元已計入投資成本中。根據購買協議，本集團於Dormeo的股東權益最初定為36.5%，但倘被投資方及其母公司給出之若干履約保證獲實現，則將於2017年12月31日自動削減至25%。本公司董事認為，履約保證可能會實現，因此，聯營公司的股權佔本集團的25%及Dormeo的股東權益可能變動產生的衍生工具之公平值被認為不重大。

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17. INTEREST IN AN ASSOCIATE (Continued)

The summarised financial information in respect of the Group's associate is set out below. The summarised financial information below represents amounts shown in the associate's unaudited financial statements prepared in accordance with HKFRSs.

The associate is accounted for using the equity method in these consolidated financial statements.

Financial position

		2015 2015年 HK\$'000 千港元
Current assets	流動資產	59,363
Non-current assets	非流動資產	17,241
Current liabilities	流動負債	54,466
Net assets	資產淨值	22,138

Result for the period since acquisition

自收購起期間之業績

		HK\$'000 千港元
Revenue	收益	33,697
Loss and total comprehensive expense for the period	期間虧損及全面開支總額	(17,335)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

上述財務資料概要與於綜合財務報表中確認的於聯營公司權益之賬面值之對賬如下：

		HK\$'000 千港元
Net assets of the associate	聯營公司之淨資產	22,138
Proportion of the Group's ownership interest in the associate	本集團佔聯營公司所有權權益之比例	25%
		5,535
Goodwill	商譽	55,200
Effect of fair value adjustments at acquisition	收購事項之公平值調整的影響	8,841
Acquisition cost	收購成本	1,993
Carrying amount of the Group's interest in the associate	本集團佔聯營公司權益之賬面金額	71,569

17. 於一間聯營公司之權益(續)

有關本集團聯營公司財務資料摘要載列如下。下文財務資料摘要指根據香港財務報告準則編製之聯營公司未經審核財務報表內所列示金額。

聯營公司乃採用權益會計法於該等綜合財務報表內列賬。

財務狀況

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18. RENTAL DEPOSITS

The balances represent rental deposits placed by the Group in connection with its rented premises, retail stores and department store counters. The relevant leases will either expire after one year from the end of the reporting period, or if the remaining lease term is less than one year, the Group has the positive intention to renew the leases upon expiry. Therefore, the balances are classified as non-current.

19. DEFERRED TAXATION

The following are the deferred tax (liabilities) assets recognised and movements thereon during the reporting period:

18. 租金按金

結餘相當於本集團就其租賃物業、零售店及百貨公司專櫃置付的租金按金。相關租賃將於自報告期末起計一年屆滿；或倘若剩餘的租賃年期少於一年，本集團有意在屆滿後重訂租賃。因此，結餘獲分類為非流動。

19. 遞延稅項

以下為於報告期獲確認的遞延稅項(負債)資產及其變動：

		Undistributed profits of PRC subsidiaries 中國 附屬公司的 未分配溢利 HK\$'000 千港元	Unrealised profit in inventories 存貨未變 現溢利 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Allowance for inventories and doubtful debts 存貨及 呆賬撥備 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2014	於2014年1月1日	(8,275)	3,144	3,741	6,938	1,662	7,210
Exchange adjustments	匯兌調整	(7)	-	(3)	13	2	5
(Charged) credited to profit or loss	於損益(扣除)計入	(1,537)	(28)	(3,000)	5,844	(742)	537
Released to profit or loss upon payment of dividends	支付股息後撥至損益	466	-	-	-	-	466
At 31 December 2014	於2014年12月31日	(9,353)	3,116	738	12,795	922	8,218
Exchange adjustments	匯兌調整	(2)	-	(33)	(33)	66	(2)
(Charged) credited to profit or loss	於損益(扣除)計入	(1,376)	(724)	2,115	104	240	359
Released to profit or loss upon payment of dividends	支付股息後撥至損益	1,115	-	-	-	-	1,115
At 31 December 2015	於2015年12月31日	(9,616)	2,392	2,820	12,866	1,228	9,690

For the purpose of presentation in the consolidated statements of financial position, certain deferred tax assets and liabilities have been offset.

就綜合財務狀況表的呈列而言，若干遞延稅項資產及負債已予以抵銷。

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19. DEFERRED TAXATION (Continued)

The following is the analysis of the deferred tax balances for financial reporting purposes:

		2015	2014
		2015年	2014年
		HK\$'000	HK\$'000
		千港元	千港元
Deferred tax assets	遞延稅項資產	19,937	18,230
Deferred tax liabilities	遞延稅項負債	(10,247)	(10,012)
		9,690	8,218

At 31 December 2015, the Group had unused tax losses of approximately HK\$17,090,000 (2014: HK\$2,952,000) available for offset against future profits. Deferred tax assets have been recognised in full in respect of such tax losses. The tax losses as at 31 December 2015 can be carried forward indefinitely.

As at 31 December 2015, the Group had deductible temporary differences mainly arising from allowance for inventories and doubtful debts and unrealised profits on inventories of HK\$52,808,000 (2014: HK\$70,791,000). Deferred tax assets have been recognised in respect of such deductible temporary differences of HK\$52,333,000 (2014: HK\$70,774,000). No deferred tax asset has been recognised in relation to the remaining deductible temporary differences as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

Under the PRC Enterprise Income Tax Law, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in respect of temporary differences attributable to the undistributed profit earned by certain of the PRC subsidiaries as at 31 December 2015 of Renminbi ("RMB") 228,975,000 (equivalent to HK\$284,480,000) (2014: RMB106,894,000 (equivalent to HK\$134,004,000)), as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. As at 31 December 2015, deferred tax has been provided in respect of remaining balance of the temporary difference to the undistributed profits earned by PRC subsidiaries from 1 January 2008 onwards.

19. 遞延稅項(續)

以下為就財務報告作出的遞延稅項結餘分析：

於2015年12月31日，本集團擁有約17,090,000港元(2014年：2,952,000港元)的尚未動用稅項虧損，可用作抵銷未來溢利。遞延稅項資產已就有關稅項虧損予以全數確認。於2015年12月31日的稅項虧損可無限期結轉。

於2015年12月31日，本集團擁有主要由存貨及呆賬撥備及存貨未變現溢利產生的可扣減臨時性差額為52,808,000港元(2014年：70,791,000港元)。遞延稅項資產已就52,333,000港元(2014年：70,774,000港元)的可扣減臨時性差額予以確認。由於不大可能有應課稅溢利可用作扣減臨時性差額，故並無就剩餘可扣減臨時性差額確認遞延稅項資產。

根據中國企業所得稅法，由2008年1月1日起，中國附屬公司就其所賺溢利所宣派的股息須繳納預扣稅。由於本集團能控制撥回臨時性差額的時間，以及於可見未來不大可能撥回臨時性差額，因此並無就中國附屬公司於2015年12月31日賺取的未分派溢利人民幣(「人民幣」)228,975,000元(相當於284,480,000港元)(2014年：人民幣106,894,000元(相當於134,004,000港元))應佔的臨時性差額作出遞延稅項撥備。於2015年12月31日，已就中國附屬公司於2008年1月1日起賺取的未分派溢利臨時性差額的餘額作出遞延稅項撥備。

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19. DEFERRED TAXATION (Continued)

The Group is liable to withholding tax on dividends distributed from Sinomax USA. As at 31 December 2015, the Group had temporary differences relating to the undistributed profits of Sinomax USA of US\$ 3,851,000 (equivalent to HK\$29,892,000) (2014: US\$4,334,000 (equivalent to HK\$33,636,000)). Deferred taxation has not been provided for such temporary differences as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

19. 遞延稅項(續)

本集團須就Sinomax USA分派的股息繳付預扣稅。於2015年12月31日，本集團就Sinomax USA未分派溢利的臨時性差額為3,851,000美元(相當於29,892,000港元)(2014年：4,334,000美元(相當於33,636,000港元))。由於本集團能控制撥回臨時性差額的時間，已及於可見未來不大可能撥回臨時性差額，故並無就該等臨時性差額作出遞延稅項撥備。

20. INVENTORIES

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Raw materials	原材料	72,292	87,805
Work in progress	在建工程	31,887	25,530
Finished goods	製成品	194,528	284,715
		298,707	398,050

20. 存貨

21. TRADE AND OTHER RECEIVABLES

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Trade receivables	貿易應收款項	548,408	552,264
Less: allowance for doubtful debts	減：呆賬撥備	(27,514)	(28,316)
		520,894	523,948
Other receivables	其他應收款項		
Prepayments for purchase of raw materials and operating expenses	購買原材料的預付款項及經營開支	67,007	33,137
Other taxes recoverable	其他可收回稅項	15,230	15,766
Advance to staff	預付員工款項	5,482	2,952
Others	其他	4,793	8,937
		92,512	60,792
Total trade and other receivables	貿易及其他應收款項總額	613,406	584,740

21. 貿易及其他應收款項

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21. TRADE AND OTHER RECEIVABLES (Continued) 21. 貿易及其他應收款項 (續)

The Group's retail sales are made through its retail network comprising stand-alone retail shops and concession counters in department stores. The Group also sells health and household products directly to overseas wholesalers and retailers and the polyurethane foam to furniture manufacturers in the PRC. Sales at self-operated retail shops and sales through retailers in the PRC are transacted either by cash or credit cards. For sales made at concession counters, the department stores collect cash from the ultimate customers and then repay the balance after deducting the concessionaire commission to the Group. The credit period granted to department stores ranges from 30 days to 120 days. For sales to wholesalers, retailers and other manufacturers, the Group generally allows a credit period ranging from 7 days to 90 days.

The following is an aged analysis of trade receivables, net of allowance for doubtful debts, presented based on the revenue recognition date at the end of each reporting period.

本集團透過本集團的零售網絡(包括獨立零售店及位於百貨公司的寄售專櫃)進行零售銷售。本集團亦向海外批發商及零售商直接銷售健康及家庭產品，以及向中國的家具生產商銷售聚氨酯泡沫。於自營零售店及透過中國零售商進行的銷售均以現金或信用卡進行交易。就於寄售專櫃進行的銷售而言，由百貨公司向最終客戶收取現金，於扣除特許經營佣金後，向本集團償還餘額。授予百貨公司的信貸期介乎30日至120日。就向批發商、零售商及其他生產商的銷售而言，本集團一般授予的信貸期介乎7日至90日。

以下為經扣除呆賬撥備的貿易應收款項的賬齡分析(根據各報告期末的收入確認日期呈列)。

		2015	2014
		2015年	2014年
		HK\$'000	HK\$'000
		千港元	千港元
Within 30 days	30日以內	249,521	244,454
31 to 60 days	31至60日	142,112	133,808
61 to 90 days	61至90日	54,232	52,783
91 to 180 days	91至180日	20,830	49,513
181 to 365 days	181至365日	29,578	35,126
Over 365 days	超過365日	24,621	8,264
		520,894	523,948

For sales to wholesalers, retailers and other manufacturers, before accepting any new customer, the Group will internally assess the potential customers' credit quality and define the credit limits based on results from investigation of historical credit records of these customers.

就向批發商、零售商及其他生產商的銷售而言，於接納任何新客戶之前，本集團會對潛在客戶的信貸質素進行內部評估，並會根據本集團對該等客戶過往信貸記錄的調查結果界定信貸限額。

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21. TRADE AND OTHER RECEIVABLES (Continued) 21. 貿易及其他應收款項(續)

The management of the Group closely monitors the credit quality of trade receivables and considers the debts that are neither past due nor impaired to be of a good credit quality. Receivables that were neither past due nor impaired related to a wide range of customers for whom there was no history of default.

Included in the Group's trade receivables balance are debtors with aggregate carrying amounts of HK\$142,583,000 (2014: HK\$185,443,000), which are past due at end of the reporting period for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances.

The following is an aged analysis of trade receivables which are past due but not impaired at the end of each reporting period.

本集團管理層會密切監察貿易應收款項的信貨質素，並認為既未逾期又未減值的債務具有良好的信貨質素。既未逾期又未減值的應收款項與眾多並無欠款紀錄的客戶有關。

總賬面值為142,583,000港元(2014年：185,443,000港元)的應收債項已計入本集團的貿易應收款項結餘，該等款項於報告期末已逾期，惟本集團並無就此作出減值虧損撥備。本集團並無就該等結餘持有任何抵押品。

以下為於各報告期末的已逾期但未減值的貿易應收款項賬齡分析。

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Within 30 days	30日以內	48,563	19,471
31-60 days	31至60日	51,258	45,263
61-90 days	61至90日	4,452	35,835
91-180 days	91至180日	11,565	43,824
181-365 days	181至365日	2,124	33,445
Over 365 days	超過365日	24,621	7,605
		142,583	185,443

Movement in the allowance for doubtful debts

呆賬撥備變動

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	28,316	32,133
Exchange adjustments	匯兌調整	(785)	12
Impairment loss recognised	已確認減值虧損	10,804	18,634
Reversal of impairment loss recognised	已確認減值虧損撥回	(995)	(18,312)
Bad debts written off	已撇銷壞賬	(9,826)	(4,151)
Balance at end of the year	年末結餘	27,514	28,316

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22. BILLS RECEIVABLES

The amount represents bills receivables on hand which are not yet due at the end of the reporting period. The management considers the default rate is low based on past experience as the Group seldom encounters default on bills receivables.

The following is an aged analysis of bills receivables based on their time to maturity as at the respective reporting dates.

22. 應收票據

該等金額為於報告期末尚未逾期的手頭應收票據。根據過往經驗，由於本集團甚少遇到應收票據違約情況，故管理層認為違約率甚低。

以下為於各呈報日期按其到期時間呈列的應收票據賬齡分析。

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Within 30 days	30日以內	3,538	1,253
31 to 60 days	31至60日	2,850	255
61 to 90 days	61至90日	3,071	2,237
91 to 180 days	91至180日	12,822	6,046
181 to 365 days	181至365日	204	631
		22,485	10,422

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23. PLEDGED BANK DEPOSITS/STRUCTURED BANK DEPOSITS/BANK BALANCES AND CASH

(a) Pledged bank deposits

As at 31 December 2015, pledged bank deposits with original maturity of more than three months carried interest at fixed rates ranging from 2.80% to 3.05% (2014: 2.80% to 3.05%) per annum, respectively. The bank deposits have been pledged to secure the Group's general banking facilities and are classified as current assets. The pledged bank deposits will be released upon the settlement of relevant bills payable.

(b) Structured bank deposits

As at 31 December 2015, structured bank deposits carried interest at variable rates ranging from 1.25% to 2.27% (2014: 1.62% to 3.80%) per annum. These deposits bear guaranteed minimum interest of 1.25% per annum, their principals are guaranteed and the deposits may be withdrawn by the Group at any time. Interest rates of these structured deposits vary depending on the movement of market interest rates and foreign exchange rates at the respective maturity dates and those features constitute embedded derivatives. Some of the embedded derivatives are closely related whereas some are not based on assessment of their risks and characteristics. For the non-closely related embedded derivatives, their fair values are assessed to be not significant during the reporting period.

(c) Fixed bank deposits

As at 31 December 2015, fixed bank deposits with original maturity of more than three months carried interest at fixed rates ranging from 1.60% to 2.27% (2014: 4.55% to 5.10%) per annum.

(d) Bank balances

As at 31 December 2015, bank balances carried interest at market rates ranging from 0.01% to 3.30% (2014: 0.01% to 3.30%) per annum.

23. 已抵押銀行存款／結構性銀行存款／銀行結餘及現金

(a) 已抵押銀行存款

於2015年12月31日，原到期日為三個月以上的已抵押銀行存款按固定利率計息，分別介乎每年2.80%至3.05%（2014年：2.80%至3.05%）。銀行存款已作抵押以取得本集團的一般銀行融資，分類為流動資產。已抵押銀行存款將於相關應付票據結償後解除。

(b) 結構性銀行存款

於2015年12月31日，結構性銀行存款按浮動利率計息，介乎每年1.25%至2.27%（2014年：1.62%至3.80%）。該等存款附有最低保證年利率1.25%，其本金乃受保障及本集團可於任何時間提取存款。此等結構性存款的利率乃根據於相關到期日市場利率及外匯匯率變動而改變，而該等特性構成內嵌式衍生工具。部分內嵌式衍生工具的關係密切，部分則否，視乎對其風險及特色的評估而定。就非關係密切的內嵌式衍生工具而言，其公平值於報告期內被評估為不重大。

(c) 定期銀行存款

於2015年12月31日，原到期日為三個月以上的定期銀行存款按固定利率計息，介乎每年1.60%至2.27%（2014年：4.55%至5.10%）。

(d) 銀行結餘

於2015年12月31日，銀行結餘以市場利率計息，介乎每年0.01%至3.30%（2014年：0.01%至3.30%）。

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24. TRADE AND OTHER PAYABLES

24. 貿易及其他應付款項

		2015	2014
		2015年	2014年
		HK\$'000	HK\$'000
		千港元	千港元
Trade payables	貿易應付款項	200,804	130,691
Deposits received from customers	自客戶收取的按金	15,915	6,441
Accrued expenses/provision for expenses	應計開支/開支撥備	95,822	92,949
Other taxes payable	其他應付稅項	29,121	17,068
Amount due to a non-controlling shareholder of a subsidiary (Note)	應付結欠附屬公司非控股股東的款項(附註)	6,543	6,543
Others	其他	19,352	22,038
		166,753	145,039
Total trade and other payables	貿易及其他應付款項總額	367,557	275,730

Note: The amount was unsecured, interest-free and repayable on demand.

附註：該款項為無抵押、免息及須按要求償還。

The credit period of trade payables is from 30 to 60 days.

貿易應付款項的信貸期為30至60日。

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

以下為於各報告期末按發票日期呈列的貿易應付款項賬齡分析。

		2015	2014
		2015年	2014年
		HK\$'000	HK\$'000
		千港元	千港元
Within 30 days	30日以內	131,749	75,329
31 to 60 days	31至60日	58,446	50,342
61 to 90 days	61至90日	4,025	1,120
91 to 180 days	91至180日	2,795	1,568
Over 180 days	超過180日	3,789	2,332
		200,804	130,691

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25. BILLS PAYABLES

All the bills payables of the Group are not yet due at the end of each reporting period. Bills payables as at 31 December 2015 were secured by pledged bank deposits of HK\$8,513,000 (2014: HK\$14,786,000).

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

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Within 30 days	30日以內	4,392	34,724
31–60 days	31至60日	11,588	19,014
61–90 days	61至90日	8,070	12,624
91–180 days	91至180日	35,443	22,057
Over 180 days	超過180日	–	3,916
		59,493	92,335

25. 應付票據

本集團的所有應付票據於各報告期末尚未到期。於2015年12月31日的應付票據以已抵押銀行存款8,513,000港元(2014年: 14,786,000港元)作抵押。

以下為於報告期末按票據發佈日期的應付票據賬齡分析:

26. UNSECURED BANK BORROWINGS

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Trade loans	貿易貸款	38,000	21,957
Term loans	定期貸款	122,541	211,059
		160,541	233,016
Variable-rate	浮動利率	160,541	165,363
Fixed-rate	固定利率	–	67,653
		160,541	233,016
Carrying amounts repayable*	應償還賬面值*		
Within one year	一年內	130,541	226,266
More than one year, but not more than two years	超過一年但兩年以內	8,000	6,750
More than two years, but not more than five years	超過兩年但五年以內	22,000	–
		160,541	233,016

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

* 到期款項以貸款協議載列的預定還款日期為基準。

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26. UNSECURED BANK BORROWINGS (Continued)

26. 無抵押銀行借款(續)

	2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Amounts shown under current liabilities:		
Bank borrowings that are repayable within one year from the end of the reporting period	130,541	226,266
Bank borrowings that are not repayable within one year from the end of the reporting period but contain a repayable on demand clause	30,000	6,750
	160,541	233,016

Variable-rate bank borrowings bear interest with reference to Hong Kong Interbank Offered Rate and Prime rate plus a specific margin of the relevant banks.

浮動利率銀行借款按香港銀行同業拆息及相關銀行的最優惠利率加特定利潤率計息。

Included in bank borrowings are the following amounts denominated in a currency other than the functional currency of the corresponding group entity which it relates:

下列為計入銀行借款的金額(以所涉相關集團實體功能貨幣以外的貨幣列值):

	2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
US\$ 美元	38,750	106,403

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings, are as follows:

本集團的借款實際利率(相等於訂約利率)範圍分別如下:

	2015 2015年	2014 2014年
Effective interest rates (per annum):		
Variable-rate borrowings	1.45%–6.90%	1.75%–6.44%
Fixed-rate borrowings	N/A 不適用	2.67%–3.29%

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26. UNSECURED BANK BORROWINGS (Continued)

As at 31 December 2015, a non-controlling shareholder of a subsidiary had provided a guarantee to a bank to secure the bank facilities granted to that subsidiary to the extent of RMB33,000,000, out of which RMB14,000,000 (equivalent to approximately HK\$16,888,000) (2014: RMB38,500,000, out of which RMB12,000,000 (equivalent to approximately HK\$15,156,000)), were utilised.

27. SHARE CAPITAL

26. 無抵押銀行借款(續)

於2015年12月31日，一間附屬公司的非控股股東向銀行提供擔保，以取得銀行向該附屬公司授予上限為人民幣33,000,000元的銀行融資，當中已動用人民幣14,000,000元(相當於約16,888,000港元)(2014年：人民幣38,500,000元，當中已動用人民幣12,000,000元(相當於約15,156,000港元))。

27. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.1 each	每股0.1港元的普通股		
Authorised:	法定：		
At 1 January 2014, 31 December 2014 and 2015	於2014年1月1日以及2014年及 2015年12月31日	10,000,000,000	1,000,000
		Number of shares 股份數目	HK\$'000 千港元
Issued and fully paid:	已發行及繳足：		
At 1 January 2014	於2014年1月1日	50,000	5
Capitalisation issue (Note a)	資本化發行(附註a)	1,499,950,000	149,995
Issue of shares on global offering (Note b)	就全球發售發行股份(附註b)	150,000,000	15,000
Issue of shares upon exercise of share options	行使購股權後發行股份	2,000	–
At 31 December 2014	於2014年12月31日	1,650,002,000	165,000
Issue of shares upon placement (Note c)	配售時發行股份(附註c)	100,000,000	10,000
At 31 December 2015	於2015年12月31日	1,750,002,000	175,000

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27. SHARE CAPITAL (Continued)

Notes:

- (a) On 4 March 2014, the Company has approved the issuance of 1,499,950,000 shares standing to the credit of the share premium of the Company conditional on the share premium account of the Company being credited as a result of the global offering of the shares of the Company ("**Capitalisation Issue**"). The Capitalisation Issue was completed on 9 July 2014.
- (b) On 10 July 2014, the shares of the Company were listed on the Stock Exchange. 150,000,000 ordinary shares at an offer price of HK\$1.06 each ("**Offer Price**") have been issued to investors through global offering with a net proceeds of approximately HK\$127,120,000.
- (c) On 15 May 2015, the Company entered into a placing agreement to place up to 100,000,000 new shares to Sinomax Enterprises at HK\$1.06 per share. On 21 May 2015, 100,000,000 new shares were issued and allotted upon the placement. The net proceeds are to be used to fund the Group's business expansion in the US and general working capital.

28. SHARE OPTION SCHEMES

(i) The Pre-IPO Share Option Scheme

On 13 December 2013, a share option scheme was adopted by the shareholders of the Company (the "**Pre-IPO Share Option Scheme**"). The Pre-IPO Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions that the eligible participants under the scheme have or may have made to the Company.

The eligible participants include any full-time or part-time employees, executives or officers (including executive, non-executive and independent non-executive directors) of the Company or any of its subsidiaries and any suppliers, customers, consultants, agents and advisers who, in the opinion of the directors of the Company, will contribute or have contributed to the Company and/or any of its subsidiaries.

Upon acceptance of the share option, the grantee shall pay HK\$1 to the Company by way of consideration for the grant.

27. 股本(續)

附註：

- (a) 於2014年3月4日，本公司通過自本公司股份溢價進賬發行1,499,950,000股股份，惟需待本公司的股份溢價賬因本公司股份全球發售(「**資本化發行**」)而錄得進賬。資本化發行於2014年7月9日完成。
- (b) 於2014年7月10日，本公司股份於聯交所上市。150,000,000股普通股已按發售價每股1.06港元(「**發售價**」)透過全球發售向投資者發行，所得款項淨額約127,120,000港元。
- (c) 於2015年5月15日，本公司訂立一份配售協議，以每股股份1.06港元的價格向聖諾盟企業配售多達100,000,000股新股。於2015年5月21日，100,000,000股新股於配售後發行及配發。所得款項淨額將用於為本集團的美國業務擴張及一般營運資本提供資金。

28. 購股權計劃

(i) 首次公開發售前購股權計劃

於2013年12月13日，本公司股東採納購股權計劃(「**首次公開發售前購股權計劃**」)。首次公開發售前購股權計劃為一項股份獎勵計劃，旨在肯定及認可該計劃項下的合資格參與者對本公司已作出或可能已作出的貢獻。

合資格參與者包括本公司或其任何附屬公司的任何全職或兼職僱員、行政人員或高級職員(包括執行、非執行及獨立非執行董事)，以及本公司董事認為將會或已對本公司及/或其任何附屬公司作出貢獻的任何供應商、客戶、諮詢顧問、代理及顧問。

於接納購股權後，承授人將向本公司支付1港元作為獲授購股權的代價。

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28. SHARE OPTION SCHEMES (Continued)

(i) The Pre-IPO Share Option Scheme (Continued)

On 13 December 2013, the Company has authorised to grant to 140 eligible participants to subscribe for an aggregate of 34,918,000 shares under the Pre-IPO Share Option Scheme. In February 2014, the Company granted share options to 137 eligible participants to subscribe for an aggregate of 34,903,000 shares.

The subscription price of a share in respect of any particular share option offered under the Pre-IPO Share Option Scheme shall be a price representing 30% discount to the Offer Price.

The share options granted to each grantee under the Pre-IPO Share Option Scheme shall be vested equally in five tranches commencing on 10 July 2014, the first date on which dealings in the shares of the Company commenced on the Stock Exchange (the “**Listing Date**”) and on each of the first, second, third and fourth anniversary of the Listing Date. The grantees to whom a share option has been granted under the Pre-IPO Share Option Scheme will be entitled to exercise the share option any time after the share option has been vested but in any event on or before the date falling on the fifth anniversary of the Listing Date. The share options granted under the Pre-IPO Share Option Scheme are not transferable and share options not exercised within the exercise period will lapse and cease to be of further effect.

The Pre-IPO Share Option Scheme expired on 10 July 2014 and will cease to have effect after 10 July 2014. Share options granted prior to the expiration of the Pre-IPO Share Option Scheme but not yet exercised at that time shall continue to be valid and exercisable in accordance with the Pre-IPO Share Option Scheme.

28. 購股權計劃(續)

(i) 首次公開發售前購股權計劃(續)

於2013年12月13日，本公司獲授權向首次公開發售前購股權計劃項下140名合資格參與者授出合共可認購34,918,000股股份的購股權。於2014年2月，本公司向137名合資格參與者授出合共可認購34,903,000股股份的購股權。

根據首次公開發售前購股權計劃發售之任何特定購股權涉及之股份之認購價將相當於發售價折讓30%之價格。

根據首次公開發售前購股權計劃授予每名承授人的購股權將自2014年7月10日(本公司股份開始於聯交所買賣的首日)(「**上市日期**」)開始，於上市日期首個週年日、第二個週年日、第三個週年日及第四個週年日平均分五批歸屬。根據首次公開發售前購股權計劃獲授購股權的承授人將有權於購股權獲歸屬後(惟在任何情況下須於上市日期第五個週年日當日或之前)隨時行使購股權。根據首次公開發售前購股權計劃授出的購股權不可轉讓，及於行使期間尚未行使的購股權將失效及不再具有其他效力。

首次公開發售前購股權計劃已於2014年7月10日屆滿，及將於2014年7月10日後不再具有效力。於首次公開發售前購股權計劃屆滿前授出但當時尚未行使的購股權將繼續有效及根據首次公開發售前購股權計劃可予行使。

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28. SHARE OPTION SCHEMES (Continued)

(i) The Pre-IPO Share Option Scheme (Continued)

The following tables disclose details of movements of share options granted under the Pre-IPO Share Option Scheme:

28. 購股權計劃(續)

(i) 首次公開發售前購股權計劃(續)

下表披露根據首次公開發售前購股權計劃授出的購股權變動詳情：

Options	Vesting period	Granted at 10.02.2014 於2014年 2月10日 授出	Lapsed during the year 於年內失效 (Note (a)) (附註(a))	Exercised during the year 於年內行使 (Note (b)) (附註(b))	Outstanding at 31.12.2014 於2014年 12月31日 尚未行使	Lapsed during the year 於年內失效 (Note (a)) (附註(a))	Outstanding at 31.12.2015 於2015年 12月31日 尚未行使
<i>Directors</i>							
<i>董事</i>							
Tranche 1 第一批	10.02.2014-10.07.2014 2014年2月10日至 2014年7月10日	4,045,240	-	-	4,045,240	-	4,045,240
Tranche 2 第二批	10.02.2014-10.07.2015 2014年2月10日至 2015年7月10日	4,045,240	-	-	4,045,240	-	4,045,240
Tranche 3 第三批	10.02.2014-10.07.2016 2014年2月10日至 2016年7月10日	4,045,240	-	-	4,045,240	-	4,045,240
Tranche 4 第四批	10.02.2014-10.07.2017 2014年2月10日至 2017年7月10日	4,045,240	-	-	4,045,240	-	4,045,240
Tranche 5 第五批	10.02.2014-10.07.2018 2014年2月10日至 2018年7月10日	4,045,240	-	-	4,045,240	-	4,045,240
		20,226,200	-	-	20,226,200	-	20,226,200
<i>Senior management</i>							
<i>高級管理層</i>							
Tranche 1 第一批	10.02.2014-10.07.2014 2014年2月10日至 2014年7月10日	1,037,560	(30,000)	-	1,007,560	-	1,007,560
Tranche 2 第二批	10.02.2014-10.07.2015 2014年2月10日至 2015年7月10日	1,037,560	(30,000)	-	1,007,560	-	1,007,560
Tranche 3 第三批	10.02.2014-10.07.2016 2014年2月10日至 2016年7月10日	1,037,560	(30,000)	-	1,007,560	-	1,007,560
Tranche 4 第四批	10.02.2014-10.07.2017 2014年2月10日至 2017年7月10日	1,037,560	(30,000)	-	1,007,560	-	1,007,560
Tranche 5 第五批	10.02.2014-10.07.2018 2014年2月10日至 2018年7月10日	1,037,560	(30,000)	-	1,007,560	-	1,007,560
		5,187,800	(150,000)	-	5,037,800	-	5,037,800

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28. SHARE OPTION SCHEMES (Continued)

28. 購股權計劃(續)

(i) The Pre-IPO Share Option Scheme (Continued)

(i) 首次公開發售前購股權計劃(續)

Options	Vesting period	Granted at 10.02.2014 於2014年 2月10日	Lapsed during the year	Exercised during the year	Outstanding at 31.12.2014 於2014年 12月31日	Lapsed during the year	Outstanding at 31.12.2015 於2015年 12月31日
購股權	歸屬期	授出	於年內失效 (Note (a)) (附註(a))	於年內行使 (Note (b)) (附註(b))	尚未行使	於年內失效 (Note (a)) (附註(a))	尚未行使
<i>Employees</i>							
<i>僱員</i>							
Tranche 1 第一批	10.02.2014–10.07.2014 2014年2月10日至 2014年7月10日	1,897,800	(56,000)	(2,000)	1,839,800	(123,000)	1,716,800
Tranche 2 第二批	10.02.2014–10.07.2015 2014年2月10日至 2015年7月10日	1,897,800	(56,000)	–	1,841,800	(123,000)	1,718,800
Tranche 3 第三批	10.02.2014–10.07.2016 2014年2月10日至 2016年7月10日	1,897,800	(56,000)	–	1,841,800	(123,000)	1,718,800
Tranche 4 第四批	10.02.2014–10.07.2017 2014年2月10日至 2017年7月10日	1,897,800	(56,000)	–	1,841,800	(123,000)	1,718,800
Tranche 5 第五批	10.02.2014–10.07.2018 2014年2月10日至 2018年7月10日	1,897,800	(56,000)	–	1,841,800	(123,000)	1,718,800
		9,489,000	(280,000)	(2,000)	9,207,000	(615,000)	8,592,000
		34,903,000	(430,000)	(2,000)	34,471,000	(615,000)	33,856,000
Exercisable at the end of the reporting period 於報告期末可予行使					6,892,600		13,541,200

Notes:

- (a) 10 (2014: 16) eligible participants, who have been granted share options have ceased to become eligible participants upon termination of employment and the said share options have automatically lapsed.
- (b) The closing price of the Company's shares immediately before the date on which the share options are exercised during the year ended 31 December 2014 was HK\$1.06.

附註：

- (a) 10名(2014年：16名)獲授購股權的合資格參與者於終止僱傭關係後不再為合資格參與者，而上述購股權已自動失效。
- (b) 於截至2014年12月31日止年度，本公司股份於緊接購股權獲行使日期前的收市價為1.06港元。

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28. SHARE OPTION SCHEMES (Continued)

(i) The Pre-IPO Share Option Scheme (Continued)

Details of the share options granted under the Pre-IPO Share Option Scheme are as follows:

Date of grant	Number of share options granted	Exercise period	Exercise price	Fair value per share option
授出日期	授出購股權數目	行使期	行使價	每份購股權之公平值
			HK\$	HK\$
			港元	港元
Tranche 1	6,980,600	10.07.2014–10.07.2019	0.74	0.41
第一批		2014年7月10日至2019年7月10日		
Tranche 2	6,980,600	10.07.2015–10.07.2019	0.74	0.43
第二批		2015年7月10日至2019年7月10日		
Tranche 3	6,980,600	10.07.2016–10.07.2019	0.74	0.45
第三批		2016年7月10日至2019年7月10日		
Tranche 4	6,980,600	10.07.2017–10.07.2019	0.74	0.47
第四批		2017年7月10日至2019年7月10日		
Tranche 5	6,980,600	10.07.2018–10.07.2019	0.74	0.48
第五批		2018年7月10日至2019年7月10日		

The fair value of the share options at the grant date, were calculated using the Binomial Model is approximately HK\$15,662,000.

The inputs into the model were as follows:

Grant date	10 February 2014
Number of share options	34,903,000
Share price	HK\$0.96
Risk-free rate	0.46%
Expected volatility	47.82%
Time-to-maturity	5.41 years

The risk-free rate is based on Hong Kong Dollar Sovereign Curve obtained from Bloomberg.

Expected volatility was determined by using five comparable companies' historical volatility quoted by Bloomberg. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations.

28. 購股權計劃(續)

(i) 首次公開發售前購股權計劃(續)

根據首次公開發售前購股權計劃授出的購股權詳情如下：

購股權於授出日期使用二項式模型計算之公平值為約15,662,000港元。

該模式的輸入數據如下：

授出日期	2014年2月10日
購股權數目	34,903,000
股價	0.96港元
無風險利率	0.46%
預期波幅	47.82%
距到期日時間	5.41年

無風險利率乃根據彭博社所列港元主權曲線計算。

預期波幅乃按彭博社所列五家可資比較公司的歷史波幅而釐定。模式所用的預期壽命已按管理層的最佳估算予以調整，以反映不可轉讓、行使限制及行為考慮因素的影響。

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28. SHARE OPTION SCHEMES (Continued)

(i) The Pre-IPO Share Option Scheme (Continued)

The Group recognised a total expense of HK\$3,808,000 for the year ended 31 December 2015 (2014: HK\$7,431,000) in relation to the Pre-IPO Share Options granted by the Company.

The number of share options granted expected to vest has been reduced to reflect historical experience of forfeiture of 81% (2014: 86%) of options granted prior to completion of vesting period and accordingly the share option expense has been adjusted. At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in the profit and loss over the remaining vesting period, with a corresponding adjustment to the share options reserve.

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

(ii) The Post-IPO Share Option Scheme

On 4 March 2014, a share option scheme was conditionally adopted by the shareholders of the Company (the "Post-IPO Share Option Scheme").

The purpose of the Post-IPO Share Option Scheme is to provide incentive or reward to the eligible participants with an opportunity to acquire the equity interests in the Company, for their contributions to, and continuing efforts to promote the interest of the Group or for such other purposes as the board of directors of the Company may approve from time to time, linking their interests with the interests of the Group and thereby attracting and encouraging those parties to work better for the interests of the Group.

28. 購股權計劃(續)

(i) 首次公開發售前購股權計劃(續)

本集團就本公司所授出的首次公開發售前購股權計劃於截至2015年12月31日止年度確認總開支3,808,000港元(2014年: 7,431,000港元)。

所授予購股權之預期行使數目已經減少，此為反映過往經驗中所授購股權其中81%(2014年: 86%)在行使期完成前被收回。因此，購股權開支已獲調整。於報告期末，本集團會修訂其對預期最終會行使之購股權數目之估計。修訂原來估計(如有)之影響在剩餘歸屬期之損益內確認，並對購股權儲備作出相應調整。

二項式模型用於估計購股權之公平值。用於計算購股權計劃之公平值之變化及假設乃基於董事之最佳估計。購股權價值隨若干主觀假設之不同變量二變化。

(ii) 首次公開發售後購股權計劃

於2014年3月4日，本公司股東有條件採納購股權計劃(「首次公開發售後購股權計劃」)。

首次公開發售後購股權計劃旨在向為增加本集團利益或本公司董事會不時批准的其他目的而作出貢獻或持續努力的合資格參與者提供一個獲取本公司股權的機會，作為對彼等的激勵或獎勵，以將彼等的利益與本集團的利益聯繫在一起，從而吸引及鼓勵有關各方為本集團的利益更加努力工作。

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28. SHARE OPTION SCHEMES (Continued)

(ii) The Post-IPO Share Option Scheme (Continued)

The eligible participants include any full-time or part-time employees, executives or officers (including executive, non-executive and independent non-executive directors) of the Company or any of its subsidiaries and any suppliers, customers, consultants, agents and advisers who, in the sole opinion of the directors of the Company, will contribute or have contributed to the Company and/or any of its subsidiaries.

The subscription price of a share of the Company in respect of any particular share option granted under the Post-IPO Share Option Scheme shall be such price as the directors of the Company in its absolute discretion shall determine, save that such price shall at least be the higher of (i) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities; (ii) the average of the closing prices of the shares of the Company as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

28. 購股權計劃(續)

(ii) 首次公開發售後購股權計劃(續)

合資格參與者包括本公司或其任何附屬公司的任何全職或兼職僱員、行政人員或高級職員(包括執行、非執行及獨立非執行董事)，以及本公司董事全權認為將會或已對本公司及／或其附屬公司作出貢獻的任何供應商、客戶、諮詢顧問、代理及顧問。

根據首次公開發售後購股權計劃授出的任何特定購股權所涉及的本公司股份認購價將由本公司董事全權酌情釐定，惟不得低於下列較高者：(i) 授出當日聯交所每日報價表所示本公司股份的收市價，而授出日期必須為聯交所買賣證券的營業日；(ii) 緊接授出當日前五個營業日聯交所每日報價表所示本公司股份收市價的平均值；及(iii) 本公司股份面值。

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28. SHARE OPTION SCHEMES (Continued)

(ii) The Post-IPO Share Option Scheme (Continued)

The maximum number of shares in respect of which share options may be granted under the Post-IPO Share Option Scheme and under any other share option schemes of the Group must not in aggregate exceed 10% of the total number of shares of the Company in issue at the Listing Date (without taking into account any shares that may be issued upon the full exercise of the options granted pursuant to the Pre-IPO Share Option Scheme), being 165,000,000 Shares (“**Option Limit**”). Options which have lapsed in accordance with the terms of the Post-IPO Share Option Scheme (or any other share option schemes of the Company) will not be counted for the purpose of calculating the Option Limit. Subject to the approval of the shareholders of the Company, the Company may refresh the Option Limit at any time provided that (i) the Option Limit as refreshed does not exceed 10% of the shares of the Company in issue as at the date of the approval by the shareholders of the Company; and (ii) the options previously granted (including those outstanding, cancelled, lapsed in accordance with the provisions of the Post-IPO Share Option Scheme or exercised options) will not be counted for the purpose of calculating the Option Limit as refreshed. The Company may also, with the approval of the shareholders of the Company, grant share options in respect of shares of the Company in excess of the Option Limit (as refreshed from time to time) to eligible participants specifically identified by the Company before such approval is sought.

Notwithstanding the foregoing, the shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Post-IPO Share Option Scheme and any other share option schemes of the Group at any time shall not exceed 30% of the issued shares of the Company from time to time. No share options shall be granted under any schemes of the Company (including the Post-IPO Share Option Scheme) if this will result in the 30% limit being exceeded.

28. 購股權計劃(續)

(ii) 首次公開發售後購股權計劃(續)

根據首次公開發售後購股權計劃及本集團任何其他購股權計劃可能授出的購股權所涉及的股份數目上限，合共不得超過上市日期本公司已發行股份總數的10%（即165,000,000股股份，惟不計及因根據首次公開發售前購股權計劃授出的購股權獲悉數行使而可能發行的任何股份）（「**購股權上限**」）。計算購股權上限時，根據首次公開發售後購股權計劃（或本公司任何其他購股權計劃）的條款已失效的購股權將不予計算在內。在獲得本公司股東於股東大會上批准的情況下，本公司可隨時重新釐定購股權上限，惟：(i)更新購股權上限不得超逾本公司股東授出有關批准當日已發行股份的10%；及(ii)計算更新購股權上限時，先前已授出的購股權（包括根據首次公開發售後購股權計劃的條款尚未行使、已註銷、失效或已行使的購股權）將不予計算。本公司亦可在本公司股東批准後，向本公司於尋求有關批准前特別指定的合資格參與者授出所涉股份數目超逾購股權上限（以不時更新者為準）的購股權。

儘管上述規定，在任何時間因行使根據首次公開發售後購股權計劃或本集團任何其他購股權計劃授出但尚未行使的全部購股權而可能發行的股份總數，不得超過本公司不時已發行股份的30%。倘授出購股權將導致超逾上述30%的上限，則不得根據本公司任何計劃（包括首次公開發售後購股權計劃）授出任何購股權。

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28. SHARE OPTION SCHEMES (Continued)

(ii) The Post-IPO Share Option Scheme (Continued)

The total number of shares issued and which fall to be issued upon exercise of the share options granted under the Post-IPO Share Option Scheme and any other share option schemes of the Group (including both exercised and outstanding options) to each grantee in any 12-month period up to the date of offer to grant shall not exceed 1% of the shares of the Company in issue as at the date of offer to grant. Any further grant of share options in excess of this 1% limit shall be subject to shareholders' approval in a general meeting.

In addition, any grant of share options to a director, chief executive or substantial shareholder of the Company or any of their respective associates is required to be approved by the independent non-executive directors (excluding any independent non-executive director who is proposed to be an option holder). If the Company proposes to grant share options to a substantial shareholder or any independent non-executive director of the Company or their respective associates which will result in the number of shares of the Company issued and to be issued upon exercise of share options granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of offer of such grant representing in aggregate over 0.1% of the shares of the Company in issue; and having an aggregate value in excess of HK\$5 million, based on the closing price of the Company's shares at the date of offer of each grant, such further grant of share options will be subject to, in addition to the approval of the independent non-executive directors, the approval of shareholders of the Company in general meeting.

No share option under the Post-IPO Share Option Scheme has been granted since its adoption.

28. 購股權計劃(續)

(ii) 首次公開發售後購股權計劃(續)

每名承授人在截至提出授出當日的任何12個月期間因行使根據首次公開發售後購股權計劃及本集團任何其他購股權計劃所獲授購股權(包括已行使及尚未行使者)而獲發行及將獲發行的股份總數,不得超過截至提出授出當日本公司已發行股份的1%。另行授出超逾上述1%上限的購股權須在股東大會上獲股東批准。

此外,董事、最高行政人員或主要股東或彼等各自的聯繫人士被授予任何購股權,須獲得獨立非執行董事(不包括獲建議持有購股權的任何獨立非執行董事)的批准。倘本公司建議向本公司主要股東或任何獨立非執行董事或彼等各自的聯繫人士授出購股權,而在行使已獲授及將獲授購股權(包括已行使、已註銷及尚未行使的購股權)後將導致於截至提出授出日期(包括該日)止12個月期間已發行及將發行股份的數目合計超過本公司已發行股份的0.1%;及根據各提出授出日期本公司股份的收市價計算,總值超過5百萬港元,則除須待獨立非執行董事批准外,亦須經本公司股東在股東大會上批准,始可進一步授出購股權。

自採納首次公開發售後購股權計劃以來,並根據首次公開發售後購股權計劃授出購股權。

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29. CAPITAL RISK MANAGEMENT

The management of the Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of unsecured bank borrowings disclosed in note 26, cash and cash equivalents, and equity attributable to the owners of the Company, comprising share capital, reserves and retained profits.

The management of the Group reviews the capital structure on a regular basis. As part of this review, the management of the Group considers the cost of capital and the risks associated with each class of capital, and takes appropriate actions to balance its overall capital structure.

30. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Financial assets	金融資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)	964,339	843,592
Financial liabilities	金融負債		
Amortised cost	攤銷成本	446,733	481,220

29. 資本風險管理

本集團管理層為確保本集團旗下實體能夠繼續持續經營而管理其資本，並透過在債務與權益之間取得最佳平衡，為股東爭取最大回報。本集團之整體策略與去年相同。

本集團資本結構包括附註26所披露的無抵押銀行借款、現金及現金等價物及本公司擁有人應佔權益(包括股本、儲備及保留溢利)。

本集團管理層定期審閱資本結構。作為審閱之一部份，本集團管理層考慮資金成本及與各類資金相關的風險，並採取適當行動以對其整體資本結構作出平衡。

30. 金融工具

(a) 金融工具的分類

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30. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, bills receivables, pledged bank deposits, structured bank deposits, fixed bank deposits, bank balances and cash, trade and other payables, bills payables and bank borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with certain of these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank deposits and bank borrowings (see notes 23 and 26 for details of these balances) due to the fluctuation of the prevailing market interest rate. The Group currently does not have a policy on hedging interest rate risk. However, management monitors interest rate exposure and will consider hedging significant interest rate risk should the need arise.

The Group is also exposed to fair value interest rate risk in relation to the fixed-rate bank deposits and bank borrowings (see notes 23 and 26 for details of these balances). However, management considers the fair value interest rate risk is insignificant as they are relatively short-term.

30. 金融工具(續)

(b) 財務風險管理的目標及政策

本集團的主要金融工具包括貿易及其他應收款項、應收票據、已抵押銀行存款、結構性銀行存款、定期銀行存款、銀行結餘及現金、貿易及其他應付款項、應付票據及銀行借款。該等金融工具的詳情於相關附註披露。下文載列有關該等若干金融工具的風險及如何減低此等風險的政策。管理層會管理及監控該等風險，以確保及時有效地採取適當措施。

市場風險

利率風險

本集團因現行市場利率波動而就浮動利率銀行存款及銀行借款(該等結餘的詳情見附註23及26)面臨現金流量利率風險。本集團目前並無制定對沖利率風險的政策。然而，管理層會留意利率風險，在有需要時，將考慮對沖重大利率風險。

本集團亦就固定利率銀行存款及銀行借款(該等結餘的詳情見附註23及26)面臨公平值利率風險。然而，由於相對較為短期，故管理層認為公平值利率風險並不重大。

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30. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

Interest rate risk (Continued)

Sensitivity analysis

The sensitivity analyses have been determined based on the exposure to interest rates for variable-rate bank deposits and bank borrowings. The analysis is prepared assuming that the amount of assets and liabilities outstanding at the end of the reporting period were outstanding for the whole year. 25 basis point and 50 basis point increase or decrease represent the management's assessment of the reasonable possible change in interest rates of bank deposits and bank borrowings, respectively. Based on the sensitivity analysis, the directors of the Company consider that the impact to profit or loss for the respective years is insignificant.

Foreign currency risk

Several subsidiaries of the Company have foreign currency sales and purchases, which expose the Group to foreign currency risk. The Group currently does not have a formal foreign currency hedging policy but will use foreign currency contracts to hedge against the risk when it is foreseen to be significant.

30. 金融工具(續)

(b) 財務風險管理的目標及政策(續)

市場風險(續)

利率風險(續)

敏感度分析

敏感度分析乃基於本集團就浮動利率銀行存款及銀行借款所面臨的利率風險而作出。編製有關分析時已假設於報告期末未償還的資產及負債金額於全年內均未償還。25個基點及50個基點的增幅或降幅分別為管理層對銀行存款及銀行借款利率的合理可能變動的評估。根據敏感度分析，本公司董事認為對各年度損益的影響甚微。

外幣風險

本公司若干附屬公司以外幣進行銷售及採購，令本集團面臨外幣風險。本集團現時並無制定正式外匯對沖政策，但會以外匯合約對沖可以預見之重大風險。

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30. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

Foreign currency risk (Continued)

The carrying amounts of the Group's monetary assets and monetary liabilities (excluding inter-company balances) denominated in currencies other than the respective group entities' functional currencies at the end of each reporting period are as follows:

		Assets 資產		Liabilities 負債	
		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
HK\$	港元	10,444	22,213	–	–
RMB	人民幣	51,840	36,065	–	–
US\$	美元	104,384	70,316	56,507	145,471

In addition, inter-company balances denominated in foreign currencies other than the respective group entities' functional currencies at the end of each reporting period are as follows:

		Assets 資產		Liabilities 負債	
		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
HK\$	港元	–	68,164	202,368	221,546
RMB	人民幣	63	–	–	97,378
US\$	美元	597,988	431,771	201,054	–

30. 金融工具(續)

(b) 財務風險管理的目標及政策(續)

市場風險(續)

外幣風險(續)

本集團於各報告期末，以各集團實體的功能貨幣以外的貨幣計值的貨幣資產及貨幣負債(不包括集團內公司間結餘)的賬面值如下：

此外，於各報告期末，以各集團實體的功能貨幣以外的外幣列值的集團內公司間結餘如下：

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30. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

Foreign currency risk (Continued)

Sensitivity analysis

Subsidiaries of the Company carry out most of the transactions denominated in HK\$, RMB or US\$ and the Group is mainly exposed to the foreign exchange risk arising from these currencies when they are different from the functional currencies of the respective group entities. Under the pegged exchange rate system, the financial impact arising from changes in exchange rates between HK\$ and US\$ is not expected to be significant and therefore, the corresponding sensitivity analysis is not prepared.

The sensitivity analysis below details the Group's sensitivity to a 5% increase and decrease in HK\$, RMB or US\$ against the functional currencies of the respective group entities. 5% is the sensitivity rate used which represents management's assessment of the reasonably possible change in foreign currency rate. A positive (negative) number indicates an increase (decrease) in pre-tax profit for the year when HK\$, RMB or US\$ strengthen 5% against the functional currencies of the respective group entities. For a 5% weakening of HK\$, RMB or US\$, there would be an equal but opposite impact on the pre-tax profit for the year.

		2015	2014
		2015年	2014年
		HK\$'000	HK\$'000
		千港元	千港元
HK\$	港元	(9,596)	(6,558)
RMB	人民幣	2,595	(3,066)
US\$	美元	21,805	(3,174)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

30. 金融工具(續)

(b) 財務風險管理的目標及政策(續)

市場風險(續)

外幣風險(續)

敏感度分析

本公司的附屬公司進行的絕大部分交易乃以港元、人民幣或美元計值，當該等貨幣有別於各集團實體的功能貨幣時，本集團主要面對上述貨幣的外匯風險。根據聯繫匯率制度，預期來自港元與美元匯率變動產生的財務影響並不重大，因此並無編製相應的敏感度分析。

下列敏感度分析詳述本集團對港元、人民幣或美元兌相關集團實體的功能貨幣升值及貶值5%的敏感度。所用5%敏感度比率為管理層對外幣匯率合理可能變動的評估。正(負)數表示港元、人民幣或美元兌相關集團實體的功能貨幣升值5%時年內除稅前溢利增加(減少)。就港元、人民幣或美元兌相關集團實體的功能貨幣貶值5%而言，年內除稅前溢利將受到等量但相反的影響。

管理層認為，年末的風險不能反映年內的風險，故敏感度分析不能代表固有外匯風險。

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30. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations at the end of the reporting period is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statements of financial position.

In order to minimise the credit risk, management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures over the customers to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

The management of the Group considers that the Group's credit risk in relation to sales made at concession counters is limited as the Group only operates concession counters in leading and reputable department stores. For international and export sales, the customers are mainly leading retailers in the US and the credit risk is not expected to be significant by the management. For other customers, the management closely monitors settlement status and regularly updates their credit profile to ensure that the Group's credit risk is properly managed. For customers in the PRC, the Group would accept bills as alternate settlement means to reduce the exposure of credit risk.

30. 金融工具(續)

(b) 財務風險管理的目標及政策(續)

信貸風險

本集團於報告期末因對手方未能履行彼等的責任而面臨的最大信貸風險來自綜合財務狀況表所示各已確認金融資產的賬面值。

為最大限度地降低信貸風險，本集團管理層已委派一組人員負責制訂客戶的信貸限額、信貸審批及其他監控程序，以確保採取跟進措施，追回逾期債務。此外，本集團審閱各個別債務於各報告期末的可收回金額，以確保就不可收回金額計提足夠的減值虧損撥備。就此，本集團管理層認為本集團的信貸風險已經大為降低。

本集團管理層認為本集團與寄售專櫃銷售有關的信貸風險有限，原因是本集團只在領先及知名的百貨公司經營寄售專櫃。至於國際及出口銷售，客戶主要為美國領先零售商，管理層預期信貸風險並不顯著。至於其他客戶，管理層密切監察結賬情況及定期更新其信貸資料以確保妥善控制本集團的信貸風險。至於在中國的客戶，本集團接受票據作為替代支付方式，以減少信貸風險敞口。

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30. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk (Continued)

The Group has concentration of credit risk in relation to its trade receivables as follows:

		2015 2015年	2014 2014年
Amount due from the largest debtor as a percentage to total trade receivables	應收最大債務人款項佔貿易應收款項總額的百分比	17%	22%
Total amounts due from the five largest debtors as a percentage to total trade receivables	應收五大債務人款項總額佔貿易應收款項總額的百分比	34%	40%

The Group keeps exploring new customers to diversify and strengthen its customer base to reduce the concentration of credit risk.

The credit risk on liquid funds, pledged, structured and fixed banks deposits is limited because majority of the counterparties are banks with good reputation.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The following tables detail the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

30. 金融工具(續)

(b) 財務風險管理的目標及政策(續)

信貸風險(續)

就本集團的貿易應收款項而言，本集團面臨的集中信貸風險如下：

本集團不斷發掘新客戶，以豐富及鞏固本集團的客戶基礎，從而降低集中信貸風險。

流動資金、已抵押、結構性及定期銀行存款的信貸風險有限，因為大多數對手方均為聲譽卓著的銀行。

流動資金風險

於管理流動資金風險時，本集團會監察並將現金及現金等價物維持在管理層認為足以為本集團的業務營運提供資金及減輕現金流量波動影響的水平。管理層會監察銀行借款的使用情況，並確保遵守貸款契約。

下表詳列本集團金融負債的餘下合約年期分析。該表按本集團可要求付款的最早日期的金融負債未貼現現金流量編製。尤其是，具有須按要求償還條款的銀行貸款乃計入最早時間段，而不論銀行是否可能選擇行使彼等的權利。其他非衍生金融負債的到期日分析乃根據預定的償還日期編製。

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30. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

Liquidity tables

	Weighted average interest rate	On demand or less than 1 month	1-3 months	3 months to 1 year	Total undiscounted cash flows	Carrying amounts
	加權平均利率	少於一個月	1至3個月	3個月至1年	未貼現現金流量總額	賬面值
	%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	%	千港元	千港元	千港元	千港元	千港元
At 31 December 2015						
Trade and other payables		150,344	71,868	4,487	226,699	226,699
Bills payables		14,200	20,038	25,255	59,493	59,493
Bank borrowings						
— variable-rate	2.43	143,743	179	17,298	161,220	160,541
		308,287	92,085	47,040	447,412	446,733
At 31 December 2014						
Trade and other payables		102,278	53,275	316	155,869	155,869
Bills payables		25,480	27,614	39,241	92,335	92,335
Bank borrowings						
— variable-rate	2.62	150,287	8,955	6,468	165,710	165,363
— fixed-rate	2.94	158	28,766	39,554	68,478	67,653
		278,203	118,610	85,579	482,392	481,220

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

30. 金融工具(續)

(b) 財務風險管理的目標及政策(續)

流動資金風險(續)

下表已載列利息及本金現金流量。倘利息為浮動利率，未貼現現金額則按報告期末的利率計算。

流動資金表

倘浮動利率變化與於報告期末釐定的利率估計有別，則上述非衍生金融負債的浮動利率工具的金額亦會變動。

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30. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity tables (Continued)

Bank loans with a repayment on demand clause while the scheduled repayment dates are over one month are also included in the "on demand or less than 1 month" time band in the above maturity analysis. As at 31 December 2015, the aggregate undiscounted principal amounts of these bank loans amounted to HK\$42,660,000 (2014: HK\$72,386,000). Taking into account the Group's financial position, the directors of the Company do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment.

The directors of the Company believe that the principal and interest will be repaid in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the aggregate principal and interest cash outflows will amount to HK\$44,575,000.

(c) Fair value

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

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

30. 金融工具(續)

(b) 財務風險管理的目標及政策(續)

流動資金風險(續)

流動資金表(續)

具有須按要求償還條款而預期償還日期為一個月以上的銀行貸款亦於上述到期日分析計入「按要求或少於一個月」的時間段。於2015年12月31日，該等銀行貸款的未貼現本金總額為42,660,000港元(2014年：72,386,000港元)。鑒於本集團的財務狀況，本公司的董事認為有關銀行不可能會行使其酌情權要求立即償還有關款項。

本公司董事相信，該本金及利息將會按照貸款協議所載的預定還款日期償還。當時，本金總額及利息現金流出為44,575,000港元。

(c) 公平值

金融資產及金融負債的公平值乃根據貼現現金流量分析按一般公認計價模式釐定。

本公司董事認為按攤銷成本於綜合財務報表入賬的金融資產及金融負債的賬面值與其公平值相約。

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31. ACQUISITION OF A SUBSIDIARY

On 23 January 2015, an indirect wholly-owned subsidiary of the Company entered into an acquisition agreement (the "Acquisition Agreement") with Mil-ton Company Limited ("Mil-ton"), a company incorporated in Hong Kong with limited liability and wholly owned by a connected person of the Group, and Chori Co., Ltd. ("Chori"), an independent third party incorporated in Japan with limited liability whose shares are listed on the Tokyo Stock Exchange, Inc.. Pursuant to the Acquisition Agreement, the Group conditionally agreed to acquire Mil-ton and Chori conditionally agreed to sell respectively 60% and 40% of the equity interest in Shanghai Luen Tai Polyurethane Co. Ltd*. (上海聯大海綿有限公司) ("Shanghai Luen Tai"), a company established in the PRC with limited liability, and principally engage in the processing, manufacturing and sales of polyurethane foam. The cash consideration of the acquisition was RMB21,000,000 (equivalent to approximately HK\$26,519,000) and RMB14,000,000 (equivalent to approximately HK\$17,679,000), to Mil-ton and Chori, respectively. The acquisition was completed on 1 April 2015.

Acquisition-related costs amounting to HK\$1,014,000 related to the acquisition had been excluded from the cost of acquisition and had been recognised as an expense in the current year, included in "other expenses" in the consolidated statement of profit or loss and other comprehensive income.

Assets acquired and liabilities recognised at the date of acquisition are as follows:

31. 收購一間附屬公司

於2015年1月23日，本公司間接全資附屬公司與萬東有限公司(「萬東」)(一間於香港註冊成立的有限公司，並由本集團一名關連人士全資擁有)及蝶理株式會社(「蝶理」)(獨立第三方，一間於日本註冊成立的有限公司，其股份於東京證券交易所上市)訂立收購協議(「收購協議」)。根據收購協議，本集團有條件同意收購及萬東及蝶理分別有條件同意出售上海聯大海綿有限公司(「上海聯大」)的60%及40%股權。上海聯大為一間於中國成立的有限公司，並主要從事加工、生產及銷售聚氨酯泡沫。收購現金代價為人民幣21,000,000元(相當於約26,519,000港元)及人民幣14,000,000元(相當於約17,679,000港元)分別應付予萬東及蝶理。收購事項乃於2015年4月1日完成。

收購相關成本1,014,000港元與收購事項有關，已從收購成本中扣除，並於年內確認為開支，計入綜合損益及其他全面收益表內的「其他開支」項目。

於收購日期已收購的資產及已確認的負債如下：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	6,884
Inventories	存貨	26,211
Trade and other receivables	貿易及其他應收款項	67,027
Bank balances and cash	銀行結餘及現金	1,012
Trade and other payables	貿易及其他應付款項	(29,873)
Taxation payable	應付稅項	(544)
Bank borrowings	銀行借款	(26,519)
		44,198

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31. ACQUISITION OF A SUBSIDIARY (Continued)

The fair value of trade and other receivables at the date of acquisition amounted to HK\$67,027,000. The gross contractual amounts of those trade and other receivables acquired amounted to HK\$70,489,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected amounted to HK\$3,462,000.

Goodwill arising on acquisition:

		HK\$'000 千港元
Consideration transferred	轉讓代價	44,198
Less: Net assets acquired at provisional fair value	減：按臨時公平值收購之淨資產	(44,198)
Goodwill arising on acquisition	收購產生的商譽	–

Net cash outflow arising on acquisition:

		HK\$'000 千港元
Cash consideration	現金代價	44,198
Less: Bank balances and cash	減：銀行結餘及現金	(1,012)
		43,186

Included in the profit for the year is HK\$23,810,000 generated by Shanghai Luen Tai since acquisition. Revenue for the year includes HK\$200,389,000 generated from Shanghai Luen Tai.

Had the acquisition of Shanghai Luen Tai been completed on 1 January 2015, the total amount of revenue of the Group for the year would have been HK\$2,913,939,000, and the amount of the profit for the year would have been HK\$178,829,000. The proforma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2015, nor is it intended to be a projection of future results.

31. 收購一間附屬公司(續)

貿易及其他應收款項於收購日期的公平值為67,027,000港元。於收購日期，已收購的該等貿易及其他應收款項的總合約金額為70,489,000港元。預計無法收回的合約現金流量於收購日期的最佳估計為3,462,000港元。

收購產生的商譽：

收購產生的現金流出淨額：

上海聯大自收購事項後產生的23,810,000港元計入年內溢利。年內收入包括上海聯大產生的200,389,000港元。

倘收購上海聯大於2015年1月1日已完成，則本集團年內收入總額為2,913,939,000港元，年內溢利為178,829,000港元。備考資料僅供說明，未必可代表倘收購於2015年1月1日已完成的情況下本集團實際上實現的收入及經營業績，亦無意成為未來業績的預測。

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32. OPERATING LEASES

The Group as a lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2015	2014
		2015年	2014年
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	58,671	39,367
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	121,590	20,915
Over five years	超過五年	83,922	–
		264,183	60,282

Included above are the following lease payments committed to a fellow subsidiary of the Company:

		2015	2014
		2015年	2014年
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	18,963	10,540
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	37,926	–
		56,889	10,540

Operating lease payments represent rentals payable by the Group for the retail stores, offices, factory, staff quarters and warehouses. Leases are negotiated for initial terms ranging from one to ten years.

Certain retail stores include payment obligations with rental varied with gross revenue. The additional rental payable (contingent rents) is determined generally by applying pre-determined percentages to actual sales less the basic rentals of the respective leases. It is not possible to estimate in advance the amount of such contingent rents payable.

32. 經營租賃

本集團為承租人

於報告期末，本集團須就不可撤銷經營租賃承擔未來最低租賃款項，該等不可撤銷經營租賃的到期情況如下：

以上所載為下列向本公司同系附屬公司承擔的租賃款項：

經營租賃款項指本集團就零售店、辦公室、廠房、員工宿舍及倉庫的應付租金。租約年期乃經磋商釐定，初步介乎一至十年不等。

若干零售店訂有因應總收入而繳交不同租金的付款責任。額外應付租金(或然租金)一般以實際銷售額的預定百分比減去各項租約的基本租金釐定。預先估計有關應付或然租金並不可行。

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32. OPERATING LEASES (Continued)

The Group as lessor

At the end of each reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Within one year	一年內	6,274	3,837
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	6,307	5,414
Over five years	超過五年	1,719	3,710
		14,300	12,961

The amounts represent rentals receivable by the Group for the leasing of unutilised factories and warehouses classified as investment properties. Leases are generally negotiated for initial terms ranging from a few months to three years.

33. RETIREMENT BENEFIT PLANS

The Group operates a Mandatory Provident Fund Scheme ("MPF Scheme") for all qualifying employees in Hong Kong under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at a rate of 5% specified in the rules, but subject to a cap. The only obligation of the Group with respect of MPF Scheme is to make the required contributions under the scheme. No forfeited contribution is available to reduce the contribution payable in the future years.

The employees employed in the PRC are members of the state-managed retirement benefit schemes operated by the PRC government. The PRC subsidiaries are required to contribute a certain percentage of their basic payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes. No forfeited contribution is available to reduce the contribution payable in future years.

32. 經營租賃(續)

本集團為出租人

於各報告期末，本集團就下列未來最低租賃款項與租戶訂立合同：

該等金額相當於本集團就租賃獲分類為投資物業的未使用工廠及倉庫的應收租金。租約年期乃經磋商釐定，初步介乎數個月至兩年不等。

33. 退休福利計劃

根據強制性公積金計劃條例，本集團為所有香港合資格僱員參與強制性公積金計劃(「強積金計劃」)。強積金計劃的資產與本集團在獨立受託人控制下的基金資產分開持有。根據強積金計劃規例，僱主及其僱員須分別按規例訂明的5%為計劃供款，但設有上限。本集團有關強積金計劃的唯一義務為根據計劃作出所須供款。並無被沒收供款可用以扣減未來年度應付的供款。

於中國受僱的僱員為中國政府管理的國家管理退休福利計劃的成員。中國附屬公司須按其基本工資的若干百分比向退休福利計劃供款，以為福利提供資金。本集團有關退休福利計劃的唯一義務為根據計劃作出所須供款。並無被沒收供款可用以扣減未來年度應付的供款。

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34. COMMITMENTS

34. 承擔

	2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Capital expenditure in respect of property, plant and equipment contracted for but not provided in the consolidated financial statements	107,978	7,075

已訂約但未於綜合財務報表撥備的物業、廠房及設備的資本開支

35. RELATED PARTY DISCLOSURES

35. 關連方披露

In addition to the transactions, balances and commitments disclosed elsewhere in the consolidated financial statements, the Group had entered into the following related party transactions:

除綜合財務報表所披露的交易、結餘及承擔外，本集團已訂立下列關連方交易：

Relationship with the Group 與本集團關係	Nature of transactions 交易性質	2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Fellow subsidiary of the Company 本公司的同系附屬公司	Rental expenses 租金開支	10,280	10,468

In addition, certain trademarks owned by fellow subsidiaries of the Company were used by the Group free of charge during both years.

此外，本集團於兩個年度內免費使用若干本公司同系附屬公司擁有的商標。

Compensation of key management personnel

主要管理人員的補償

The remuneration of directors and other member of key management during the reporting period was as follows:

董事及其他主要管理層成員於報告期的薪酬如下：

	2015 2015年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元
Salaries and allowances	10,692	10,408
Performance related incentive payments	3,126	3,504
Retirement benefit schemes contributions	201	135
Share based payment expense	2,274	5,379
	16,293	19,426

薪金及津貼
有關表現的獎金
退休福利計劃供款
股份支付開支

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36. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Particulars of the Company's subsidiaries are as follows:

36. 本公司附屬公司詳情

本公司附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ operations/ establishment 註冊成立/經營/ 設立地點	Issued and fully paid share capital/ registered capital/ quota capital 已發行及繳足股本/ 註冊資本/配額資本	Proportion of share/ registered/ quota capital held by the Group 本集團持有股本/註冊資本/ 配額資本的比例 At 31 December 於12月31日		Principal activities 主要業務
			2015 2015年	2014 2014年	
<i>Directly owned</i> 直接擁有					
Treasure Range Holdings Limited	Hong Kong 香港	Ordinary shares HK\$27 普通股27港元	100%	100%	Investment holding 投資控股
<i>Indirectly owned</i> 間接擁有					
Ascension International Development Limited 高晉國際發展有限公司	The BVI 英屬處女群島	Ordinary shares US\$1 普通股1美元	100%	100%	Investment holding 投資控股
Fullelite Limited 傑豐有限公司	The BVI 英屬處女群島	Ordinary shares US\$10 普通股10美元	100%	100%	Investment holding 投資控股
Year Prosper Limited 盛年有限公司	The BVI 英屬處女群島	Ordinary shares US\$10 普通股10美元	100%	100%	Investment holding 投資控股
Wonderful Health Limited	The BVI 英屬處女群島	Ordinary shares US\$10 普通股10美元	100%	100%	Investment holding 投資控股
Trade Sincere Limited 質誠有限公司	The BVI 英屬處女群島	Ordinary shares US\$100 普通股100美元	85%	85%	Investment holding 投資控股
Sinomax International Investment Limited 聖諾盟國際投資有限公司	The BVI 英屬處女群島	Ordinary shares US\$10 普通股10美元	100%	100%	Investment holding and provision of treasury management services 投資控股及提供財務管理服務
Sinomax Health & Household Products Limited 聖諾盟健康家居用品有限公司	Hong Kong 香港	Ordinary shares HK\$1,000,000 (2014: HK\$10) 普通股1,000,000港元 (2014年: 10港元)	100%	100%	Retail and wholesale of health and household products 零售及批發健康家居產品
Sinomax International Trading Limited 聖諾盟國際貿易有限公司	Hong Kong 香港	Ordinary shares HK\$10,000 普通股10,000港元	100%	100%	Trading of health and household products 健康家居產品買賣
Dongguan Sinohome Limited* (Note 3) 東莞賽諾家居用品有限公司(附註3)	The PRC 中國	Registered capital HK\$32,000,000 註冊資本32,000,000港元	100%	100%	Manufacture and sale of health and household products 製造及銷售健康家居產品
Shanghai Luen Tai Polyurethane Co., Ltd* (Notes 1 and 3) 上海聯大海綿有限公司(附註1及3)	The PRC 中國	Registered capital RMB35,000,000 註冊資本人民幣35,000,000元	100%		– Processing, manufacturing and sales of polyurethane foam 加工、製造及銷售泡沫
Sinohome Household Products (Shenzhen) Limited* (Note 3) 賽諾家居用品(深圳)有限公司(附註3)	The PRC 中國	Registered capital HK\$1,000,000 註冊資本1,000,000港元	100%	100%	Retail and wholesale of health and household products 零售及批發健康家居產品

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36. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (Continued)

36. 本公司附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operations/ establishment 註冊成立/經營/ 設立地點	Issued and fully paid share capital/ registered capital/ quota capital 已發行及繳足股本/ 註冊資本/配額資本	Proportion of share/ registered/ quota capital held by the Group 本集團持有股本/註冊資本/ 配額資本的比例 At 31 December 於12月31日		Principal activities 主要業務
			2015 2015年	2014 2014年	
<i>Indirectly owned (continued)</i> 間接擁有(續)					
Sinomax (Zhejiang) Polyurethane Household Products Limited* (Note 3) 聖諾盟(浙江)聚氨酯家居用品有限公司(附註3)	The PRC 中國	Registered capital US\$30,000,000 (2014: US\$24,180,000) 註冊資本30,000,000美元 (2014年: 24,180,000美元)	100%	100%	Manufacture and sale of health and household products 製造及銷售健康家居產品
Sinomax Kuka (Zhejiang) Foam Co. Limited* ("Sinomax Kuka") (Note 4) 浙江聖諾盟顧家海棉有限公司 (「聖諾盟顧家」)(附註4)	The PRC 中國	Registered capital US\$2,100,000 註冊資本2,100,000美元	51%	51%	Manufacture and sale of foam 製造及銷售泡沫
Haining Sinomax Trading Co., Ltd.* ("Haining Sinomax") (Note 4) 海寧聖諾盟貿易有限公司(「海寧聖諾盟」) (附註4)	The PRC 中國	Registered capital RMB1,000,000 註冊資本人民幣1,000,000元	51%	51%	Trading of foam 泡沫買賣
Sinomax Macao Commercial Offshore Limited 聖諾盟澳門離岸商業服務有限公司	Macau 澳門	Quota capital MOP100,000 配額資本澳門幣100,000元	100%	100%	Wholesale of health and household products 批發健康家居產品
Sinomax USA, Inc.	The US 美國	100 shares of common stock of no par value 100股無面值普通股	100%	100%	Wholesale of health and household products 批發健康家居產品
Sinomax East, Inc. (Note 2)(附註2)	The US 美國	1 share of common stock with no par value 1股無面值普通股	100%	-	Manufacture of health and household products 製造健康家居產品

Notes:

- (1) This subsidiary was acquired in April 2015.
- (2) This subsidiary was incorporated in September 2015.
- (3) The companies are registered in the form of wholly foreign owned enterprises.
- (4) The companies are registered in the form of sino-foreign equity joint venture.

None of the subsidiaries of the Company had any debt securities outstanding at the end of or any time during the reporting periods.

* English translated name is for identification purpose only.

附註:

- (1) 該附屬公司於2015年4月獲收購。
- (2) 該附屬公司於2015年9月註冊成立。
- (3) 該等公司以外商獨資企業形式註冊。
- (4) 該等公司以中外合資企業形式註冊。

概無本公司附屬公司於報告期末或其中任何時間有任何未償債務證券。

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37. MATERIAL NON-CONTROLLING INTERESTS

The amounts disclosed below represent the summarised consolidated financial information of Sinomax Kuka and its wholly owned subsidiary, Haining Sinomax, before the elimination of intragroup transactions. The non-controlling interests of Sinomax Kuka represent the majority of the non-controlling interests of the Group for the reporting period.

37. 重大非控股權益

以下披露的金額相當於撇除集團內公司間交易前，聖諾盟顧家與其全資附屬公司海寧聖諾盟的摘要綜合財務資料。聖諾盟顧家的非控股權益為本集團於報告期的大部分非控股權益。

		Sinomax Kuka and Haining Sinomax 聖諾盟顧家及 海寧聖諾盟	
		2015	2014
		2015年	2014年
		HK\$'000	HK\$'000
		千港元	千港元
Current assets	流動資產	113,464	117,463
Non-current assets	非流動資產	13,813	15,413
Current liabilities	流動負債	49,871	55,352
Total equity	權益總額	77,406	77,524
Total equity attributable to non-controlling interests	非控股權益應佔權益總額	37,929	37,987
		2015	2014
		2015年	2014年
		HK\$'000	HK\$'000
		千港元	千港元
Revenue	收入	334,876	389,514
Expenses	開支	310,374	372,034
Profit for the year	年內溢利	24,502	17,480
Other comprehensive (expense) income for the year	年內其他全面(開支)收入	(3,395)	360
Total comprehensive income for the year	年內全面收入總額	21,107	17,840
Profit for the year attributable to non-controlling interest	非控股權益應佔年內溢利	12,006	8,565
Dividend paid to non-controlling interest	向非控股權益所支付的股息	7,322	6,917
Net cash inflow from operating activities	經營活動現金流入淨額	22,494	17,245
Net cash inflow (outflow) from investing activities	投資活動現金流入(流出)淨額	2,039	(325)
Net cash outflow from financing activities	融資活動現金流出淨額	16,934	27,484
Net cash inflow (outflow)	現金流入(流出)淨額	7,599	(10,564)

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38. EVENTS AFTER THE REPORTING PERIOD

On 19 February 2016, an indirect wholly-owned subsidiary of the Company entered into an acquisition agreement (the “**Acquisition Agreement**”) with Mr. Liu Jiaming, an independent third party of the Group. Pursuant to the Acquisition Agreement, the Group conditionally agreed to acquire and Mr. Liu Jiaming agreed to sell 51% of the equity interest in 成都新港海綿有限公司 (“**成都新港**”), a company established in the PRC with limited liability, and principally engage in the manufacturing and sales of polyurethane foam, sales of decorative materials, sofa materials, cloth materials and mattress materials. The cash consideration of the acquisition is RMB81,740,000 (equivalent to approximately HK\$97,270,600).

The acquisition has been completed on 1 March 2016. The net asset value of 成都新港 as at 31 December 2015, based on the carrying amounts of the assets and liabilities recorded in the unaudited financial statements prepared in accordance with the PRC generally accepted accounting principles, is approximately RMB82,000,000. The directors of the Company are in the process of assessing the fair value of assets and liabilities of 成都新港 being acquired by the Group at the completion date.

38. 報告期後事項

於2016年2月19日，本公司間接全資附屬公司與劉家明先生（本集團之獨立第三方）訂立收購協議（「**收購協議**」）。根據收購協議，本集團有條件同意收購而劉家明先生同意出售成都新港海綿有限公司（「**成都新港**」）的51%股權。成都新港為一間於中國成立的有限公司，並主要從事生產及銷售聚氨酯泡沫以及銷售裝飾物料、沙發物料、布料及床褥物料業務。收購現金代價為人民幣81,740,000元（相等於約97,270,600港元）。

收購事項於2016年3月1日完成。於2015年12月31日，基於根據中國公認會計準則編製的未經審核財務報表所錄得的資產及負債賬面值，成都新港的資產淨值為約人民幣82,000,000元。本公司董事正評估本集團於完成日期所收購的成都新港的資產及負債公平值。

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39. FINANCIAL INFORMATION OF THE COMPANY

39. 本公司之財務資料

Statement of financial position of the Company

本公司之財務狀況表

		At 31 December	
		於12月31日	
		2015	2014
		2015年	2014年
		HK\$'000	HK\$'000
		千港元	千港元
TOTAL ASSETS	總資產		
Investments in subsidiaries	於一間附屬公司之投資	403,846	403,846
Other receivables	其他應收款項	651	357
Amounts due from subsidiaries	應收附屬公司款項	293,782	113,748
Bank balances and cash	銀行結餘及現金	102	1,149
		698,381	519,100
TOTAL LIABILITIES	總負債		
Other payables	其他應付款項	1,345	1,065
Amounts due to subsidiaries	應付附屬公司款項	51,768	28,870
Bank borrowings	銀行借款	–	42,500
		53,113	72,435
NET ASSETS	資產淨值	645,268	446,665
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	175,000	165,000
Reserves (Note)	儲備(附註)	470,268	281,665
TOTAL EQUITY	權益總額	645,268	446,665

The Company's statement of financial position was approved and authorised for issue by the Board of Directors on 18 March 2016 and are signed on its behalf by:

本公司財務狀況表已於2016年3月18日獲董事會批准及授權刊發，並由其代表簽署：

CHEUNG Tung 張棟
Director 董事

LAM Kam Cheung 林錦祥
Director 董事

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39. FINANCIAL INFORMATION OF THE COMPANY (Continued)

39. 本公司之財務資料(續)

Note:

附註：

		Share premium	Capital reserve	Share option reserve	Accumulated (losses)/ profits	Total
		股份溢價	股本儲備	購股權儲備	(虧損)/溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 January 2014	於2014年1月1日	343,846	(5)	–	(20,906)	322,935
Loss for the year	年內虧損	–	–	–	(17,531)	(17,531)
Dividend recognised as distribution (note 12)	確認為分派之股息 (附註12)	(16,500)	–	–	–	(16,500)
Issue of shares (note 27(b))	發行股份(附註27(b))	135,324	–	–	–	135,324
Capitalisation issue (note 27(a))	資本化發行(附註27(a))	(149,995)	–	–	–	(149,995)
Recognition of share based payment expense	確認以股份為基礎之付款開支	–	–	7,431	–	7,431
Issue of shares upon exercise of share options	於行使購股權時發行股份	2	–	(1)	–	1
At 31 December 2014	於2014年12月31日	312,677	(5)	7,430	(38,437)	281,665
Profit for the year	年內溢利	–	–	–	162,952	162,952
Dividend recognised as distribution (note 12)	確認為分派之股息 (附註12)	–	–	–	(70,000)	(70,000)
Issue of shares (note 27(c))	發行股份(附註27(c))	96,000	–	–	–	96,000
Cost of issuing new shares	發行新股成本	(4,157)	–	–	–	(4,157)
Recognition of share based payment expense	確認以股份為基礎之付款開支	–	–	3,808	–	3,808
At 31 December 2015	於2015年12月31日	404,520	(5)	11,238	54,515	470,268

FIVE-YEAR FINANCIAL SUMMARY

五年財務摘要

A summary of the results and the assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements and the Company's prospectus dated 30 June 2014, is set out below:

本集團過去五個財政年度業績以及資產及負債概要乃摘錄自經審核綜合財務報表及本公司日期為2014年6月30日的招股章程，載列如下：

RESULTS

業績

		Year ended 31 December 截至12月31日止年度				
		2015	2014	2013	2012	2011
		2015年	2014年	2013年	2012年	2011年
		HKD'000	HKD'000	HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元	千港元	千港元
Revenue	收入	2,869,846	2,683,408	2,369,539	1,971,495	1,778,443
Profit before tax	除稅前溢利	244,439	246,867	189,578	154,676	120,230
Income tax expenses	所得稅開支	(59,763)	(43,920)	(44,545)	(39,000)	(25,607)
Profit for the year	年內溢利	184,676	202,947	145,033	115,676	94,623
Attributable to:	下列人士應佔：					
Owners of the Company	本公司擁有人	172,674	194,393	135,761	108,411	87,959
Non-controlling interest	非控股權益	12,002	8,554	9,272	7,265	6,664
		184,676	202,947	145,033	115,676	94,623

ASSET AND LIABILITIES

資產及負債

		As at 31 December 截至12月31日止年度				
		2015	2014	2013	2012	2011
		2015年	2014年	2013年	2012年	2011年
		HKD'000	HKD'000	HKD'000	HKD'000	HKD'000
		千港元	千港元	千港元	千港元	千港元
Total assets	總資產	1,809,711	1,621,266	1,428,665	1,283,111	1,177,603
Total liabilities	總負債	(713,022)	(708,153)	(853,409)	(803,211)	(814,617)
Total equity	權益總額	1,096,689	913,113	575,256	479,900	362,986
Attributable to:	下列人士應佔：					
Owners of the Company	本公司擁有人	1,058,352	876,320	540,271	455,010	345,459
Non-controlling interest	非控股權益	38,337	36,793	34,985	24,890	17,527
		1,096,689	913,113	575,256	479,900	362,986

The logo for Sinomax Group Limited, featuring the word "SINOMAX" in a bold, blue, sans-serif font with a green-to-blue gradient and a white outline. The letters are slightly shadowed to give a 3D effect.

SINOMAX

Sinomax Group Limited
盛諾集團有限公司

Stock Code 股份代號 : 1418