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INTERIM REPORT
中 期 報 告

PERENNIAL INTERNATIONAL LIMITED
恒都集團有限公司

(Stock code 股份代號: 00725)

Unaudited Condensed Consolidated Interim Financial Information

未經審核簡明綜合中期財務資料

INTERIM RESULTS

The Board of Directors (the "Board") of Perennial International Limited (the "Company") is pleased to present the interim report and the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (collectively the "Group") for the six months ended 30th June 2016 together with comparative figures as follows:

中期業績

恒都集團有限公司(「本公司」)之董事會(「董事會」)欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一六年六月三十日止六個月之中期報告及未經審核簡明綜合中期財務資料，連同比較數字如下：

CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

簡明綜合損益表(未經審核)

for the six months ended 30th June 2016

截至二零一六年六月三十日止六個月

		Six months ended 30th June 截至六月三十日止六個月	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Revenue	收益	183,608	209,550
Cost of sales	銷售成本	(144,294)	(169,855)
Gross profit	毛利	39,314	39,695
Other income	其他收益	1,744	2,909
Distribution expenses	分銷開支	(4,531)	(5,162)
Administrative expenses	行政開支	(27,010)	(26,971)
Other operating expenses, net	其他經營開支，淨額	(2,350)	(490)
Operating profit	經營溢利	7,167	9,981
Finance costs	財務費用	(561)	(438)
Profit before taxation	除稅前溢利	6,606	9,543
Taxation	稅項	(1,540)	(2,451)
Profit for the period attributable to owners of the Company	本公司持有人應佔本期溢利	5,066	7,092
Basic and diluted earnings per share (cents)	每股基本及攤薄盈利(仙)	2.5	3.6

The notes on pages 8 to 36 are an integral part of this condensed consolidated interim financial information.

第8至36頁的附註為簡明綜合中期財務資料的整體部份。

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(UNAUDITED)**

簡明綜合全面收益表(未經審核)

for the six months ended 30th June 2016

截至二零一六年六月三十日止六個月

		Six months ended 30th June 截至六月三十日止六個月	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Profit and total comprehensive income for the period attributable to owners of the Company	本公司持有人應佔本期溢利及全面收益	5,066	7,092

The notes on pages 8 to 36 are an integral part of this condensed consolidated interim financial information.

第8至36頁的附註為簡明綜合中期財務資料的整體部份。

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(UNAUDITED)**

簡明綜合財務狀況表(未經審核)

as at 30th June 2016

於二零一六年六月三十日

		Note	30th June 六月三十日 2016 二零一六年 HK\$'000 千港元	31st December 十二月三十一日 2015 二零一五年 HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Land use rights	土地使用權	14	20,831	21,122
Property, plant and equipment	物業、廠房及設備	15	324,572	313,245
Investment properties	投資物業	16	46,170	46,170
Non-current deposits	非流動訂金		2,586	2,226
Deferred tax assets	遞延稅項資產		5,239	4,791
			399,398	387,554
Current assets	流動資產			
Inventories	存貨	17	85,673	89,919
Trade and bill receivables	應收貿易賬款 及票據	18	80,094	92,806
Other receivables, deposits and prepayments	其他應收賬款、 訂金及預付款項		4,967	4,541
Taxation recoverable	可收回稅項		614	1,339
Cash and cash equivalents	現金及現金等價物		74,280	66,560
			245,628	255,165
Total assets	總資產		645,026	642,719
EQUITY AND LIABILITIES	權益及負債			
Equity attributable to owners of the Company	本公司持有人應佔 權益			
Share capital	股本	19	19,896	19,896
Other reserves	其他儲備	20	214,465	214,465
Retained earnings	保留盈利		273,109	272,023
Total equity	總權益		507,470	506,384

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(UNAUDITED) (CONTINUED)**

簡明綜合財務狀況表(未經審核)(續)

as at 30th June 2016

於二零一六年六月三十日

		Note 附註	30th June 六月三十日 2016 二零一六年 HK\$'000 千港元	31st December 十二月三十一日 2015 二零一五年 HK\$'000 千港元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債		34,813	35,125
Current liabilities	流動負債			
Trade and bill payables	應付貿易款項及票據	21	24,017	24,011
Other payables and accruals	其他應付款項及 應計開支		24,456	28,381
Taxation payable	應付稅項		3,408	3,581
Bank loan	銀行貸款	22	15,417	17,917
Trust receipt loans	信託收據貸款	22	35,445	27,320
			102,743	101,210
Total liabilities	總負債		137,556	136,335
Total equity and liabilities	總權益及總負債		645,026	642,719

The notes on pages 8 to 36 are an integral part of this condensed consolidated interim financial information.

第8至36頁的附註為簡明綜合中期財務資料的整體部份。

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

簡明綜合權益變動表(未經審核)

for the six months ended 30th June 2016
截至二零一六年六月三十日止六個月

		Share capital 股本 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total equity 總權益 HK\$'000 千港元
At 1st January 2016	於二零一六年一月一日	19,896	214,465	272,023	506,384
Total comprehensive income for the period	本期全面收益	-	-	5,066	5,066
Total transactions with owners, recognised directly in equity	與持有人進行交易，直接於權益入賬	-	-	(3,980)	(3,980)
Final dividend paid for 2015	已派發二零一五年之末期股息	-	-	(3,980)	(3,980)
At 30th June 2016	於二零一六年六月三十日	19,896	214,465	273,109	507,470
Representing:	相當於：				
2016 interim dividend proposed	二零一六年擬派發之中期股息			-	
Others	其他			273,109	
Retained earnings as at 30th June 2016	截至二零一六年六月三十日止之保留盈利			273,109	

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
(CONTINUED)****簡明綜合權益變動表(未經審核)(續)
for the six months ended 30th June 2016
截至二零一六年六月三十日止六個月**

		Share capital 股本 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total equity 總權益 HK\$'000 千港元
At 1st January 2015	於二零一五年一月一日	19,896	208,862	264,315	493,073
Total comprehensive income for the period	本期全面收益	-	-	7,092	7,092
Total transactions with owners, recognised directly in equity	與持有人進行交易， 直接於權益入賬				
Final dividend paid for 2014	已派發二零一四年之末期股息	-	-	(3,980)	(3,980)
At 30th June 2015	於二零一五年六月三十日	19,896	208,862	267,427	496,185
Representing:	相當於：				
2015 interim dividend proposed	二零一五年擬派發之中期股息			-	
Others	其他			267,427	
Retained earnings as at 30th June 2015	截至二零一五年六月三十日止 之保留盈利			267,427	

The notes on pages 8 to 36 are an integral part of this condensed consolidated interim financial information.

第8至36頁的附註為簡明綜合中期財務資料的整體部份。

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

簡明綜合現金流量表(未經審核)

for the six months ended 30th June 2016
截至二零一六年六月三十日止六個月

		Six months ended 30th June 截至六月三十日止六個月	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cash flows from operating activities	營運活動的現金流量		
Net cash generated from operations	營運產生的淨現金	27,185	10,282
Hong Kong profits and overseas tax paid, net	支付香港及海外利得稅，淨額	(1,439)	(913)
Net cash generated from operating activities	營運活動產生淨現金	25,746	9,369
Cash flows from investing activities	投資活動的現金流量		
Purchases of property, plant and equipment	購買物業、廠房及設備	(18,810)	(4,144)
Increase in deposits paid for additions of property, plant and equipment	增加支付物業、廠房及設備之訂金	(360)	(1,582)
Interest received	收取利息	20	100
Proceeds from sale of property, plant and equipment	出售物業、廠房及設備所得款	40	-
Net cash used in investing activities	投資活動使用淨現金	(19,110)	(5,626)
Cash flows from financing activities	融資活動的現金流量		
Net repayment of bank loan	淨償還銀行貸款	(2,500)	-
Net additions/(repayment) of trust receipt loans	淨新增/(償還)信託收據貸款	8,125	(4,757)
Dividend paid to the Company's shareholders	向本公司股東支付股息	(3,980)	(3,980)
Interest paid	利息支付	(561)	(438)
Net cash generated from/(used in) financing activities	融資活動產生/(使用)淨現金	1,084	(9,175)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物之淨增加/(減少)	7,720	(5,432)
Cash and cash equivalents at the beginning of the period	期初現金及現金等價物	66,560	55,526
Cash and cash equivalents at the end of the period	期終之現金及現金等價物	74,280	50,094

The notes on pages 8 to 36 are an integral part of this condensed consolidated interim financial information.

第8至36頁的附註為簡明綜合中期財務資料的整體部份。

Notes to the Unaudited Condensed Consolidated Interim Financial Information

未經審核簡明綜合中期財務資料附註

1 GENERAL INFORMATION

Perennial International Limited (the “Company”) and its subsidiaries (together, the “Group”), manufactures and trades quality power cords and power cord sets, cables and wire, wire harnesses and plastic resins. The Group’s primary markets are America, Europe, Australia, the Mainland China, Japan and Southeast Asia where it sells to prominent multi-national producers of electrical and electronic products.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street Hamilton, HM11, Bermuda.

The Company has its listing on The Stock Exchange of Hong Kong Limited.

This unaudited condensed consolidated interim financial information is presented in Hong Kong dollars (“HK\$”) unless otherwise stated.

2 BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information for the six months ended 30th June 2016 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants.

This unaudited condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31st December 2015, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

3 ACCOUNTING POLICIES

The accounting policies applied in the preparation of these unaudited condensed consolidated interim financial information are consistent with those applied in the annual financial statements for the year ended 31st December 2015, except as mentioned below.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(a) Amendments to HKFRS effective for the financial year ending 31st December 2016 do not have a material impact on the Group.

1 一般資料

恒都集團有限公司(「本公司」)及其附屬公司(以下稱「集團」)，專門製造及營銷優質的電源線及電源線組合、導線、組合線束及塑膠皮料。本集團主要的外銷市場是美洲、歐洲、澳洲、中國大陸、日本及東南亞客戶對象為著名的跨國電器及電子產品生產商。

本公司為一家於百慕達成立的有限公司。註冊辦事處地點為 Clarendon House, 2 Church Street Hamilton, HM11, Bermuda。

本公司於香港聯合交易所主板上市。

除另外說明外，此等未經審核簡明綜合中期財務資料以港元呈列。

2 編製基準

截至二零一六年六月三十日止六個月之未經審核簡明綜合中期財務資料乃按照香港會計師公會頒佈之香港會計準則(「會計準則」)第34號「中期財務報告」而編製。

本未經審核簡明綜合中期財務資料應與按照香港財務報告準則編製之截至二零一五年十二月三十一日止年度之全年財務報表一併參閱。

3 會計政策

在編製本未經審核簡明綜合中期財務資料，除以下提述外，所採納的會計政策及計算方法與截至二零一五年十二月三十一日止年度之全年財務報表一致。

中期期間就收入應繳之稅項乃使用預期全年總盈利適用之稅率計提。

(a) 於二零一六年十二月三十一日止之財政年度生效的準則對本集團並無重大影響。

3 ACCOUNTING POLICIES (CONTINUED)**(b) New and amended standards have been issued but are not effective for the financial year beginning 1st January 2016 and have not been early adopted:****3 會計政策(續)****(b) 已頒佈之新及經修改的準則但於二零一六年一月一日起之財務年度尚未生效及未予提早採用：**

		Effective for the Group for annual periods beginning on or after 年度期間開始或之後於本集團生效
HKAS 12 香港會計準則12號	Income taxes 所得稅	1st January 2017 二零一七年一月一日
HKAS 7 香港會計準則7號	Statement of cash flows 現金流量表	1st January 2017 二零一七年一月一日
HKFRS 15 香港財務報告準則第15號	Revenue from contracts with customers 來自客戶合約之收入	1st January 2018 二零一八年一月一日
HKFRS 9 香港財務報告準則第9號	Financial Instruments 金融工具	1st January 2018 二零一八年一月一日
HKFRS 16 香港財務報告準則第16號	Leases 租約	1st January 2019 二零一九年一月一日
HKFRS 10 and HKAS 28 (Amendments) 香港財務報告準則第10號及香港會計準則第28號(修訂)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture 投資者與其聯營或合營公司之間的資產出售或注資	To be determined 待定

The Group has commenced an assessment of the impact of these new and amended standards, but is not yet in a position to state whether they would have a significant impact on its results of operations and financial position.

本集團已開始評估對本集團現有標準採用以上標準及修訂之影響，但仍未可釐定該等新公告是否對本集團會計政策及財務報表產生重大改變。

4 ESTIMATES

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this unaudited condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31st December 2015.

5 FINANCIAL RISK MANAGEMENT

(a) Financial Risk Factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk.

The unaudited condensed consolidated interim financial information do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31st December 2015.

There have been no changes in any risk management policies and function since year end.

4 估算

編製中期財務資料需要管理層作出判斷、估算和假設，影響到對會計政策的應用，資產及負債、收入及支出的列報金額。

於編製此等未經審核簡明綜合中期財務資料時，管理層在應用本集團的會計政策及估計不確定性的主要來源所作出之重大判斷，與截至二零一五年十二月三十一日止年度之合併財務報表一致。

5 財務風險管理

(a) 財務風險因素

本集團因經營業務而承受不同財務風險，即市場風險（包括外匯風險、價格風險及利率風險）、信貸風險和流動資金風險。

本未經審核簡明綜合中期財務資料未包括年度財務報表所需的所有財務風險管理之信息和披露，應與截至二零一五年十二月三十一日止年度之全年財務報表一併參閱。

自年末起，任何風險管理政策及方式並沒有任何變化。

5 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity Risk

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities. As at 30th June 2016, the Group had available banking facilities of HK\$236,417,000 of which HK\$50,862,000 were utilised.

(c) Fair Value Estimation

The carrying amounts of the Group's financial assets and liabilities including cash and cash equivalents, trade and other receivables, trade and other payables and short-term borrowings approximate to their fair values due to their short-term maturities. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

5 財務風險管理(續)

(b) 流動資產風險

與年末相比，合約未貼現現金流量的財務負債並無重大變化。截至二零一六年六月三十日，本集團有可動用銀行融資為236,417,000港元，其中已動用50,862,000港元。

(c) 公允值估計

本集團財務資產及財務負債的帳面值包括現金及現金等價物，貿易及其他應收款項、貿易及其他應付款項及短期借款，因其短年期，大致與其公允值相約。用作披露用途之財務負債的公允值以本集團用於相似金融工具的現時市場利率貼現未來合約現金流量作估計。

6 REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the manufacturing and trading of electric cable and wire products business.

Revenue recognised during the period is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Sale of goods	銷貨	183,608	209,550

The Chief Executive Officer (the chief operation decision maker) has reviewed the Group's internal reporting and determines that there are five reportable segments, based on location of customers under electric cable and wire products business, including Hong Kong, the Mainland China, Other Asian Countries, America and Europe. These segments are managed separately as each segment is subject to risks and returns that are different from the others.

6 收益及分部資料

本集團主要經營製造及買賣電線及導線產品業務。

期內列賬之收益如下：

Six months ended 30th June 截至六月三十日止六個月

行政總裁(首席營運決策者)已閱覽本集團內部報告及確定在電線及導線產品業務下根據客戶所在地有五個報告分部，包括香港、中國大陸、其他亞洲國家、美洲及歐洲。每個分部是分開處理因其風險和回報是有別於其他分部。

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

The unaudited segment information for the reportable segments for the six months ended 30th June 2016 are as follows:

6 收益及分部資料(續)

截至二零一六年六月三十日止六個月未經審核的分部資料如下：

		Six months ended 30th June 2016 截至二零一六年六月三十日止六個月					
		Revenue (external sales) 收益 (外部銷售) HK\$'000 千港元	Segment results 分部業績 HK\$'000 千港元	Total segment assets 總分部 資產 HK\$'000 千港元	Capital expenditure 資本性 開支 HK\$'000 千港元	Depreciation 折舊 HK\$'000 千港元	Amortisation 攤銷 HK\$'000 千港元
Hong Kong	香港	58,789	2,595	206,025	630	2,315	-
Mainland China	中國大陸	27,424	898	302,801	18,180	4,930	291
Other Asian Countries	其他亞洲國家	10,723	410	11,063	-	-	-
America	美洲	86,327	3,982	73,534	-	-	-
Europe	歐洲	345	13	194	-	-	-
Reportable segment	報告分部	183,608	7,898	593,617	18,810	7,245	291
Unallocated costs, net of income	未分配費用 扣除收入		(731)				
Operating profit	經營溢利		7,167				

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

The unaudited segment information for the reportable segments for the six months ended 30th June 2015 and the audited segment assets as at 31st December 2015 are as follows:

6 收益及分部資料(續)

截至二零一五年六月三十日止六個月未經審核的分部資料及於二零一五年十二月三十一日之經審核的分部資產如下：

		Revenue (external sales) 收益 (外部銷售) HK\$'000 千港元	Segment results 分部業績 HK\$'000 千港元	Total segment assets 總分部 資產 HK\$'000 千港元	Capital expenditure 資本性 開支 HK\$'000 千港元	Depreciation 折舊 HK\$'000 千港元	Amortisation 攤銷 HK\$'000 千港元
Hong Kong	香港	72,554	2,899	206,498	780	2,453	-
Mainland China	中國大陸	31,672	1,723	295,058	3,364	4,834	302
Other Asian Countries	其他亞洲國家	13,912	488	13,621	-	-	-
America	美洲	90,834	5,496	76,292	-	-	-
Europe	歐洲	578	20	289	-	-	-
Reportable segment	報告分部	209,550	10,626	591,758	4,144	7,287	302
Unallocated costs, net of income	未分配費用， 扣除收入		(645)				
Operating profit	經營溢利		9,981				

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

A reconciliation of total segment assets to the Group's total assets

		30th June 六月三十日 2016 二零一六年 HK\$'000 千港元	31st December 十二月三十一日 2015 二零一五年 HK\$'000 千港元
Total segment assets	總分部資產	593,617	591,758
Investment properties	投資物業	46,170	46,170
Deferred tax assets	遞延稅項資產	5,239	4,791
Total assets		645,026	642,719

Unallocated costs, net of income mainly represent corporate expenses and income from investment properties.

Revenue of approximately HK\$92,555,000 (six months ended 30th June 2015: HK\$99,046,000) are derived from three major customers contributing 10% or more of the total revenue as below:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Customer A ¹	客戶A ¹	36,775	33,276
Customer B ¹	客戶B ¹	31,416	32,949
Customer C ²	客戶C ²	24,364	32,821
		92,555	99,046

6 收益及分部資料(續)

總分部資產與本集團總資產的對賬。

未分配費用，扣除收入主要是公司支出及投資物業收入。

收益約92,555,000港元(截至二零一五年六月三十日止六個月：99,046,000港元)是來自三個主要客戶之收益(佔總收益10%或以上)賬列如下：

Six months ended 30th June 截至六月三十日止六個月

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

1. Revenue from the America segment.
2. Revenue from the America, the Mainland China and Other Asian Countries segments.

7 OTHER INCOME**6 收益及分部資料(續)**

1. 收益來自美州分部。
2. 收益來自美州、中國大陸及其他亞洲國家分部。

7 其他收益**Six months ended 30th June**
截至六月三十日止六個月

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Scrap sales	廢料收入	643	1,226
Interest income	利息收入	20	100
Rental income from investment properties	來自投資物業之租金收入	295	291
Other income from customers	其他客戶收入	786	1,292
		1,744	2,909

8 OPERATING PROFIT

Operating profit is stated after charging/(crediting) the following:

8 經營溢利

經營溢利已扣除／(計入)下列各項：

Six months ended 30th June
截至六月三十日止六個月

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Amortisation and depreciation:		
Amortisation of land use rights	291	302
Depreciation of owned property, plant and equipment	7,245	7,287
Auditor's remuneration	743	706
Cost of raw materials consumed	91,140	114,481
Net exchange loss	667	641
Operating lease rentals in respect of land and buildings	210	211
Outgoing expenses in respect of investment properties	92	2
Net gain on derivative financial instruments	-	(1,084)
Loss on disposal of property, plant and equipment	198	3
Reversal of provision for slow-moving inventories	(53)	(269)
Provision for returns and doubtful debts	134	18
Staff costs (including directors' emoluments) (note 9)	48,573	55,275

9 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)**9 員工成本 (包括董事酬金)****Six months ended 30th June**
截至六月三十日止六個月

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Wages, salaries and fringe benefits	工資、薪酬及額外津貼	45,428	51,717
Social security costs	社會保障成本	2,824	3,241
Pension costs	退休金成本		
– contribution to MPF scheme	– 向強積金計劃作出之供款	257	263
Others	其他	64	54
		48,573	55,275

(a) Directors' Emoluments

Included in the staff costs are remuneration paid to the directors set out as below:

(a) 董事酬金

員工成本包括支付予董事之酬金，賬列如下：

Six months ended 30th June
截至六月三十日止六個月

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Basic salaries, housing allowances, other allowances and benefits in kind	基本酬金、房屋津貼、其他津貼及實物利益	3,901	4,115
Discretionary bonuses	酌情獎金	–	–
Pension costs	退休金成本		
– contributions to MPF scheme	– 向強積金計劃作出之供款	36	42
		3,937	4,157

9 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

(b) Key Management Compensation

The compensation paid or payable to key management including all directors and three (six months ended 30th June 2015: three) senior management for employee services is shown below:

9 員工成本（包括董事酬金）（續）

(b) 主要管理人員之薪酬

向主要管理人員包括所有董事及三位（截至二零一五年六月三十日止六個月：三位）高級管理人員支付作為僱員服務的已付或應付酬金如下：

Six months ended 30th June 截至六月三十日止六個月

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Basic salaries, housing allowances, other allowances and benefits in kind	基本酬金、房屋津貼、其他津貼及實物利益	5,552	5,673
Discretionary bonuses	酌情獎金	—	—
Pension costs – contributions to MPF scheme	退休金成本 — 向強積金計劃作出之供款	63	69
		5,615	5,742

10 FINANCE COSTS

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interest expenses on bank borrowings	銀行貸款利息	561	438

11 TAXATION

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30th June 2015: 16.5%) on the estimated assessable profit for the period.

Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

10 財務費用**Six months ended 30th June**
截至六月三十日止六個月**11 稅項**

香港利得稅乃根據期內之估計應課稅溢利按16.5%(截至二零一五年六月三十日止六個月: 16.5%)之稅率撥備。

海外溢利稅項為本集團附屬公司期內之估計應課稅溢利按其業務所在國家之現行稅率計算。

Six months ended 30th June
截至六月三十日止六個月

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Hong Kong profits tax	香港利得稅	741	888
Overseas taxation	海外稅項	1,559	1,227
Deferred tax relating to the origination and reversal of temporary differences	暫時差異的產生或撥回之遞延稅項	(760)	336
		1,540	2,451

12 DIVIDEND

A dividend of HK\$3,980,000 that relates to the period to 31 December 2015 was paid on 25th May 2016 (2015: HK\$3,980,000).

At a meeting held on 19th August 2016, the Board does not recommend the payment of an interim dividend for the six months ended 30th June 2016 (six months ended 30th June 2015: Nil).

13 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group's unaudited profit for the six months ended 30th June 2016 of HK\$5,066,000 (Six months ended 30th June 2015: HK\$7,092,000) divided by the number of 198,958,000 (30th June 2015: 198,958,000) ordinary shares in issue during the period.

For the six months ended 30th June 2016 and 2015, diluted earnings per share is the same as basic earnings per share due to the absence of dilutive potential ordinary shares at the end of the reporting period.

12 股息

於二零一六年五月二十五日已派發二零一五年十二月三十一日止末期股息共3,980,000港元。(二零一五年：3,980,000港元)。

於二零一六年八月十九日舉行之會議上，董事會擬不派發截至二零一六年六月三十日止六個月之中期股息(截至二零一五年六月三十日止六個月：無)。

13 每股盈利

每股基本盈利乃根據截至二零一六年六月三十日止六個月之集團未經審核溢利5,066,000港元(截至二零一五年六月三十日止六個月：7,092,000港元)除以按期內已發行普通股198,958,000股(二零一五年六月三十日：198,958,000股)計算。

截至二零一六年及二零一五年六月三十日止六個月，因於報告期結束日沒有具攤薄普通股，故每股攤薄溢利與其基本每股盈利相同。

14 LAND USE RIGHTS

The Group's interests in land use rights represented prepaid operating lease payments and their net book values are analysed as follows:

		30th June 六月三十日 2016 二零一六年 HK\$'000 千港元	30th June 六月三十日 2015 二零一五年 HK\$'000 千港元
At the beginning of the period	於期初	21,122	22,633
Amortisation of land use rights	土地使用權攤銷	(291)	(302)
At the end of the period	於期末	20,831	22,331

The net book value of the Group's interests in land use rights are held on leases of between 10 and 50 years outside Hong Kong, which amounted to HK\$20,831,000 (30th June 2015: HK\$22,331,000).

14 土地使用權

本集團土地使用權列作預付經營租賃款項及其賬面淨值分析如下：

本集團分類為香港以外擁有融資租賃於十至五十年之間的土地使用權之賬面淨值合共20,831,000港元(二零一五年六月三十日：22,331,000港元)。

15 PROPERTY, PLANT AND EQUIPMENT

15 物業、廠房及設備

		Land and buildings		Leasehold	Furniture		Motor	Pleasure	Construction	Total	
		土地及樓宇		improve-	Plant and	and					
		In HK	Outside HK	ments	machinery	fixtures					Office
		本地	香港以外	裝修	廠房及機器	傢俬及裝置					辦公室設備
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	
Net book value	於二零一六年一月一日之										
at 1st January 2016	賬面淨值	106,820	166,193	3,483	12,571	775	4,543	3,061	5,925	9,874	313,245
Additions	添置	-	-	-	2,602	-	503	617	-	15,088	18,810
Disposals	出售	-	-	-	(80)	-	-	(158)	-	-	(238)
Depreciation	折舊	(1,696)	(2,720)	(425)	(1,516)	(14)	(275)	(309)	(290)	-	(7,245)
Net book value	於二零一六年六月三十日之										
at 30th June 2016	賬面淨值	105,124	163,473	3,058	13,577	761	4,771	3,211	5,635	24,962	324,572
At 30th June 2016	於二零一六年六月三十日										
At cost	成本	-	-	11,770	85,093	5,205	13,449	6,719	14,767	24,962	161,965
At valuation	估值	106,820	166,193	-	-	-	-	-	-	-	273,013
Accumulated depreciation	累積折舊	(1,696)	(2,720)	(8,712)	(71,516)	(4,444)	(8,678)	(3,508)	(9,132)	-	(110,406)
Net book value	賬面淨值	105,124	163,473	3,058	13,577	761	4,771	3,211	5,635	24,962	324,572

15 PROPERTY, PLANT AND EQUIPMENT
(CONTINUED)

15 物業、廠房及設備(續)

	Land and buildings		Leasehold improvements	Plant and machinery	Furniture and fixtures	Office equipment	Motor vehicles	Pleasure boats	Total	
	In HK	Outside HK								
	本地	香港以外	裝修	廠房及機器	傢俬及裝置	辦公室設備	汽車	遊艇	總額	
	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	
Net book value at 1st January 2015	於二零一五年一月一日之賬面淨值	117,770	170,252	4,197	11,613	814	4,476	2,933	6,551	318,606
Additions	添置	-	-	-	2,922	-	428	794	-	4,144
Disposals	出售	-	-	-	-	(3)	-	-	-	(3)
Depreciation	折舊	(1,812)	(2,693)	(468)	(1,409)	(18)	(271)	(295)	(321)	(7,287)
Net book value at 30th June 2015	於二零一五年六月三十日之賬面淨值	115,958	167,559	3,729	13,126	796	4,630	3,432	6,230	315,460
At 30th June 2015	於二零一五年六月三十日									
At cost	成本	-	-	11,814	84,055	5,388	14,363	6,643	14,767	137,030
At valuation	估值	117,770	170,252	-	-	-	-	-	-	288,022
Accumulated depreciation	累積折舊	(1,812)	(2,693)	(8,085)	(70,929)	(4,592)	(9,733)	(3,211)	(8,537)	(109,592)
Net book value	賬面淨值	115,958	167,559	3,729	13,126	796	4,630	3,432	6,230	315,460

15 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (a) Land and buildings in Hong Kong and the Mainland China were revalued using open market basis or depreciated replacement costs by Centaline Surveyors Limited, an independent firm of chartered surveyors, as at 31st December 2015. The following table analyses the land and buildings carried at fair value, by valuation methods.

15 物業、廠房及設備(續)

- (a) 於二零一五年十二月三十一日，位於香港及中國大陸的土地及樓宇由獨立專業估值師中原測量師行有限公司按公開市值之基準或折舊重置成本重估。下表利用估值法分析按公允值入賬的土地及樓宇。

FAIR VALUE HIERARCHY**公允值層級**

Description 描述	Fair value measurements at 30th June 2016 using 於二零一六年六月三十日使用以下輸入的 公允值計量		
	Quoted prices in active markets for identical assets 相同資產在 活躍市場的報價 (Level 1) HK\$'000 千港元	Significant other observable inputs 重大的其他 可觀察輸入 (Level 2) HK\$'000 千港元	Significant unobservable inputs 重大的不可 觀察輸入 (Level 3) HK\$'000 千港元
Recurring fair value measurements 經常性公允值計量			
Land and buildings: 土地及樓宇：			
– in Hong Kong – 位於香港	-	-	105,124
– in the Mainland China – 位於中國大陸	-	-	163,473

**15 PROPERTY, PLANT AND EQUIPMENT
(CONTINUED)****(a)** (Continued)**FAIR VALUE HIERARCHY (CONTINUED)**

Description 描述	Quoted prices in active markets for identical assets 相同資產在 活躍市場的報價 (Level 1) (第一級) HK\$'000 千港元	Fair value measurements at 31st December 2015 using 於二零一五年十二月三十一日使用以下輸入的 公允值計量	
		Significant other observable inputs 重大的其他 可觀察輸入 (Level 2) (第二級) HK\$'000 千港元	Significant unobservable inputs 重大的不可 觀察輸入 (Level 3) (第三級) HK\$'000 千港元
Recurring fair value measurements 經常性公允值計量			
Land and buildings: 土地及樓宇：			
- in Hong Kong - 位於香港	-	-	106,820
- in the Mainland China - 位於中國大陸	-	-	166,193

There were no transfers among Level 1, Level 2 and Level 3 during the period.

期內第一、二及三層級之間概無轉移。

15 物業、廠房及設備(續)**(a)** (續)**公允值層級(續)**

15 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**(a)** (Continued)**FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)****15 物業、廠房及設備(續)****(a)** (續)

利用重大不可觀察輸入的公允值計量(第三級)

		Land and buildings in Hong Kong 位於香港之土地及樓宇 HK\$'000 千港元	Buildings in the Mainland China 位於中國大陸之樓宇 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st January 2016	於二零一六年一月一日	106,820	166,193	273,013
Depreciation	折舊	(1,696)	(2,720)	(4,416)
At 30th June 2016	於二零一六年六月三十日	105,124	163,473	268,597
At 1st January 2015	於二零一五年一月一日	117,770	170,252	288,022
Depreciation	折舊	(1,812)	(2,693)	(4,505)
At 30th June 2015	於二零一五年六月三十日	115,958	167,559	283,517

The valuation process, valuation techniques applied and information about fair value measurements using significant unobservable inputs (level 3) as at 31st December 2015 are described in annual financial statements.

估值過程、已使用的估值技術及關於二零一五年十二月三十一日使用重大不可觀察輸入數據(第3層)的公平值計量的資料，已於年度財務報表說明。

15 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (b) At 30th June 2016, the net book value of the Group's interests in leasehold land classified as finance leases are held on leases of between 10 and 50 years in Hong Kong, which amounted to HK\$90,805,000 (31st December 2015: HK\$92,270,000).
- (c) At 30th June 2016, the net book value of land and buildings pledged as security for the Group's bank loans amounted to HK\$105,124,000 (31st December 2015: HK\$106,820,000).
- (d) Construction in progress as at 30th June 2016 mainly comprises new manufacturing plant, canteen and dormitories.

16 INVESTMENT PROPERTIES**15 物業、廠房及設備(續)**

- (b) 於二零一六年六月三十日，本集團分類為香港擁有融資租賃於十至五十年之間的租賃土地之賬面淨值合共90,805,000港元(二零一五年十二月三十一日：92,270,000港元)。
- (c) 於二零一六年六月三十日，賬面淨值合共105,124,000港元(二零一五年十二月三十一日：106,820,000港元)之土地及樓宇，已作為本集團銀行貸款之抵押。
- (d) 於二零一六年六月三十日，在建工程主要包括新建廠房、食堂及宿舍。

16 投資物業**Six months ended 30th June**

截至六月三十日止六個月

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
A fair value At the beginning and end of the period	46,170	27,000

**16 INVESTMENT PROPERTIES
(CONTINUED)**

- (a) Investment properties were revalued on the basis of open market valued by Centaline Surveyors Limited, an independent firm of chartered surveyors, as at 31st December 2015. The following table analyses the investment properties carried at fair value, by valuation method.

FAIR VALUE HIERARCHY

Description 描述	Fair value measurements at 30th June 2016 and 31st December 2015 using 於二零一六年六月三十日 及二零一五年十二月三十一日使用以下輸入的 公允值計量		
	Quoted prices in active markets for identical assets 相同資產在 活躍市場的報價 (Level 1) HK\$'000 千港元	Significant other observable inputs 重大的其他 可觀察輸入 (Level 2) HK\$'000 千港元	Significant unobservable inputs 重大的不可 觀察輸入 (Level 3) HK\$'000 千港元
Recurring fair value measurements Investment properties	經常性公允值計量 投資物業	-	- 46,170

There were no transfer between Level 1, Level 2 and Level 3 during the period.

The valuation process, valuation techniques applied and information about fair value measurements using significant unobservable inputs (level 3) as at 31st December 2015 are described in annual financial statements.

16 投資物業(續)

- (a) 於二零一五年十二月三十一日，投資物業由獨立專業估值師中原測量師行有限公司按公開市價之基準重估。下表利用估值法分析按公允值入賬的投資物業。

公允值層級

期內第一、二及三層之間概無轉移。

估值過程、已使用的估值技術及關於二零一五年十二月三十一日使用重大不可觀察輸入數據(第3層)的公平值計量的資料，已於年度財務報表說明。

**16 INVESTMENT PROPERTIES
(CONTINUED)**

- (b) The carrying value of the Group's interests in investment properties are held on leases of between 10 and 50 years in Hong Kong, which amounted to HK\$46,170,000 (31st December 2015: HK\$46,170,000).
- (c) At 30th June 2016 and 31st December 2015, the net book value of investment properties pledged as security for the Group's bank borrowings amounts to HK\$46,170,000.

16 投資物業(續)

- (b) 本集團分類為香港擁有融資租賃於十至五十年之間的投資物業之賬面值合共 46,170,000 港元(二零一五年十二月三十一日: 46,170,000 港元)。
- (c) 於二零一六年六月三十日及二零一五年十二月三十一日, 本集團銀行貸款以賬面值 46,170,000 港元的投資物業作為抵押。

17 INVENTORIES

		30th June 六月三十日 2016 二零一六年 HK\$'000 千港元	31st December 十二月三十一日 2015 二零一五年 HK\$'000 千港元
Raw materials	原材料	18,889	16,393
Work in progress	在製品	26,365	25,578
Finished goods	製成品	45,741	53,323
		90,995	95,294
Provision for slow-moving inventories	慢用存貨撥備	(5,322)	(5,375)
		85,673	89,919

17 存貨

18 TRADE AND BILL RECEIVABLES

At 30th June 2016 and 31st December 2015, the ageing analysis of trade and bill receivables based on invoice date were as follows:

		30th June 六月三十日 2016 二零一六年 HK\$'000 千港元	31st December 十二月三十一日 2015 二零一五年 HK\$'000 千港元
Current – 3 months	即期至三個月	74,059	83,926
4–6 months	四個月至六個月	5,963	8,566
Over 6 months	超過六個月	208	316
		80,230	92,808
Provision for returns and doubtful debts	退貨及呆賬撥備	(136)	(2)
		80,094	92,806

Payment terms with customers are mainly on credit with the exception of new customers, which are on cash on delivery basis. Invoices are normally payable within 30 to 90 days of issuance. Longer payment terms might be granted to customers who have long-term business relationship with the Group and did not have default in payments in the past history.

18 應收貿易賬款及票據

於二零一六年六月三十日及二零一五年十二月三十一日，應收貿易賬款及票據之賬齡分析如下：

客戶主要以信貸方式付款，惟新客戶須於貨品付運時以現金付款。一般而言，客戶須於發票發出後三十至九十日內付款。付款記錄良好及與本集團有長期業務關係之客戶，可享受有較長之付款期。

19 SHARE CAPITAL

19 股本

	Number of shares 股份數量	HK\$'000 千港元
Authorised:		
At 30th June 2016 and 31st December 2015, ordinary shares of HK\$0.10 each	法定股本： 於二零一六年六月三十日及二零一五年十二月三十一日，每股面值0.10港元之普通股	50,000
Issued and fully paid:		
At 30th June 2016 and 31st December 2015, ordinary shares of HK\$0.10 each	已發行及繳足股本： 於二零一六年六月三十日及二零一五年十二月三十一日，每股面值0.10港元之普通股	19,896

20 OTHER RESERVES

20 其他儲備

	Share premium	Exchange fluctuation reserve	Land and building revaluation reserve	Capital redemption reserve	Total other reserves	
	匯率	土地及樓宇重估儲備	資本贖回儲備	總其他儲備		
	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 1st January 2016 and 30th June 2016	於二零一六年一月一日及二零一六年六月三十日	15,885	8,389	190,087	104	214,465

20 OTHER RESERVES (CONTINUED)**20 其他儲備(續)**

	Share premium 股份溢價 HK\$'000 千港元	Exchange fluctuation reserve 匯率 變動儲備 HK\$'000 千港元	Land and building revaluation reserve 土地及樓宇 重估儲備 HK\$'000 千港元	Capital redemption reserve 資本贖回 儲備 HK\$'000 千港元	Total other reserves 總其他 儲備 HK\$'000 千港元
At 1st January 2015 and 於二零一五年 30th June 2015 一月一日及 二零一五年 六月三十日	15,885	22,980	169,893	104	208,862

21 TRADE AND BILL PAYABLES

At 30th June 2016 and 31st December 2015, the ageing analysis of trade and bill payables based on invoice date were as follows:

21 應付貿易款項及票據

於二零一六年六月三十日及二零一五年十二月三十一日，應付貿易款項及票據之賬齡分析如下：

		30th June 六月三十日 2016 二零一六年 HK\$'000 千港元	31st December 十二月三十一日 2015 二零一五年 HK\$'000 千港元
Current-3 months	即期至三個月	22,247	21,761
4-6 months	四個月至六個月	1,320	2,236
Over 6 months	超過六個月	450	14
		24,017	24,011

22 BORROWINGS

22 借款

		30th June 六月三十日 2016 二零一六年 HK\$'000 千港元	31st December 十二月三十一日 2015 二零一五年 HK\$'000 千港元
Current liabilities	流動負債		
Trust receipt loans	信託收據貸款	35,445	27,320
Bank loan	銀行借貸	15,417	17,917
Total borrowings	總借款	50,862	45,237

Movements in borrowings is analysed as follows:

借款變動分析如下：

		HK\$'000 千港元
Six months ended 30th June 2016	截至二零一六年六月三十日止	
Opening amount as at 1st January 2016	於二零一六年一月一日 期初數	45,237
Repayments of borrowings	償還借款	(51,071)
Proceeds from borrowings	借款所得	56,696
Closing amount as at 30th June 2016	於二零一六年六月三十日 期末數	50,862

Total borrowings included secured liabilities of HK\$31,528,000 (31st December 2015: HK\$24,271,000), which are secured by certain land and buildings and investment properties of the Group.

總借款包括有抵押負債31,528,000港元(二零一五年十二月三十一日：24,271,000港元)以本集團若干的土地及樓宇及投資物業作抵押。

The borrowings are supported by guarantees given by the Company and its certain subsidiaries.

借款由本公司及其附屬公司提供擔保。

23 FINANCIAL GUARANTEES AND PLEDGE

At 30th June 2016, the Group has the following banking facilities, of which HK\$181,000,000 (31st December 2015: HK\$460,018,000) were secured by the legal charges over certain land and buildings and investment properties of the Group with a total net book value of HK\$151,294,000 (31st December 2015: HK\$152,990,000).

23 銀行擔保及抵押

於二零一六年六月三十日，本集團之銀行融資，約 181,000,000 港元（二零一五年十二月三十一日：460,018,000 港元）本集團以賬面淨值合共 151,294,000 港元（二零一五年十二月三十一日：152,990,000 港元）之若干土地及樓宇及投資物業所作之法定抵押。

	30th June 六月三十日 2016 二零一六年 HK\$'000 千港元	31st December 十二月三十一日 2015 二零一五年 HK\$'000 千港元
Trade and loan finance facilities 貿易及信貸融資	236,417	238,917
Forward exchange contract line 遠期外匯合約額度	-	279,018

In addition, the Company and its certain subsidiaries also provided guarantees in favour of the banks to secure these banking facilities granted to the Group.

此外，本公司及其附屬公司為本集團取得銀行融資，並已向銀行提供擔保。

24 COMMITMENTS

(a) Capital Commitments

At 30th June 2016 and 31st December 2015, the Group had the following capital commitments for buildings, leasehold improvements, plant and machinery, office equipment and motor vehicles:

24 承擔

(a) 資本承擔

於二零一六年六月三十日及二零一五年十二月三十一日，本集團有以下建築物、裝修、廠房及機器、辦公室設備及汽車之資本承擔：

	30th June 六月三十日 2016 二零一六年 HK\$'000 千港元	31st December 十二月三十一日 2015 二零一五年 HK\$'000 千港元
Contracted for but not provided for 已訂約但未撥備	13,690	21,960

24 COMMITMENTS (CONTINUED)

(b) Commitments Under Operating Leases

At 30th June 2016 and 31st December 2015, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

	30th June 六月三十日 2016 二零一六年 HK\$'000 千港元	31st December 十二月三十一日 2015 二零一五年 HK\$'000 千港元
Not later than one year	493	705
Later than one year and not later than five years	25	134
	518	839

25 SUBSEQUENT EVENT

On 18th July 2016, the Group accepted the offer in relation to the lease of a land located in Vietnam Singapore Industrial Park in Quang Ngai Province, Vietnam, at a consideration of USD1,080,000 (equivalent to approximately HK\$8,424,000). Meanwhile, an announcement for this transaction was made and published on the web page of Hong Kong Exchanges and Clearing Limited.

26 APPROVAL OF THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The unaudited condensed consolidated interim financial information was approved by the Board on 19th August 2016.

24 承擔(續)

(b) 經營租賃承擔

於二零一六年六月三十日及二零一五年十二月三十一日，本集團不可撤銷經營租賃於日後之最低租賃付款如下：

Land and buildings and office equipment 土地及樓宇及辦公室設備

25 報告期後事項

於二零一六年七月十八日，本集團接立獨立第三方之要約，內容關於租賃位於越南廣義省越南新加坡工業園區之土地，作價1,080,000美元(約8,424,000港元)。與此同時，此交易亦於香港交易及結算所有有限公司之網頁公佈。

26 未經審核簡明綜合中期財務資料之批准

本未經審核簡明綜合中期財務資料已於二零一六年八月十九日獲董事會批准。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Results

The Group's turnover for the six months ended 30th June 2016 was HK\$183,608,000 (2015: HK\$209,550,000). Unaudited consolidated profit attributable to shareholders was HK\$5,066,000 (2015: HK\$7,092,000). Earnings per share were HK\$0.025 (2015: HK\$0.036).

The Board of Directors of the Company does not recommend the payment of interim dividend (2015: Nil).

Liquidity and Financial Resources

As at 30th June 2016, the Group's bank balances and cash was HK\$74,280,000. The consolidated indebtedness of the Group was HK\$50,862,000 which is in short-term borrowings. The borrowings are denominated in Hong Kong dollars and bear interest at floating rates.

The amount of the Group's current working capital was HK\$142,885,000 (31st December 2015: HK\$153,955,000). The current ratio was 2.39. The Group's trade and bill receivables were HK\$80,094,000, representing 43.6% of the period's turnover of HK\$183,608,000.

Capital Structure

The equity of the Group was HK\$507,470,000, an increase of 2.3% over that of the last corresponding period. The gearing ratio, calculated by dividing total liabilities by shareholders' equity, was approximately 27.1%.

財務回顧 業績

本集團截至二零一六年六月三十日止的營業額為183,608,000港元(二零一五年: 209,550,000港元)。未經審核的綜合股東應佔溢利為5,066,000港元(二零一五年: 7,092,000港元)。每股盈利為0.025港元(二零一五年: 0.036港元)。

董事會宣佈不建議派發中期股息(二零一五年: 無)。

流動資金及財務資源

於二零一六年六月三十日, 本集團之銀行結存及現金總額為74,280,000港元。本集團之綜合借貸為50,862,000港元, 全為短期債項。所有借貸均以港元為單位, 按浮動息率計算。

本集團的營運資金142,885,000港元(二零一五年十二月三十一日: 153,955,000港元)。流動比率為2.39。本集團之綜合應收貿易賬款及票據為80,094,000港元, 佔期內183,608,000港元營業額之43.6%。

股本結構

本集團之權益為507,470,000港元, 較去年同期上升2.3%。負債對資本比率(以負債總額除以股東資金計算)約為27.1%。

FINANCIAL REVIEW (CONTINUED)

Pledge of Assets

As at 30th June 2016, the Group's utilised banking facilities amounting to approximately HK\$50,862,000 (31st December 2015: HK\$48,453,000) were secured by legal charges over certain land and buildings and investment properties of the Group with a total net book value of HK\$151,294,000 (31st December 2015: HK\$152,990,000), and corporate guarantee given by the Company.

FOREIGN EXCHANGE EXPOSURE

All foreseeable foreign exchange risk of the Company are appropriately managed or hedged.

CONTINGENT LIABILITIES

As at 30th June 2016, the Group did not have any material contingent liabilities.

BUSINESS REVIEW

During the period under review, sales in power cords, cables and wires, wire harnesses and plastic resins accounted for 58%, 6%, 34% and 2% of the Group's turnover respectively.

The Group's turnover decreased by 12.4% to HK\$184 million. The gross margin was increased from 18.9% in the first half of 2015 to 21.4% in the first half of 2016. The decline in turnover was due to decrease in number of orders received from customers as a result of keen price competition. The increase in gross margin was due to tight control of operations cost. The net margin was decreased from 3.4% in the first half of 2015 to 2.8% in the first half of 2016. The decrease in net margin was mainly due to increase in (i) safety approval and certificate fees for our new factory in Heyuan City, the PRC and (ii) legal and professional fees relating to construction contract, internal control and ESG reporting.

財務回顧(續)

抵押資產

於二零一六年六月三十日，本集團約有50,862,000港元（二零一五年十二月三十一日：48,453,000港元）之已動用銀行信貸乃以本集團若干土地及樓宇及投資物業之法定抵押及本公司所提供之公司擔保作抵押。該等土地及樓宇及投資物業之總賬面淨值共151,294,000港元（二零一五年十二月三十一日：152,990,000港元）。

外匯風險

本公司所有可預見外匯風險已被合適地監管及對沖。

或然負債

於二零一六年六月三十日，本集團並無重大或然負債。

業務回顧

回顧期內，電源線、導線、組合線束及塑膠皮料的銷售額，分別佔本集團營業額的58%、6%、34%及2%。

本集團的營業額下跌12.4%至184,000,000港元。毛利率由二零一五上半年的18.9%上升到二零一六年上半年的21.4%。營業額下跌乃由於價格競爭激烈令所得客戶訂單減少。毛利率上升乃由於嚴謹控制營運成本。淨利潤率由二零一五年上半年的3.4%下跌至二零一六年上半年的2.8%。淨利潤率減少主要因為(i)中國河源市新廠房的安全規格認證費用及(ii)有關建築合約、內部監控及環境、社會及管治報告的法律及專業費用增加所致。

BUSINESS REVIEW (CONTINUED)

The Group's operating environment is challenging. The continual request for price reduction from various customers did exert great pressure on the Group's product selling price. The group has no option but need to cut down unprofitable products and focus more on high margin products with less order quantity. On the positive side, the depreciation of Renminbi and freeze of the minimum level of wages in Guangdong province, the PRC helped alleviating operating costs.

The Group has dedicated teams to maintain and improve environmental protection and factory safety requirements. The Group has also engaged external consultant to prepare ESG reporting. As a socially responsible enterprise, we are conscious of protecting our factories' environment and working conditions.

FUTURE PROSPECTS

It is a challenging task to maintain cost competitive in a mature cable and wire industry. In response, the Group has acquired a piece of industrial land together with the buildings established on it (which included an existing production plant) in Heyuan City in July 2014. In the same land area, the Group has commenced construction of a new production plant, canteen and dormitories. The new production plant is expected to be completed by end of August 2016. The whole production complex (including both the existing and the new production plant) in Heyuan City is expected to be in fully operational by end of 2016.

業務回顧(續)

本集團的經營環境仍然充滿挑戰。多名客戶連番要求下調價格，實在令本集團產品的售價飽受壓力。本集團別無選擇，只好剔除無利可圖的產品，並集中溢利較高而訂單量較少的產品。利好因素方面，人民幣貶值及中國廣東省凍結最低工資水平確實有助減低營運成本。

本集團設有專門團隊維護及改善環境保護及廠房安全規定。本集團亦委聘外部顧問編製環境、社會及管治報告。身為致力履行社會責任的企業，我們注重保護廠房環境及工作狀況。

未來展望

電線及導線業發展成熟，在成本上維持競爭力毫不容易。就此，本集團於二零一四年七月在河源市收購工業用地及樓宇(包括既有生產廠房)。本集團亦已於同一用地範圍動工興建一個新生產廠房、飯堂及職工宿舍。新生產廠房預期於二零一六年八月底之前竣工。整個河源市生產廠房(既有及新建)預期於二零一六年末之前全面投入營運。

FUTURE PROSPECTS (CONTINUED)

The Group will still retain some level of production in our old factory in Shenzhen City but will be in a smaller scale. Some personnel will be transferred to Heyuan City and some will be laid off in a gradual manner.

Heyuan City was chosen by the Group because the wages level and utilities expenses are lower than that of Shenzhen City. Despite there will be an increase in transportation costs, the Group can achieve overall cost savings for operations in the PRC.

In view of sustainability of business, prompt response to customers' requests and effective cost management are major considerations. The Group is continuously looking for strategic locations for manufacturing. Based on the results of researching and visiting Myanmar, Cambodia, Bangladesh, Mexico and Vietnam, the Group decided to lease a piece of land in Quang Ngai, Vietnam. For details of the transaction, please refer to the Company's announcement dated 18th July 2016.

The Group intends to use the land in Quang Ngai, Vietnam as production facilities. The directors of the Company believe that by setting up production facilities in Vietnam, the Group will benefit by preferential tax treatment and foreign investment incentives in Vietnam. Quang Ngai is near Da Nang port which is the third largest port in Vietnam.

未來展望(續)

本集團仍然於深圳市舊廠房維持一定生產，但規模將會縮減。部分人員將調往河源市，部分人員則會逐步裁減。

本集團選擇河源市的原因，是工資水平及公用服務開支低於深圳市。雖然運輸費用有可能因此上升，但集團仍可節省國內的總營運成本。

對業務持續營運而言，及時回應客戶需求及有效控制成本是主要考量。本集團不斷尋求符合發展策略的地點。經研究及實地考察緬甸、柬埔寨、孟加拉、墨西哥及越南，本集團決定於越南廣義租賃土地。交易詳情請參閱本公司日期為二零一六年七月十八日的公告。

本集團擬將越南廣義土地用作生產設施。董事局認為於越南成立生產設施，可享有優惠稅務待遇及外資獎勵。廣義鄰近岷港港口，其為越南第三大港口。

EMPLOYEES AND REMUNERATION POLICIES

As at 30th June 2016, the Group employed approximately 1,100 full time management, administrative and production staff in Hong Kong and the mainland China. The Group follows market practice on remuneration packages. Employees' remuneration is reviewed and determined by senior management annually depending on the employee's performance, experience and industry practice. The Group invests in its human capital. In addition to on-job training, the Group encourages employees to further their studies in extramural courses.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN EQUITY OR DEBT SECURITIES

As at 30th June 2016, the interests of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept under section 352 of the SFO or as notified to the Company were as follows:

僱員及薪酬政策

於二零一六年六月三十日，本集團在香港及中國大陸僱用約1,100名全職之管理、行政及生產人員。本集團之薪酬組合乃按市場慣例而定。高級管理人員因應僱員表現、經驗及業內慣例，每年檢討及釐定僱員薪酬。除在職培訓，本集團亦鼓勵員工參與校外課程繼續學習。

董事及主要行政人員於股本或債務證券之權益

於二零一六年六月三十日，根據證券及期貨條例第352條之規定而存置之登記冊所記錄，本公司董事及主要行政人員在本公司或其相關法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有之權益，或本公司已接獲通知之該等權益如下：

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN EQUITY OR DEBT SECURITIES (CONTINUED)

Ordinary Shares of HK\$0.10 Each of the Company ("Shares")

董事及主要行政人員於股本或債務證券之權益(續)

本公司每股0.10港元之普通股(「股份」)

Name	姓名	Personal interests 個人權益	Family interests 家族權益	Number of Shares 股份數目			Total interests 總權益	Total interests as % of the relevant issued share capital 總權益佔相關已發行股本之百分比
				Corporate interests 法團權益	Other interests 其他權益			
MON Chung Hung	孟振雄	-	-	145,158,000 (note 1 附註1)	-	145,158,000	72.96%	
KOO Di An, Louise	顧迪安	-	145,158,000 (note 2 附註2)	-	-	145,158,000	72.96%	
LAU Chun Kay	劉振麒	138,000	-	-	-	138,000	0.07%	

Note 1: The 145,158,000 Shares were held in the name of Spector Holdings Limited, the issued share capital of which is beneficially owned as to 99.9% by Mr. MON Chung Hung and as to the remaining 0.1% by Ms. KOO Di An, Louise.

附註1: 此 145,158,000 股份由 Spector Holdings Limited 實益擁有，該公司 99.9% 已發行股本由孟振雄先生擁有，餘下的 0.1% 由顧迪安女士擁有。

Note 2: Ms. KOO Di An, Louise, is the wife of Mr. MON Chung Hung. Ms. KOO is thus deemed to be interested in 145,158,000 Shares by virtue of her husband's interest therein.

附註2: 顧迪安女士為孟振雄先生的妻子，顧女士因其丈夫的緣故被視為擁有 145,158,000 股份。

All the interests stated above represent long positions. As at 30th June 2016, no short positions were recorded in the Register of Directors' and Chief Executives' Interests and Short Positions required to be kept under section 352 of the SFO.

上述所有權益均為好倉。於二零一六年六月三十日，根據證券及期貨條例第352條之規定而存置之董事及主要行政人員之權益及淡倉登記冊內，並無淡倉記錄。

Other than those disclosed above, at no time during the six months ended 30th June 2016 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or chief executives of the Company or any of their associates to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

除上文所披露外，截至二零一六年六月三十日止六個月內之任何時間本公司或其任何附屬公司並未作出任何安排，使本公司董事或主要行政人員或彼等之任何聯繫人士因收購本公司或其他任何法人團體之股份或債券而獲益。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

As at 30th June 2016, the interests or short positions of persons (other than the Directors and chief executives of the Company) in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Name 姓名	Number of Shares 股份數目				Total interests as % of the relevant issued share capital 總權益佔相關 已發行股本之 百分比	
	Personal interests 個人權益	Family interests 家族權益	Corporate interests 法團權益	Other interests 其他權益	Total interests 總權益	
Spector Holdings Limited (Note 附註)	145,158,000	-	-	-	145,158,000	72.96%
Fang Zhun Chun 方振淳	9,958,000	-	-	-	9,958,000	5.00%

Note: Spector Holdings Limited is owned as to 99.9% by Mr. MON Chung Hung and as to the remaining 0.1% by Ms. KOO Di An, Louise.

附註：Spector Holdings Limited之股本其中99.9%由孟振雄先生擁有，餘下0.1%由顧迪安女士擁有。

All the interests stated above represent long positions. As at 30th June 2016, no short positions were recorded in the register of Interests in Shares and Short Positions of substantial shareholders required to be kept under section 336 of the SFO.

上述所有權益均為好倉。於二零一六年六月三十日，根據證券及期貨條例336條之規定而存置之主要股東之股份權益及淡倉登記冊內，並無淡倉記錄。

Save as disclosed above, so far as the Directors are aware, there was no person who, as at 30th June 2016, directly or indirectly held or was beneficially interested in shares representing 5% or more of the issued share capital of the Company or its subsidiaries.

除上文所披露外，就各董事所知，於二零一六年六月三十日，並無任何人士直接或間接持有或實益擁有本公司或其附屬公司已發行股本5%或以上之股份權益。

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, more than 25% of the issued share capital of the Company were held by the public as at 19th August 2016, being the latest practicable date prior to the issue of this report, in accordance with Rule 8.08 of the Listing Rules.

REVIEWED BY THE AUDIT COMMITTEE

The Audit Committee has reviewed with the management for the accounting principles and practices adopted by the Group and discussed risk management and internal controls and financial reporting matters, including a review of the unaudited condensed consolidated financial information for the six months ended 30th June 2016 with the Directors.

CORPORATE GOVERNANCE

The Group is committed to safeguarding shareholders' rights and enhancing corporate governance standard. As a result, we established the Compliance Committee, Audit Committee, Remuneration Committee and Nomination Committee to adhere to best practices.

SOCIAL RESPONSIBILITY

The Group holds a strong belief in corporate social responsibility. Hence we continue to participate in and support community activities in both Hong Kong and the PRC.

公眾持股量

根據本公司從公開途徑所取得的資訊及就各董事所知，截至二零一六年八月十九日，即本報告發行前最實際可行日期，本公司已發行股份超過百分之二十五由公眾持有，符合上市規則第8.08條之規定。

審核委員會審閱

審核委員會已與管理層一同審閱本集團採納之會計原則及慣例，並就風險管理及內部監控及財務申報事宜進行討論，當中包括與董事審閱截至二零一六年六月三十日止六個月之未經審核簡明綜合財務資料。

企業治理

本集團致力維護股東權益，提升企業管治水平。因此，我們設立監察委員會、審核委員會、薪酬委員會及提名委員會，遵守最佳守則。

社會責任

本集團堅守信念，做一家負責任的企業，所以我們持續參與和支持香港及中國的社會活動。

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Directors confirm that during the six months ended 30th June 2016, the Company has complied with the code provisions set out in the Corporate Governance Code (the "Code") as set out in Appendix 14 of the Listing Rules, and adopted recommended best practices set out in the Code whenever appropriate except that Mr. Ma Chun Hon, Richard, an Independent Non-Executive Director and Ms. Koo Di An, Louise, a Non-Executive Director, were unable to attend the Company's annual general meeting held on 9th May 2016 due to his own business engagements.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' and employees' securities transactions on terms no less exacting than the required standards of the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules. Having made specific enquiry to all Directors, the Company confirms that all the Directors complied with the required standards of the said code during the period from 1st January 2016 to 30th June 2016 (both dates inclusive).

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

Neither the Company nor its subsidiaries has purchased, redeemed or sold any of the listed securities of the Company during the six months ended 30th June 2016.

遵守企業管治常規之守則

董事確認截至二零一六年六月三十日止六個月，本公司已遵守了香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載之企業管治常規守則（「守則」）的條文的規定，及當適用時實行該守則的最佳建議常規。除以下外，獨立非執行董事馬鎮漢先生及非執行董事顧迪安女士由於先前其他業務安排，未能出席於二零一六年五月九日舉行的本公司股東週年大會。

遵守董事進行證券交易之標準守則

本公司已就董事及僱員進行證券交易採納了一套條款不寬於上市規則附錄十所載上市發行人董事進行證券交易標準守則的操守準則。經向全體董事作出特定查詢後，本公司確認彼等於二零一六年一月一日至二零一六年六月三十日（包括首尾兩日）均遵守了上述準則之規定。

買賣、出售及贖回本公司之上市證券

截至二零一六年六月三十日止六個月內，本公司或其他任何附屬公司並無買賣或贖回任何本公司之上市證券。

PUBLICATION OF INFORMATION ON THE WEBSITE OF THE STOCK EXCHANGE OF HONG KONG LIMITED AND THE COMPANY

The information required by paragraphs 46(1) to 46(9) of Appendix 16 to the Listing Rules has been published on the website <http://www.hkex.com.hk> of The Stock Exchange of Hong Kong Limited and the Company's website <http://perennial.todayir.com> in due course.

VOTE OF THANKS

On behalf of the Board, my sincere thanks to our loyal shareholders, partners and customers for their continuous support and to our staff for their dedication.

By order of the board
KOO Di An, Louise
Chairman

Hong Kong, 19th August 2016

As at the date of this report, the Executive Directors are Mr. Mon Chung Hung, Mr. Siu Yuk Shing, Marco, Ms. Mon Wai Ki, Vicky and Ms. Mon Tiffany, the Non-Executive Director is Ms. Koo Di An, Louise and the Independent Non-Executive Directors are Mr. Lau Chun Kay, Mr. Lee Chung Nai, Jones and Mr. Ma Chun Hon, Richard.

於香港聯合交易所有限公司及本公司之網站展示資料

一份載有按上市規則附錄16第46(1)至46(9)段所規定之一切資料已登載於香港聯合交易所有限公司之網站 <http://www.hkex.com.hk> 及本公司之網站 <http://perennial.todayir.com>。

致謝

本人謹代表董事會，向忠誠的股東、夥伴、客戶及員工的鼎力支持，表示衷心感謝。

承董事會命
主席
顧迪安

香港，二零一六年八月十九日

於本報告日，執行董事為孟振雄先生、蕭旭成先生、孟瑋琦女士及孟韋怡女士；非執行董事為顧迪安女士；而獨立非執事董事為劉振麒先生、李宗薰先生及馬鎮漢先生。

Corporate Information

公司資料

EXECUTIVE DIRECTORS

Mon Chung Hung (*Chief Executive Officer and Deputy Chairman*)

Siu Yuk Shing, Marco

Mon Wai Ki, Vicky

Mon Tiffany

NON-EXECUTIVE DIRECTOR

Koo Di An, Louise (*Chairman*)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Lau Chun Kay

Lee Chung Nai, Jones

Ma Chun Hon, Richard

AUDIT COMMITTEE

Lau Chun Kay (*Committee chairman*)

Lee Chung Nai, Jones

Ma Chun Hon, Richard

Koo Di An, Louise

REMUNERATION COMMITTEE

Lau Chun Kay (*Committee chairman*)

Lee Chung Nai, Jones

Ma Chun Hon, Richard

Koo Di An, Louise

NOMINATION COMMITTEE

Lau Chun Kay (*Committee chairman*)

Lee Chung Nai, Jones

Ma Chun Hon, Richard

Koo Di An, Louise

COMPLIANCE COMMITTEE

Koo Di An, Louise (*Committee chairman*)

Mon Chung Hung

Siu Yuk Shing, Marco

Mon Wai Ki, Vicky

Mon Tiffany

Lau Chun Kay

Lee Chung Nai, Jones

Ma Chun Hon, Richard

AUTHORISED REPRESENTATIVES

Mon Chung Hung

Siu Yuk Shing, Marco

COMPANY SECRETARY

Au Sui Cheung

執行董事

孟振雄 (*行政總裁及副主席*)

蕭旭成

孟瑋琦

孟韋怡

非執行董事

顧迪安 (*主席*)

獨立非執行董事

劉振麒

李宗肅

馬鎮漢

審核委員會

劉振麒 (*委員會主席*)

李宗肅

馬鎮漢

顧迪安

薪酬委員會

劉振麒 (*委員會主席*)

李宗肅

馬鎮漢

顧迪安

提名委員會

劉振麒 (*委員會主席*)

李宗肅

馬鎮漢

顧迪安

監察委員會

顧迪安 (*委員會主席*)

孟振雄

蕭旭成

孟瑋琦

孟韋怡

劉振麒

李宗肅

馬鎮漢

授權代表

孟振雄

蕭旭成

公司秘書

歐瑞祥

REGISTERED OFFICE

Clarendon House
2 Church Street, Hamilton HM11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Units 2002–2006, 20th Floor, Greenfield Tower
Concordia Plaza, 1 Science Museum Road,
Tsimshatsui, Kowloon, Hong Kong

STOCK CODE

Stock Code on The Stock Exchange of
Hong Kong Limited: 00725

SOLICITOR

Watson Farley & Williams
Unit 1703-1707
One Pacific Place
88 Queensway
Hong Kong

PRINCIPAL BANKER

Hang Seng Bank
83 Des Voeux Road Central, Hong Kong

AUDITORS

PricewaterhouseCoopers
22nd Floor, Prince's Building, Central, Hong Kong

PRINCIPAL REGISTRAR AND TRANSFER OFFICE

Codan Services Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

BRANCH REGISTRAR AND TRANSFER OFFICE

Hong Kong Registrars Limited
17M Floor, Hopewell Centre,
183 Queen's Road East, Wan Chai, Hong Kong

WEBSITE

<http://perennial.todayir.com>

註冊辦事處

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2 Church Street, Hamilton HM11
Bermuda

香港主要營業地點

香港九龍尖沙咀科學館道1號
康宏廣場南座20樓2002–2006室

股份代號

香港聯合交易所有限公司
股份代號：00725

律師

華盛國際律師事務所
香港
金鐘道88號
太古廣場一期
1703-1707室

主要往來銀行

恒生銀行
香港德輔道中83號

核數師

羅兵咸永道會計師事務所
香港中環太子大廈22樓

股份登記及過戶總處

Codan Services Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

股份登記及過戶分處

香港證券登記有限公司
香港灣仔皇后大道東183號
合和中心17M樓

網址

<http://perennial.todayir.com>



PERENNIAL INTERNATIONAL LIMITED
恒都集團有限公司