

**LEE & MAN HANDBAGS HOLDING LIMITED**  
**理文手袋集團有限公司**

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

(於開曼群島註冊成立之有限公司)

**Stock Code** 股份代號：1488

**ANNUAL REPORT 2012 年報**

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# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### Executive director

Ms. Wai Siu Kee (*Chairman*)  
Mr. Kung Phong  
Ms. Lee Man Ching  
Ms. Poon Lai Ming

#### Independent non-executive director

Mr. So Wing Keung  
Mr. Heng Victor Ja Wei  
Mr. Tsang Hin Man Terence

### COMPANY SECRETARY

Ms. Wong Yuet Ming

### REGISTERED OFFICE

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

### PRINCIPAL OFFICE IN HONG KONG

8th Floor, Liven House  
61–63 King Yip Street  
Kwun Tong  
Kowloon  
Hong Kong

### PRINCIPAL BANKERS

#### In Hong Kong:

Hang Seng Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited  
Chiyu Banking Corporation Ltd.

### 董事會

#### 執行董事

衛少琦女士(主席)  
龔鈞先生  
李文禎女士  
潘麗明女士

#### 獨立非執行董事

蘇永強先生  
邢家維先生  
曾憲文先生

### 公司秘書

王月明女士

### 註冊辦事處

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

### 香港總辦事處

香港  
九龍  
觀塘  
敬業街61–63號  
利維大廈8樓

### 主要往來銀行

#### 香港：

恒生銀行有限公司  
香港上海滙豐銀行有限公司  
集友銀行有限公司

# Corporate Information

## 公司資料

### AUDITORS

Deloitte Touche Tohmatsu  
Certified Public Accountants

### COMPLIANCE ADVISER

CIMB Securities (HK) Limited

### PRINCIPAL SHARE REGISTRAR

Royal Bank of Canada Trust  
Company (Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman, KY1-1110  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR

Tricor Secretaries Limited  
26/F Tesbury Centre  
28 Queen's Road East  
Hong Kong

### WEBSITE

<http://www.leemanhandbags.com>

### 核數師

德勤•關黃陳方會計師行  
執業會計師

### 合規顧問

聯昌國際證券(香港)有限公司

### 主要股份過戶登記處

Royal Bank of Canada Trust  
Company (Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman, KY1-1110  
Cayman Islands

### 香港股份過戶登記分處

卓佳秘書商務有限公司  
香港  
皇后大道東28號  
金鐘匯中心26樓

### 網址

<http://www.leemanhandbags.com>

# Chairman's Statement

## 主席報告

### BUSINESS REVIEW

For the year ended 31 December 2012, the Group recorded a revenue of HK\$933 million, increased by 6.8% as compared to last year; and a net profit for the year of HK\$110 million, increased by 3.0% above last year. Gross profit margin and net profit margin were 25.2% and 11.8%, representing a decrease of 0.9 and 0.5 percentage point below last year.

Although the external economy as a whole was seriously affected by the factors of the sluggish performance of the European and USA market and the lingering European sovereign debt crisis, the Group, leveraging on the unrelenting efforts made by the management to strengthen the development of mid-high end products, recorded an increase in revenue for the year. As for the production costs, even in the face of a significant increase in the labour costs in the PRC, the Group has achieved a growth in net profit for the year through effective and stringent cost controls, the implementation of production process optimization project and the improvement of product designs.

### PROSPECTS

It is expected that the external economy would continue to be affected by the above factors. Also, in view of the severe shortage of labour in the PRC and the surging labour costs, it will be full of challenge for the handbag business in the coming year. Nevertheless, the Group will strive to diversify its product designs, strengthen the development of high-end products, enhance the production processes, reinforce internal controls and implement tight control over the cost in order to generate stable profit for the Group.

### 業務回顧

截至2012年12月31日止年度，本集團錄得營業額9.33億港元，較去年上升6.8%，年內溢利約1.10億港元，較去年度上升3%。而毛利率及純利率分別為25.2%及11.8%，比去年下降0.9個及0.5個百分點。

縱使歐美市場持續疲弱，歐債危機尚未解決的影響下，外圍整體經濟飽受困擾，本集團全賴管理層致力加強開發中高檔產品，以致年內營業額錄得升幅。於生產成本方面，面對國內勞工成本大幅上漲的情況下，惟本集團努力透過有效嚴緊的成本控制，推行優化生產作業流程，及增強產品設計，使年內溢利能錄得增長。

### 展望

預期外圍經濟仍受上述因素困擾，加上國內勞動市場出現緊張，以及勞工成本不斷上漲，手袋業務於來年將是充滿挑戰。儘管如此，本集團將會加倍努力，設計多樣化產品款式，加強開發高檔產品，改善生產流程，加強內部監控，並致力嚴控成本，為集團提供穩定利潤。

# Chairman's Statement

## 主席報告

### APPRECIATION

On behalf of the Board, I would like to extend our sincere gratitude to our shareholders, customers and business partners for their persistent support throughout the year. In addition, I would also like to take this opportunity to thank all colleagues and staff for their persistent contribution to the Group.

On behalf of the Board

**Wai Siu Kee**

*Chairman*

Hong Kong, 18 March 2013

### 鳴謝

本人謹代表董事會，向本集團股東、客戶及業務夥伴於本年度給予鼎力支持衷心致意。此外，本人亦藉此機會感謝各位員工努力不懈為本集團作出貢獻。

代表董事會

主席

**衛少琦**

香港，2013年3月18日

# Management Discussion and Analysis

## 管理層討論及分析

### RESULTS OF OPERATION

Revenue and net profit attributable to equity holders of the Group for the year ended 31 December 2012 was HK\$933 million and HK\$110 million, representing an increase of 6.8% and 3.0% respectively, as compared to HK\$874 million and HK\$107 million respectively last year. The basic earnings per share was HK13.4 cents for the year ended 31 December 2012 and HK13.0 cents last year.

#### Revenue

The Group recorded revenue of HK\$933 million for the year ended 31 December 2012, increased by 6.8% as compared to HK\$874 million last year. Although the global economy was seriously affected by the slowdown of economic growth and the lingering European sovereign debt crisis, the Group, leveraging on the unrelenting efforts made by the management to the development of mid-high end products and new customer accounts, achieved a growth in sales for the year.

#### Cost of sales

With the increase in revenue during the year, the cost of sales increased from HK\$646 million last year to HK\$698 million for the year ended 31 December 2012, showing an increase of approximately 8.1%. Furthermore, the percentage of cost of sales to the total revenue for the year was 74.8%, increased by 0.9 percentage points as compared to 73.9% for last year. Such increase was mainly attributable to the increase in labour costs and raw material costs for current year.

#### Selling and distribution expenses

Selling and distribution expenses incurred for the year ended 31 December 2012 was HK\$32.3 million, increased by HK\$4.6 million as compared to HK\$27.7 million last year, representing an increase of approximately 16.7%, mainly driven by sales growth during the year, which resulted in the increase in direct selling expenses such as testing charges, transportation, commission and sample charges.

### 經營業績

截至2012年12月31日止年度，本集團收入及年內股東應佔溢利分別為9.33億港元及1.10億港元，較去年度8.74億港元及1.07億港元，分別增加6.8%及3.0%。截至2012年12月31日止年度每股基本盈利為13.4港仙而去年為13.0港仙。

#### 收入

本集團收入截至2012年12月31日止年度為9.33億港元，較去年度8.74億港元增加6.8%。縱使全球經濟飽受經濟增長放緩及揮之不去的歐債危機所困擾，本集團全賴管理層致力開發中高檔產品及新客戶，以致年內營業額取得增長。

#### 銷售成本

隨著年內收入增加，本集團銷售成本由去年度6.46億港元增加至截至2012年12月31日止年度的6.98億港元，上升約8.1%。此外，年內銷售成本佔本集團總收入約74.8%，與去年度73.9%比較，增加0.9個百分點，此增幅主要由於本年度勞工成本及原材料成本上漲所致。

#### 銷售及分銷費用

銷售及分銷費用截至2012年12月31日止年度為3,230萬港元，較去年2,770萬港元增加460萬港元，上升約16.7%。主要由於年內銷售增長，帶動直接銷售費用包括測試費、運輸費、佣金及樣版費增加所致。

# Management Discussion and Analysis

## 管理層討論及分析

### Administrative expenses

Administrative expenses incurred for the year ended 31 December 2012 was HK\$74.0 million, decreased by HK\$3.5 million as compared to HK\$77.5 million last year, representing a decrease of approximately 4.6%, primarily as a result of the management's persistent effort in cost controls during the year.

### Finance costs

Interest expenses incurred for the year ended 31 December 2012 was HK\$1.4 million, which revalued stable as compared to HK\$1.5 million last year.

### INVENTORIES, DEBTORS' AND CREDITORS' TURNOVER

The inventory turnover days of the Group was 59 days for the year ended 31 December 2012 which was steady as compared to 57 days last year.

The average collection period of the Group was 56 days for the year ended 31 December 2012 as compared to 67 days last year which is in line with the normal credit terms of 7 days to 90 days granted by the Group to its customers.

The Group's creditors' turnover days were 33 days for the year ended 31 December 2012 as compared to 44 days last year which is in line with the normal credit terms of 7 days to 60 days granted by the suppliers to the group.

### 行政費用

行政費用截至2012年12月31日止年度7,400萬港元，較去年度7,750萬港元減少350萬港元，減少約4.6%。行政費用減少主要是年內管理層對成本控制之持續努力所致。

### 融資成本

利息開支截至2012年12月31日止年度為140萬港元，與去年150萬港元保持平穩。

### 存貨、應收賬款及應付賬款周轉期

截至2012年12月31日止年度，本集團存貨周轉期為59天，與去年度57天相比，大致平穩。

截至2012年12月31日止年度平均收賬期56天，截至2011年12月31日止年度則為67天，與本集團給予客戶的正常除賬期7天至90天一致。

截至2012年12月31日止年度，本集團應付賬款周轉日數為33天，截至2011年12月31日止年度則為44天，與供應商給予本集團的正常除賬期7天至60天一致。



# Management Discussion and Analysis

## 管理層討論及分析

### LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The total shareholders' equity of the Group as at 31 December 2012 was HK\$272 million (31.12.2011: HK\$243million). As at 31 December 2012, the Group had current assets of HK\$304 million (31.12.2011: HK\$353 million) and current liabilities of HK\$143 million (31.12.2011: HK\$222 million). The current ratio was 2.12 as at 31 December 2012 as compared to 1.59 as at 31 December 2011.

The Group generally finances its operations with internally generated cash flow and credit facilities provided by its principal bankers in Hong Kong. As at 31 December 2012, the Group had outstanding bank borrowings of HK\$50 million (31.12.2011: HK\$106 million). These bank loans were secured by corporate guarantees provided by the Company and its certain subsidiaries. As at 31 December 2012, the Group maintained bank balances and cash of HK\$80 million (31.12.2011: HK\$55 million). The Group's net cash-to-equity ratio (cash and cash equivalents net of total bank borrowings over shareholders' equity) was 0.11 as at 31 December 2012.

The Group possesses sufficient cash and available banking facilities to meet its commitments and working capital requirements.

### HUMAN RESOURCES

At 31 December 2012, the Group had a workforce of more than 5,000 people. The Group maintains a good relationship with its employees, and provides them with proper training and competitive compensation and incentives. The staffs are remunerated based on their work performance, professional experience and prevailing market situation. Remuneration packages comprise salary and bonuses based on individual merits.

### 流動資金、財務資源及資本結構

於2012年12月31日，本集團的股東權益總額為2.72億港元(31.12.2011: 2.43億港元)。於2012年12月31日，本集團的流動資產達3.04億港元(31.12.2011: 3.53億港元)，而流動負債則為1.43億港元(31.12.2011: 2.22億港元)。於2012年12月31日的流動比率為2.12，而於2011年12月31日則為1.59。

本集團一般以內部產生的現金流，以及香港主要往來銀行提供的信款備用額作為業務的營運資金。於2012年12月31日，本集團的未償還銀行借款為5,000萬港元(31.12.2011: 1.06億港元)。該等銀行借款由本公司及其若干附屬公司提供的公司擔保作為抵押。於2012年12月31日本集團銀行結餘及現金約8,000萬港元(31.12.2011: 5,500萬港元)。本集團的淨現金對權益比率(現金及現金等價物減銀行借款總額除以股東權益)於2012年12月31日為0.11。

本集團具備充裕的現金及可供動用的銀行備用額，以應付集團的資本承擔及營運資金需要。

### 人力資源

於2012年12月31日，本集團員工超過5,000名。本集團與員工關係一向良好，並為員工提供足夠培訓、優厚福利及獎勵計劃。員工酬金乃按彼等之工作表現、專業經驗及當時之市場狀況而釐定，除基本薪金外並按員工表現發放花紅。

# Corporate Governance Report

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance. The board of directors (the “Board”) of the Company believes that sound and reasonable corporate governance practices are essential for the growth of the Group and for safeguarding and maximizing shareholders’ interests. On 1 April 2012, the Code on Corporate Governance Practices (“Former CG Code”) contained in Appendix 14 to the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) was amended and renamed as Corporate Governance Code and Corporate Governance Report (“New CG Code”). The Board is committed to complying with the code provisions as stated in the New CG code to the extent that the directors of the Company (“Directors”) consider it is applicable and practical to the Company.

The Company has complied with the code provision in the Former CG Code during the period from 1 January 2012 to 31 March 2012 and has complied with New CG Code during the period from 1 April 2012 to 31 December 2012, except for the following deviation:

- The Group has an Executive Chairman who also acts as the chief executive officer. The Executive Chairman with the assistance of the Group’s senior management team oversees and manages the Group’s business. Other functions normally undertaken by a chief executive officer of a company are delegated to members of the Group’s senior management team. This structure deviates from the code provision of Code that requires the roles of the chairman and the chief executive officer to be separate and not performed by the same individual. The Board has considered this matter carefully and decided not to adopt the provision. The Board believes that the current management structure has been effective in facilitating the operation and development of the Group and its business for a considerable period of time and that the necessary checks and balances consistent with sound corporate governance practices are in place. Accordingly, the Board does not consider it necessary to change the current management structure. However, the Board will review the management structure from time to time to ensure it continues to meet these objectives.

### 企業管治常規

本公司致力保持高水準之企業管治。本公司董事會(「董事會」)相信，對本集團成長及對保障及提高股東權益，完善及合理的企業管治常規實在不可或缺。於2012年4月1日，香港聯合交易所證券上市規則(「上市規則」)附錄十四所列載企業管治常規守則(「前企業管治守則」)經修訂及易名為企業管治守則及企業管治報告(「新企業管治守則」)。董事局承諾，在本公司董事(「董事」)認為適用於本公司及切實可行的前提下，遵守新企業管治守則所載的守則條文行事。

本公司已於2012年1月1日至2012年3月31日期間遵守前企業管治守則及於2012年4月1日至2012年12月31日期間遵守新企業管治守則的守則條文，惟下列者除外：

- 本集團設有一位執行主席而彼亦被委任為行政總裁。執行主席在本集團高級管理層協助下監督管理本集團之業務。其他一般由行政總裁處理之職務則由本集團高級管理層負責。守則之條文規定主席及行政總裁之職務需要清楚劃分，且不可由同一人擔任，而本集團之管理架構與此有所偏離。董事會已仔細考慮有關事宜，並決定不採納有關條文。董事會相信現行管理架構在過往一直有效地推動本集團及其業務之營運及發展，並已建立符合完善企業管治常規所需之審查及制衡機制。因此，董事會並不認為本集團應改變現有管理架構。然而，董事會將不時檢討管理架構，以確保其持續達致有關目標。

# Corporate Governance Report

## 企業管治報告

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 of the Listing Rules as a code of conduct regarding directors' securities transactions in 2011. All the members of the Board have confirmed, following specific enquiry by the Company that they have complied with the required standard as set out in the Model Code throughout the year ended 31 December 2012. The Model Code also applies to other specified senior management of the Group.

### BOARD OF DIRECTORS

#### Composition and role

The Board comprises:

#### Executive director

Ms. Wai Siu Kee (*Chairman*)  
Mr. Kung Phong  
Ms. Lee Man Ching  
Ms. Poon Lai Ming

#### Independent non-executive director

Mr. So Wing Keung  
Mr. Heng Victor Ja Wei  
Mr. Tsang Hin Man Terence

The Board comprises four executive directors (one of whom is the Chairman) and three independent non-executive directors. The three independent non-executive directors represent more than one-third of the Board. In addition, three of the independent non-executive directors possess appropriate business, professional accounting qualifications and legal expertise.

The principal focus of the Board is on the overall strategic development of the Group. The Board also monitors the financial performance and the internal controls of the Group's business operations.

### 董事之證券交易

本公司已於2011年採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則（「標準守則」）作為董事進行證券交易之行為守則。本公司經向所有董事作出具體查詢後，全體董事皆確認於截至2012年12月31日止年度內均遵守標準守則所載之規定標準。標準守則亦適用於本集團之特定高級管理層。

### 董事會

#### 架構及角色

董事會包括：

#### 執行董事

衛少琦女士 (*主席*)  
龔鈞先生  
李文禎女士  
潘麗明女士

#### 獨立非執行董事

蘇永強先生  
邢家維先生  
曾憲文先生

董事會包括4位執行董事（其中1位為主席）及3位獨立非執行董事。3位獨立非執行董事佔董事會成員三分之一以上。此外，3位獨立非執行董事分別具適當之商業、專業會計師資格及法律經驗。

董事會主要著眼於本集團之整體策略及發展。董事會亦監察本集團之財務表現及經營業務之內部監控。

# Corporate Governance Report

## 企業管治報告

The independent non-executive directors also serve the important function of ensuring and monitoring the basis for an effective corporate governance framework. The Board considers that each independent non-executive director is independent in character and judgment and that they all meet the specific independence criteria as required by the Listing Rules. The Company has received from each independent non-executive director an annual confirmation or confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The independent non-executive directors are explicitly identified in all of the Company's corporate communications.

The Chairman is primarily responsible for drawing up and approving the agenda for each board meeting in consultation with all directors. Notice of at least 14 days have been given to all directors for all regular board meetings and the directors can include matters for discussion in the agenda if necessary. Agenda and accompanying board papers in respect of regular board meetings are sent out in full to all directors within reasonable time before the meeting. Draft minutes of all board meetings are circulated to directors for comment within a reasonable time prior to confirmation.

Minutes of board meetings and meetings of board committees are kept by duly appointed secretaries of the respective meetings and all directors have access to board papers and related materials, and are provided with adequate information in a timely manner, which enable the Board to make an informed decision on matters placed before it.

During the year under review, four full board meetings were held and the individual attendance of each director is set out below:

Name of director	董事姓名	Number of board meetings attended 出席董事會會議次數
Ms. Wai Siu Kee	衛少琦女士	4
Mr. Kung Phong	龔鈞先生	4
Ms. Lee Man Ching	李文禎女士	4
Ms. Poon Lai Ming	潘麗明女士	4
Mr. So Wing Keung	蘇永強先生	4
Mr. Heng Victor Ja Wei	邢家維先生	4
Mr. Tsang Hin Man Terence	曾憲文先生	4

獨立非執行董事亦在確保及監察有效企業管治之架構中擔當非常重要的角色。董事會相信每一位獨立非執行董事均有其獨立性及判斷力，彼等均合乎上市規則規定之特定獨立準則。本公司已接獲各獨立非執行董事根據上市規則第3.13條規定所作出之年度獨立性確認函。而獨立非執行董事均可在本公司所有企業通訊內明確識別。

主席經徵詢全體董事，首要負責草擬及審批每次董事會會議之議程。開會通知最少於常務會議14天前發送予各董事，如需要，董事可要求在議程內加插討論事項。召開常務會議時，一套完整議程連同開會文件會在開會前之合理時間內發送予各董事。草擬的會議紀錄亦會於合理時間內送交各董事省閱，方予確認。

董事會及董事委員會之會議紀錄由相關會議所委任之秘書保存，所有董事均有權查閱董事會文件及相關資料及適時地獲提供足夠資料，使董事會可於決策事項前作出有根據的判斷。

於回顧年度內，已召開四次董事會，各董事出席情況詳列如下：

# Corporate Governance Report

## 企業管治報告

### APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Company has established the Nomination Committee with specific written terms of reference. It comprises 4 members, namely, Ms. Wai Siu Kee (Chairman of the Nomination Committee), Mr. So Wing Keung, Mr. Heng Victor Ja Wei and Mr. Tsang Hin Man Terence. For appointment of new Director, the background, experience, professional skills, availability to commit to the affairs of the Company and, in case of INED, the independence requirements set out in the Listing Rules, of the potential appointee will be taken into consideration.

Pursuant to the Articles of Association of the Company, all newly appointed director of the Company shall hold office until the next AGM and shall then be eligible for re-election. Every Director, including those appointed for a specific term shall be subject to retirement by rotation at least once every three years at the AGM. The retiring Directors shall be eligible for re-election.

The Company's circular to be despatched to shareholders of the Company will contain detailed information of the Directors standing for re-election.

### AUDIT COMMITTEE

The Audit Committee was established in 2011 and its current members include:

Mr. Heng Victor Ja Wei (*Chairman*)

Mr. So Wing Keung

Mr. Tsang Hin Man Terence

The Board considers that each Audit Committee member has broad commercial experience and there is a suitable mix of expertise in accounting, business and legal on the Audit Committee. The composition and members of the Audit Committee complies with the requirements under Rule 3.21 of the Listing Rules. The new written terms of reference which describe the authority and duties of the Audit Committee were adopted in March 2012 to conform to the provisions of the New CG Code, a copy of which is posted on the Company's website.

### 董事的委任及重選

本公司已成立提名委員會，並書面制定其職權範圍，成員共有四名，分別為衛少琦女士（提名委員會主席）、蘇永強先生、邢家維先生及曾憲文先生。在挑選合適的新董事時，會考慮其背景、經驗、專業技巧及於本公司之供職時間，至於獨立非執行董事，則需符合於上市規則內所轉載之獨立性要求。

根據本公司的章程細則，每名獲董事局委任的新董事，他們的任期將直至下屆股東週年大會為止，並符合資格膺選連任。每位董事包括有指定任期之董事須最少每三年於股東週年大會上輪值退任一次，退任董事可獲重選連任。

本公司將於寄發予本公司股東的通函載有有關膺選連任董事的詳情。

### 審核委員會

審核委員會於2011年成立，其現時成員包括：

邢家維先生(*主席*)

蘇永強先生

曾憲文先生

董事會認為各審核委員會成員均具備廣泛營商經驗，審核委員會當中兼備合適之會計、商業及法律專業。審核委員會之架構及成員符合上市規則第3.21條之規定。為符合新訂企業管治守則條文，載列審核委員會權限及職責的書面職權範圍已於2012年3月被採納，職權範圍全文已刊載於本公司網頁內。

# Corporate Governance Report

## 企業管治報告

The Audit Committee meets regularly to review the Group's financial reporting and other information to shareholders, the system of internal controls, risk management and the effectiveness and objectiveness of the audit process. The Audit Committee also provides an important link between the Board and the Company's auditors in matters coming within the scope of its terms of reference and keeps under review the independence and objectivity of the auditors.

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the accounts for the year ended 31 December 2012.

During the year, four Audit Committee meetings were held and the individual attendance of each member is set out below:

Name of member	成員姓名	Number of attendance	出席次數
Mr. Heng Victor Ja Wei	邢家維先生	4	4
Mr. So Wing Keung	蘇永強先生	4	4
Mr. Tsang Hin Man Terence	曾憲文先生	3	3

### REMUNERATION COMMITTEE

The Remuneration Committee was established in 2011 and its current members include:

Mr. Heng Victor Ja Wei (*Chairman*)  
Mr. So Wing Keung  
Mr. Tsang Hin Man Terence

All members of the Remuneration Committee are independent non-executive directors. The Remuneration Committee advises the Board on the Group's overall policy and structure for the remuneration of directors and senior management. The Remuneration Committee ensures that no director or any of his associate is involved in deciding his own remuneration. The new terms of reference of the Remuneration Committee were adopted in March 2012 to conform to the provisions of the New CG Code, a copy of which is posted on the Company's website.

審核委員會定期開會以檢討本集團之財務匯報及給予股東之其他資料、內部監控系統、風險管理及審核過程之有效性及效能。審核委員會並為董事會及公司核數師之間之重要橋樑，在其職權範圍內持續檢討核數師之獨立性及效能。

審核委員會已與管理層檢討本集團所採納之會計原則及慣例，並已就內部監控及財務匯報等事項進行討論，其中包括審閱截止2012年12月31日止年度之會計賬目。

年內，共召開4次審核委員會會議，個別成員的出席情況詳列如下：

### 薪酬委員會

薪酬委員會於2011年成立，其現時成員包括：

邢家維先生(主席)  
蘇永強先生  
曾憲文先生

所有薪酬委員會成員均為獨立非執行董事。薪酬委員會為本集團董事及高級管理層之薪酬之整體政策及架構向董事會作出建議。薪酬委員會確保概無董事或其任何聯繫人參與釐定其本身之薪酬。為符合新訂企業管治守則條文，薪酬委員會新訂的職權範圍已於2012年3月被採納，並已刊載於本公司網頁內。

# Corporate Governance Report

## 企業管治報告

In determining the emolument payable to directors, the Remuneration Committee takes into consideration factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the Group and the desirability of performance-based remuneration.

The Remuneration Committee has met during the year to determine the policy for the remuneration of directors and assess performance of executive directors and certain senior management and all members have attended in the meeting.

### Auditors' Remuneration

For the year ended 31 December 2012, the auditors of the Company only provided audit services to the Company.

### NOMINATION COMMITTEE

The Nomination Committee was established in March 2012 and its current members include :

Ms. Wai Siu Kee (*Chairman*)  
Mr. So Wing Keung  
Mr. Heng Victor Ja Wei  
Mr. Tsang Hin Man Terence

The majority members are independent non-executive directors. The Nomination Committee has the duty of reviewing annually the board structure and composition.

The terms of reference of the Nomination Committee were adopted in March 2012 to confirm to the provision of the New CG Code, a copy of which is posted on the Company's website.

The Nomination Committee has met during the year to approve and adopt its terms of reference, all members have attended in the meeting.

在釐定應付予董事之酬金時，薪酬委員會乃考慮各項因素，包括同業薪金水平，董事所奉獻之時間及其職責，集團內部的僱傭情況及與表現掛鉤之酬金。

薪酬委員會已於本年度開會以釐定董事之酬金政策及評估執行董事及若干高級管理層之表現，所有成員均有出席會議。

### 核數師薪酬

於截止2012年12月31日止年度，本公司的核數師只向本公司提供核數服務。

### 提名委員會

提名委員會於2012年3月成立，現時成員包括：

衛少琦女士(*主席*)  
蘇永強先生  
邢家維先生  
曾憲文先生

其大部份成員均為獨立非執行董事。提名委員會有責任每年檢討董事會架構及組成。

提名委員會的職權範圍已於2012年3月被採納，並已刊載於本公司網頁內，以符合新訂企業管治守則的規定。

提名委員會已於本年度開會以通過採納其書面職權範圍，所有成員均有出席會議。

# Corporate Governance Report

## 企業管治報告

### TRAINING FOR DIRECTORS

Each newly appointed Director receives comprehensive, formal and tailored induction on his appointment, so as to ensure that he has appropriate understanding of the business and operations of the Group and that he is fully aware of his responsibilities and obligations under the Listing Rules and relevant regulatory requirements. There are also arrangements in place for providing continuing briefing and professional development to Directors at the Company's expenses whenever necessary.

The Company provides regular updates and presentations on changes and developments relating to the Group's business and the legislative and regulatory environments to the Directors at Board meetings or through emails.

The Directors are committed to complying with Code Provision A.6.5 of the New CG Code which came into effect on 1 April 2012 on Directors' training. All Directors have participated in continuous professional development to develop and refresh their knowledge and skills and provided a record of training they received for the year ended 31 December 2012 to the Company. The type of training received is summarized below :

- reading regulatory updates ; and
- attending seminars/forum/workshops relevant to the directors' duties.

### COMPANY SECRETARY

Ms. Wong Yuet Ming joined the Group in 2004 and has been the company secretary of the Company since 2011. She is responsible for advising the Board on governance matters and facilitates induction and professional development of the Directors. The appointment and dismissal of the company secretary are subject to the Board approval in accordance with the Articles of Association. Pursuant to Rule 3.29 of the Listing Rules which came into effect on 1 January 2012, Ms. Wong has taken no less than 15 hours of relevant professional training in the year under review.

### 董事培訓

各新委任董事獲委任時均會獲得一項全面、正規及切合個人需要的入職指引，以確保彼對本集團業務及運作有恰當的了解，並全面知悉其根據上市規則及有關法例規定下之職責及責任。在有需要時，本公司亦會安排向董事提供持續簡介及專業發展，費用由本公司承擔。

本公司就本集團業務發展及立法及監管環境之變動，於董事局會議內或通過發送電子郵件向董事提供定期更新及呈列。

董事承諾遵守由2012年4月1日起生效之新企業管治守則有關董事培訓之守則條文第A.6.5條，截至2012年12月31日止年度，全體董事均有參與發展及更新彼等知識及技能之持續專業發展，並已向本公司提供彼等所接受培訓的類型如下：

- 閱讀法例更新資料；及
- 出席有關董事職責的講座／研討會／工作坊。

### 公司秘書

王月明女士於2004年加入本集團，自2011年起擔任本公司的公司秘書一職。彼負責就管治事宜向董事局提供意見，並安排董事的入職培訓及專業發展。公司秘書的委任及撤職須經董事局根據公司細則批准。於回顧年度內，根據於2012年1月1日起生效之上市規則第3.29條，王女士已接受不少於十五個小時之相關專業培訓。



# Corporate Governance Report

## 企業管治報告

### INTERNAL CONTROLS

The Board has overall responsibility for the system of internal controls of the Group and for reviewing its effectiveness. The Board is committed to implementing an effective and sound internal controls system to safeguard the interest of shareholders and the Group's assets. The Board has delegated to executive management the implementation of the system of internal controls and reviewing of all relevant financial, operational, compliance controls and risk management function within an established framework.

### DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for the preparation of accounts for each financial period which give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. In preparing the accounts for the year ended 31 December 2012, the directors have selected suitable accounting policies and applied them consistently; adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards; made adjustments and estimates that are prudent and reasonable; and have prepared the accounts on the going concern basis. The directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group.

### SHAREHOLDERS' RIGHTS

The Company has only one class of shares. All shares have the same voting rights and are entitled to the dividends declared. The rights of the shareholders of the Company are set out in Company's Articles or Association.

Shareholders of the Company can: (i) convene an extraordinary general meeting; (ii) forward enquiries to the board of directors; (iii) forward proposals at shareholders' meetings; and (iv) nominate Directors for election. Details of relevant procedures are available on the Company's website.

### 內部監控

董事會全面負責本集團之內部監控系統及檢討其是否有效。董事會致力實行有效及完善之內部監控系統以保障股東利益及本集團資產。董事會已指派執行管理層在設定之範疇內實行內部監控系統及檢討所有相關財政、營運、遵守法則監控及風險管理功能。

### 董事的職責

董事須負責編製各財政期間能真實與公正地反映本集團之財政狀況及該期間之業績及現金流量之賬目。在編製截止2012年12月31日止年度之賬目時，董事已貫徹採用合適之會計政策，採納合適的香港財務報告準則及香港會計準則，作出審慎及合理的調整及評估，及在持續進行有關業務之基準而編製。董事並須負責保存適當之會計紀錄，以能合理準確地披露本集團任何時候之財務狀況。

### 股東權利

本公司僅擁有一類股份，所有股份均擁有相同的投票權並可獲派已宣派之股息。本公司股東（「股東」）的權利載於（其中包括）公司細則。

本公司股東可以(i)召開股東特別大會；(ii)向董事會提出查詢；(iii)在股東大會上提出建議；及(iv)提名候選董事。相關程序詳情可於本公司網站查閱。

# Corporate Governance Report

## 企業管治報告

### INVESTOR RELATIONS AND COMMUNICATION

The Board is committed to providing clear and full information about the Group's performance to shareholders through the publication of interim results and annual results in a timely manner. In addition to dispatching circulars, notices and financial reports to shareholders, additional information is also available to shareholders on the website of the Company.

The annual general meeting provides a useful forum for shareholders to raise comments and exchange views with the Board. Shareholders are encouraged to attend annual general meetings for which the Company gives at least 21 days' notice. The Chairman and Directors and external auditors are available to answer questions on the Company's businesses at the meeting.

Separate resolutions are proposed at the general meetings on each substantially separate issue, including the election of individual directors. In addition, poll voting procedure is included in the circular to shareholders dispatched together with the annual report.

### CONSTITUTIONAL DOCUMENTS

There was no significant change in the Company's constitutional documents for the year ended 31 December 2012.

### 與投資者交流及溝通

董事會致力透過刊發中期業績及年度業績，適時地將本集團之表現清晰及全面地提供予股東。除發送通函、通告及財務報告予股東，股東亦可透過本公司網頁獲取額外資訊。

股東週年大會提供一個良好的平台讓股東向董事會發表及交流意見。本公司發出不少於21天之通告以鼓勵股東出席股東週年大會。主席、董事及外聘核數師均會列席會議以便回答本公司業務上之提問。

各重大獨立事項(包括個別董事之選任)均會於股東週年大會上單獨提呈決議案。此外，載有投票表決程序之通函會與年報一併寄發予股東。

### 組織章程文件

本公司之組織章程文件於截至2012年12月31日止年度並無重大變動。

## Profile of Directors and Senior Management 董事及高級管理層簡介

### EXECUTIVE DIRECTOR

**Ms. WAI Siu Kee**, aged 68, Chairman and Chief Executive Officer of the Group who is also one of the founders of our Group. She is also the chairman of Lee & Man Chemical Company Limited (Stock Code: 0746). Ms. Wai has more than 47 years of experience in the manufacturing industry. She is responsible for the development of corporate strategies, corporate planning and overall management of our Group and in particular the marketing and development of the business of our Group. Ms. Wai is the honorary permanent president of the Hong Kong Baptist University Foundation.

**Mr. KUNG Phong**, aged 41, an Executive Director and Managing Director of the Group. He joined the Group in 2008 and has over 13 years of experience in business development as well as extensive knowledge in sales and marketing in both PRC and Hong Kong. He is responsible for the management and development of the handbag business of the Group. Mr. Kung is the member of Chinese People's Political Consultative Committee of Jiujiang. Mr. Kung is the spouse of Ms. Lee Man Ching, an Executive Director of the Group and a son-in-law of Ms. Wai Siu Kee, the Group's Chairman.

**Ms. LEE Man Ching**, aged 38, an Executive Director and Director of Sales of the Group. She joined the Group in 2007 and has over 14 years of experience in sales and marketing. Ms. Lee is responsible for the merchandising and marketing functions of our Group. Ms. Lee is the daughter of Ms. Wai Siu Kee, the Group's Chairman and the spouse of Mr. Kung Phong, the Executive Director of the Group.

**Ms. POON Lai Ming**, aged 57, an Executive Director of the Group. She joined the Group in 1976 and has over 36 years of experience in the handbag industry. Ms. Poon is responsible to provide operational advisory services to the factory in China.

### 執行董事

**衛少琦女士**，68歲，本集團主席兼行政總裁，並為本集團創始人之一。彼同時是理文化工有限公司主席(股份代號：0746)。衛女士於製造業積逾47年經驗。彼負責本集團的企業策略、企業策劃及集團整體管理的發展，尤其是本集團業務的市場推廣及發展。彼現擔任香港浸會大學基金永遠榮譽主席。

**龔鈞先生**，41歲，本集團執行董事兼董事總經理。彼於2008年加入本集團，擁有超過13年業務發展經驗，並對中國及香港之銷售及市場推廣富有廣泛知識。彼負責本集團手袋業務之管理及發展。龔先生為九江市政協委員會委員。龔先生為本集團執行董事李文禎女士之配偶及本集團主席衛少琦女士之女婿。

**李文禎女士**，38歲，本集團執行董事及營業董事。彼於2007年加入本集團，擁有超過14年的銷售及市場推廣經驗。彼負責本集團營業及市場推廣的工作。李女士為本集團主席衛少琦女士之女兒及本集團執行董事龔鈞先生之配偶。

**潘麗明女士**，57歲，本集團執行董事。彼於1976年加入本集團，擁有逾36年手袋業經驗。潘女士負責本集團在中國之手袋製造廠提供營運意見服務。

## Profile of Directors and Senior Management 董事及高級管理層簡介

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. SO Wing Keung**, aged 61, an Independent Non-Executive Director of the Group. He is the managing director of Sweda Limited. Mr. So obtained a master's degree in materials engineering from the Yanshan University. Currently, Mr. So is the Chief Honorary President of Hong Kong Watch Manufacturers Association, an alternate member of the General Committee of Federation of Hong Kong Industries, an executive committee member of Hong Kong Electronic Industries Association and the vice-president of The Mirror.

**Mr. HENG Victor Ja Wei**, aged 35, an Independent Non-Executive Director of the Group. He is a partner of Morison Heng, Certified Public Accountants. He holds a master of science degree of the Imperial College of Science, Technology and Medicine, the University of London. He is a member of The Association of Chartered Certified Accountants and member of The Hong Kong Institute of Certified Public Accountants. Mr. Heng also serves as an independent non-executive director in China Fire Safety Enterprise Group Limited (Stock Code: 0445), Matrix Holdings Limited (Stock Code: 1005) and Lee & Man Chemical Company Limited (Stock Code: 0746).

**Mr. TSANG Hin Man Terence**, aged 50, an Independent Non-Executive Director of the Group. He was admitted as a solicitor in Hong Kong in 1993 and he is currently the sole proprietor of Tsang & Co., H.M. Mr. Tsang obtained a bachelor's degree in science from the University College London, the University of London. He also holds a bachelor's degree in law from the University of Westminster, United Kingdom.

### 獨立非執行董事

**蘇永強先生**，61歲，本公司獨立非執行董事。彼為時運達有限公司的董事總經理。彼擁有燕山大學材料工程碩士學位。目前，蘇先生為香港表廠商會首席榮譽會長、香港工業總會總務委員會候補成員、香港電子業商會執行委員會成員及The Mirror的副董事長。

**邢家維先生**，35歲，本公司獨立非執行董事。彼為華利信會計師事務所的合夥人。彼擁有英國倫敦大學帝國理工學院理學碩士學位。彼為英國特許公認會計師公會會員及香港會計師公會會員。邢先生同時於中國消防企業集團有限公司(股份代號：0445)、美力時集團有限公司(股份代號：1005)及理文化工有限公司(股份代號：0746)出任獨立非執行董事。

**曾憲文先生**，50歲，本公司獨立非執行董事。彼自1993年於香港獲得律師資格，現時為曾憲文律師事務所的唯一擁有人。曾先生擁有倫敦大學的倫敦大學學院理學學士學位。彼亦擁有英國威斯敏斯特大學法律學士學位。

## Profile of Directors and Senior Management 董事及高級管理層簡介

### SENIOR MANAGEMENT

**Mr. NG Yu Hung**, aged 58, Senior Manager of the Group. He joined the Group in 1977. Mr. Ng has over 34 years of experience in the handbag industry. He is responsible for the marketing and development of the Group's handbag business in the European market. Mr. Ng is the brother of Mr. Ng Yu Kuen, one of the senior management staff of the Group.

**Mr. CHIU Shun King**, aged 50, Production Manager of the Group. He joined the Group in 1984 and has over 27 years of experience in the handbag industry. He is responsible for production planning and overall production management of Gao Bu factory in China.

**Ms. WONG Yuet Ming**, aged 48, Company Secretary of the Group. She is also the executive director, financial controller and company secretary of Lee & Man Chemical Company Limited (Stock Code: 0746). She joined the Group in 2004 and has over 23 years of experience in the field of auditing and accounting. She holds a master's degree in business administration from the University of Surrey, United Kingdom. She is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. She is responsible for managing and overseeing compliance and reporting obligations of our Group.

**Ms. YU Siu Mui**, aged 41, Senior Manager of the Group. She joined the Group in 2001 as merchandiser. She graduated from the Chinese University of Hong Kong with a bachelor's degree in business administration in 1994. She has over 10 years of experience in marketing and development. She is responsible for the sales and marketing of the Group's business in the United States and European market.

**Mr. CHAN Kam Bun**, aged 64, Manager of the Group. He joined the Group in 1996 as manager and has over 16 years of experience in the handbag business. He is responsible to co-ordinate the production activity in Gao Bu factory in China.

### 高級管理層

**伍于鴻先生**，58歲，本集團的高級經理。彼於1977年加入本集團。伍先生擁有逾34年手袋業經驗。彼負責本集團在歐洲市場的推廣及發展業務。伍先生為伍于權先生(本集團高級管理人員之一)的胞兄。

**趙順景先生**，50歲，本集團生產經理，於1984年加入本集團。彼擁有逾27年手袋業經驗，負責本集團中國高埗工廠的生產計劃及整體生產管理。

**王月明女士**，48歲，本集團公司秘書。彼同時是理文化工有限公司(股份代號：0746)的執行董事，財務總監及公司秘書。彼於2004年加入本集團，擁有逾23年核數及會計經驗，持有英國倫敦蘇里大學之工商管理碩士學位。彼為英國特許公認會計師公會之資深會員，亦為香港會計師公會會員。彼負責管理及監控本集團合規及申報責任。

**余小梅女士**，41歲，本集團高級經理。彼於2001年加入本集團任營業員。彼於1994年畢業於香港中文大學，持有工商管理學士學位。彼擁有逾10年市場推廣及開發經驗，負責本集團在美國及歐洲市場的銷售及市場推廣業務。

**陳鑫彬先生**，64歲，本集團經理。彼於1996年加入本集團任經理，並擁有逾16年的手袋業務經驗，負責協調中國高埗工廠的生產活動。

## Profile of Directors and Senior Management 董事及高級管理層簡介

### SENIOR MANAGEMENT(CONTINUED)

**Mr. NG Yu Kuen**, aged 55, Senior Manager of the Group. He joined the Group in 2009 and has over 21 years of experience in administration and management. He is responsible to co-ordinate the production activity in Liu Wu factory in China. Mr. Ng is the brother of Mr. Ng Yu Hung, one of the senior management staff of the Group.

**Mr. WANG Jian Mei**, aged 43, Production Manager of the Group. He joined the Group in 1993 and has over 23 years of experience in the handbag industry. He is responsible for production planning and production management of fashion handbag of Gao Bu factory in China.

### 高級管理層(續)

**伍于權先生**，55歲，本集團高級經理。彼於2009年加入本集團，擁有逾21年行政及管理經驗，負責協調中國劉屋工廠的生產活動。伍先生為伍于鴻先生(本集團高級管理人員之一)的胞弟。

**王劍美先生**，43歲，本集團生產經理，於1993年加入本集團。彼擁有逾23年手袋業經驗，負責本集團中國高埗工廠時款手袋的生產計劃及生產管理。

# Directors' Report

## 董事會報告

The directors present their annual report and the audited consolidated financial statements for the year ended 31 December 2012.

### PRINCIPAL ACTIVITIES

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

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2012 are set out in the consolidated statement of comprehensive income on page 31.

An interim dividend of HK5 cents per share amounting to HK\$41,250,000 in total was paid to the shareholders during the year.

The directors now recommend the payment of a final dividend of HK5 cents per share to the shareholders on the register of members on 23 May 2013, amounting to HK\$41,250,000 in total, and the retention of the remaining profit for the year of HK\$27,763,000.

### SHARE CAPITAL

Details of the share capital of the Company are set out in note 25 to the consolidated financial statements.

### PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired property, plant and equipment at a cost of HK\$12,767,000 for the purpose of expanding its business. Details of these and other movements in the property, plant and equipment of the Group during the year are set out in note 14 to the consolidated financial statements.

董事會謹此提呈截至2012年12月31日止年度之董事會報告及經審核綜合財務報表。

### 主要業務

本公司為一間投資控股公司。其主要附屬公司之業務概況載於財務報表附註32。

### 業績及分派

本集團截至2012年12月31日止年度之業績載於第31頁之綜合全面收益表。

年內已向股東派發中期股息每股5港仙總額41,250,000港元。

董事建議派發末期股息每股5港仙予於2013年5月23日名列股東名冊之股東，總額為41,250,000港元，年內保留溢利之保留額為27,763,000港元。

### 股本

本公司股本之詳情載於綜合財務報表附註25。

### 物業、廠房及設備

年內本集團添置約12,767,000港元之物業、廠房及設備主要為擴充本集團之業務。上述及本集團物業、廠房及設備於年內變動之詳情載於綜合財務報表附註14。

# Directors' Report

## 董事會報告

### DIRECTORS

The directors of the Company during the year and up to the date of this report were:

#### Executive directors

Ms. Wai Siu Kee (*Chairman*)  
Mr. Kung Phong  
Ms. Lee Man Ching  
Ms. Poon Lai Ming

#### Independent non-executive directors

Mr. So Wing Keung  
Mr. Heng Victor Ja Wei  
Mr. Tsang Hin Man Terence

In accordance with the provisions of the Company's Articles of Association, Mr. Kung Phong and Mr. So Wing Keung will retire at the forthcoming annual general meeting and being eligible, will offer themselves for re-election.

The term of office of each of the other independent non-executive directors is the period up to his retirement as required by the Company's Articles of Association.

### DIRECTORS' SERVICE CONTRACTS

Ms. Wai Siu Kee, Mr. Kung Phong, Ms. Lee Man Ching and Ms. Poon Lai Ming, have each entered into a service agreement with the Company on 18 May 2011 for an initial term of 3 years, which shall continue thereafter unless and until terminated by either party giving to the other not less than 3 months' prior notice in writing or payment of salary in lieu of notice to terminate the service contract.

### 董事

於本年度及截至本報告日止，本公司之董事為：

#### 執行董事

衛少琦女士(主席)  
龔飭先生  
李文禎女士  
潘麗明女士

#### 獨立非執行董事

蘇永強先生  
邢家維先生  
曾憲文先生

根據本公司組織章程細則，龔飭先生及蘇永強先生均須於應屆之股東週年大會告退，惟彼等均有資格並願意膺選連任。

獨立非執行董事之任期，直至其須根據本公司組織章程細則之規定退任為止。

### 董事之服務合約

衛少琦女士、龔飭先生、李文禎女士及潘麗明女士各自於2011年5月18日與本公司訂立服務協議，為期3年，此後一直存續，除非及直至任何一方向另一方發出三個月事前書面通知或代通知金予以終止為止。



# Directors' Report

## 董事會報告

### DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 31 December 2012, none of the directors or the chief executive, or any of their associates, had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations, which had to be notified to the Company and The Stock Exchange of Hong Kong (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the Securities and Future Ordinance (the "SFO"), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), to be notified to the Company and the Stock Exchange.

### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

The directors of the Company were entitled to participate in a share option scheme adopted by LM (the "LM Share Option Scheme"), details of which are set out in LM's annual report for the year ended 31 December 2012. No share option was granted under the LM Share Option Scheme since its inception.

In addition, on 18 May 2011, the Company has also adopted a share option scheme (the "Handbag Share Option Scheme") in which the Company's directors and employees are entitled to participate, details of which are set out in note 26 to the consolidated financial statements. No share option was granted under the Handbag Share Option Scheme since its inception.

Save as above, during the year neither the Company nor any of its subsidiaries and fellow subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### 董事於股份及相關股份中之權益

於2012年12月31日，概無董事及最高行政人員及彼等之聯繫人於本公司或其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中，擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及香港聯合交易所有限公司(「聯交所」)、或已記錄於根據證券及期貨條例第352條須存置之登記冊、或已根據聯交所證券上市規則(「上市規則」)之上市公司董事進行證券交易之標準守則(「標準守則」)知會本公司及聯交所之權益及淡倉。

### 購買股份或債券之安排

本公司董事有權參與由理文採納的一項購股權計劃(「理文購股權計劃」)，有關詳情載於理文截至2012年12月31日止年度年報。自理文購股權計劃開始以來，概無據此授出任何購股權。

此外，於2011年5月18日，本公司亦已採納一項購股權計劃(「手袋購股權計劃」)，本公司董事及僱員有權參與該計劃，有關詳情載於綜合財務報表附註26。自手袋購股權計劃開始以來，概無據此授出任何購股權。

除上文購股權權益所披露外，本公司、其控股公司、或其任何附屬公司或同系集團附屬公司於本期間任何時間內，概無參與任何安排，使本公司董事藉購入本公司或任何其他法人團體之股份或債券而獲得利益。

# Directors' Report

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS

At 31 December 2012, shareholders (other than directors and chief executive of the Company) who had interests and short positions in the shares and underlying shares of the Company which have been disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

#### Long positions

Ordinary shares of HK\$0.10 each of the Company

Name of shareholders	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
股東名稱	身份	所持已發行普通股數目	佔本公司已發行股本之百分比
Full Gold	Beneficial owner (note 1) 實益擁有人(附註1)	618,750,000	75%
DJE Investment S.A.	Investment manager (note 2) 基金經理(附註2)	58,034,000	7.03%

Note 1: The long position of 618,750,000 shares were held by Full Gold Trading Limited which was owned by each of Mr. Lee Wan Keung and Mr. Lee Man Yan as to 55% and 45% respectively. Ms. Wai Siu Kee and Ms. Lee Man Ching are the directors of Full Gold.

Note 2: The long position of 58,034,000 shares were held by DJE Investment S.A. which was controlled by DJE Kapital AG, which in turn was controlled by Dr. Jens Alfred Karl Ehrhardt.

### 主要股東

於2012年12月31日，股東(本公司董事或最高行政人員除外)於本公司之股份及相關股份中，擁有根據證券及期貨條例第XV部第2及3分部已向本公司披露、或已記錄於根據證券及期貨條例第336條須由本公司存置之登記冊之權益及淡倉如下：

#### 好倉

本公司每股0.1港元之普通股

Number of issued ordinary shares held	Percentage of the issued share capital of the Company
所持已發行普通股數目	佔本公司已發行股本之百分比

618,750,000 75%

58,034,000 7.03%

附註1：618,750,000股股份之好倉是由Full Gold持有，其已發行股本是由李運強先生及李文恩先生各自持有55%及45%。而衛少琦女士及李文禎女士均為Full Gold之董事。

附註2：58,034,000股股份之好倉由DJE Kapital AG控制的DJE Investment S.A.持有，而DJE Kapital AG則由Dr. Jens Alfred Karl Ehrhardt控制。

# Directors' Report

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS (CONTINUED)

#### Long positions (continued)

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

### CONNECTED TRANSACTIONS

Details of the related party transactions for the year are set out in note 30 to the consolidated financial statements which are also the discloseable connected transaction pursuant to Listing Rules. In the opinion of the independent non-executive directors, these transactions entered into by the Group were:

- (i) in the ordinary and usual course of business of the Group;
- (ii) either (a) on normal commercial terms; or (b) where there was no available comparison, on terms that were fair and reasonable so far as the shareholders of the Company were concerned;
- (iii) either (a) in accordance with the terms of the agreements; or (b) where there were no such agreements, on terms no less favourable than those available to or from independent third parties; and
- (iv) within the relevant cap amounts as agreed by the Stock Exchange.

Save as disclosed above, there were no other transactions which need to be disclosed as connected transactions in accordance with the requirements of the Listing Rules.

### 主要股東(續)

#### 好倉(續)

除上文所披露，於2012年12月31日，概無任何其他人士(本公司董事或最高行政人員除外)通知本公司，指其在本公司之股份或相關股份中，擁有任何根據證券及期貨條例第XV部第2及3分部須向本公司披露、或已記錄於根據證券及期貨條例第336條須由本公司存置之登記冊之權益及淡倉。

### 關連交易

根據上市規則，有關本年度須予披露之關連交易之詳情載於綜合財務報表附註30。各獨立非執行董事認為，本集團進行該等交易乃：

- (i) 在本集團日常及一般業務中進行；
- (ii) 按 (a) 正常商業條款；或 (b) 當無可比較例子，其條款對本公司股東而言乃屬公平合理；
- (iii) 按 (a) 協議條款；或 (b) 當無此等協議時，不遜於給予或自獨立第三者所得之條款；及
- (iv) 所涉及金額不超逾與聯交所議定之有關最高限額。

除上文所披露外，並無任何其它交易須按上市規則之要求須予披露為關連交易。

# Directors' Report

## 董事會報告

### DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Other than as disclosed under the heading "Connected transactions", no contracts of significance to which the Company, its holding company or any of its fellow subsidiaries and subsidiaries was a party and in which a director of the Company had a material interest, whether directly and indirectly, subsisted at the end of the year or at any time during the year.

### MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate sales attributable to the Group's five largest customers comprised approximately 62% of the Group's total sales.

The aggregate purchases during the year attributable to the Group's five largest suppliers were approximately 21% of the Group's total purchases and the purchases attributable to the Group's largest supplier were approximately 5% of the Group's total purchases.

None of the directors, their associates or any shareholders which, to the knowledge of the directors, owned more than 5% of the Company's issued share capital had any interest in the share capital of any of the five largest customers of the Group.

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

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

### PRE-EMPTIVE RIGHTS

There are no provision for pre-emptive rights under the Company's Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

### 董事於重大合約中之權益

除「關連交易」一段所披露外，本公司、其控股公司或其任何同系集團附屬公司於年終或年內任何時間概無參與訂立與本公司董事有直接或間接重大權益之重要合約。

### 主要客戶及供應商

年內本集團五大客戶之累計銷貨佔本集團之總營業額約62%。

年內本集團之五大供應商之累計購貨約佔本集團總購貨額21%，而本集團最大供應商之購貨佔本集團總購貨約5%。

概無董事、彼等之聯繫人或董事所知擁有本公司已發行股本5%以上之任何股東，擁有本集團五大客戶任何股本權益。

### 購買、出售或贖回本公司之上市證券

本公司及其任何附屬公司於年內概無購買、出售或贖回本公司之上市證券。

### 優先購股權

本公司之組織章程細則或開曼群島法例均無有關優先購股權之條文，規定本公司須按持股比例向現有股東發售新股份。

# Directors' Report

## 董事會報告

### APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

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

### EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees. Details of the scheme are set out in note 26 to the consolidated financial statements.

### SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 December 2012.

### AUDITOR

A resolution will be submitted to the annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

**WAI SIU KEE**

*Chairman*

Hong Kong, 18 March 2013

### 委任獨立非執行董事

根據上市規則第3.13條之指引，每名獨立非執行董事已向本公司確認其年度之獨立性，本公司認為所有獨立非執行董事確屬獨立人士。

### 酬金政策

本集團僱員之酬金政策由薪酬委員會設立，乃按僱員之功績、專業資格及才能而釐定。

本公司董事之酬金由薪酬委員會按本公司之經營業績、其個人之工作表現及相對之市場狀況而釐定。

本公司已採納一項購股權計劃，作為對董事及合資格僱員之獎勵，計劃詳情載於綜合財報表附註26。

### 足夠公眾持股量

本公司於截至2012年12月31日止整個年度內皆保持足夠公眾持股量。

### 核數師

有關續聘德勤•關黃陳方會計師行為本公司核數師之決議案將於股東週年大會上提呈。

代表董事會

主席

**衛少琦**

香港，2013年3月18日

# Independent Auditor's Report

## 獨立核數師報告

# Deloitte.

## 德勤

**TO THE MEMBERS OF LEE & MAN HANDBAGS HOLDING LIMITED**  
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Lee & Man Handbags Holding Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 31 to 107, which comprise the consolidated statement of financial position as at 31 December 2012, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, 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.

致理文手袋集團有限公司股東  
(於開曼群島註冊成立之有限公司)

本核數師行已審核載於第31頁至第107頁理文手袋集團有限公司(「貴公司」)及其附屬公司(「統稱為貴集團」)之綜合財務報表，此等財務報表包括於2012年12月31日之綜合財務狀況表，與截至該日止年度之綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋。

### 董事就綜合財務報表須承擔之責任

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香港公司條例之披露規定編製真實及公平之綜合財務報表，及落實其認為編製綜合財務報表所必要之有關內部監控，以使綜合財務報表並無因欺詐或錯誤而導致之重大錯誤陳述。

### 核數師之責任

本核數師行之責任是根據本行之審核結果，對該等綜合財務報表作出意見，並根據雙方協議條款，僅向整體股東報告，而不作其他用途。本核數師行概不就本報告之內容向任何其他人士負責或承擔任何責任。本核數師行已根據香港會計師公會頒佈的香港審計準則進行審核工作。該等準則要求我們遵守道德規範並規劃及執行審核，以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

# Independent Auditor's Report

## 獨立核數師報告

### AUDITOR'S RESPONSIBILITY (CONTINUED)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's 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 the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

### OPINION

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

**Deloitte Touche Tohmatsu**  
Certified Public Accountants

Hong Kong, 18 March 2013

### 核數師之責任(續)

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製真實及公平之綜合財務報表相關的內部監控，以因應不同情況設計適當之審核程序，但並非為對公司之內部監控是否有效而作出意見。審核工作亦包括評價董事所採用之會計政策之合適性及所作出之會計評估之合理性，以及評價綜合財務報表之整體呈報方式。

本核數師行相信，本行所獲得之審核憑證是充足和適當地為本行之審核意見提供基礎。

### 意見

本核數師行認為，本綜合財務報表足以真實並公平地反映 貴集團於2012年12月31日之財務狀況及 貴集團截至該日止年度之溢利及現金流量，並已根據香港財務報告準則及香港公司條例之披露規定而妥善編製。

**德勤 • 關黃陳方會計師行**  
執業會計師

香港，2013年3月18日

# Consolidated Statement of Comprehensive Income

## 綜合全面收益表

For the year ended 31 December 2012 截至2012年12月31日止年度

		Notes 附註	2012 HK\$'000 千港元	2011 HK\$'000 千港元
Revenue	收入	5 & 6	<b>932,916</b>	873,815
Cost of sales	銷售成本		<b>(698,164)</b>	(646,120)
Gross profit	毛利		<b>234,752</b>	227,695
Other income	其他收入		<b>5,958</b>	11,390
Other gains and losses	其他收益及虧損	7	<b>(12,649)</b>	(8,731)
Selling and distribution costs	銷售及分銷成本		<b>(32,326)</b>	(27,690)
General and administrative expenses	行政費用		<b>(73,997)</b>	(68,618)
Listing expenses	上市費用		—	(14,565)
Interest expense on bank borrowings wholly repayable within five years	利息支出—須於五年內 全部償還之銀行借款		<b>(1,430)</b>	(1,509)
Profit before taxation	除稅前溢利		<b>120,308</b>	117,972
Income tax expense	所得稅支出	8	<b>(10,045)</b>	(10,925)
Profit for the year	年內溢利	9	<b>110,263</b>	107,047
<b>Other comprehensive income (expense)</b>	<b>其他全面收益(支出)</b>			
Exchange differences arising from translation	因換算而產生的 匯兌差額		<b>837</b>	(758)
Total comprehensive income for the year	年內全面收益總額		<b>111,100</b>	106,289
Earnings per share (HK cents)	每股盈利(港仙)	11	<b>13.4</b>	13.0



# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2012 於2012年12月31日

	Notes 附註	2012 HK\$'000 千港元	2011 HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	14	57,149	56,522
Prepaid lease payments	15	23,935	24,573
Investment properties	16	25,729	25,082
Deposits paid for the acquisition of property, plant and equipment		—	1,738
Defined benefit assets	29	5,093	4,816
Deferred tax asset	24	9	503
		<b>111,915</b>	113,234
<b>CURRENT ASSETS</b>			
Inventories	17	106,656	117,411
Prepaid lease payments	15	617	394
Trade and other receivables	18	113,736	180,490
Derivative financial instruments	19	434	—
Tax recoverable		2,602	—
Bank balances and cash	20	80,038	54,763
		<b>304,083</b>	353,058
<b>CURRENT LIABILITIES</b>			
Trade and other payables	21	91,812	107,323
Amount due to a related company	22	311	629
Tax payable		1,236	8,213
Bank borrowings	23	50,000	106,305
		<b>143,359</b>	222,470
<b>NET CURRENT ASSETS</b>		<b>160,724</b>	130,588
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>272,639</b>	243,822
<b>NON-CURRENT LIABILITIES</b>			
Derivative financial instruments	19	455	—
Deferred tax liability	24	281	519
		<b>736</b>	519
<b>NET ASSETS</b>		<b>271,903</b>	243,303
<b>CAPITAL AND RESERVES</b>			
Share capital	25	82,500	82,500
Reserves		189,403	160,803
		<b>271,903</b>	243,303

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The consolidated financial statements on pages 31 to 107 were approved and authorised for issue by the Board of Directors on 18 March 2013 and are signed on its behalf by:

**Wai Siu Kee**

衛少琦

Chairman

主席

**Kung Phong**

龔鈞

Director

董事

第31頁至第107頁所載之綜合財務報表已於2013年3月18日經董事會通過及授權刊發，並由下列董事代表簽署：

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2012 截至2012年12月31日止年度

		Share capital	Asset revaluation reserve	Translation reserve	Special reserve	Accumulated profits	Total
		股本	重估儲備	匯兌儲備	特別儲備	累計溢利	合計
		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)		(Note ii) (附註ii)		
At 1 January 2011	於2011年1月1日	1	6,641	6,129	29,372	105,056	147,199
Profit for the year	年內溢利	—	—	—	—	107,047	107,047
Other comprehensive expense for the year	年內其他全面支出	—	—	(758)	—	—	(758)
Total comprehensive income for the year	年內全面收益總額	—	—	(758)	—	107,047	106,289
Issue of shares upon the group reorganisation	集團重組時發行之股份	82,499	—	—	(82,499)	—	—
Deemed contribution from shareholder	視為股東投入額	—	—	—	14,565	—	14,565
Dividends recognised as distributions	已確認分派之股息	—	—	—	—	(24,750)	(24,750)
At 31 December 2011	於2011年12月31日	82,500	6,641	5,371	(38,562)	187,353	243,303
Profit for the year	年內溢利	—	—	—	—	110,263	110,263
Other comprehensive income for the year	年內其他全面收益	—	—	837	—	—	837
Total comprehensive income for the year	年內全面收益總額	—	—	837	—	110,263	111,100
Dividends recognised as distributions	已確認分派之股息	—	—	—	—	(82,500)	(82,500)
At 31 December 2012	於2012年12月31日	82,500	6,641	6,208	(38,562)	215,116	271,903

## Notes:

- (i) The asset revaluation reserve represented increase in revaluation arising from the owner-occupied properties becoming to investment properties prior to 1 January 2008.
- (ii) The special reserve of the Group represents:
- the difference between the nominal value of the share capital issued by Lee & Man Development Limited ("LM Development") and the nominal amount of the share capital of subsidiaries acquired by it pursuant to a group organisation in 1993;
  - the difference between the nominal value of the share capital of a subsidiary, LM Development, acquired pursuant to a group reorganisation in June 2011 and the nominal value of the share capital issued by the Company; and
  - the expenses borne by shareholder for the listing of the Company.

## 附註:

- (i) 資產重估儲備是指於2008年1月1日前，由自用擁有物業變更為投資物業所增加的重估儲備。
- (ii) 本集團之特別儲備指：
- 理文發展有限公司(「理文發展」)已發行股本面值與根據集團重組於1993年所收購之多間附屬公司之股本面值之差額；
  - 根據集團重組於2011年6月所收購之一間附屬公司理文發展之股本面值與本公司已發行股本面值之差額；及
  - 就本公司上市由股東承擔之開支。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2012 截至2012年12月31日止年度

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
<b>OPERATING ACTIVITIES</b>	<b>經營業務</b>		
Profit before taxation	除稅前溢利	<b>120,308</b>	117,972
Adjustments for:	調整:		
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	<b>12,166</b>	9,907
Interest expenses	利息支出	<b>1,430</b>	1,509
Release of prepaid lease payments	釋出預付租賃款項	<b>620</b>	543
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	<b>(278)</b>	(186)
(Gain) loss of fair value changes on derivative financial instruments	衍生金融工具公平值變動之(收益)虧損	<b>(123)</b>	494
(Reversal of) impairment loss recognised in respect of trade receivables	應收貿易賬款(收回)減值虧損	<b>(175)</b>	430
(Reversal of) write-down of inventories	存貨(回撥)跌價準備	<b>(621)</b>	3,229
Interest income	利息收入	<b>(168)</b>	(231)
Retirement benefit gain	退休福利計劃收益	<b>(277)</b>	(278)
Listing expenses	上市費用	<b>—</b>	14,565
Operating cash flows before movements in working capital	營運資金變動前之經營業務現金流量	<b>132,882</b>	147,954
Decrease (increase) in inventories	存貨減少(增加)	<b>11,376</b>	(37,956)
Decrease (increase) in trade and other receivables	應收貿易及其他款項減少(增加)	<b>66,929</b>	(30,304)
Increase (decrease) in derivative financial instruments	金融衍生工具增加(減少)	<b>144</b>	(1,024)
Decrease in trade and other payables	應付貿易及其他款項減少	<b>(15,511)</b>	(16,175)
Decrease in amount due to a related company	應付關連公司減少	<b>(318)</b>	(297)
Cash generated from operations	經營業務所得現金	<b>195,502</b>	62,198
Hong Kong Profits Tax paid	已付香港所得稅	<b>(19,354)</b>	(1,590)
Profits Tax paid for other jurisdictions	已付其他司法權區所得稅	<b>(14)</b>	(721)
Interest paid	已付利息	<b>(1,430)</b>	(1,509)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>經營業務所得現金淨額</b>	<b>174,704</b>	58,378

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2012 截至2012年12月31日止年度

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Purchase of property, plant and equipment	購置物業、廠房及設備	<b>(11,029)</b>	(7,484)
Payment for land use rights	土地使用權支出	—	(6,993)
Deposits paid for acquisition of property, plant and equipment	購置物業、廠房及設備之已付訂金	—	(1,738)
Interest received	已收利息	<b>168</b>	231
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	<b>298</b>	188
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資活動所耗現金淨額</b>	<b>(10,563)</b>	(15,796)
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Dividend paid	已付股息	<b>(82,500)</b>	(24,750)
Bank borrowings raised	新籌集銀行借款	—	31,592
Repayment of bank borrowings	償還銀行借款	<b>(56,305)</b>	(51,140)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>融資活動所耗現金淨額</b>	<b>(138,805)</b>	(44,298)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>現金及等同現金項目增加(減少)淨額</b>	<b>25,336</b>	(1,716)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>於年初之現金及等同現金項目</b>	<b>54,763</b>	56,290
<b>EFFECT OF CHANGES IN EXCHANGE RATE</b>	<b>匯率變動之影響</b>	<b>(61)</b>	189
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>於年終之現金及等同現金項目</b>	<b>80,038</b>	54,763

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 1. GENERAL

The Company is a public limited company incorporated in the Cayman Islands on 4 January 2011 under the Companies Law (Revised) Chapter 22 of the Cayman Islands. The addresses of the registered office and principal place of business of the Company are disclosed in the section "Corporate Information" to the annual report.

As at 31 December 2012, the Company's parent and ultimate holding company is Full Gold Trading Limited ("Full Gold"), a company incorporated in the British Virgin Islands ("BVI"). Its ultimate controlling party is Mr. Lee Wan Keung ("Mr. Lee").

The functional currency of the Company is United States dollars ("US dollars"), while the consolidated financial statements are presented in Hong Kong dollars ("HK dollars") as the Company is listed in Hong Kong.

The Company acts as an investment holding company. The Group is principally engaged in the manufacture and sale of handbags.

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSS")

In the current year, the Company has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Amendments to HKAS 12	Deferred Tax: Recovery of Underlying Asset; and
Amendments to HKFRS 7	Financial Instruments: Disclosures – Transfers of Financial Assets.

The application of the above amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### 1. 一般事項

本公司根據開曼群島公司法(經修訂)第22章於2011年1月4日於開曼群島註冊成立為一家獲豁免有限公司。本公司註冊辦事處及主要營業地點於本年報「公司資料」中披露。

於2012年12月31日本公司現時的最終控股公司為Full Gold Trading Limited(「Full Gold」)，此為一家於英屬維爾京群島註冊成立的公司。其最終控股方為李運強先生(「李先生」)。

本公司的功能貨幣為美元(「美元」)。由於本公司於香港上市，故其綜合財務報表乃以港元(「港元」)呈列。

本公司為一間投資控股公司。本集團主要從事製造及銷售手袋業務。

### 2. 新訂及經修訂香港財務報告準則(「新訂及經修訂香港財務報告準則」)之應用

於本年度，本集團應用以下由香港會計師公會所頒佈之新訂及經修訂香港財務報告準則。

香港會計準則	遞延稅項：
第12號(修訂本)	收回相關資產；
	及
香港財務報告準則	金融工具：
第7號(修訂本)	披露—金融資產轉移；

在本年度應用新訂及經修訂香港財務報告準則，對本集團本年度及過往年度的財務表現及狀況及／或對該等綜合財務報表所載的披露並無重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSS") (CONTINUED)

#### Amendments to HKAS 12 Deferred Tax: Recovery of Underlying Assets

The Group has applied for the first time the amendments to HKAS 12 Deferred Tax: Recovery of Underlying Assets in the current year. Under the amendments, investment properties that are measured using the fair value model in accordance with HKAS 40 Investment Property are presumed to be recovered entirely through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances. The Group measures its investment properties using the fair value model. The directors have determined that the "sale" presumption set out in the amendments to HKAS 12 is not rebutted. Accordingly, the application of the amendments to HKAS 12 has no impact to the consolidated financial statements.

### 2. 新訂及經修訂香港財務報告準則（「新訂及經修訂香港財務報告準則」）之應用（續）

#### 香港會計準則第12號遞延稅項：收回相關資產的修訂本

本集團於本年度已首次應用香港會計準則第12號「遞延稅項：收回相關資產」的修訂本。在此修訂本下，就計量遞延稅項而言，假定根據香港會計準則第40號「投資物業」以公平價值模式計量的投資物業可從出售中悉數收回，除非在若干情況下假定被駁回則另作別論。本集團利用公平價值模式計量其投資物業。董事會認為根據香港會計準則第12號列明此等的「出售」假設不用駁回。因此，應用香港會計準則第12號的修訂本對本集團的綜合財務報表並無影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSS") (CONTINUED)

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

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009–2011 Cycle <sup>1</sup>
Amendments to HKFRS 7	Disclosures — Offsetting Financial Assets and Financial Liabilities <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures <sup>3</sup>
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance <sup>1</sup>
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities <sup>2</sup>
HKFRS 9	Financial Instruments <sup>3</sup>
HKFRS 10	Consolidated Financial Statements <sup>1</sup>
HKFRS 11	Joint Arrangements <sup>1</sup>
HKFRS 12	Disclosure of Interests in Other Entities <sup>1</sup>
HKFRS 13	Fair Value Measurement <sup>1</sup>
HKAS 19 (as revised in 2011)	Employee Benefits <sup>1</sup>
HKAS 27 (as revised in 2011)	Separate Financial Statements <sup>1</sup>
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures <sup>1</sup>
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income <sup>4</sup>
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities <sup>2</sup>
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine <sup>1</sup>

### 2. 新訂及經修訂香港財務報告準則 (「新訂及經修訂香港財務報告準則」) 之應用 (續)

本集團並無提早採納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 (修訂本)	香港財務報告準則 2009年至2011年週期之年度改進 <sup>1</sup>
香港財務報告準則第7號(修訂本)	披露—金融資產和金融負債的互相抵銷 <sup>1</sup>
香港財務報告準則第9號及香港財務報告準則第7號(修訂本)	香港財務報告準則第9號的強制性生效日期及過渡性披露 <sup>3</sup>
香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號(修訂本)	綜合財務報表、共同安排及披露於其他實體的權益：過渡指引 <sup>1</sup>
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(修訂本)	投資實體 <sup>2</sup>
香港財務報告準則第9號	金融工具 <sup>3</sup>
香港財務報告準則第10號	綜合財務報表 <sup>1</sup>
香港財務報告準則第11號	共同安排 <sup>1</sup>
香港財務報告準則第12號	披露於其他實體的權益 <sup>1</sup>
香港財務報告準則第13號	公平值計量 <sup>1</sup>
香港會計準則第19號 (於2011年修訂)	僱員福利 <sup>1</sup>
香港會計準則第27號 (於2011年修訂)	獨立財務報表 <sup>1</sup>
香港會計準則第28號 (於2011年修訂)	於聯營公司及合營企業的投資 <sup>1</sup>
香港會計準則第1號(修訂本)	呈列其他全面收益項目 <sup>4</sup>
香港會計準則第32號(修訂本)	金融資產和金融負債的互相抵銷 <sup>2</sup>
香港(國際財務報告詮釋委員會)—詮釋第20號	露天礦場生產階段的剝採成本 <sup>1</sup>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRS") (CONTINUED)

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2013.
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2014.
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2015.
- <sup>4</sup> Effective for annual periods beginning on or after 1 July 2012.

#### Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities and amendments to HKFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities

The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of "currently has a legally enforceable right of set-off" and "simultaneous realisation and settlement".

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

The amendments to HKFRS 7 are effective for the Group for annual periods beginning on 1 January 2013 and interim periods within those annual periods. The disclosures should also be provided retrospectively for all comparative periods. However, the amendments to HKAS 32 are not effective for the Group until the Group's annual periods beginning on or after 1 January 2014, with retrospective application required.

The directors anticipate that the application of these amendments to HKAS 32 and HKFRS 7 may result in more disclosures being made in the future.

### 2. 新訂及經修訂香港財務報告準則（「新訂及經修訂香港財務報告準則」）之應用（續）

- <sup>1</sup> 於2013年1月1日或之後開始的年度期間生效。
- <sup>2</sup> 於2014年1月1日或之後開始的年度期間生效。
- <sup>3</sup> 於2015年1月1日或之後開始的年度期間生效。
- <sup>4</sup> 於2012年7月1日或之後開始的年度期間生效。

#### 香港會計準則第32號之修訂「抵銷金融資產及金融負債」及香港財務報告準則第7號之修訂「披露－抵銷金融資產及金融負債」

香港會計準則第32號之修訂釐清有關抵銷金融資產及金融負債規定的現有應用問題。特別是，該等修訂釐清「目前有法律權利可抵銷」及「同時變現及清償」的涵義。

香港財務報告準則第7號之修訂規定實體須就可執行的總淨額結算協議或同類安排下的金融工具披露有關抵銷權利及相關安排（如抵押過賬規定）的資料。

香港財務報告準則第7號之修訂本於2013年1月1日開始的年度期間及該等年度期間內的中期期間生效。所有可資比較期間的資料亦須追溯披露。然而，香港會計準則第32號之修訂未有在本集團生效直至2014年1月1日或以後開始的年度期間在本集團生效，並須追溯調整。

董事預期應用該等香港會計準則第32號及香港財務報告準則第7號之修訂本將來或會涉及更多的披露。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSS") (CONTINUED)

#### HKAS 19 (as revised in 2011) Employee Benefits

The amendments to HKAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of HKAS 19 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus. Furthermore, the interest cost and expected return on plan assets used in the previous version of HKAS 19 are replaced with a 'net-interest' amount, which is calculated by applying the discount rate to the net defined benefit liability or asset.

The amendments to HKAS 19 are effective for the Group for annual period beginning on 1 January 2013 and require retrospective application. The application of the amendments to HKAS 19 will have impact on amounts reported in respect of the Group's defined benefit plans as the Group will change its accounting policies on the recognition of actuarial gains and losses and the defined benefit asset will decrease by approximately HK\$1,822,000 when the amendments to HKAS 19 is applied with a corresponding decrease in equity. In addition, net interest will be calculated by applying the discount rate to the net defined benefit assets.

### 2. 新訂及經修訂香港財務報告準則 (「新訂及經修訂香港財務報告準則」)之應用(續)

#### 香港會計準則第19號(於2011年修訂本)僱員福利

香港會計準則第19號之修訂改變定額福利計劃和終止福利之會計處理方式。最重大的轉變與定額福利責任和計劃資產的會計處理方式有關。該修訂規定於定額福利責任以及計劃資產的公平值出現轉變時予以確認，及因此取消香港會計準則第19號過往版本允許的「緩衝區法」並加快確認過去服務成本。此修訂規定所有精算估值盈虧須即時透過其他全面收益確認，以令於綜合財務狀況表確認之淨退休金資產或負債可反映計劃虧損或盈餘之全面價值。此外，在香港會計準則第19號過往版本中計劃資產採用的利息成本和預期回報已被取代為'淨利息'金額，通過應用貼現率對界定利益資產或負債作出計算的。

香港會計準則第19號之修訂於2013年1月1日開始之年度在本集團生效，並須追溯應用。而應用香港會計準則第19號之修訂可能影響本集團之定額福利呈報之金額，因為本集團須更改相關會計政策去確認此修訂規定所有精算估值盈虧，當香港會計準則第19號之修訂應用時，本集團的界定利益資產及相對的權益將減少約港幣1,822,000，與此同時，利息淨額將通過應用貼現率對界定利益資產作出計算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSS") (CONTINUED)

#### Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

The amendments to HKAS 1 *Presentation of Items of Other Comprehensive Income* introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a "statement of comprehensive income" is renamed as a "statement of profit or loss and other comprehensive income". The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require items of other comprehensive income to be grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax.

The amendments to HKAS 1 are effective for the Group for annual period beginning on 1 January 2013. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied.

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

### 2. 新訂及經修訂香港財務報告準則（「新訂及經修訂香港財務報告準則」）之應用（續）

#### 香港會計準則第1號呈列其他全面收入項目的修訂本

香港會計準則第1號「呈列其他全面收入項目」的修訂本為全面收益表及收益表引入新的術語。根據香港會計準則第1號的修訂本，「全面收益表」更名為「損益及其他全面收益表」。香港會計準則第1號的修訂本保留以單一報表或兩份獨立但連續報表呈列損益及其他全面收入的選擇權。然而，香港會計準則第1號的修訂本規定其他全面收入項目須劃分為兩類：(a)其後不會重新分類至損益的項目；及(b)於達成特定條件時，其後可重新分類至損益的項目。其他全面收入項目的所得稅須按相同基準予以分配，修訂本並無變動按除稅前或除稅後呈列其他全面收入項目的選擇權。

香港會計準則第1號（修訂本）於2013年1月1日開始的年度期間生效，其他全面收益項目的呈列將按此等修訂應用時作出相對修改。

本公司董事預計，應用該等新訂或經修訂準則對本集團的業績及財務狀況並無重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments that are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods.

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 (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

### 3. 主要會計政策

綜合財務報表乃根據會計師公會頒佈之香港財務報告準則編製。同時，綜合財務報表載有聯交所證券上市規則（「上市規則」）及香港公司法條例規定之適用披露事項。

綜合財務報表乃按歷史成本基準編製，惟若干按公平值計算之投資物業及金融工具則除外，其會計政策於下文解釋。歷史成本均按交易貨品時的代價公平值。

主要會計政策如下。

#### 綜合基準

綜合財務報表包括本公司及其附屬公司。若本公司有權控制該實體之財務及經營政策，以從其活動中獲取利益則視為擁有控制權。

年內收購或出售附屬公司之業績乃由收購生效日期起計或計至出售生效日期止（倘適用）計入綜合全面收益表。

倘需要，本集團會對附屬公司之財務報表作出調整，使其會計政策與本集團其他成員公司所採用者保持一致。

所有集團內交易、結餘、收入及支出均於綜合賬目時對銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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 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.

### 3. 主要會計政策(續)

#### 收入確認

收入按已收或應收代價之公平值計量，即日常業務過程中已提供貨物或服務扣除折扣及銷售有關稅項後之應收款項。

貨物銷售於貨物付運及擁有權轉移後並達致以下全部條件時確認。

- 本集團將商品所有重大風險及回報之擁有權已轉移給買方；
- 本集團既沒有保留通常與所有權相聯系的繼續管理權，也沒有對已出售商品實施有效控制；
- 收入金額能夠可靠地計量；
- 與交易相關的經濟利益很可能流入本集團；及
- 有關交易所產生或將予產生的成本能夠可靠地計量。

當經濟利益流入本集團時，而其收益金額能可靠地計量，有關金融資產之利息收入予以確認。金融資產之利息收入乃以時間為基準按未償還本金及適用實際利率累計，而實際利率為透過金融資產之預期可用年期將估計日後所收現金實際折讓至該資產之賬面淨值之比率。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement 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 items of property, plant and equipment 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.

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.

#### 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 measured at their fair values. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or 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.

### 3. 主要會計政策(續)

#### 物業、廠房及設備

物業、廠房及設備(包括持有作貨物生產或行政用途的樓宇)乃於綜合財務狀況表按成本減累計折舊及累計減值虧損入賬(如有)。

物業、廠房及設備按其估計可使用年期，以其估計餘值按直線法計算，確認折舊並撇銷成本。估計可使用年期、餘值及折舊方法於每一報告期間審閱，任何估計變動的影響按前瞻基準入賬。

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何日後經濟效益時取消確認。任何一項物業、廠房及設備資產之出售及報廢，按該項目之出售所得款與賬面值間之差額計算盈虧，並計入損益。

#### 投資物業

投資物業指為收取租金及/或資本增值而持有之物業。

投資物業於初次確認時按成本計值，當中包括任何直接應佔開支。初次確認後，投資物業採用公平值模式釐訂公平值。就投資物業公平值變動所產生之收益或虧損，均計入發生當期之損益內。

當出售或永久停止使用投資物業，或預期出售投資物業不會帶來日後經濟利益時，則取消確認投資物業。取消確認資產所產生之任何收益或虧損(按出售所得款項淨額與資產之賬面值之差額計算)計入當期取消確認項目之損益內。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT 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 lessee*

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

#### *Leasehold land and building*

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

凡租賃之條款規定擁有權所附帶之一切風險及回報實質上轉移至承租人者，該租賃即歸類為融資租賃。其他租賃全部列作經營租賃。

#### *本集團作為承租人*

經營租賃之付款乃按相關租約年期以直線法計算，除非另外更有系統性的時間模式去計算租賃資產之經濟利益被消耗。

當訂立經營租賃時收到租金優惠，該等優惠於負債確認。所有租金優惠以直線法確認為遞減租金開支，除非另外更有系統性的時間模式，去計算租賃資產之經濟利益消耗。

#### *租賃土地及樓宇*

租賃土地及樓宇當租賃包括土地及樓宇部份時，本集團以評估與各部份擁有權有關的絕大部份風險及回報是否已轉移至本集團為基礎，評估如何將各部份分類為融資或經營租賃，除非肯定兩部分均為經營租賃，則於該情況下，整項租賃乃分類為經營租賃。尤其，最低租賃款項(包括任何一次性預付款項)乃以租約開始時，於土地及樓宇部份之間進行分配，比例為以租賃權益於土地部份及樓宇部份的相對公平值而定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Leasing (Continued)

##### *Leasehold land and building (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 except for those that are classified and accounted for as investment properties under the fair value model.

#### Inventories

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

#### Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme (the “MPF scheme”) as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance and state-managed retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of the reporting period. Actuarial gains and losses which exceed 10% of the greater of the present value of the Group’s defined benefit obligations and the fair value of plan assets at the end of the previous reporting period are amortised over the expected average remaining working lives of the participating employees. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the amended benefits become vested.

### 3. 主要會計政策(續)

#### 租賃(續)

##### *租賃土地及樓宇(續)*

倘租賃款項能夠可靠分配時，則入賬時列作經營租約的租賃土地權益乃於綜合財務狀況表列作「預付租賃款項」，並以直線法於租期內攤銷，除了那些被歸類為公平值模式下的投資物業。

#### 存貨

存貨乃按成本或可變現淨值兩者之較低者入賬。成本乃按加權平均法計算。可變現淨值指存貨之估計售價減所有完成及銷售之所需估計費用。

#### 退休福利成本

根據香港強制性公積金計劃條例規定之強制性公積金計劃(「強積金計劃」)及國家管理退休福利計劃之付款於僱員提供服務使其可享有供款時計入為開支。

就界定利益退休福利計劃而言，提供福利之成本乃按照預估單位利益法釐定，並於每個報告期末進行精算估值。精算估值產生之盈虧倘超出界定利益責任之現值與計劃資產之公平值兩者之較高者10%，則有關盈虧須在參與計劃之僱員之預期剩餘平均工作年期內攤銷。倘有關福利已獲授予，過往之服務成本會即時確認入賬，否則則按直線法在平均年期內攤銷，直至經修訂之利益獲授予為止。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Retirement benefit costs (Continued)

The retirement benefit assets recognised in the consolidated statement of financial position represents the fair value of plan assets as adjusted for unrecognised actuarial gains and losses, and as reduced by the present value of the defined benefit obligation. Any asset resulting from this calculation is limited to unrecognised actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

#### Foreign currencies

In preparing the financial statements of each individual group entity, 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. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

### 3. 主要會計政策(續)

#### 退休福利成本(續)

在綜合財務狀況表內確認之退休福利責任呈示計劃資產之公平值，並已為未確認之精算估值盈虧作出調整及已扣減界定利益責任。據此計算之任何資產乃受限於未確認之精算虧損及過往服務成本，加上計劃之可退回現值及未來供款之削減。

#### 外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易均按交易日期之適用匯率換算為功能貨幣(即該實體經營所在主要經濟活動之貨幣)記賬。於報告期末，以外幣定值之貨幣項目均按結算日之適用匯率重新換算。按公平值列賬之非貨幣項目若以外幣定值，於釐定公平值當日之適用匯率重新換算。非貨幣項目乃按外幣歷史成本計量而無須重新換算。

結算貨幣項目及重新換算貨幣項目所產生之匯兌差額會於產生期間於損益內確認，而以公平值計量之非貨幣性項目所產生的匯兌差額，均於期內損益中確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Foreign currencies (continued)

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. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the translation reserve).

#### 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.

#### 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 tax as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### 3. 主要會計政策(續)

#### 外幣(續)

就呈列綜合財務報表而言，本集團海外經營業務之資產及負債乃按於報告期末之適用匯率換算為本集團之列賬貨幣(即港元)，而其他收入及支出乃按該年度之平均匯率進行換算，除非匯率於該期間內出現大幅波動則作別論，於此情況下，則採用於交易當日之適用匯率。所產生之匯兌差額(如有)乃於其他全面收益及累計權益內確認(匯兌儲備)。

#### 借貸成本

直接源自收購、建造或生產合資格資產，而有關資產需要一段長時間方可供作擬定用途或出售之借貸成本會加至該等資產成本部分，直至該資產大致上可供作擬定用途或出售為止。尚未用於合資格資產之特定借貸作短期投資賺取之投資收入，於合資格資本化之借貸成本中扣除。

所有其他借貸成本均於產生期間於損益內確認。

#### 稅項

所得稅開支指即期應付稅項及遞延稅項的總和。

即期應付稅項根據該年度的應課稅溢利計算。應課稅溢利有別於綜合全面收益表內所呈報的溢利，此乃由於其並無計入其他年度的應課稅或可扣稅收支項目，亦無計入日後的毋須課稅及不可扣稅的項目。本集團的即期稅項負債乃按已於各報告期末訂定或大致訂定的稅率計算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Taxation (continued)

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 those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interest 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.

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

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 its assets and liabilities.

### 3. 主要會計政策(續)

#### 稅項(續)

遞延稅項乃就綜合財務報表內的資產與負債賬面值與計算應課稅溢利所採用的相應稅基間的差額確認。遞延稅項負債一般就所有應課稅暫時性差額予以確認，而遞延稅項資產則於可能動用應課稅溢利以抵銷可扣稅的暫時性差額予以確認。倘因初步確認一項既不影響應課稅溢利亦不影響會計溢利的交易的其他資產與負債而產生暫時性差額，則有關資產與負債不予確認。

遞延稅項負債乃就於附屬公司及聯營公司的投資所產生的應課稅暫時性差額確認，惟倘本集團能控制暫時性差額的撥回以及暫時性差額有機會不會於可見將來撥回除外。與該等投資及權益相關之可扣稅暫時差額所產生之遞延稅項資產僅於可能有足夠應課稅溢利可以使用暫時差額之益處且預計於可見將來可以撥回時確認。

遞延稅項資產的賬面值乃於各報告期末進行檢討，並在沒可能會有足夠應課稅溢利收回全部或部分資產時予以扣減。

根據報告期間結束當日已頒布或實際已頒布之稅率(及稅法)，遞延稅項資產及負債按負債清償或資產變現期間預期適用之稅率計量。

遞延稅項負債及資產之計量反映本集團預期於報告期間結束當日將出現的稅務後果，以收回資產或清償負債之賬面值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Taxation (continued)

For the purpose of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amount of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time. If the presumption is rebutted, deferred tax for such investment properties are measured in accordance with the above general principles set out in HKAS 12 (i.e. based on the expected manner as to how the properties will be recovered).

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and the deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position 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 (other than financial assets or financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

### 3. 主要會計政策(續)

#### 稅項(續)

就採用公平值模式計量的投資物業的遞延稅項而言，該等物業假設可透過銷售收回。除非假定被駁回。投資物業可予折舊並於某一業務模式中持有，且該業務模式旨在於日後透過使用投資物業內絕大部分經濟利益，則駁回假定。倘若假定被駁回，則該等投資物業的遞延稅項乃根據上述香港會計準則第12號載列的一般準則計量(即以預期如何收回物業的形式為基準)。

當期及遞延稅項於損益內確認，惟倘遞延稅項涉及於其他全面收益或直接在股本權益確認項目，則當期及遞延稅項亦會分別於其他全面收益或直接於股本權益內確認。

#### 金融工具

金融資產及金融負債乃當某集團實體成為工具合同條文之訂約方時於綜合財務狀況表確認。

金融資產及金融負債按公平值初步計量。收購或發行金融資產及金融負債直接應佔之交易成本(於損益表按公平值計算之金融資產及金融負債除外)乃於初步確認時加入金融資產或金融負債之公平值或自金融資產或金融負債之公平值內增加或扣除(倘適用)。收購按公平值計算之金融資產或金融負債直接應佔之交易成本即時於損益表內確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (continued)

##### Financial assets

The Group's financial assets are classified into one of the two categories including loans and receivables and financial assets at fair value through profit or loss ("FVTPL"). The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

##### 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 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 loss on financial assets below).

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產

本集團之金融資產分為兩個類別其中之一：包括貸款及應收賬款和按公平值列賬及計入損益之金融資產。分類視乎金融資產性質及目的而定，在初始確定時釐定。

##### 實際利率法

實際利率法乃計算金融資產之攤銷成本及按有關期間攤分利息收入之方法。實際利率乃將估計日後現金收入(包括所有支付或收取構成整體實際利率之費用及利率差價、交易成本及其他所有溢價或折價)按金融資產之預期使用年期，或較短期間(倘合適)實際貼現之利率。

債務工具之利息收入按實際利率基準確認。

##### 貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款的非衍生性質金融資產，而其在活動市場並無報價。於初步確認後的每個報告期末，貸款及應收款項(包括應收貿易賬款及其他款項、銀行結餘及現金)採用實際利息法按攤銷成本減任何已識別減值虧損入賬(請參閱下文的金融資產減值虧損會計政策)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (continued)

#### Financial assets (continued)

#### Financial assets at fair value through profit or loss

The Group's financial assets classified as financial assets at fair value through profit or loss are derivatives that are not designated as hedging instruments.

Financial assets at fair value through profit or loss are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the periods in which they arise.

#### Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when 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.

For loans and receivables, objective evidence of impairment could include:

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

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

#### 按公平值計入損益的金融資產

本集團的金融資產分類為按公平值計入損益的金融資產，為並非指定為對沖工具的衍生工具。

按公平值計入損益的金融資產按公平值計量，重新計量產生的公平值變動直接於產生期間的損益扣除。

#### 金融資產減值

金融資產(按公平值列賬及計入損益之金融資產除外)於報告期末評估是否有減值跡象。倘出現客觀證據，即金融資產初步確認後產生之一項或多項事件令金融資產之估計未來現金流量受到影響，則金融資產被視為減值。

就貸款及應收款而言，減值之客觀證據可包括：

- 發行人或對手方出現重大財政困難；或
- 違約，如未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (continued)

#### Financial assets (continued)

#### Impairment of financial assets (continued)

For certain categories of financial asset, 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 average credit period ranged 7 to 90 days and observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the 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 original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all loans and receivables with the exception of trade and other 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 or other 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.

For financial assets measured at amortised cost, 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 was 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.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

#### 金融資產減值(續)

就若干類別的金融資產(如貿易應收賬款)而言,經評估不會單獨作出減值並會彙集一併評估減值。應收賬款組合出現減值的客觀證據包括本集團過往收款經驗、組合內逾期還款超過平均信貸期7至90天之數目上升、國家或地區經濟狀況出現明顯變動導致應收賬款未能償還。

就按攤銷成本計值之金融資產而言,減值虧損金額乃按資產賬面值與按原有實際利率貼現之估計未來現金流量現值之差額確認。

與所有貸款及應收款項有關之減值虧損會直接於貸款及應收款項之賬面值中作出扣減,惟應收貿易及其他款項除外,其賬面值會透過撥備賬作出扣減。撥備賬內之賬面值變動會於損益內確認。當應收貿易及其他款項被視為不可收回時,其將於撥備賬內撇銷,原先已撇銷之金額於其後撥回,乃於損益表中計入。

就以攤銷成本計值的金融資產而言,倘於隨後期間減值虧損的數額減少,而此項減少可客觀地與確認減值虧損後的某一事件聯繫,則先前確認的減值虧損於損益中予以撥回,惟於撥回減值當日的資產賬面值不得超逾未確認減值時的攤銷成本。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (continued)

##### *Financial liabilities and equity instruments*

Debt and equity instruments issued by a group entity 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.

The Group's financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

##### *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)

##### 金融負債及權益

集團實體發行之金融負債及股本工具乃根據金融或股本工具合同安排之性質與金融負債及股本工具之定義分類。

本集團的金融負債分類為按公平值計入損益的金融負債及其他金融負債。

##### 實際利率法

實際利率法是一種計算金融資產攤銷成本與分派利息收入到相關期間之方法。實際利率是以精確將金融資產可使用年期或(如適用)更短期間估計未來現金收入(包括所有已付或已收並構成實際利率整體之費用、交易成本及其他溢價或折價)折現至初步確認時之賬面淨值之折現比率。

利率開支按實際利率基準確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (continued)

#### *Financial liabilities and equity instruments (continued)*

##### *Financial liabilities at fair value through profit or loss*

The Group's financial liabilities classified as financial liabilities at fair value through profit or loss are derivatives that are not designated as hedging instruments.

Financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the periods in which they arise.

##### *Other financial liabilities*

The Group's other financial liabilities mainly include trade and other payables, amount due to a related company and bank borrowings. They are subsequently measured at amortised cost, using the effective interest method.

##### *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 the Company are recognised at the proceeds received, net of direct issue costs.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融負債及權益 (續)

##### 按公平值計入損益的金融負債

本集團的金融負債分類按公平值計入損益的金融負債，為並非指定為對沖工具的衍生工具。

按公平值計入損益的金融負債按公平值計量，重新計量產生的公平值變動直接於產生期間的損益扣除。

##### 其他金融負債

集團之其他金融負債主要包括應付貿易賬款及其他應付款項，應付關連公司款項及銀行借款。其後採用實際利息法按攤銷成本計量。

##### 股本工具

權益工具為證明本集團資產剩餘權益(經扣除其所有負債)之任何合約。本公司發行的權益工具按所收取所得款項減直接發行成本確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (continued)

##### *Derivative financial instruments*

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately.

##### *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, 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 expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

##### **Impairment losses on tangible assets**

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets with finite useful lives 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 cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### *衍生金融工具*

衍生工具最初按衍生合約訂立日期的公平值確認，其後於每個報告期末重新計量其公平值。所產生的收益或虧損即時於損益內確認。

##### *終止確認*

倘從資產收取現金流的權利已屆滿，或金融資產已轉讓且本集團已轉讓該金融資產擁有權的絕大部分風險及回報，則金融資產將終止確認。

於終止確認金融資產時，資產賬面值與已收及應收代價的累計損益總額之間的差額，乃於損益確認。

有關合約規定的責任獲解除、取消或屆滿時，金融負債將終止確認。已終止確認的金融負債賬面值與已付及應付代價之間的差額，於損益確認。

##### **有形資產減值虧損**

本集團於各報告期末檢討其具有有限可使用年期有形資產之賬面值，以釐定該等資產是否存在蒙受減值虧損之跡象。倘出現任何有關跡象，則估計有關資產之可收回金額，以釐定減值虧損(如有)之程度。倘無法估計個別資產之可收回金額，則本集團會估計該資產所屬現金產生單位之可收回金額。如可確定一個合理且一致之分配基準，公司資產亦獲分配至個別現金產生單位，否則將分配至合理且一致之分配基準可被確定之最小現金產生單位組別。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Impairment losses on tangible assets (continued)

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 cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) 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 cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

### 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 various estimates based on past experience and expectations of the future and other information. The key sources of estimation uncertainty at the end of the reporting period that can significantly affect the carrying amounts of assets recognised in the consolidated financial statements within the next financial year are disclosed below.

### 3. 主要會計政策(續)

#### 有形資產減值虧損(續)

可收回金額乃公平值(扣除銷售成本)與在用價值間之較高者。在評估在用價值時，估計未來現金流量乃使用稅前貼現率貼現至其現有價值，而有關貼現率反映金錢之時間價值之目前市場評估及針對有關未經調整未來現金流量估計之資產之風險。

倘估計資產(或現金產生單位)之可收回金額低於其賬面值，則有關資產(或現金產生單位)之賬面值將減至其可收回金額。減值虧損即時於損益內確認。

倘其後撥回減值虧損，則資產(或現金產生單位)之賬面值將增至經修訂估計之可收回金額，惟增加之賬面值不得超過假設該資產(或現金產生單位)於過往年度並無確認減值虧損下應予釐定之賬面值。減值虧損撥回會即時確認為收入。

### 4. 估計不確定性之主要來源

於應用本集團之會計政策(如附註3所述)時，本公司董事須根據過往經驗、預期未來狀況及其他資料作出各方面之估計。主要於下一個財務年度內可影響綜合財務報表內的資產及負債的確認數額之估計不確定性之主要來源概述如下。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

#### Impairment loss on trade receivables

The assessment of the impairment loss on trade receivables of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgment. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness of each customer. If the financial conditions of the Group's customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. Impairment is made based on the estimation of the future cash flow discounted at the original effective rate to calculate the present value. As at 31 December 2012, the carrying value of trade receivables (net of impairment loss) and bills receivables was approximately HK\$109,469,000 (2011: approximately HK\$177,171,000).

#### Write-down of inventories

Management reviews the inventories listing at the end of each reporting period, and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use in operation. Allowance was made by reference to the latest market value for those inventories identified. Where the net realisable value is less than the cost, a material write down may arise. As at 31 December 2012, the carrying amount of inventories (net of allowances) was approximately HK\$106,656,000 (2011: approximately HK\$117,411,000).

### 4. 估計不確定性之主要來源(續)

#### 應收貿易款項之減值虧損

本集團應收貿易款項之減值虧損之評估以可收回性、賬齡分析及管理層判斷為基礎。評估該等應收款項之最終變現能力需要進行大量判斷，包括各客戶之現時信譽。倘本集團客戶財務狀況日趨惡化，削弱其付款能力，則須提撥額外準備。減值乃按估計日後現金流量以原來實際利率貼現以計算現值。於2012年12月31日，應收貿易款項之賬面值(扣除減值虧損後)及應收票據款項約109,469,000港元(2011：約177,171,000港元)。

#### 存貨跌價準備

本集團管理層於各個報告期末審閱存貨清單，並對確認為不再適合用於生產之過時及滯銷庫存品進行撥備。撥備乃參照最近期之市場價值就該等已識別存貨計提準備。於2012年12月31日，存貨之賬面值(扣除準備後)約106,656,000港元(2011：約117,411,000港元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

#### Income taxes

As at 31 December 2012, a deferred tax asset in relation to unused tax losses of approximately HK\$1,670,000 (2011: approximately HK\$30,890,000) was not recognised in the consolidated statement of financial position due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the expectation for future profit streams changes, a recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a recognition takes place.

### 5. REVENUE

Revenue represents revenue arising on the manufacture and sale of handbags.

### 6. SEGMENT INFORMATION

HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision makers ("CODMs"), being the executive directors of the Company, in order to allocate resources to segments and to assess their performance. The CODMs review the Group's profit as a whole, which is generated solely from the manufacture and sale of handbags and determined in accordance with the Group's accounting policies, for performance assessment. Therefore no separate segment information is prepared by the Group.

The Group's operations are located in the United States of America ("USA"), the Europe, Hong Kong and the People's Republic of China (the "PRC"). Sales to the largest customer contributed to 22.6% (2011: 13.1%) of the Group's total turnover.

### 4. 估計不確定性之主要來源(續)

#### 所得稅

由於未來溢利之流入不可預測，於2012年12月31日，有關未動用稅項虧損之遞延稅項資產約1,670,000港元(2011：約30,890,000港元)並無於本集團之綜合財務狀況表中確認。遞延稅項資產之變現主要有賴於是否有足夠未來溢利或將來可供利用之應課稅暫時差額而定。倘產生之未來實際溢利乃多於預期溢利，遞延稅項資產可能會予以實質撥回，而該未來溢利會於有關撥回發生期間於損益內確認。

### 5. 收入

收入指製造及銷售手袋所產生的收入。

### 6. 分部資料

香港財務報告準則第8號規定經營分部應以內部報告有關本集團的構成要素作分類，而本集團主要營運決策人(「主要營運決策人」，即本公司執行董事會定期檢閱內部報告，以作出資源分配及評核分部表現。主要營運決策人檢討本集團的整體溢利，而本集團溢利僅來自生產及銷售手袋，並按照本集團的會計政策評估表現。因此，本集團並無編製任何獨立分部資料。

本集團業務分佈於美國、歐洲、香港及中華人民共和國(「中國」)。最大客戶之銷售額佔本集團總營業額之22.6%(2011：13.1%)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 6. SEGMENT INFORMATION (CONTINUED)

Revenue from customers from sales of handbags of the corresponding years contributing over 10% of the total sales of the Group are as follows:

Customer A	客戶A
Customer B	客戶B
Customer C	客戶C

\* *The corresponding revenue did not contribute over 10% of the total sales of the Group*

The Group's investment properties are located in Thailand. The rest of the Group's non-current assets, other than defined benefit assets and deferred tax assets, are located in the PRC.

The Group's revenue from external customers by geographical location during the year is as follows:

### 6. 分部資料(續)

超過本集團總銷售額10%的手袋銷售客戶，相應年度銷售收入如下：

	2012 HK\$'000 千港元	2011 HK\$'000 千港元
Customer A	210,415	N/A*
Customer B	129,154	114,414
Customer C	99,091	N/A*

\* 相應的收入不超過集團總銷售額的10%。

本集團的投資物業位於泰國。其餘的非流動資產，除界定利益資產外及遞延稅項資產，則位於中國。

年內本集團來自外部客戶之收入及按地區劃分詳情如下：

		Revenue from external customers 來自外部客戶的收入	
		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Hong Kong	香港	34,394	28,132
PRC	中國	24,219	32,084
USA	美國	336,568	368,867
Canada	加拿大	9,701	46,122
The Netherlands	荷蘭	41,246	53,969
Italy	意大利	248,913	97,238
The United Kingdom	英國	39,149	43,566
Germany	德國	27,474	27,036
Other European countries	其他歐洲國家	47,669	52,438
South American countries	南美國家	32,762	40,933
Other Asian countries	其他亞洲國家	90,821	83,430
		<b>932,916</b>	<b>873,815</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 7. OTHER GAINS AND LOSSES

### 7. 其他收益及虧損

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Net exchange loss	匯兌虧損淨額	<b>(13,225)</b>	(7,993)
Reversal of (impairment loss) recognised in respect of trade receivables	應收賬款收回(減值)	<b>175</b>	(430)
Gain (loss) on fair value changes on derivative financial instruments	衍生金融工具於公平值變動之收益(虧損)	<b>123</b>	(494)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	<b>278</b>	186
		<b>(12,649)</b>	(8,731)

### 8. INCOME TAX EXPENSE

### 8. 所得稅支出

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
The charge comprises:	支出包括：		
Current tax:	本年度稅項：		
Hong Kong Profits Tax	香港所得稅	<b>9,430</b>	10,822
PRC Enterprise Income Tax	中國企業所得稅	<b>24</b>	718
Other jurisdictions income tax	其他司法權區所得稅	<b>2</b>	13
		<b>9,456</b>	11,553
Under (over) provision in prior year	前年度少提(多提)稅項：		
Hong Kong Profits Tax	香港所得稅	<b>333</b>	(686)
Deferred tax ( <i>note 24</i> ):	遞延稅項(附註24)：		
Current year	本年度	<b>256</b>	58
		<b>10,045</b>	10,925

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 8. INCOME TAX EXPENSE (CONTINUED)

#### Hong Kong

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

According to the 50:50 onshore/offshore arrangement between the Group and the Inland Revenue Department in Hong Kong, certain profit of the Group is not subject to tax.

#### PRC

Under the Law of the PRC on Enterprise Income Tax and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25% from 1 January 2008 onwards.

#### Other jurisdictions

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

### 8. 所得稅支出(續)

#### 香港

香港利得稅乃根據該兩個年度之估計應課稅溢利按16.5%稅率計算。

根據本集團與香港稅務局訂立之50:50非離岸/離岸安排，本集團之若干盈利無須繳稅。

#### 中國

根據中國企業所得稅法及企業所得稅法實施條例，中國附屬公司之稅率由2008年1月1日起為25%。

#### 其他司法權區

其他司法權區之稅項乃按有關司法權區之課稅率而計算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 8. INCOME TAX EXPENSE (CONTINUED)

#### Other jurisdictions (continued)

The charge for the year can be reconciled to the profit before taxation per the consolidated statement of comprehensive income as follows:

		<b>2012</b> <b>HK\$'000</b> 千港元	2011 HK\$'000 千港元
Profit before taxation	除稅前溢利	<b>120,308</b>	117,972
Tax at the domestic income tax rate of 16.5%	按本地所得稅率 16.5% 之稅項	<b>19,851</b>	19,465
Tax effect of expenses not deductible in determining taxable profit	釐定應課稅溢利時不可扣稅支出之稅務影響	<b>794</b>	2,949
Tax effect of income not taxable in determining taxable profit	釐定應課稅溢利時毋須課稅收入之稅務影響	<b>(73)</b>	(84)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	<b>31</b>	83
Tax effect of profit not subject to tax under 50:50 arrangement	按50:50安排下毋須應稅溢利之稅務影響	<b>(9,071)</b>	(10,801)
Utilisation of tax losses previously not recognised	動用過往未確認之稅項虧損	<b>(1,831)</b>	(239)
Effect of different tax rate of subsidiaries operating in other jurisdictions	其他司法權區的稅率差異之影響	<b>11</b>	238
Under (over) provision for tax in prior year	過往年度少提(多提)之稅項	<b>333</b>	(686)
Income tax expense for the year	年內所得稅支出	<b>10,045</b>	10,925

Details of deferred taxation at the end of the reporting period and during the year are set out in note 24.

### 8. 所得稅支出(續)

#### 其他司法權區(續)

年內稅務開支與綜合全面收益表的除稅前利潤對賬如下：

	<b>2012</b> <b>HK\$'000</b> 千港元	2011 HK\$'000 千港元
Profit before taxation	<b>120,308</b>	117,972
Tax at the domestic income tax rate of 16.5%	<b>19,851</b>	19,465
Tax effect of expenses not deductible in determining taxable profit	<b>794</b>	2,949
Tax effect of income not taxable in determining taxable profit	<b>(73)</b>	(84)
Tax effect of tax losses not recognised	<b>31</b>	83
Tax effect of profit not subject to tax under 50:50 arrangement	<b>(9,071)</b>	(10,801)
Utilisation of tax losses previously not recognised	<b>(1,831)</b>	(239)
Effect of different tax rate of subsidiaries operating in other jurisdictions	<b>11</b>	238
Under (over) provision for tax in prior year	<b>333</b>	(686)
Income tax expense for the year	<b>10,045</b>	10,925

遞延稅項於報告期末及於年內之詳情載於附註24。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

**9. PROFIT FOR THE YEAR****9. 年內溢利**

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Profit for the year has been arrived at after charging (crediting):	年內溢利已扣除(計入):		
Directors' emoluments (note 12)	董事薪酬(附註12)	<b>2,856</b>	1,532
Other staff costs	其他職員成本	<b>232,175</b>	217,762
Retirement benefit schemes contributions (excluding directors)	退休福利計劃供款(董事除外)	<b>1,028</b>	986
Total staff costs	員工成本總額	<b>236,059</b>	220,280
Release of prepaid lease payments	釋出預付租賃款項	<b>620</b>	543
Auditors' remuneration	核數師酬金	<b>1,010</b>	992
Cost of inventories recognised as expenses (including reversal of write-down of inventories of HK\$621,000 (2011: write-down of inventories of HK\$3,229,000))	已確認為支出的存貨成本(包括存貨減值撥回621,000港元(2011: 存貨減值沖銷3,229,000港元))	<b>698,164</b>	646,120
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	<b>12,166</b>	9,907
Interest income on bank balances	銀行利息收入	<b>(168)</b>	(231)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 10. DIVIDENDS

### 10. 股息

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Dividends recognised as distributions during the year:	年內已確認分派之股息：		
Final dividend of HK5 cents per share for the year ended 31 December 2011	截至2011年12月31日止年度末期股息 每股5港仙	<b>41,250</b>	—
Interim dividend of HK5 cents per share for the year ended 31 December 2012	截至2012年12月31日止年度中期股息 每股5港仙	<b>41,250</b>	—
Interim dividend of HK3 cents per share for the year ended 31 December 2011	截至2011年12月31日止年度中期股息每股3港仙	—	24,750
		<b>82,500</b>	24,750

A final dividend of HK5 cents per share in respect of the year ended 31 December 2012 has been proposed by the directors and is subject to approval by the Company's shareholders in annual general meeting.

董事會已建議派發截至2012年12月31日止年度之末期股息每股5港仙，惟須持本公司之股東於週年大會上批准。

### 11. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit for the year of HK\$110,263,000 (2011: HK\$107,047,000) and 825,000,000 (2011: 825,000,000) shares.

Diluted earnings per share is not presented because there were no dilutive ordinary shares in issue during the years.

### 11. 每股盈利

每股基本盈利乃按年內溢利110,263,000港元(2011: 107,047,000港元)及825,000,000股(2011: 825,000,000股)而計算。

由於該兩個年度概無已發行攤薄普通股，因此並無呈列每股攤薄盈利。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

**12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS****12. 董事及行政總裁酬金**

The emoluments paid or payable to each of the 7 (2011: 7) directors were as follows:

已付或應付予7位(2011: 7位)董事之酬金如下:

		Fees 袍金 HK\$'000 千港元	Salaries and other benefits 薪金及 其他福利 HK\$'000 千港元	Other emoluments 其他酬金		Total 合計 HK\$'000 千港元
				Retirement benefit schemes contributions 退休福利 計劃供款 HK\$'000 千港元	Performance related incentive payments 其他表現 相關獎金 HK\$'000 千港元	
<b>Year ended 31.12.2012</b>	<b>截至2012年 12月31日止年度</b>					
<i>Executive directors</i>	<i>執行董事</i>					
Wai Siu Kee ( <i>Chief Executive</i> )	衛少琦 ( <i>行政總裁</i> )	—	1,170	—	—	1,170
Kung Phong	龔鈺	—	540	14	—	554
Lee Man Ching	李文禎	—	384	14	—	398
Poon Lai Ming	潘麗明	—	360	14	—	374
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Heng Victor Ja Wei	邢家維	120	—	—	—	120
So Wing Keung	蘇永強	120	—	—	—	120
Tsang Hin Man Terrence	曾憲文	120	—	—	—	120
		360	2,454	42	—	2,856
<b>Year ended 31.12.2011</b>	<b>截至2011年 12月31日止年度</b>					
<i>Executive directors</i>	<i>執行董事</i>					
Wai Siu Kee ( <i>Chief Executive</i> )	衛少琦 ( <i>行政總裁</i> )	—	614	—	—	614
Kung Phong	龔鈺	—	202	6	—	208
Lee Man Ching	李文禎	—	284	6	—	290
Poon Lai Ming	潘麗明	—	189	6	—	195
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Heng Victor Ja Wei	邢家維	75	—	—	—	75
So Wing Keung	蘇永強	75	—	—	—	75
Tsang Hin Man Terrence	曾憲文	75	—	—	—	75
		225	1,289	18	—	1,532

Note: Performance related incentive payments were determined with regards to individual performance. No directors waived any emoluments during the year ended 31 December 2012.

附註: 其他表現相關獎金乃按個人表現而釐定。截至2012年12月31日止年度, 並無董事放棄任何酬金。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 13. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, one (2011: one) was a director of the Company whose emoluments are disclosed in note 12 above. The emoluments of the remaining four (2011: four) individuals were as follows:

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Salaries and other benefits	薪金及其他福利	<b>3,078</b>	3,118
Contributions to retirement benefits schemes	退休福利計劃供款	<b>55</b>	48
Discretionary bonus payments	表現相關獎金	<b>434</b>	373
		<b>3,567</b>	3,539

The emoluments were within the following band:

		<b>2012</b>	2011
		<b>Number of employees</b>	Number of employees
		僱員數目	僱員數目
HK\$Nil to HK\$1,000,000	截至 1,000,000 港元	<b>4</b>	4

### 13. 僱員酬金

在本集團5位最高薪酬之人士中，包括1位(2011：1位)本公司董事，其薪酬已載於上文附註12。而其餘4位(2011：4位)最高薪酬人士之酬金如下：

	<b>2012</b>	2011
	<b>HK\$'000</b>	HK\$'000
	千港元	千港元
Salaries and other benefits	<b>3,078</b>	3,118
Contributions to retirement benefits schemes	<b>55</b>	48
Discretionary bonus payments	<b>434</b>	373
	<b>3,567</b>	3,539

酬金介乎下列幅度：

	<b>2012</b>	2011
	<b>Number of employees</b>	Number of employees
	僱員數目	僱員數目
HK\$Nil to HK\$1,000,000	<b>4</b>	4

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 14. PROPERTY, PLANT AND EQUIPMENT

### 14. 物業、廠房及設備

		Buildings	Furniture, fixtures and equipment	Leasehold improvements	Motor vehicles	Plant and machinery	Total
		樓宇	傢俬、裝置及設備	租賃物業裝修	汽車	廠房及機器	合計
		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
<b>COST</b>	<b>成本</b>						
At 1 January 2011	於2011年1月1日	97,051	26,653	18,225	7,029	43,688	192,646
Currency realignment	匯兌調整	—	10	14	—	26	50
Additions	添置	—	1,825	3,778	173	2,802	8,578
Disposals	出售	—	(296)	—	(155)	(1,200)	(1,651)
At 31 December 2011	於2011年12月31日	97,051	28,192	22,017	7,047	45,316	199,623
Currency realignment	匯兌調整	—	8	6	—	44	58
Additions	添置	—	513	6,457	961	4,836	12,767
Disposals	出售	—	(1,223)	—	(557)	(1,899)	(3,679)
At 31 December 2012	於2012年12月31日	97,051	27,490	28,480	7,451	48,297	208,769
<b>DEPRECIATION</b>	<b>折舊</b>						
At 1 January 2011	於2011年1月1日	58,725	20,849	11,666	6,348	37,249	134,837
Currency realignment	匯兌調整	—	3	—	—	3	6
Provided for the year	本年度撥備	4,853	1,966	793	371	1,924	9,907
Eliminated on disposals	出售時撇賬	—	(294)	—	(155)	(1,200)	(1,649)
At 31 December 2011	於2011年12月31日	63,578	22,524	12,459	6,564	37,976	143,101
Currency realignment	匯兌調整	—	2	—	—	10	12
Provided for the year	本年度撥備	4,852	2,102	1,129	373	3,710	12,166
Eliminated on disposals	出售時撇賬	—	(1,211)	—	(557)	(1,891)	(3,659)
At 31 December 2012	於2012年12月31日	68,430	23,417	13,588	6,380	39,805	151,620
<b>NET BOOK VALUE</b>	<b>賬面淨值</b>						
At 31 December 2012	於2012年12月31日	28,621	4,073	14,892	1,071	8,492	57,149
At 31 December 2011	於2011年12月31日	33,473	5,668	9,558	483	7,340	56,522

The above items of property, plant and equipment are depreciated on a straight-line method at the following rates per annum:

Buildings and leasehold improvements	5%
Furniture, fixtures and equipment	20%
Motor vehicles	25%
Plant and machinery	20%

The carrying values of the Group's property interests comprises buildings on land under medium-term land use rights in the PRC.

上述物業、廠房及設備項目之折舊乃以直線法按下列年率折舊：

樓宇及租賃物業裝修	5%
傢俬、裝置及設備	20%
汽車	25%
廠房及機器	20%

本集團物業權益的賬面值指在中國境內享有中期土地使用權土地上的建築物。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 15. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments comprise leasehold land in the PRC under medium-term lease.

Analysed for reporting purposes as:

Non-current asset  
Current asset

分析呈報如下：

非流動資產  
流動資產

### 15. 預付租賃款項

本集團之預付租賃款項是指中國境內之中期租賃土地。

	<b>2012</b>	2011
	<b>HK\$'000</b>	HK\$'000
	千港元	千港元
	<b>23,935</b>	24,573
	<b>617</b>	394
	<b>24,552</b>	24,967

### 16. INVESTMENT PROPERTIES

FAIR VALUE  
At 1 January 2011  
Currency realignment

At 31 December 2011  
Currency realignment

At 31 December 2012

公平值  
於2011年1月1日  
匯兌調整  
於2011年12月31日  
匯兌調整  
於2012年12月31日

**HK\$'000**  
千港元

26,341  
(1,259)  
25,082  
647  
25,729

The fair value of the Group's investment properties at 31 December 2012 was arrived at on the basis of a valuation carried out on that date by Thai Property Appraisal Lynn Philips Co., Ltd., an independent firm of professional property valuer, on the basis of open market value in existing use, which was approximated to the fair value as at 31 December 2011.

本集團位於泰國之投資物業權益之公平值於2012年12月31日由獨立專業物業估值師，Thai Property Appraisal Lynn Philips Co., Ltd.，按其現有用途之公開市場價值基準重估，其公平值與2011年12月31日相若。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

**17. INVENTORIES**

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Raw materials	原材料	<b>42,033</b>	45,265
Work in progress	半成品	<b>35,329</b>	52,075
Finished goods	製成品	<b>29,294</b>	20,071
		<b>106,656</b>	117,411

**17. 存貨****18. TRADE AND OTHER RECEIVABLES**

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Trade receivables	應收貿易賬款	<b>83,981</b>	132,184
Less: allowance for doubtful debts	減：呆壞賬準備	<b>(16)</b>	(663)
		<b>83,965</b>	131,521
Bills receivables	應收票據	<b>25,504</b>	45,650
		<b>109,469</b>	177,171
Prepayment and deposits	預付款及訂金	<b>3,145</b>	2,260
Other receivables	其他應收款項	<b>1,122</b>	1,059
Total trade and other receivables	應收貿易及其他款項合計	<b>113,736</b>	180,490

**18. 應收貿易及其他款項**

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 18. TRADE AND OTHER RECEIVABLES (CONTINUED)

The aged analysis of trade and bills receivables based on the invoice date at the end of the reporting period is as follows:

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Less than 30 days	少於30天	<b>59,138</b>	89,902
31–60 days	31至60天	<b>32,261</b>	49,037
61–90 days	61至90天	<b>17,471</b>	31,341
Over 90 days	90天以上	<b>599</b>	6,891
		<b>109,469</b>	177,171

The following amounts of trade receivables, bills receivables and other receivables are denominated in currencies other than the functional currency of the relevant group entities.

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Renminbi ("RMB")	人民幣	<b>344</b>	3,075
HK dollars	港元	<b>161</b>	975
		<b>505</b>	4,050

Before accepting any new customer, the Group assesses the potential customer's credit quality by investigating its historical credit record and then defines its credit limit. The Group generally allows its trade customers an average credit period ranging from 7 to 90 days. During the year, the Group has provided allowance for doubtful debts of HK\$16,000 (2011: HK\$430,000) for certain receivables aged over 90 days. Included in the Group's trade receivable balances are debtors with an aggregate carrying amount of HK\$7,525,000 (2011: HK\$26,556,000) which were past due at the reporting date but for which the Group has not provided for impairment loss. There has not been a significant change in credit quality of the relevant customers and the Group believes that the amounts are still recoverable as there are continuing subsequent settlement. The Group does not hold any collateral over these balances.

### 18. 應收貿易及其他款項(續)

應收賬款及票據於報告期末按發票日期之賬齡分析如下：

	<b>2012</b>	2011
	<b>HK\$'000</b>	HK\$'000
	千港元	千港元
Less than 30 days	<b>59,138</b>	89,902
31–60 days	<b>32,261</b>	49,037
61–90 days	<b>17,471</b>	31,341
Over 90 days	<b>599</b>	6,891
	<b>109,469</b>	177,171

以下應收貿易款、應收票據及其他應收款項均以相關集團個體的功能貨幣以外的貨幣記賬。

	<b>2012</b>	2011
	<b>HK\$'000</b>	HK\$'000
	千港元	千港元
Renminbi ("RMB")	<b>344</b>	3,075
HK dollars	<b>161</b>	975
	<b>505</b>	4,050

於接納任何新客戶前，本集團透過調查其過往之信貸紀錄評估客戶之潛在信貸質量繼而決定其信貸額度。本集團一般給予貿易客戶之賒賬期平均為7至90天。於年內，本集團已就個別客戶之應收款項賬齡超過90天作出呆賬撥備約16,000港元(2011: 430,000港元)。於報告日賬面值約7,525,000港元(2011: 26,556,000港元)的應收貿易賬款已過期，由於相關客戶之信貸質素並無重大改變且持續結賬，本集團認為該等款項仍可收回，故並無就減值虧損作撥備。本集團並無持有該款項之抵押品。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

**18. TRADE AND OTHER RECEIVABLES (CONTINUED)****Aging of trade receivables which are past due but not impaired**

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
0-30 days	少於30天	<b>678</b>	104
31-60 days	31至60天	<b>6,207</b>	7,081
61-90 days	61至90天	<b>69</b>	15,986
Over 90 days	90天以上	<b>571</b>	3,385
Total	合計	<b>7,525</b>	26,556

**18. 應收貿易及其他款項(續)**

逾期而未減值的應收貿易款項賬齡如下：

**Movement in the allowance for doubtful debts**

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Balance at beginning of the year	年初結餘	<b>663</b>	233
Impairment losses recognised on receivables	應收賬款的減值	<b>16</b>	430
Amount written off as uncollectible	不能收回之撇賬金額	<b>(461)</b>	—
Amount recovered during the year	年內已收回之金額	<b>(202)</b>	—
Balance at end of the year	年終結餘	<b>16</b>	663

呆壞賬撥備之變動如下

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 19. DERIVATIVE FINANCIAL INSTRUMENTS

### 19. 衍生金融工具

		Current		Non-current	
		短期		長期	
		2012	2011	2012	2011
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
<b>Derivative financial assets</b>	<b>衍生金融資產</b>				
Foreign currency forward contracts	外幣遠期合約				
(Note i)	(附註i)				
		<b>434</b>	—	—	—
<b>Derivative financial liabilities</b>	<b>衍生金融負債</b>				
Structured foreign currency forward contract (Note ii)	結構性外幣遠期合約(附註ii)			<b>455</b>	—

Notes:

- (i) Foreign currency forward contracts  
The amount represents the fair value of foreign currency forward contracts held by the Group with terms stated as follows:

附註：

- (i) 外幣遠期合約  
本集團持有之外幣兌換合約，其公平值金額及條款列載如下：

Notional amount		Maturity	Exchange rate
名義金額		到期日	兌換率
<b>As at 31 December 2012</b>	<b>於2012年12月31日</b>		<b>USD vs RMB</b>
			美金對人民幣
Sell USD500,000	沽500,000美元	9.1.2013	1:6.344
Sell USD500,000	沽500,000美元	19.2.2013	1:6.348
Sell USD500,000	沽500,000美元	11.3.2013	1:6.351
Sell USD500,000	沽500,000美元	9.4.2013	1:6.353
Sell USD500,000	沽500,000美元	9.5.2013	1:6.355
Sell USD500,000	沽500,000美元	10.6.2013	1:6.358
Sell USD500,000	沽500,000美元	9.7.2013	1:6.360
Sell USD500,000	沽500,000美元	9.8.2013	1:6.362

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 19. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Notes: (continued)

(ii) Structured foreign currency forward contract

At 31 December 2012, the notional amount of structured foreign currency forward contract amounted to USD1,000,000 with 24 valuation dates from 3 January 2013 to 3 December 2014 with settlement dates from 7 January 2013 to 5 December 2014. The expiry date of the contract is 3 December 2014.

On each valuation date, if the USD/RMB spot rate with reference to Reuters page CNHFIX01 as determined by a pre-agreed calculation agent (the "Spot Rate") pursuant to the structured foreign currency forward contract, is higher than a strike rate at USD1:RMB6.5 (the "Strike Rate"), the Group will be obliged to sell the notional amount of USD1,000,000 at the Strike Rate and thus the Group may suffer a loss. If the Sport Rate is less than the Strike Rate, the Group will receive a pre-determined amount of RMB28,800.

As at December 2011, there were no derivative financial instruments.

### 19. 衍生金融工具(續)

附註：(續)

(ii) 結構性外幣遠期合約

於2012年12月31日，結構性外幣遠期合約的名義值為1,000,000美元，24個估值日介乎2013年1月3日至2014年12月3日，結算日則介乎2013年1月7日至2014年12月5日。合約的屆滿日期為2014年12月3日。

於每一估值日，倘若根據結構性外幣遠期合約由預先協定計價代理參考路透社CNHFIX01專頁釐定的美元兌人民幣即期匯率（「即期匯率」）高於履約匯率1美元兌人民幣6.5元，則本集團有責任按履約匯率出售名義值1,000,000美元，故本集團可能出現虧損。倘若即期匯率低於履約匯率，則本集團將收取預先釐定的金額人民幣28,800元。

於2011年12月，概無任何衍生金融工具。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 20. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short term bank deposits with an original maturity of three months or less. The deposits carry prevailing market interest rates which range from 0.05% to 1.02% (2011: 0.05% to 0.86%) per annum.

The following amounts of bank and cash are denominated in the foreign currencies other than the functional currency of the relevant group entities.

Euro	歐元
RMB	人民幣
HK dollars	港元

### 20. 銀行結餘及現金

銀行結餘及現金包括本集團持有之現金及原本為3個月或少於3個月到期之短期銀行存款。該等存款按市場平均年息率0.05%至1.02% (2011: 0.05%至0.86%)計息。

以下銀行及現金結餘均以相關集團個體的功能貨幣以外的貨幣記賬。

<b>2012</b>	2011
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>298</b>	128
<b>6,924</b>	14,406
<b>25,060</b>	15,502
<b>32,282</b>	30,036

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 21. TRADE AND OTHER PAYABLES

Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period obtained for trade purchases is 7 to 60 days.

Included in trade and other payables are trade and bills payables of HK\$56,941,000 (2011: HK\$70,494,000). The aged analysis of trade and bills payables at the end of the reporting period is as follows:

Less than 30 days	少於30天
31–60 days	31至60天
61–90 days	61至90天
Over 90 days	90天以上
Other payables	其他應付款
Accrued salary	應付薪金
Accrued bonus	應付花紅
Other accrued expenses	其他應付費用

The following amounts of trade and other payables are denominated in currencies other than the functional currency of the relevant group entities.

RMB	人民幣
HK dollars	港元

### 21. 應付貿易及其他款項

應付貿易及其他款項主要包括貿易購貨及持續開支成本之未付金額。貿易購貨之平均賒賬期為7至60天。

應付貿易及其他款項包括應付貿易款項約56,941,000港元(2011: 70,494,000港元)。應付貿易款項於報告期末之賬齡分析如下:

	2012 HK\$'000 千港元	2011 HK\$'000 千港元
Less than 30 days	<b>34,517</b>	43,187
31–60 days	<b>17,692</b>	22,764
61–90 days	<b>2,693</b>	2,125
Over 90 days	<b>2,039</b>	2,418
	<b>56,941</b>	70,494
Other payables	<b>2,205</b>	237
Accrued salary	<b>14,914</b>	16,668
Accrued bonus	<b>6,528</b>	6,650
Other accrued expenses	<b>11,224</b>	13,274
	<b>91,812</b>	107,323

以下應付貿易賬款及其他款項均以相關集團個體的功能貨幣以外的貨幣記賬。

	2012 HK\$'000 千港元	2011 HK\$'000 千港元
RMB	<b>17,162</b>	33,893
HK dollars	<b>37,951</b>	30,277
	<b>55,113</b>	64,170

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 22. AMOUNT DUE TO A RELATED COMPANY

Capital Nation Investments Limited  
("Capital Nation")

Capital Nation is beneficially owned and controlled by Ms. Lee Rosanna Man Lai who is the daughter of Mr. Lee, the controlling shareholder of the Company's ultimate holding company, Full Gold.

The amount is unsecured, non-interest bearing, repayable on demand and aged within 60 days.

### 22. 應付關連公司款項

<b>2012</b>	2011
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>311</b>	629

Capital Nation由本公司最終控股公司Full Gold之控股股東李先生之女兒李文麗女士實益擁有。

有關款項為無抵押、不計息、需應要求償還及賬齡為60天內。

### 23. BANK BORROWINGS

Bank loans 銀行借款  
Bank import loans 銀行入口借款

Analysed as: 分析為：

Unsecured 無抵押

As at 31 December 2012, the Group had available banking facilities of approximately HK\$440,198,000 (2011: HK\$412,174,000) of which HK\$50,000,000 (2011: HK\$106,305,000) was utilised.

### 23. 銀行借款

<b>2012</b>	2011
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>50,000</b>	50,000
—	56,305
<b>50,000</b>	106,305
<b>50,000</b>	106,305

於2012年12月31日，本集團可用之銀行備用信貸額約440,198,000港元(2011：412,174,000港元)，其中50,000,000港元(2011：106,305,000港元)已被動用。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 23. BANK BORROWINGS (CONTINUED)

All of the Group's borrowings are variable rate borrowings as at 31 December 2012 and 2011.

The ranges of effective interest rates per annum on the Group's borrowings are as follows:

		2012	2011
Effective interest rate:	實際利率：	<b>1.25% to 2.25% over HIBOR or LIBOR</b>	0.8% to 1.25% over HIBOR or LIBOR
Variable-rate borrowings	浮息借款		
		香港或倫敦 同業拆息	香港或倫敦 同業拆息

The following amounts of bank borrowings are denominated in currencies other than the functional currency of the relevant group entities.

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
HK dollars	港元	<b>50,000</b>	97,421

### 23. 銀行借款(續)

於2012年及2011年12月31日，本集團所有借款均為浮息借款。

本集團借款之實際年利率範圍如下：

本集團除去以相關實體功能貨幣列值外之銀行借款呈列如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 24. DEFERRED TAXATION

The following are the major deferred tax liabilities and assets recognised and movement thereon during the current and prior reporting periods.

		<b>Accelerated (accounting) tax depreciation 遞增 稅項折舊 HK\$'000 千港元</b>
At 1 January 2011	於2011年1月1日	(42)
Charge to profit or loss	計入損益	58
At 31 December 2011	於2011年12月31日	16
Charge to profit or loss	計入損益	256
At 31 December 2012	於2012年12月31日	272

The following is the analysis of the deferred tax balances for financial reporting purposes:

		<b>2012 HK\$'000 千港元</b>	2011 HK\$'000 千港元
Deferred tax liabilities	遞延稅項負債	<b>281</b>	519
Deferred tax assets	遞延稅項資產	<b>(9)</b>	(503)
		<b>272</b>	16

### 24. 遞延稅項

本年度及過往報告期間已確認之主要遞延稅項負債及資產及其變動概述如下。

作為財務匯報，遞延稅項結餘分析如下：



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 24. DEFERRED TAXATION (CONTINUED)

At the end of the reporting period, the Group had unutilised tax losses of HK\$1,670,000 (2011: HK\$30,890,000) available to offset against future profits. Unused tax losses of HK\$18,311,000 (at the time of deregistration) was related to a subsidiary which was deregistered during the year. Tax losses of HK\$1,670,000 (2011: HK\$30,890,000) may be carried forward indefinitely.

Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiary amounting to HK\$2,634,000 (2011: HK\$2,563,000) 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.

### 24. 遞延稅項(續)

於報告期末，本集團尚未動用但可用作抵扣未來課稅溢利之稅項虧損為1,670,000港元(2011: 30,890,000港元)。稅項虧損可無限期結轉。稅項虧損1,670,000港元(2011: 30,890,000港元)之可無限期結轉。

根據中華人民共和國企業所得稅法，從2008年1月1起，中國境內附屬公司宣派之股息均需繳納預提所得稅。由於本集團能夠控制撥回暫時性差額的時間，暫時性差額於可見將來極可能不會撥回，故本綜合財務報表並無就應佔中國境內附屬公司所產生累計溢利共2,634,000港元(2011: 2,563,000港元)的暫時性差額計提遞延稅項撥備。

### 25. SHARE CAPITAL

### 25. 股本

		Number of ordinary shares 普通股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.10 each:	每股面值0.1 港元之普通股：		
Authorised:	法定：		
At 4 January 2011 (date of incorporation) (note (i))	於2011年1月4日(公司成立日期)(附註(i))	1,000,000	100
Increase in authorised share capital (note (ii))	增加法定資本(附註(ii))	4,999,000,000	499,900
At 31 December 2011 and 31 December 2012	於2011年12月31日及2012年12月31日	5,000,000,000	500,000
Issued and fully paid:	發行及繳足：		
At 4 January 2011 (date of incorporation)(note (iii) and (iv))	於2011年1月4日(公司成立日期)(附註(iii)及(iv))	100,000	10
Issue of shares (note (iv))	發行股份(附註(iv))	824,900,000	82,490
At 31 December 2011 and 31 December 2012	於2011年12月31日及2012年12月31日	825,000,000	82,500

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 25. SHARE CAPITAL (CONTINUED)

Notes:

- (i) The Company was incorporated on 4 January 2011 with an authorised share capital of HK\$100,000 divided into 1,000,000 ordinary shares of HK\$0.1 each.
- (ii) Pursuant to a shareholder resolution passed on 18 May 2011, the authorised share capital of the Company was increased from HK\$100,000 to HK\$500,000,000 by the creation of 4,999,000,000 new ordinary shares of HK\$0.1 each.
- (iii) On 4 January 2011, a total of 100,000 ordinary shares of HK\$0.1 each in the Company were issued to Lee & Man Chemical Company Limited ("LM"), the former parent of the Company, at nil-paid.
- (iv) Pursuant to the group reorganisation on 18 May 2011, the Company acquired the entire issued share capital of LM Development by (a) issuing 824,900,000 ordinary shares of HK\$0.1 each to LM and (b) crediting as fully paid the 100,000 ordinary shares of HK\$0.1 each in the Company then held by LM.

### 26. SHARE OPTION SCHEME

The share option scheme of the Company (the "Scheme") was adopted pursuant to a resolution passed on 18 May 2011 for the purpose of providing incentives to directors and eligible persons. The Scheme will remain in force for a period of 10 years from adoption of such scheme and will expire on 17 May 2021.

### 25. 股本(續)

附註：

- (i) 本公司於2011年1月4日註冊成立，法定股本為100,000港元，分為1,000,000股每股面值0.1港元的普通股。
- (ii) 根據於2011年5月18日通過的股東決議案，本公司的法定股本藉增設4,999,000,000股每股面值0.1港元的新普通股，由100,000港元增至500,000,000港元。
- (iii) 於2011年1月4日，理文化工有限公司(「理文」)，理文獲發行本公司合共100,000股每股面值0.1港元的未繳股款普通股。
- (iv) 於2011年5月18日，根據重組，本公司藉著(a)向理文發行824,900,000股每股面值0.1港元的普通股及(b)將理文於當時所持的本公司100,000股每股面值0.1港元的普通股入賬列為繳足，購入理文發展全部已發行股本。

### 26. 購股權計劃

本公司根據一項於2011年5月18日通過之決議案，已採納購股權計劃(「計劃」)，以獎勵董事及合適人士。計劃從採納後10年內有效，並於2021年5月17日屆滿。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 26. SHARE OPTION SCHEME (CONTINUED)

Under the Scheme, the board of directors of the Company could at their discretion grant options to (i) any director, employee or consultant of the Company or a company in which the Company holds an equity interest or a subsidiary of such company ("Affiliate"); or (ii) any discretionary trust whose discretionary objects include any director, employee or consultant of the Company or an Affiliate; or (iii) a company beneficially owned by any director, employee or consultant of the Company or an Affiliate; or (iv) any customer, supplier or adviser as may be determined by the directors of the Company from time to time to subscribe for the shares of the Company.

Options granted must be taken up within 21 days of the date of grant. The maximum number of shares of the Company in respect of which options might be granted under the Scheme shall not exceed 10% of the issued share capital of the Company any point in time. The maximum number of the shares of the Company in respect of which options might be granted to any individual in any 12-month period shall not exceed 1% of the shares of the Company in issue on the last date of such 12-month period unless approval of the shareholders of the Company was obtained in accordance with the Listing Rules on the Stock Exchange.

Options may be exercised during such period (including the minimum period, if any, for which an option must be held before it could be exercised) as may be determined by the directors of the Company (which shall be less than ten years from the date of issue of the relevant option). Options may be granted without initial payment. The exercise price was equal to the highest of (i) nominal value of the shares of the Company; (ii) the closing price per share as stated in the Stock Exchange's daily quotations sheets on the date of the grant of the options; and (iii) the average closing price per share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the grant of the options.

No share options were granted since the adoption.

### 26. 購股權計劃(續)

根據計劃，本公司董事會(「董事會」)可酌情向(i)本集團、本集團擁有股本權益之公司或該公司之附屬公司(「聯屬公司」)之任何董事、僱員或顧問；或(ii)受益人包括本集團或其聯屬公司之任何董事、僱員或顧問之任何全權信託；或(iii)由本集團或其聯屬公司之任何董事、僱員或顧問實益擁有之公司；或(iv)由董事會於不時決定之任何客戶、供應商或顧問授予購股權以認購本公司股份。

獲授予之購股權必須於獲授日起計21天內接納。有關根據計劃所授出之購股權所涉及之股份數目，在任何時候最高不得超過本公司已發行股本之10%。除非根據上市規則獲得本公司股東批准，否則於任何12個月期間授予任何個別人士之購股權之最高股份數目，不得超過於該12個月期間之最後一日已發行股份之1%。

購股權可於董事會釐定之有關期間(該期間將由發行有關購股權起計10年內，並包括購股權可予行使前必須持有之最短期限(如有))內行使。購股權可在毋須作出初期付款之情況下授出，並可按下述三項中之最高者作為行使價格(i)股份之面值；(ii)股份於授出購股權當日聯交所每日報價表所列之每股收市價；及(iii)股份於緊貼授出日期前5個交易日在聯交所之每日報價表所列之平均每股收市價。

自採納日起，並無根據計劃授出購股權。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 27. OPERATING LEASES

#### The Group as lessee

Minimum lease payments paid under operating leases in respect of office premises during the year

年內有關辦公室物業經營租約之最低租賃付款

### 27. 經營租約

#### 集團為承租人

<b>2012</b>	2011
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>2,052</b>	1,687

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:

於報告期末，本集團就不可註銷經營租約之未來最低租賃付款承擔如下：

<b>2012</b>	2011
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>2,112</b>	1,065
<b>105</b>	333
<b>2,217</b>	1,398

Operating lease payments represent rentals for the Company's office. The lease is for a term of two years and rental is fixed throughout the lease period.

經營租賃付款指本公司辦公室之租金。租賃之平均租期為兩年，租金乃根據租賃協議內之指定條款釐定。

### 28. CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided in the consolidated financial statements in respect of the acquisition of property, plant and equipment

已訂約但未於財務報表內反映之資本性支出添置物業、廠房及設備

### 28. 資本承擔

<b>2012</b>	2011
<b>HK\$'000</b>	HK\$'000
千港元	千港元
—	793

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 29. RETIREMENT BENEFIT SCHEMES

#### Defined benefit scheme

The Group is a member of a defined benefit scheme which was open to qualified employees of the Group's subsidiaries. In December 2000, all the then existing members of the defined benefit scheme were enrolled into the MPF Scheme and their accrued benefits for the past services under the defined benefit scheme were frozen as at 30 November 2000. The defined benefit scheme was closed to new employees from December 2000 onwards.

Under the defined benefit scheme, employees are entitled to retirement benefits varying between 0 and 100% of their salary as at 30 November 2000 multiplied by the pensionable service up to 30 November 2000 on attainment of a retirement age of 55. No other post-retirement benefits are provided.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out as at 31 December 2012 by HSBC Life (International) Limited. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

### 29. 退休福利計劃

#### 界定利益計劃

本集團為一項界定利益計劃之成員，該計劃專為集團公司之合資格僱員而設。於2000年12月，界定利益計劃當時之所有成員已登記加入強積金計劃，其於界定利益計劃下過往服務之累積利益已於2000年11月30日被凍結，界定利益計劃亦由2000年12月起不再接受新僱員加入。

根據界定利益計劃，僱員於年屆55歲退休之齡時，可收取之退休福利乃相等於其於2000年11月30日之薪酬之0%至100%不等，並乘以截至2000年11月30日止之應計算退休金之服務年資。本集團並未提供其他退休後福利。

計劃資產及界定利益承擔現值之最近期精算評估乃由匯豐人壽保險(國際)有限公司於2012年12月31日作出評估。界定利益承擔現值、相關之現時服務成本及過往服務成本乃採用預估單位利益法計算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 29. RETIREMENT BENEFIT SCHEMES (CONTINUED)

#### Defined benefit scheme (continued)

The main actuarial assumptions used were as follows:

Expected return on plan assets	計劃資產預期回報
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The overall expected rate of return is a weighted average of the expected returns of the various categories of plan assets held. The directors' assessment of the expected return is based on historical return trends and analysis predictions of the market for the asset in the next twelve months.

The actuarial valuation shows that the market value of plan assets at 31 December 2012 was HK\$9,699,000 (2011: HK\$9,237,000) and that the actuarial value of these assets represented 151% (2011: 144%) of the benefits that were accrued to members. The surplus at 31 December 2012 of HK\$3,271,000 (2011: HK\$2,809,000) is to be cleared over the estimated remaining service period of the current membership of 6 years (2011: 7 years)

The credit recognised in other income in respect of the defined benefit scheme is as follows:

Expected return on plan assets	計劃資產預期回報
--------------------------------	----------

### 29. 退休福利計劃(續)

#### 界定利益計劃(續)

所採用之主要精算假設如下：

2012 Per annum 年率	2011 Per annum 年率
2.5%	3.0%

整體之預期回報率乃持有之不同類別計劃資產預期回報之加權平均。董事對預期回報之評估乃基於以往回報記錄及市場對資產未來十二個月之預計分析。

精算評估顯示計劃資產於2012年12月31日之市值為9,699,000港元(2011: 9,237,000港元)，而該等資產之精算價值乃相當於計劃成員應得利益之151%(2011: 144%)。於2012年12月31日之盈餘為3,271,000港元(2011: 2,809,000港元)將於現有會籍的六年(2011: 七年)估計剩餘服務年期內結算。

在綜合全面收益表內就界定利益計劃已確認之收入如下：

2012 HK\$'000 千港元	2011 HK\$'000 千港元
(277)	(278)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 29. RETIREMENT BENEFIT SCHEMES (CONTINUED)

#### Defined benefit scheme (continued)

The amount included in the consolidated statement of financial position arising from the Group's obligation in respect of its defined benefit retirement benefit plan is as follows:

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Present value of funded defined benefit obligations	界定利益承擔款項之現值	<b>6,428</b>	6,428
Fair value of plan assets	計劃資產之公平價值	<b>(9,699)</b>	(9,237)
		<b>(3,271)</b>	(2,809)
Net actuarial losses not recognised	未確認之精算虧損	<b>(1,822)</b>	(2,007)
Defined benefit asset	界定利益淨資產	<b>(5,093)</b>	(4,816)

Movements in the present value of the funded defined benefit obligations in the current year were as follows:

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Opening balance	期初結餘	<b>6,428</b>	7,480
Benefit paid	已付利益	—	(920)
Actuarial gains	精算收益	—	(132)
Closing balance	期末結餘	<b>6,428</b>	6,428

### 29. 退休福利計劃(續)

#### 界定利益計劃(續)

已列入綜合財務狀況表中本集團於界定利益退休福利計劃之承擔所產生之數額如下：

	<b>2012</b>	2011
	<b>HK\$'000</b>	HK\$'000
	千港元	千港元
Present value of funded defined benefit obligations	<b>6,428</b>	6,428
Fair value of plan assets	<b>(9,699)</b>	(9,237)
	<b>(3,271)</b>	(2,809)
Net actuarial losses not recognised	<b>(1,822)</b>	(2,007)
Defined benefit asset	<b>(5,093)</b>	(4,816)

年內界定利益承擔現值變動如下：

	<b>2012</b>	2011
	<b>HK\$'000</b>	HK\$'000
	千港元	千港元
Opening balance	<b>6,428</b>	7,480
Benefit paid	—	(920)
Actuarial gains	—	(132)
Closing balance	<b>6,428</b>	6,428

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 29. RETIREMENT BENEFIT SCHEMES (CONTINUED)

#### Defined benefit scheme (continued)

Movements in the fair value of the plan assets in the current year were as follows:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Opening balance	期初結餘	9,237	9,705
Expected return on plan assets	計劃資產預期回報	277	278
Benefit paid	已付利益	—	(920)
Actuarial gains	精算收益	185	174
Closing balance	期末結餘	<b>9,699</b>	9,237

The major categories of plan assets at the end of the reporting period are as follows:

		Fair value of plan assets 計劃資產之公平值	
		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Debt instruments	債券	9,602	8,222
Cash	現金	97	1,015
		<b>9,699</b>	9,237

The plan assets do not include any equity shares in the Company or property held by the Group.

### 29. 退休福利計劃(續)

#### 界定利益計劃(續)

年內計劃資產公平值變動如下：

	2012 HK\$'000 千港元	2011 HK\$'000 千港元
Opening balance	9,237	9,705
Expected return on plan assets	277	278
Benefit paid	—	(920)
Actuarial gains	185	174
Closing balance	<b>9,699</b>	9,237

計劃資產之主要分類於報告期末呈列如下：

		Fair value of plan assets 計劃資產之公平值	
		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Debt instruments	債券	9,602	8,222
Cash	現金	97	1,015
		<b>9,699</b>	9,237

計劃資產之公平價值並無包含本公司之股本權益或本集團持有之物業。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 29. RETIREMENT BENEFIT SCHEMES (CONTINUED)

#### Defined benefit scheme (continued)

The history of experience adjustments is as follows:

		2012	2011	2010	2009	2008
		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
Present value of defined benefit obligations	界定利益承擔現值	<b>6,428</b>	6,428	7,480	8,194	8,571
Fair value of plan assets	計劃資產之公平值	<b>(9,699)</b>	(9,237)	(9,705)	(9,936)	(10,403)
Surplus	盈餘	<b>(3,271)</b>	(2,809)	(2,225)	(1,742)	(1,832)
Actuarial gains on plan liabilities	計劃負債精算虧損	<b>—</b>	132	—	—	1,383
Actuarial gains on plan assets	計劃資產精算收益	<b>(185)</b>	(174)	(195)	(84)	(98)

#### Defined contribution scheme

The Group also operates the MPF Scheme for all qualifying employees. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes monthly the lower of HK\$1,000 (up to 31 May 2012) and HK\$1,250 (starting from 1 June 2012) or 5% of the relevant monthly payroll costs to the MPF Scheme, which contribution is matched by employees. The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefit scheme operated by the government of the PRC. The Group is required to contribute certain percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

### 29. 退休福利計劃(續)

#### 界定利益計劃(續)

過往調整實況如下：

		2012	2011	2010	2009	2008
		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
Present value of defined benefit obligations	界定利益承擔現值	<b>6,428</b>	6,428	7,480	8,194	8,571
Fair value of plan assets	計劃資產之公平值	<b>(9,699)</b>	(9,237)	(9,705)	(9,936)	(10,403)
Surplus	盈餘	<b>(3,271)</b>	(2,809)	(2,225)	(1,742)	(1,832)
Actuarial gains on plan liabilities	計劃負債精算虧損	<b>—</b>	132	—	—	1,383
Actuarial gains on plan assets	計劃資產精算收益	<b>(185)</b>	(174)	(195)	(84)	(98)

#### 界定供款計劃

本集團為所有合資格的僱員設立一項強積金計劃。該計劃之資產與本集團之資產分開持有，並由受託人控制。本集團向強積金計劃供款1,000港元(截至2012年5月31日止)及1,250港元(由2012年6月1日開始)或有關每月薪酬成本之5%(以較低者為準)，而僱員之供款比率相同。本集團之中國附屬公司之僱員均為中國政府管理之國營退休福利計劃之成員，該等中國附屬公司須按薪酬開支之若干百分比向退休福利計劃供款，本集團對有關退休福利計劃之責任是作出指定之供款。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 30. RELATED PARTY TRANSACTIONS AND BALANCES

### 30. 關連交易及結餘

Save as the balance with a related party as disclosed in note 22, the group had related party transactions during the year as follows:

除附註22所披露關連方結餘外，本集團於年內所進行之關連交易如下：

Name of related party	Relationship	Nature of transactions	2012 HK\$'000 千港元	2011 HK\$'000 千港元
關連方名稱	關連方名稱	交易性質		
Lee & Man (International) Investment Limited	A company beneficially owned and controlled by Mr. Lee ( <i>note</i> )	Management fee income received	16	—
理文(國際)投資有限公司	由李先生實益擁有及控制之公司(附註)	已收管理費		
Lee & Man Chemical (H. K.) Limited	A company beneficially owned and controlled by Mr. Lee ( <i>note</i> )	Management fee income received	—	8
理文化工(香港)有限公司	由李先生實益擁有及控制之公司(附註)	已收管理費		
Capital Nation	A company beneficially owned and controlled by Ms. Lee Rosanna Man Lai, a daughter of Mr. Lee	Corrugated cardboard and carton boxes purchased	1,991	3,425
	由李先生之女兒李文麗女士實益擁有及控制之公司	購買瓦楞紙板及紙箱		
Lee & Man Realty Investment Limited	A company beneficially owned and controlled by Mr. Lee	Licence fee paid	1,943	1,555
理文置業有限公司	由李先生實益擁有及控制之公司	已付使用權費		

Note: The companies are the subsidiaries of LM. Before the reorganisation in June 2011, these two companies and the companies comprising the Group at that time were both subsidiaries of LM.

附註：理文(國際)投資有限公司及理文化工(香港)有限公司為理文之附屬公司。於2011年6月重組前，該二間公司及其他本集團成員公司於當時均為理文之附屬公司。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 30. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

The remuneration of directors and other members of key management during the year was as follows:

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Short-term employee benefits	短期員工福利	<b>6,885</b>	5,783
Post-employment benefits	退休員工福利	<b>110</b>	91
		<b>6,995</b>	5,874

### 31. NON-CASH TRANSACTIONS

During the year, purchases of property, plant and equipment of HK\$1,738,000 (2011: HK\$1,094,000), were settled through transfer of deposits paid.

### 30. 關連交易及結餘(續)

董事及其他主要管理層成員於年內之酬金如下：

### 31. 非現金交易

年內，購置物業、廠房及設備分別為1,738,000港元(2011年：1,094,000港元)是由往年度的已付訂金轉入。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 32. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

### 32. 本公司附屬公司

Particulars of the Company's subsidiaries at 31 December 2012 and 2011 are as follows:

本公司附屬公司於2012年及2011年12月31日之詳情如下：

Name of company 公司名稱	Place and date of incorporation/ establishment 成立地點及日期/ 註冊成立	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本	Attributable equity interest held by the Group 本集團持有之 應佔股本權益		Principal activities 主要業務
			2012	2011	
<b>Directly owned</b> 直接擁有					
Lee & Man Development Company Limited 理文發展有限公司	BVI 15 September 1992 英屬維爾京群島 1992年9月15日	Ordinary US\$90 普通股90美元	100%	100%	Investment holding 投資控股
<b>Indirectly owned</b> 間接擁有					
Lee & Man Company Limited 理文洋行有限公司	Hong Kong 21 November 1978 香港 1978年11月21日	Ordinary HK\$1,000,000 普通股1,000,000港元 Non-voting deferred HK\$1,000,000 無投票權遞延股份 1,000,000港元	100%	100%	Manufacture and sale of handbags 製造及銷售手袋
Lee & Man Handbag Manufacturing Company Limited 理文手袋廠有限公司	Hong Kong 20 August 1976 香港 1976年8月20日	Ordinary HK\$10,000 普通股10,000港元 Non-voting deferred HK\$500,000 無投票權遞延股份 500,000港元	100%	100%	Manufacture and sale of handbags 製造及銷售手袋
Well Known Associates Limited	BVI 2 August 2001 英屬維爾京群島 2001年8月2日	Ordinary US\$1 普通股1美元	100%	100%	Investment holding 投資控股
Catini Bags, Inc*	USA 25 September 2001 美國 2001年9月25日	Ordinary US\$1,000 普通股1,000美元	—	100%	Trading of handbags 手袋貿易
Catini Bags (Hong Kong) Limited	Hong Kong 7 November 2001 香港 2001年11月7日	Ordinary HK\$2 普通股2港元	100%	100%	Dormant 不活躍公司

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 32. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (CONTINUED)

### 32. 本公司附屬公司(續)

Name of company 公司名稱	Place and date of incorporation/ establishment 成立地點及日期/ 註冊成立	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本	Attributable equity interest held by the Group 本集團持有之應佔股本權益		Principal activities 主要業務
			2012	2011	
Lee & Man Management Company Limited 理文管理有限公司	Hong Kong 24 November 1992 香港 1992年11月24日	Ordinary HK\$2 普通股2港元	100%	100%	Provision of management and administration services 提供管理及行政服務
Lee & Man Luggage Manufacturing Company Limited 理文旅行箱有限公司	Hong Kong 25 June 1992 香港 1992年6月25日	Ordinary HK\$2 普通股2港元	100%	100%	Dormant 不活躍公司
Lee & Man Handbag (Thailand) Company Limited	Thailand 11 November 1997 泰國 1997年11月11日	Ordinary Baht 30,000,000 普通股 30,000,000泰銖	100%	100%	Property holding in Thailand 於泰國持有物業
Lee Wai Handbag Manufacturing Company Limited 利偉手袋廠有限公司	Hong Kong 23 March 2009 香港 2009年3月23日	Ordinary HK\$1 普通股1港元	100%	100%	Investment holding 投資控股
Dongguan Lee Wai Handbag Co. Ltd* (Note) 東莞利偉手袋有限公司 (「東莞利偉」)(附註)	PRC 25 September 2009 中華人民共和國 2009年9月25日	Registered and paid-in capital HK\$6,000,000 註冊及實收資本 6,000,000港元	100%	100%	Manufacture and sale of handbags 製造及銷售手袋
Deluxe Handbag Manufacturing Company Limited 卓展手袋廠有限公司	Hong Kong 22 February 2011 香港 2011年2月22日	Ordinary HK\$1 普通股1港元	100%	100%	Investment holding 投資控股
Dongguan Deluxe Handbag Manufacturing Limited* (Note) 東莞卓展手袋有限公司 (「東莞卓展」)(附註)	PRC 11 January 2012 中華人民共和國 2012年1月11日	Paid-in capital HK\$1,000,000 實收資本 1,000,000港元	100%	—	Manufacture and sale of handbags 製造及銷售手袋

\* For identification purposes only.

\* This company was deregistered during the year.

\* 僅供識別

\* 該公司於本年度註銷。

Note: The companies are registered in the form of wholly-owned foreign investment enterprises.

附註：東莞利偉及東莞卓展是以外商獨資企業形式註冊。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 32. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (CONTINUED)

The deferred shares of the above entities practically carry no rights to participate in profits or surplus assets or to receive notice of or to attend or vote at any general meeting of the respective companies or to participate in any distribution on winding up.

None of the subsidiaries had any debt securities outstanding at the end of the year, or at any time during the year.

### 33. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure the 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 net debt, which includes the bank borrowings disclosed in note 23, net of bank balances and cash, and equity attributable to owners of the Company, comprising issued share capital and various reserves.

The directors of the Company review the capital structure periodically. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as issue of new debts.

### 32. 本公司附屬公司(續)

遞延股份並無權利參與分派溢利或盈餘資產或接收各有關公司任何股東大會之通告或出席大會或於會上投票或參與清盤之任何分派。

附屬公司於年終或年內任何時間概無任何未贖回之債務證券。

### 33. 資本風險管理

本集團進行資本管理，以確保本集團旗下各實體能夠持續經營業務，同時透過優化債務及股本結餘爭取股東回報最大化。本集團的整體策略自上年度保持不變。

本集團的資本結構包括淨負債(載於在附註23中已扣除銀行結餘及現金後的銀行借款)及本公司權益持有人應佔權益(包含已發行股本及各項儲備)。

本公司董事按持續基準審閱資本架構。作為是項審閱的部分，董事會考慮資本成本及各類資本的相關風險。根據董事的建議，本集團將透過派付股息、發行新股及發行新債以平衡其整體資本架構。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 34. FINANCIAL INSTRUMENTS

#### 34a. Categories of financial instruments

<i>Financial assets</i>	金融資產
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及 現金等值項目)
Derivative financial instruments	衍生金融工具
<i>Financial liabilities</i>	金融負債
Financial liabilities at amortised cost	按攤銷成本的金 融負債
Derivative financial instruments	衍生金融工具

#### 34b. Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, bank balances, trade and other payables, derivative financial instruments, amount due to a related company and bank borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. 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.

### 34. 金融工具

#### 34a. 金融工具之類別

	2012 HK\$'000 千港元	2011 HK\$'000 千港元
Loans and receivables (including cash and cash equivalents)	190,593	232,651
Derivative financial instruments	434	—
Financial liabilities at amortised cost	109,457	177,665
Derivative financial instruments	455	—

#### 34b. 財務風險管理目標及政策

本集團之主要金融工具包括應收貿易及其他款項、銀行結餘、應付貿易及其他款項、衍生金融工具、應付關連公司款項及銀行借款。該等金融工具詳情於相關附註披露。該等金融工具的相關風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。下文載列如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時及有效地採取適當之措施。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### 34b. Financial risk management objectives and policies (continued)

##### Market risk

##### (i) Currency risk

The Group mainly operates in Hong Kong and the PRC and the exposure in exchange rate risks mainly arises from fluctuations of foreign currencies, including Euro, HK dollars and RMB against the functional currency of the relevant group entities. Material transactions and balances that are not denominated in the functional currency of the relevant entities give rise to foreign currency exposure as follows:

- (i) Euro – in terms of revenue and bank balances
- (ii) HK dollars and RMB – in terms of expenses, bank balances, capital expenditure and bank borrowings

Exchange rate fluctuations and market trend have always been the concern of the Group. As HK dollars are linked with US dollars, the Group does not have material exchange risk on this currency pair.

### 34. 金融工具(續)

#### 34b. 財務風險管理目標及政策(續)

##### 市場風險

##### (i) 貨幣風險

本集團主要於香港及中國經營業務，匯兌風險是由外幣兌換集團相關功能貨幣時匯率波動所產生，包括歐元、港元和人民幣等。以外幣列值並對集團產生匯兌風險的重大交易及結餘如下：

- (i) 歐元－於銷售收入及銀行結餘
- (ii) 港元及人民幣－於費用，銀行結餘，資本性支出及銀行借款

本集團一向關注匯率波動及市場趨勢。由於港元與美元掛鈎，本集團於該貨幣上並無重大兌換風險。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### 34b. Financial risk management objectives and policies (continued)

##### Market risk (continued)

##### (i) Currency risk (continued)

Non-derivative foreign currency monetary assets and monetary liabilities

At the end of the reporting period, the carrying amount of the Group's monetary assets and monetary liabilities (excluding those in HK dollars for entities with US dollars as functional currency) denominated in currencies other than the functional currency of the relevant group entities are as follows:

##### Monetary assets

Euro  
RMB

##### 貨幣資產

歐元  
人民幣

##### Monetary liabilities

RMB

##### 貨幣負債

人民幣

##### Sensitivity analysis

The following table details the Group's sensitivity to a 5% (2011: 5%) increase and decrease in the functional currency of the relevant group entities against the above foreign currencies. 5% (2011: 5%) is the sensitivity rate used when reporting foreign currency risk and represents management's assessment of the reasonably possible change in foreign exchange rates.

### 34. 金融工具(續)

#### 34b. 財務風險管理目標及政策(續)

##### 市場風險(續)

##### (i) 貨幣風險(續)

非衍生外匯貨幣資產及貨幣負債

於報告期末，本集團除去以相關實體功能貨幣列值外之貨幣資產及負債(以港幣列值而其功能貨幣為美金之實體除外)，其賬面值如下：

	<b>2012</b>	2011
	<b>HK\$'000</b>	HK\$'000
	千港元	千港元
<b>Monetary assets</b>		
Euro	<b>298</b>	128
RMB	<b>7,268</b>	17,481
<b>Monetary liabilities</b>		
RMB	<b>17,582</b>	33,893

##### 敏感性分析

下表詳述本集團在有關集團實體之功能貨幣兌上述有關外幣上升及下降5%(2011: 5%)的敏感度。5%(2011: 5%)為對內部主要管理人員匯報外幣風險時採用的敏感度比率，為管理層就外幣匯率的合理可能變動作出的評估。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

### 34. 金融工具(續)

#### 34b. Financial risk management objectives and policies (continued)

#### 34b. 財務風險管理目標及政策(續)

##### Market risk (continued)

##### 市場風險(續)

##### (i) Currency risk (continued)

##### (i) 貨幣風險(續)

Sensitivity analysis (continued)

敏感性分析(續)

The sensitivity analysis includes only outstanding foreign currency denominated monetary items other than those denominated in HK dollars but held by entities whose functional currency is US dollars because HK dollars are linked to US dollars. A strengthening of the above foreign currencies against the functional currency of the relevant group entities would give rise to the following impact to post-tax profit for the year and vice versa.

敏感度分析只包括實體以外幣計值的未償付貨幣項目(港元計值的未償付貨幣除外)，其功能貨幣為美元，因為港元與美元掛鈎。當上述外幣相對有關集團實體的功能貨幣轉強時，將會為本年度的除稅後溢利帶來以下影響，反之亦然。

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Monetary assets and liabilities:	貨幣資產及負債：		
Increase (decrease)	年度除稅後溢利增加		
on post-tax profit for the year	(減少)		
– Euro	– 歐元	12	6
– RMB	– 人民幣	(431)	(821)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### 34b. Financial risk management objectives and policies (continued)

##### Market risk (continued)

##### (i) Currency risk (continued)

##### Derivative financial instruments

During the year, the Group has entered into several foreign currency forward contracts and a structured foreign currency forward contract with banks to reduce its exposure to currency fluctuations risk of RMB against USD. These derivatives are not accounted for under hedge accounting. The Group is required to estimate the fair value of these derivative financial instruments at the end of the reporting period, which therefore exposed the Group to foreign currency risk.

##### Sensitivity analysis

If the forward exchange rate of RMB against USD had been 5% higher/lower while all other input variables of the valuation models were held constant, the Group's post-tax profit for the year would increase (decrease) as follows:

Higher by 5%	上升5%
Derivative financial instruments	衍生金融工具
Lower by 5%	下跌5%
Derivative financial instruments	衍生金融工具

### 34. 金融工具(續)

#### 34b. 財務風險管理目標及政策(續)

##### 市場風險(續)

##### (i) 貨幣風險(續)

##### 衍生金融工具

本集團年內已與銀行訂立多份外幣遠期合約及一份結構性外幣遠期合約，以減低其人民幣兌美元的貨幣波動風險。該等衍生工具概無按對沖會計法列賬。本集團須於報告期末估計該等衍生金融工具的公平值，因此將使本集團面臨外幣風險。

##### 敏感度分析

倘若人民幣兌美元的遠期匯率上升/下降5%，而估值模型之所有其他可變輸入值維持不變，則本集團之年度除稅後溢利增加(減少)如下：

	2012 HK\$'000 千港元	2011 HK\$'000 千港元
Higher by 5%		
Derivative financial instruments	<b>1,934</b>	—
Lower by 5%		
Derivative financial instruments	<b>(1,658)</b>	—

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### 34b. Financial risk management objectives and policies (continued)

##### Market risk (continued)

##### (ii) Interest rate risk

The Group's cash flow interest rate risks mainly relate to its variable rate borrowings (see note 23 for details of these borrowings). The Group's bank balances also have exposure to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank balances. The directors consider the Group's exposure to fair value interest rate risk in relation to its short term fixed-rate bank deposits is not significant as interest bearing bank balances are within short maturity periods.

The Group currently does not have any interest rate hedging policy in relation to fair value interest rate risks. The directors monitor the Group's exposure on an ongoing basis and will consider hedging interest rate risk should the need arise.

##### Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates on its variable rate borrowings and bank balances at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout both years in the case of instruments that have floating rates. 10 and 50 (2011: 10 basis points and 50 basis points) increase or decrease are used by the management for the assessment of the reasonably possible change in interest rates of variable rate bank balances and variable rate borrowings, respectively.

### 34. 金融工具(續)

#### 34b. 財務風險管理目標及政策(續)

##### 市場風險(續)

##### (ii) 利率風險

本集團之現金流利率風險主要由於銀行借款附帶浮動利息(借款詳情載於附註23)，而集團之銀行結餘亦因現行市場利率波動而須面對現金流利率風險影響。本公司董事認為本集團面對之公平值利率相對於其短期銀行固定存款利率風險並不顯著，因為該等付息銀行結餘均於短期內到期。

本集團目前並無任何針對公平值利率風險的利率對沖政策。本公司董事持續監測本集團面對之利率風險，並認為如有需要將考慮對沖利率風險。

##### 敏感性分析

以下敏感性分析是按浮息銀行借款及存款於報告期末的利率風險而釐定。假設工具採用浮息利率，則發生於財務年度開始轉變，會後的利率，會在該二個年度維持不變。10基點及50基點(2011：10基點及50基點)的增減是管理層作分別對浮動利率的銀行存款及借款有關利率變動可能性的評估時使用。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### 34b. Financial risk management objectives and policies (continued)

##### *Market risk (continued)*

##### *(ii) Interest rate risk (continued)*

##### Sensitivity analysis (continued)

If interest rates had been 10 (2011: 10) basis points higher or lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2012 would increase or decrease by HK\$25,000 (2011: HK\$54,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate bank balances.

If interest rates had been 50 (2011: 50) basis points higher or lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2012 would decrease or increase by HK\$125,000 (2011: HK\$270,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

### 34. 金融工具(續)

#### 34b. 財務風險管理目標及政策(續)

##### 市場風險(續)

##### (ii) 利率風險(續)

##### 敏感性分析(續)

倘利率增加或減少10個基數點(2011: 10個基數點)且所有其他可變因素維持不變,則本集團截至2012年12月31日止年度之溢利將增加或減少約25,000元(2011: 54,000港元),此由於銀行結餘附帶浮動利息而令本集團面對利率風險。

倘利率增加或減少50個基數點(2011: 50個基數點)且所有其他可變因素維持不變,則本集團截至2012年12月31日止年度之溢利將減少或增加約125,000港元(2011: 270,000港元)。由於銀行借款附帶浮動利息而令本集團面對利率風險。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### 34b. Financial risk management objectives and policies (continued)

##### *Credit risk*

As at 31 December 2012, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties provided by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position. The Group is also exposed to concentration of credit risk as a substantial portion of its sales is generated from a limited number of customers. At 31 December 2012, the top five customers of the Group accounted for about 60% (2011: 53%) of the Group's trade receivables.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on bank deposits is limited because the counterparties are banks with good reputation.

### 34. 金融工具(續)

#### 34b. 財務風險管理目標及政策(續)

##### *信貸風險*

於2012年12月31日，本集團因對方未能履行責任而導致財務損失的最高信貸風險來自綜合財務報表載列的各已確認金融資產的賬面值。由於本集團大部份銷售收入由有限客戶產生，本集團須面對信貸集中之風險。於2012年12月31日，集團首五位客戶佔應收賬款總額約60% (2011: 53%)。

為將信貸風險降至最低，本集團管理層已委任一組人員負責釐定信貸額度、信貸批核及其他監察程序以確保已採取適當跟進行動收回過期債務。此外，本集團於各個報告期末檢討各項個別貿易債項之可收回金額，以確保就不可收回金額作出足夠減值虧損。就此而言，本公司董事認為本公司之信貸風險已大幅降低。

本集團之銀行存款之信貸風險有限，由於對方均評定為高信貸評級之銀行。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### 34b. Financial risk management objectives and policies (continued)

##### *Liquidity risk*

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuation in cash flows. The Group also has available banking facilities (note 23) to meet its short-term working capital requirements. The management monitors the utilisation of bank borrowings and ensure compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has 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. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows. To the extent the interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

In addition, the following table details the Group's liquidity analysis for its derivative financial instruments. The tables have been drawn up based on the undiscounted contractual net cash (inflows) and outflows on derivative instruments that settle on a net basis. The liquidity analysis for the Group's derivative financial instruments are prepared based on the contractual maturities as the management consider that the contractual maturities are essential for an understanding of the timing of the cash flows of derivatives.

### 34. 金融工具(續)

#### 34b. 財務風險管理目標及政策(續)

##### *流動資金風險*

在管理流動資金風險時，本集團監控及保持管理層認為足夠的現金及現金等值項目水平，為本集團的業務營運提供資金並減輕現金流量波動的影響。本集團有充足可動用之銀行備用信貸額(附註23)以應付短期資金需求。管理層監控銀行借款的使用狀況及確保遵守貸款契約。

下表詳列本集團非衍生金融負債的餘下合約到期日，該表乃根據本集團可能被要求還款的最早日期金融負債的未貼現現金流量編製。其他非衍生金融負債之到期日根據商定的還款日期計算。該表列有利息及本金之現金流量。於報告期末，某程度上其利息流為浮動利率，而其未貼現金額則根據利率曲線計算。

此外，下表載列本集團的衍生金融工具的流動性分析。其根據以淨額基準結算的衍生金融工具的未貼現合約現金(流入)及流出淨額。本集團衍生金融工具流動性分析乃根據合約到期日編製，此乃由於管理層認為合約到期日對了解衍生工具現金流的時間實屬關鍵。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

**34. FINANCIAL INSTRUMENTS (CONTINUED)****34. 金融工具(續)****34b. Financial risk management objectives and policies (continued)****34b. 財務風險管理目標及政策(續)****Liquidity risk (continued)****流動資金風險(續)**

		Weighted average effective interest rate	On demand or 0-30 days	31-60 days	61-90 days	91-365 days	Over 365 days	Total undiscounted cash flows	Carrying amount
		加權平均 實際利率 %	應要求或 0-30天 HK\$'000 千港元	31-60天 HK\$'000 千港元	61-90天 HK\$'000 千港元	91-365天 HK\$'000 千港元	365天 HK\$'000 千港元	未貼現 現金流 HK\$'000 千港元	賬面值 HK\$'000 千港元
<b>As at 31 December 2012 於2012年12月31日</b>									
<b>Non-derivative financial liabilities 非衍生金融負債</b>									
Non-interest bearing	無息負債	—	35,730	20,007	2,212	1,273	235	59,479	59,457
Variable interest rate instruments	帶浮息工具	2.23	50,092	—	—	—	—	50,092	50,000
			85,822	20,007	2,212	1,273	235	109,571	109,457
<b>Derivative financial liabilities— net settlement 衍生金融負債—淨額交收</b>									
Foreign exchange forward contracts	外匯遠期合約		(36)	(36)	(36)	(162)	725	455	455
		Weighted average effective interest rate	On demand or 0-30 days	31-60 days	61-90 days	91-365 days	Over 365 days	Total undiscounted cash flows	Carrying amount
		加權平均 實際利率 %	應要求或 0-30天 HK\$'000 千港元	31-60天 HK\$'000 千港元	61-90天 HK\$'000 千港元	91-365天 HK\$'000 千港元	365天 HK\$'000 千港元	未貼現 現金流 HK\$'000 千港元	賬面值 HK\$'000 千港元
<b>As at 31 December 2011 於2011年12月31日</b>									
<b>Non-derivative financial liabilities 非衍生金融財務負債</b>									
Non-interest bearing	無息負債	—	40,966	26,253	2,694	1,447	—	71,360	71,360
Variable interest rate instruments	帶浮息工具	1.25	99,762	—	6,665	—	—	106,427	106,305
			140,728	26,253	9,359	1,447	—	177,787	177,665

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.

倘若浮息率與報告期末釐定的利率估計有別，則計入上文非衍生金融負債浮息工具可變利率的金額可予調整。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### 34c. Fair value

The fair value of financial assets and financial liabilities is determined as follows:

- the fair value of financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.
- foreign currency forward contracts and structured foreign currency forward contract are measured using quoted forward exchange rates. When such prices are not available, a discounted cash flow analysis is performed using the option pricing models for optional derivatives.

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

#### 34d. Fair value measurement recognised in the consolidated statements of financial position

The following table provides an analysis of the financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.

### 34. 金融工具(續)

#### 34c. 公平值

金融資產及金融負債之公平值按以下方式釐定：

- 金融資產及金融負債之公平值(衍生工具除外)，乃按貼現現金流量分析之公認定價模式；及
- 外匯遠期合約及結構性外幣遠期合約是用遠期外幣兌換率計量。倘無該等價格可供使用，則以期權定價模型進行貼現現金流分析。

董事認為，按攤銷成本列入綜合財務報表之金融資產及金融負債之賬面值與其公平值相若。

#### 34d. 在合併財務狀況表確認之公平價值計量

下表提供按於初步確認後按公平價值計量之金融工具之分析，按公平價值之可識別程度分為第一至第三級。

- 第一級公平價值計量為該等根據同類資產或負債於活躍市場之報價(未經調整)得出結果。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

### 34. 金融工具(續)

#### 34d. Fair value measurement recognised in the consolidated statements of financial position (continued)

- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### 34d. 在合併財務狀況表確認公平價值計量(續)

- 第二級公平價值計量為該等根據第一級內所報價格以外，就資產或負債觀察得出之輸入數據(不論為直接觀察得出(即價格)或間接觀察得出(即自價格衍生)得出之結果。
- 第三級公平價值計量為該等使用估值技術得出之結果，估值技術包括並非根據可觀察市場數據得出之資產及負債輸入數據(不可觀察之輸入數據)。

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>31 December 2012</b>	<b>2012年12月31日</b>				
<b>Financial assets at fair value through profit or loss</b>	<b>按公平價值計入損益的金融資產</b>				
Derivative financial instruments	衍生金融工具	—	434	—	434
<b>31 December 2012</b>	<b>2012年12月31日</b>				
<b>Financial liabilities at fair value through profit or loss</b>	<b>按公平價值計入損益的金融負債</b>				
Derivative financial instruments	衍生金融工具	—	455	—	455

These were no transfers between 3 levels in the current year.

於本年及往年度，三個級別間並無轉讓。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

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

A condensed statement of financial position of the Company as at 31 December 2012 and 31 December 2011 is as follows:

### 35. 本公司財務狀況表

本公司於2012年12月31日及2011年12月31日之財務狀況表概述如下：

		<b>2012</b>	2011
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
<b>ASSETS</b>			
Investments in subsidiaries	資產 附屬公司投資	<b>18,591</b>	18,591
Amount due from a subsidiary	應收附屬公司款項	<b>15,000</b>	—
Prepayments	預付費用	<b>172</b>	172
Bank balances	銀行結餘	<b>255</b>	172
		<b>34,018</b>	18,935
<b>LIABILITY</b>			
Other payables	負債 其他應付款	<b>(302)</b>	(285)
		<b>33,716</b>	18,650
<b>CAPITAL AND RESERVES</b>			
Share capital	資本及儲備 股本	<b>82,500</b>	82,500
Reserves (Note)	儲備(附註)	<b>(48,784)</b>	(63,850)
		<b>33,716</b>	18,650

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2012 截至2012年12月31日止年度

### 35. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

### 35. 本公司財務狀況表(續)

Note:

附註：

**Reserves****儲備**

		<b>Accumulated (loss)/profit 累計 (虧損)/溢利 HK\$'000 千港元</b>	<b>Special reserve 特別儲備 HK\$'000 千港元</b>	<b>Total 合計 HK\$'000 千港元</b>
At 4 January 2011 (date of incorporation)	於2011年1月4日 (成立日期)	—	—	—
Profit for the period	期內溢利	10,245	—	10,245
Deemed contribution from shareholder	視為股東 投入款	—	14,564	14,564
Dividends recognised as distribution Issue of shares upon group reorganisation	已確認分派之股息 於集團重組發行之 股份	(24,750)	—	(24,750)
		—	(63,909)	(63,909)
At 31 December 2011	於2011年12月31日	(14,505)	(49,345)	(63,850)
Profit for the year	年內溢利	97,566	—	97,566
Dividends recognised as distribution	已確認分派之股息	(82,500)	—	(82,500)
At 31 December 2012	於2012年12月31日	561	(49,345)	(48,784)

# Financial Summary

## 財務概要

A summary of the results and the assets and liabilities of the Group for the year ended 31 December 2012 and the previous four financial years, as extracted from the audited consolidated financial statements of the Group for the four years ended 31 December 2012 and the listing document of the Company dated 31 May 2011 issued in connection with its introduction after restatement for change of accounting policies related to property, plant and equipment, is set out below:

本集團截至2012年12月31日期末年度及之前四個年度業績及資產負債表摘要(其中本集團截至2012年12月31日止四個年度數據摘錄自經審核綜合財務報表)，及本公司於2011年5月31日發行有關介紹形式上市文件並在相關物業、廠房及設備的會計政策轉變後重列後列錄如下：

		Year ended 31 December 截至12月31日止年度				2012
		2008	2009	2010	2011	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
<b>RESULTS</b>	<b>業績</b>					
Revenue	營業額	901,240	727,555	853,539	873,815	<b>932,916</b>
Profit before taxation	除稅前溢利	115,364	122,091	117,147	117,972	<b>120,308</b>
Income tax expenses	所得稅支出	(8,916)	(9,526)	(9,471)	(10,925)	<b>(10,045)</b>
Profit for the year	年內溢利	106,448	112,565	107,676	107,047	<b>110,263</b>
		At 31 December 於12月31日				2012
		2008	2009	2010	2011	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
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	資產總額	635,320	507,435	401,071	466,292	<b>415,998</b>
Total liabilities	負債總額	(304,467)	(263,310)	(253,872)	(222,989)	<b>(144,095)</b>
Net assets	資產淨額	330,853	244,125	147,199	243,303	<b>271,903</b>

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