

KEE

JUST FOR YOU



KEE Holdings Company Limited

開易控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

- 股份代號 Stock Code : 2011
- 2012年報 Annual Report

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Corporate Information 公司資料

DIRECTORS

Executive Directors

Mr. Xu Xipeng (*Chairman*)

Mr. Xu Xinan (*Chief Executive Officer*)

Mr. Chow Hoi Kwang, Albert

Non-executive Director

Mr. Yang Shaolin

Independent Non-executive Directors

Mr. Lin Bin

Mr. Kong Hing Ki

Mr. Tam Yuk Sang, Sammy

REGISTERED OFFICE

3rd Floor, Queensgate House

113 South Church Street

P.O. Box 10240

Grand Cayman KY1-1002

Cayman Islands

HEADQUARTERS IN THE PRC

Xiahengtian Industrial Zone

Shachong Lishui Town

Nanhai District

Foshan

Guangdong Province

PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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董事

執行董事

許錫鵬先生(主席)

許錫南先生(首席執行官)

周浩光先生

非執行董事

楊少林先生

獨立非執行董事

林 斌先生

江興琪先生

譚旭生先生

註冊辦事處

3rd Floor, Queensgate House

113 South Church Street

P.O. Box 10240

Grand Cayman KY1-1002

Cayman Islands

中國總辦事處

中國

廣東省

佛山市

南海區

里水鎮沙涌

下亨田工業區

香港主要經營地點

香港

九龍

尖沙咀

廣東道33號

中港城

第2座2101A室

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Harneys Services (Cayman) Limited
3rd Floor, Queensgate House
113 South Church Street
P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

HONG KONG SHARE REGISTRAR

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

COMPLIANCE ADVISER

Shenyin Wanguo Capital (H.K.) Limited

AUDITOR

KPMG
Certified Public Accountants

AUDIT COMMITTEE

Mr. Lin Bin (*Chairman*)
Mr. Kong Hing Ki
Mr. Tam Yuk Sang, Sammy

開曼群島股份過戶登記總處

Harneys Services (Cayman) Limited
3rd Floor, Queensgate House
113 South Church Street
P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

香港證券登記處

卓佳證券登記有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心
26樓

合規顧問

申銀萬國融資(香港)有限公司

核數師

畢馬威會計師事務所
執業會計師

審核委員會

林斌先生(*主席*)
江興琪先生
譚旭生先生

Corporate Information 公司資料

REMUNERATION COMMITTEE

Mr. Tam Yuk Sang, Sammy (*Chairman*)
Mr. Xu Xipeng
Mr. Lin Bin

NOMINATION COMMITTEE

Mr. Kong Hing Ki (*Chairman*)
Mr. Xu Xinan
Mr. Lin Bin

PRINCIPAL BANKERS

The Hong Kong and Shanghai Banking Corporation Limited
China Merchants Bank
Agricultural Bank of China
China Construction Bank
The Bank of East Asia Limited

薪酬委員會

譚旭生先生(主席)
許錫鵬先生
林斌先生

提名委員會

江興琪先生(主席)
許錫南先生
林斌先生

主要往來銀行

香港上海滙豐銀行有限公司
招商銀行
中國農業銀行
中國建設銀行
東亞銀行有限公司

Financial Summary

財務概要

FIVE-YEAR FINANCIAL HIGHLIGHTS

五年財務概要

For the year ended 31 December	截至 12 月 31 日止年度	2012	2011	2010	2009	2008
Operating Results	經營業績					
Gross profit margin (%)	毛利率 (%)	27.7	32.8	40.4	40.5	42.4
Operating profit margin (%)	經營溢利率 (%)	2.3	13.2	19.8	28.7	2.9
Net profit margin (%) (Note 1)	淨利率 (%) (附註 1)	0.7	10.7	15.1	23.2	0.3
Return on equity (%)	權益收益率 (%)	0.3	6.7	22.1	38.5	0.6
Financial Position	財務狀況					
Total assets (HK\$'000)	總資產 (千港元)	352,779	329,045	197,409	165,963	160,594
Cash and cash equivalents (HK\$'000)	現金及現金等價物 (千港元)	79,383	76,928	15,584	23,493	19,349
Total bank loans (HK\$'000)	銀行貸款總額 (千港元)	–	–	28,205	23,850	26,477
Total equity attributable to equity shareholders of the Company (HK\$'000)	本公司權益股東應佔權益總額 (千港元)	303,786	306,869	135,839	97,055	50,581
Financial Ratios	財務比率					
Current ratio (times)	流動比例 (倍)	5.2	8.4	1.45	1.11	0.62
Quick ratio (times)	速動比例 (倍)	4.8	7.4	1.14	0.87	0.47
Gearing ratio (%) (Note 2)	負債比率 (%) (附註 2)	–	–	20.8	23.7	51.9
Turnover Ratios	周轉比率					
Inventory turnover (days)	存貨周轉 (日)	70	63	54	61	80
Debtors turnover (days)	應收賬款周轉 (日)	84	77	62	49	55
Creditors turnover (days)	應付賬款周轉 (日)	69	38	36	45	35
Operating cycle (days)	經營週期 (日)	85	102	80	65	100

Notes:

(1) Net profit represents profit attributable to the equity shareholders of the Company.

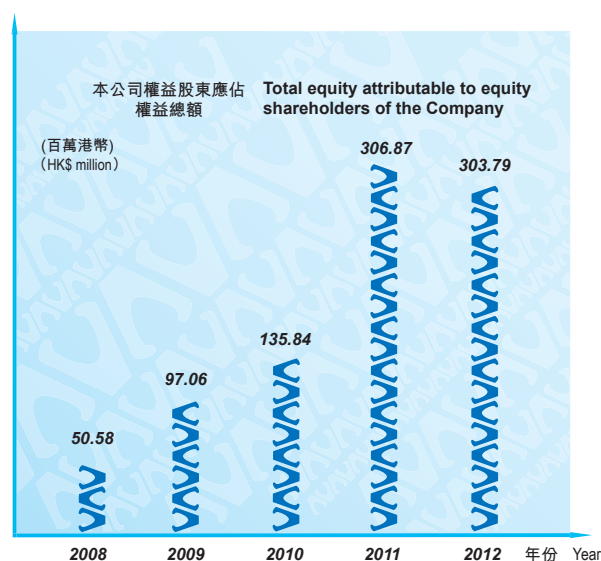
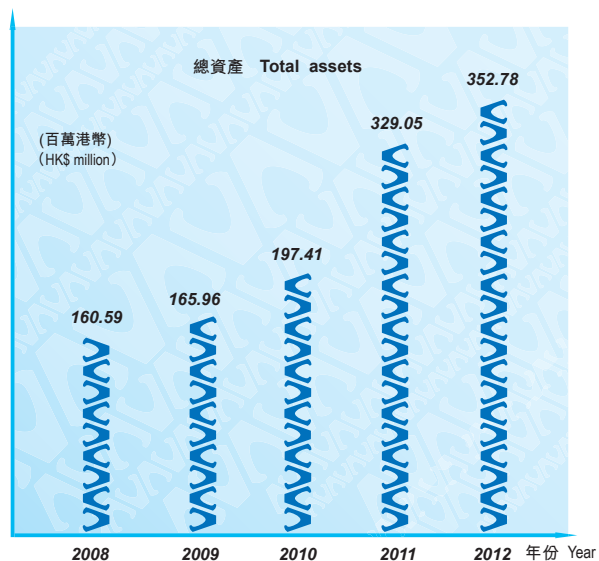
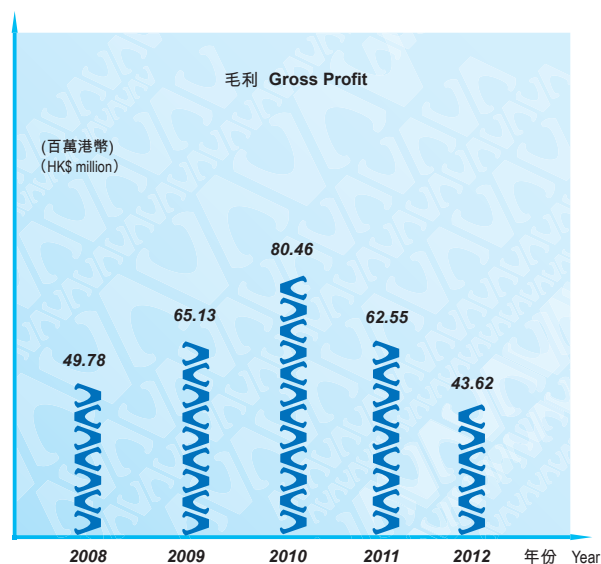
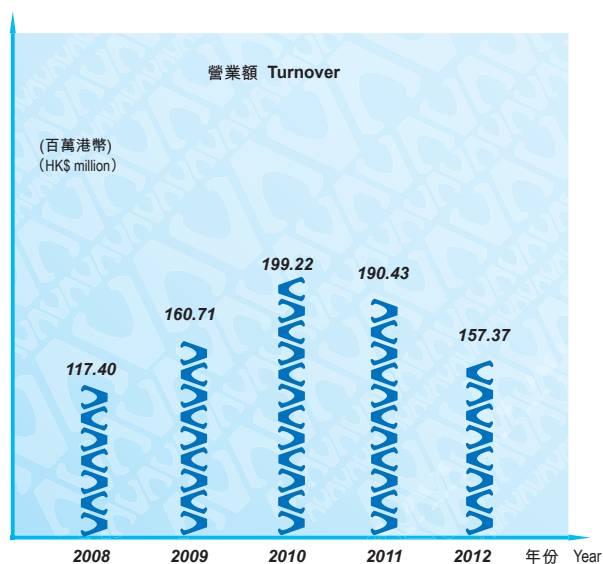
(2) Gearing ratio is calculated as total borrowings divided by total equity as shown in the consolidated statement of financial position.

附註：

(1) 淨利指本公司權益股東應佔溢利。

(2) 負債比率按借貸總額除以權益總額計算而成(如綜合財務狀況報表所示)。

Financial Summary 財務概要



The following is a summary of the consolidated income statement and consolidated statement of financial position of the Group:

以下為本集團之綜合收益表及綜合財務狀況表之摘要：

CONSOLIDATED INCOME STATEMENT

綜合收益表

		2012	2011	2010	2009	2008
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
For the year ended 31 December	截至12月31日止年度	千港元	千港元	千港元	千港元	千港元
Turnover	營業額	157,373	190,433	199,224	160,714	117,399
Cost of sales	銷售成本	(113,755)	(127,888)	(118,765)	(95,582)	(67,624)
Gross Profit	毛利	43,618	62,545	80,459	65,132	49,775
Other revenue	其他收益	3,629	7,204	1,093	305	176
Net realised and unrealised gain/(loss) on investments in listed equity securities	於上市股本證券投資已變現及未變現的收益／(虧損)淨額	—	—	—	6,841	(22,370)
Other net (loss)/income	其他(虧損)／盈利淨額	(1,600)	(373)	290	(370)	(490)
Distribution costs	分銷成本	(13,630)	(12,788)	(9,570)	(7,446)	(7,417)
Administrative expenses	行政開支	(28,330)	(31,389)	(32,885)	(18,323)	(16,230)
Profit from operations	經營溢利	3,687	25,199	39,387	46,139	3,444
Finance costs	融資成本	—	(261)	(1,614)	(1,885)	(913)
Profit before taxation	除稅前溢利	3,687	24,938	37,773	44,254	2,531
Income tax	所得稅	(2,859)	(4,516)	(7,000)	(3,979)	(4,601)
Profit/(loss) for the year	年內溢利／(虧損)	828	20,422	30,773	40,275	(2,070)
Attributable to:	以下各項應佔：					
Equity shareholders of the Company	本公司權益股東	1,055	20,422	30,071	37,350	312
Non-controlling interests	非控股權益	(227)	—	702	2,925	(2,382)

Financial Summary 財務概要

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

		2012	2011	2010	2009	2008
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 31 December	於 12 月 31 日止	千港元	千港元	千港元	千港元	千港元
Non-current assets	非流動資產	165,089	142,483	107,980	94,097	93,867
Fixed assets	固定資產					
– Property, plant and equipment	– 物業、廠房及設備	122,651	107,540	98,139	87,199	83,076
– Lease prepayment	– 租賃預付	33,543	4,395	4,285	4,232	4,316
Intangible assets	無形資產	6,668	7,463	4,511	–	–
Long-term receivables	長期應收款項	–	–	–	847	1,055
Prepayment for fixed and intangible assets	固定及無形資產的預付款項	212	21,551	489	875	474
Deferred tax assets	遞延稅項資產	2,015	1,534	556	944	1,544
Other financial assets	其他金融資產	–	–	–	–	3,402
Current assets	流動資產	187,690	186,562	89,429	71,866	66,727
Inventories	存貨	16,464	22,995	19,281	15,432	16,283
Trade and other receivables	貿易及其他應收款項	48,169	40,793	53,349	29,688	22,099
Investments in listed equity securities	於上市股本證券投資	–	–	–	–	8,996
Amount due from related parties	應收關聯方款項	–	–	–	1,034	–
Current tax recoverable	即期可收回稅項	1,354	2,297	1,215	2,219	–
Cash and cash equivalents	現金及現金等價物	79,383	76,928	15,584	23,493	19,349
Deposits with banks	銀行定期存款	42,320	43,549	–	–	–
Total assets	資產總值	352,779	329,045	197,409	165,963	160,594

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

		2012	2011	2010	2009	2008
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 31 December	於 12 月 31 日止	千港元	千港元	千港元	千港元	千港元
Current liabilities	流動負債	35,988	22,176	61,570	64,863	107,501
Trade and other payables	貿易及其他應付款項	33,494	20,172	30,445	24,964	27,101
Amount due to related parties	應付關聯方款項	–	–	–	11,051	47,367
Bank loans	銀行貸款	–	–	28,205	23,850	26,477
Obligation under finance lease	融資租賃責任	–	–	–	–	1,354
Current tax payable	即期應付稅項	2,494	2,004	2,920	4,998	5,202
Net current assets/(liabilities)	流動資產／(負債)淨額	151,702	164,386	27,859	7,003	(40,773)
Total assets less current liabilities	資產總值減流動負債	316,791	306,869	135,839	101,100	53,093

Financial Summary 財務概要

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

		2012 HK\$'000 千港元	2011 HK\$'000 千港元	2010 HK\$'000 千港元	2009 HK\$'000 千港元	2008 HK\$'000 千港元
As at 31 December	於12月31日止					
Non-current liabilities	非流動負債	1,111	–	–	631	2,040
Obligation under finance lease	融資租賃責任	–	–	–	–	1,566
Deferred tax liabilities	遞延稅項負債	1,111	–	–	631	474
Net assets	資產淨值	315,680	306,869	135,839	100,469	51,053
Capital and reserves	資本及儲備	303,786	306,869	135,839	97,055	50,581
Share capital	股本	4,150	4,150	–	1,000	1,000
Reserves	儲備	299,636	302,719	135,839	96,055	49,581
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額	303,786	306,869	135,839	97,055	50,581
Non-controlling interests	非控股權益	11,894	–	–	3,414	472
Total equity	權益總額	315,680	306,869	135,839	100,469	51,053

Chairman's Statement 主席報告



On behalf of the Board, I am pleased to present the annual report of KEE Holdings Company Limited for the year ended 31 December 2012.

BUSINESS REVIEW

For the year 2012, the Group recorded a decrease in the sales of finished zipper products. The turnover of the Group decreased by approximately 17.4% from approximately HK\$190.43 million to HK\$157.37 million on a year-on-year basis, primarily due to (i) the global financial crisis and the euro debt crisis which continued for several years; (ii) the slow-down of China's economy in 2012; and (iii) a destocking policy adopted by the apparel industry in China. Notwithstanding the above, we recorded satisfactory results in respect of sales channels expansion and market development etc. Compared to 2011, turnover from overseas markets of approximately HK\$30.65 million, representing 19.5% of the Group's turnover, increased by approximately HK\$11.85 million. In

本人謹代表董事會，欣然提呈開易控股有限公司截至2012年12月31日止年度的年報。

業務回顧

於2012年，本集團之條裝拉鏈產品銷售錄得下跌。本集團的營業額自約1.9043億港元減少至1.5737億港元，按年減少約17.4%，主要由於(i)持續幾年的全球金融危機和歐洲主權債務危機；(ii)2012年中國經濟增速下滑；及(iii)中國服裝行業採取去庫存化策略。儘管如此，我們在拓寬銷售渠道和市場開發等方面取得了可喜的成績。相比2011年，海外市場的銷售額約0.3065億港元，佔本集團營業額之19.5%，增長了約0.1185億港元。於2012年，我們招募了有實力和經驗的海外產品開發和市場開發人員，加強了拓展海外市

Chairman's Statement 主席報告

2012, we recruited competent and experienced overseas product development and market development personnel to strengthen our capability in developing the overseas market and developing, designing and manufacturing products for the high-end brand "X3". Efforts in developing the U.S. market also gradually began to bear fruit. In 2012, we successfully commenced cooperation with 25 new brand owners, nine being domestic brands and 16 being international brands. As at the end of 2012, we cooperated with 92 brand owners, out of which 38 are domestic brands and 54 are international brands.

The gross profit margin for the year 2012 decreased to 27.7% from 32.8% for the year 2011, mainly attributable to increase in the fixed cost per unit which resulted from a decrease in sales orders. For the same reasons, the profit attributable to Shareholders decreased by approximately 94.8% from HK\$20.42 million in 2011 to HK\$1.06 million in 2012.

Nevertheless, it is worthy of recognition that we actively strengthened the management of production operations and made considerable improvements in aspects such as personnel management, wastage reduction, production automation and optimization of production processes, which helped to reduce cost of production to a certain extent. We still hold a sound capital and asset structure, which is a solid foundation for sustained and rapid business development, and we maintained a stable dividend policy.

場的能力，提升了高端品牌「X3」產品的開發、設計和製造能力。在美國市場的開拓也逐步開始取得成效。2012年，我們成功與25個新品牌商開始合作，包括九個國內品牌、16個國際品牌。截止到2012年年終，我們與92個品牌商合作，其中包括38個國內品牌、54個國際品牌。

2012年的毛利率自2011年的32.8%下降至27.7%，主要原因是銷售訂單量下降導致單位固定成本增加所致。由於相同的原因，股東應佔溢利自2011年的2,042萬港元下降至2012年的106萬港元，下跌幅度約94.8%。

儘管如此，值得肯定的是，我們積極加強了在生产營運方面的管理，並在人員管理、減少損耗、生產自動化、優化生產流程等方面也有一定程度的改善，這在一定程度上降低了生產成本。我們仍有良好的資金和資產結構，為業務的持續和快速發展提供了堅實的基礎，並保持穩定的股利政策。

OUTLOOK

In 2013, we anticipate the demand for zippers will be affected due to the slowdown of the economy in China and the de-stocking policy adopted by the apparel industry.

However, we will proactively cope with the difficulties by implementing the following measures:

We will continue to place efforts in sales channels expansion, market development and product structuring, play an active role to strengthen overseas market development personnel and overseas agents in market development. We will also reorganise and optimise the whole sales and marketing system to better develop the finished zippers and flat knit ribs market. At the same time, we will continue to develop new products to satisfy the needs of our customers in order to further increase our market share.

We intend to become a comprehensive supplier of finished zippers and other garment accessories by offering to customers one-stop garment accessory services so as to diversify product structure and expand our share in the apparel material market. It is our plan to build KEE Jingmen, our subsidiary, into a garment accessories industrial park to draw in other strategic partners in the industry.

The subsidiary KEE Jingmen is scheduled to commence operation by the end of 2013, which will increase our capability in zippers, flat knit ribs and other garment accessories. We intend to reallocate and integrate production resources to reduce costs such as salaries and energy consumption. We will also rationalise manufacturing location according to distribution of customers to reduce logistics costs and meet customers' expectations of quick response.

展望

對於2013年，我們預期中國經濟增速放緩、服裝行業去庫存化策略等將會影響對拉鏈的需求。

但是，我們將採取以下措施積極應對：

我們將繼續在拓寬銷售渠道和市場推廣及產品結構等方面加大投入，積極發揮海外市場開發人員和海外銷售代理的市場開發作用。我們也將對整個營銷系統進行改組及優化，以更好地開發條裝拉鏈和橫機羅紋市場。同時，我們也將持續開發滿足客戶需求的新產品，以進一步提高市場份額。

我們計劃成為條裝拉鏈及其他服裝輔料綜合供貨商，為客戶提供服裝輔料一站式服務，促進產品結構多元化，提高服裝輔料的市場佔有率。子公司開易荊門將計劃成為服裝輔料工業園，並吸引其他服裝輔料的戰略合作者加入。

子公司開易荊門計劃將於2013年年底投產，這將增加我們在拉鏈、橫機羅紋以及其他服裝輔料方面的產能。我們計劃將進行生產資源的重新分配和整合，以減少人工、能耗等成本，並將按照客戶分布合理安排生產地點，以減少物流成本，滿足客戶對快速響應的期望。

Chairman's Statement 主席報告

In addition, we will continue to improve operational efficiency and modify our techniques to enhance automation of production for better product quality, lower production cost and higher satisfaction of customers.

Hence, we remain optimistic regarding the prospects of our Group.

APPRECIATION

We will continue to adhere to our philosophy of "Just for you", which includes our staff, shareholders, customers, partners and the society. I would like to take this opportunity to express my thanks and gratitude to our Group's management and staff who dedicated their endless efforts and devoted services, and to our Shareholders, suppliers, customers and other professional parties for their continuous support.

Xu Xipeng

Chairman

Hong Kong, 22 March 2013

另外，我們也將持續改善營運效率、改良技術、提高生產自動化，以更好地提升產品質量、降低生產成本、提高客戶滿意度。

因此，對於本集團的前景，我們仍然保持樂觀。

感謝

我們將持續秉承「為您而做」的理念，為員工、為股東、為客戶、為夥伴、為社會。本人謹此機會，向本集團管理層及員工作出的不懈努力及奉獻，以及我們的股東、供應商、客戶及其他專業機構持續不斷的支持致以衷心的感謝。

主席

許錫鵬

香港，2013年3月22日

Management Discussion and Analysis

管理層討論及分析

OVERVIEW

The Group is principally engaged in manufacturing finished zippers in China. The Group's customers for zippers are OEMs who manufacture apparel products for (i) apparel brands in China; and (ii) some well known international apparel labels. The Group maintains a close working relationship with apparel brand owners on the design of zippers to be applied on the apparel products. The apparel brand owners usually decide on the zipper supplier for their OEMs and place orders with such OEMs who in turn source zippers from the Group.

The Group also supplies sliders, components of zippers (including continuous zipper chains and stops) and moulds to other zipper manufacturers and designs and supplies premium items such as glasses exclusively to apparel brand owners to meet the promotional needs for their products. During the year 2012, approximately 80.5% of the turnover was derived from sales in China. Other regions to which the Group sold its products include Switzerland, France, Korea, India, Thailand, Vietnam, South Africa, Malaysia and Cambodia. In particular, the Group is a supplier of sliders to a European zipper producer who manufactures zippers for well known fashion brands.

The Group is a vertically integrated producer for zippers, except for the electroplating process which is outsourced to an independent third party. The Group believes the advantages of vertical integration that the Group benefits from include (i) lower transaction costs; (ii) higher certainty in the quality of products; (iii) improved supply chain coordination; (iv) the capture of upstream and downstream profit margins; and (v) an increase in barriers to entry for potential competitors. The Group is also capable of developing its own custom-made production machinery and modifying conventional machinery so that zippers can be produced more efficiently and with greater consistency in quality.

概覽

本集團是中國條裝拉鏈的生產商。本集團的拉鏈客戶是為(i)中國服裝品牌；以及(ii)部分國際知名服裝品牌生產服裝產品的OEM。本集團與服裝品牌商在設計應用於服裝產品的拉鏈上維持緊密工作關係。服裝品牌商通常會為其OEM選擇拉鏈供應商並當向該等OEM發出訂單時，要求該等OEM向本集團採購拉鏈。

本集團亦向其他拉鏈製造商供應拉頭、拉鏈配件(包括碼裝拉鏈及止)及模具及專門為服裝品牌商設計及供應禮品(如眼鏡)以滿足其推廣產品的需要。於2012年期間，本集團約80.5%的營業額乃來自中國的銷售。本集團產品銷往其他地區包括瑞士、法國、韓國、印度、泰國、越南、南非、馬來西亞及柬埔寨等。值得一提的是，本集團向為著名服裝品牌製造拉鏈的一家歐洲拉鏈生產商供應拉頭。

本集團是垂直整合的拉鏈生產商，惟電鍍工序外判予獨立第三方。本集團相信，本集團從垂直整合獲得的優勢包括以下各方面(i)減少交易成本；(ii)產品質量更加可靠；(iii)改進供應鏈協調性；(iv)獲取上游及下游邊際利潤；以及(v)提高潛在競爭對手的入行門檻。本集團亦有能力開發本身的訂製生產機器及改裝常規機器，讓本集團能夠以更具效率的方式生產質量更加穩定的拉鏈。

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To increase market share in target markets and grasp opportunities for growth, the Group will focus on the following: (i) enhance its customer portfolio by seeking opportunities to work with more brands; and (ii) research and develop new products with new functionalities. To further increase the competitiveness of the Group, the Group will enhance its production process by (i) automation; (ii) optimizing the production flow and reduce scrapping; (iii) improving personnel training to increase efficiency; (iv) improving efficiency by using the SAP system to better control inventory, loans and other assets.

PROSPECTS

Along with the continuous economic growth in China, consumer purchasing power will gradually increase, thus leading to increasing demands for products that make use of zippers such as apparel, bags, upholstery furnishings, camping equipment and sports equipment, and increasing expectations on quality for zippers.

Built on the Group's existing brand portfolio, the Directors intend to diversify the brand portfolio with both local and international labels with a view to increasing the Group's market share for quality zippers for both local and international apparel. The Group will enter into more sales agency contracts in order to develop the U.S. and European market. As at 31 December 2012, the Group has a sales and marketing team consisting of one assistant marketing director, one senior sales manager, ten sales managers and 50 sales assistants, who are assigned to serve all customers in three geographical regions: (i) southern China; (ii) eastern China; and (iii) overseas. The Group will also recruit more experienced sales staffs to improve the market share.

為增加於目標市場的市場份額並抓緊增長機遇，本集團致力於開展下列事項：(i) 透過尋找與更多品牌合作的機會，加強本集團的客戶組合；及(ii) 研究及發展具備新功能的新產品。為進一步加強本集團的競爭力，本集團將透過下列事項提升本集團生產工序：(i) 自動化；(ii) 優化生產流程及減少報廢；(iii) 改善員工培訓以增加效率；(iv) 透過使用SAP系統，更有效地控制存貨、貸款及其他資產，以改善效率。

前景

隨著中國經濟持續增長，客戶購買力將逐漸增加，以致對使用拉鏈產品，例如服裝、袋子、室內裝飾陳設、野營設備及運動器材的需求增加，並對拉鏈質素的要求增加。

在本集團現有品牌組合的基礎上，董事擬將品牌組合分散至本地及國際品牌，旨在提高本集團對本地及國際服裝的優質拉鏈的市場佔有率。本集團將簽訂更多銷售代理合同，以開拓美國及歐洲市場。於2012年12月31日，本集團設有銷售及市場推廣團隊，包括一名助理營銷總監、一名高級銷售經理、十名銷售經理及50名銷售助理，該等人員服務三大地區的所有客戶：(i) 華南；(ii) 華東；以及(iii) 海外。本集團亦將招聘更多經驗豐富的銷售人員以增加市場份額。

The China zipper industry will experience a period of consolidation. While those enterprises with less competitiveness will be eliminated by market forces, enterprises with stronger core competencies, higher qualities, larger economic scale and higher brand recognition would grow, leading to a higher market concentration. This would raise the barrier of entry for the industry. Therefore, the Group may consider to pursue suitable merger and acquisition opportunities. In addition, the Directors aim to further strengthen the Group's position in the quality zipper market and the Group will continue to strive to achieve growth of business and ensure that the Group remains competitive through (i) enhanced marketing which targets apparel brand owners; (ii) expansion and diversification of finished zipper offerings in terms of design materials, workmanship, functions and usages such as finished zippers for footwear products, camping equipments, bags and upholstery furnishings; (iii) strengthening product design, research and development capabilities in order to enhance their international exposure to the apparel industry; (iv) improving production facilities to increase automation and shorten production time; and (v) making more extensive and better use of the SAP system and other automation systems which enables the Company's subsidiaries and functional departments to better communicate with one another, better control purchases and inventory levels, and better monitor deliveries.

中國拉鏈行業將經歷整合期。競爭力較弱的企業將會遭市場力量淘汰，而擁有較強核心競爭力、較高質素、較大經濟規模及較高品牌知名度的企業則會增長，以致出現較高的市場集中度，並增加進入行業的阻礙。基於此，本集團可能會考慮尋找合適的收購兼併等機會。另外，董事亦旨在進一步鞏固本集團在優質拉鏈市場的地位，而本集團將會繼續致力實現業務增長及確保本集團透過以下各項保持競爭力(i)加大針對服裝品牌商的市場推廣；(ii)條裝拉鏈在設計材料、工藝、功能及用途等方面的擴展及多元化，例如在鞋類產品、野營設備、包袋及室內裝飾陳設使用的條裝拉鏈；(iii)增強產品設計、研究及開發能力，以提升在國際服裝行業的關注度；(iv)改善生產設施以提高自動化及削減生產時間；以及(v)更廣泛及更佳地使用SAP系統及其他自動化系統，令本集團的附屬公司及各部門能更佳地進行溝通，更有效地監控採購及存貨水平，及更好地監察產品交付。

Management Discussion and Analysis 管理層討論及分析

TURNOVER

The Group's turnover for the year 2012 amounted to HK\$157.37 million, representing a decrease of 17.4% as compared to the year 2011 primarily as a result of (i) the global financial crisis and the euro debt crisis which continued for several years; (ii) the slow-down of China's economy in 2012; and (iii) the de-stocking policy adopted by the apparel industry in China.

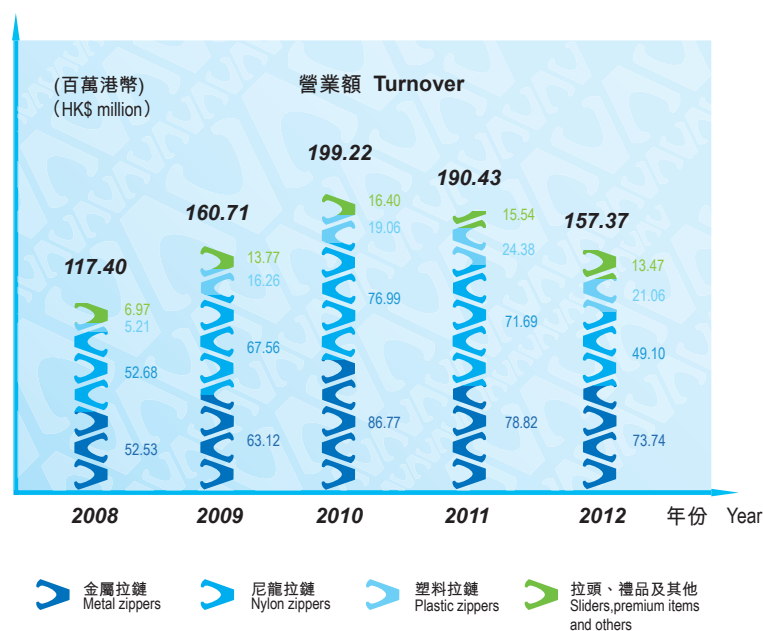
Turnover analysis by product category:

營業額

本集團於2012年的營業額為157,370,000港元，較2011年減少17.4%，主要由於以下各項的影響：(i)持續幾年的全球金融危機和歐洲主權債務危機；(ii)2012年中國經濟增速下滑；及(iii)中國服裝行業採取去庫存化策略。

按產品類別劃分的營業額分析：

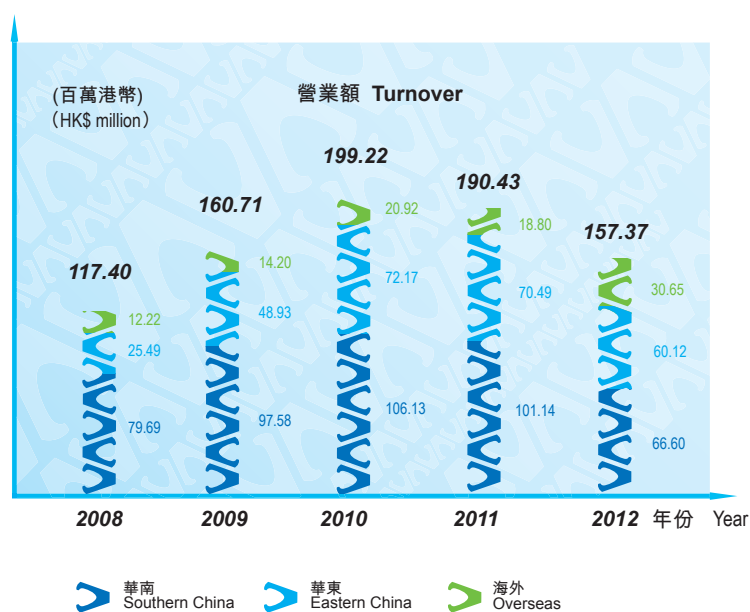
		Year ended 31 December 截至12月31日止年度			
		2012		2011	
		HK\$ million 百萬港元	%	HK\$ million 百萬港元	%
Finished zippers	條裝拉鏈				
Metal zippers	金屬拉鏈	73.74	46.9	78.82	41.4
Nylon zippers	尼龍拉鏈	49.10	31.2	71.69	37.6
Plastic zippers	塑膠拉鏈	21.06	13.4	24.38	12.8
		143.90	91.5	174.89	91.8
Sliders	拉頭	7.07	4.5	4.87	2.6
Premium items	禮品	0.21	0.1	3.71	1.9
Others	其他	6.19	3.9	6.96	3.7
Total turnover	總營業額	157.37	100.0	190.43	100.0



Turnover analysis by geographic location:

按地理位置劃分的營業額分析：

		Year ended 31 December 截至 12 月 31 日止年度			
		2012		2011	
		HK\$ million	%	HK\$ million	%
		百萬港元		百萬港元	
Southern China	華南	66.60	42.3	101.14	53.1
Eastern China	華東	60.12	38.2	70.49	37.0
Overseas	海外	30.65	19.5	18.80	9.9
Total turnover	總營業額	157.37	100.0	190.43	100.0



Management Discussion and Analysis 管理層討論及分析

FINISHED ZIPPERS

Revenue from sales of finished zippers decreased by approximately HK\$30.99 million or 17.7% to HK\$143.90 million for the year 2012 (2011: HK\$174.89 million) primarily due to a decrease in sales volume. Such decrease was a result of: (i) the global financial crisis and the euro debt crisis which continued for several years; (ii) the slow-down of China's economy in 2012; and (iii) the de-stocking policy adopted by the apparel industry in China.

SLIDERS

Sales of sliders increased by approximately 45.2% to HK\$7.07 million for the year 2012 (2011: HK\$4.87 million) due to an increase in sales orders for sliders from a European zipper producer who manufactures zippers for well known fashion brands.

PREMIUM ITEMS

Sales of premium items (such as glasses) decreased by approximately 94.3% to HK\$0.21 million for the year 2012 (2011: HK\$3.71 million) due to a decrease of the promotional needs for premium items brought by the de-stocking policy adopted by the apparel industry in China.

OTHERS

Others represent items such as scrap materials, zipper components and moulds, and flat knit ribs. Sales of other items decreased by approximately 11.1% to HK\$6.19 million for the year 2012 (2011: HK\$6.96 million) due to a decrease in sales of scrap materials as a result of the production management improvement by the Group.

條裝拉鏈

銷售條裝拉鏈收入於2012年減少約30,990,000港元或減少17.7%至143,900,000港元(2011年: 174,890,000港元), 主要由於銷售量減少所致。上述減少乃由於以下各項的影響: (i)持續幾年與全球金融危機和歐洲主權債務危機; (ii)2012年中國經濟增速下滑; 及(iii)中國服裝行業採取去庫存化策略。

拉頭

拉頭銷售於2012年增加約45.2%至7,070,000港元(2011年: 4,870,000港元), 乃由於為著名服裝品牌製造拉鏈的一家歐洲拉鏈生產商的拉頭銷售訂單增加所致。

禮品

禮品(如眼鏡)銷售於2012年減少約94.3%至210,000港元(2011年: 3,710,000港元), 乃由於中國服裝行業去庫存化策略, 導致對禮品需求減少所致。

其他

其他類別包括廢料、拉鏈配件及模具及橫機羅紋。其他類別的銷售於2012年減少約11.1%至6,190,000港元(2011年: 6,960,000港元), 是由於本集團加強生產管理導致廢料銷售減少所致。

COST OF SALES AND GROSS PROFIT

In 2012, the overall cost of sales for the Group amounted to approximately HK\$113.76 million (2011: HK\$127.89 million), representing a decrease of approximately 11.0%. The overall gross profit of the Group decreased by approximately 30.3% from HK\$62.55 million in 2011 to HK\$43.62 million in 2012. The overall gross profit margin in 2012 was 27.7% (2011: 32.8%), which was attributable to a decrease of turnover which led to an increase in fixed manufacturing costs per unit.

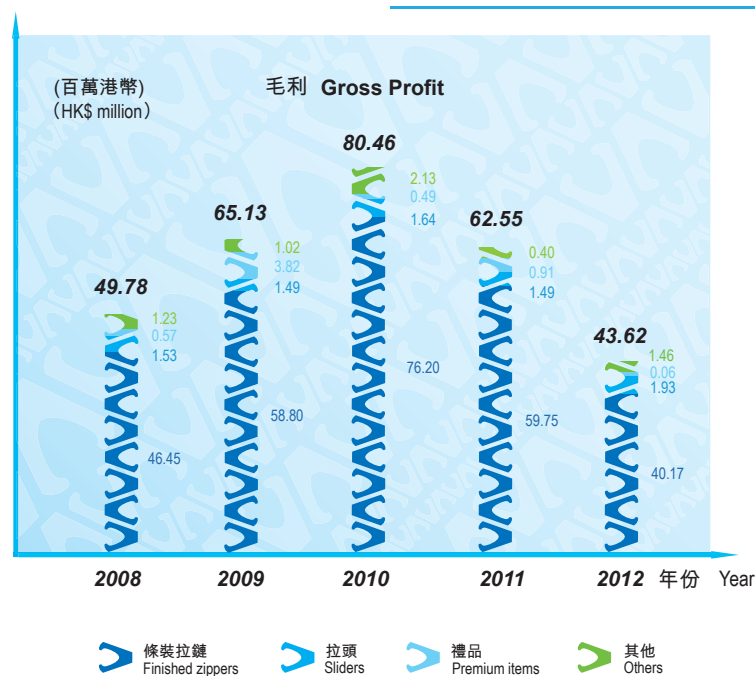
Gross profit analysis by product category:

銷售成本及毛利

於2012年，本集團整體銷售成本約為113,760,000港元(2011年：127,890,000港元)，降幅為約11.0%。本集團整體毛利由2011年的62,550,000港元減少約30.3%至2012年的43,620,000港元。2012年整體毛利率為27.7% (2011年：32.8%)，乃由於營業額下降導致單位固定製造成本增加所致。

按產品類別劃分的毛利分析：

		Year ended 31 December 截至12月31日止年度			
		2012		2011	
		HK\$ million	%	HK\$ million	%
		百萬港元		百萬港元	
Finished zippers	條裝拉鏈	40.17	92.1	59.75	95.5
Sliders	拉頭	1.93	4.4	1.49	2.4
Premium items	禮品	0.06	0.1	0.91	1.5
Others	其他	1.46	3.4	0.40	0.6
Total gross profit	總毛利	43.62	100.0	62.55	100.0



Management Discussion and Analysis 管理層討論及分析

FINISHED ZIPPERS

Gross profit for finished zippers decreased by approximately 32.8% from HK\$59.75 million in 2011 to HK\$40.17 million in 2012. Gross profit margin decreased from approximately 34.2% to 27.9%, which was attributable to a decrease of turnover which led to an increase in fixed manufacturing costs per unit.

SLIDERS

Gross profit for sliders increased by approximately 29.5% from HK\$1.49 million in 2011 to HK\$1.93 million in 2012. Gross profit margin, on the other hand, decreased from approximately 30.6% to 27.3%.

PREMIUM ITEMS

Gross profit for premium items decreased by approximately 93.4% from HK\$0.91 million in 2011 to HK\$0.06 million in 2012. Gross profit margin increased from approximately 24.5% to 28.6%.

OTHERS

Gross profit for other items increased by approximately 265.0% from HK\$0.40 million in 2011 to HK\$1.46 million in 2012. Gross profit margin increased from approximately 5.7% to 23.6%, which was because the portion of sales of scrap materials to third parties as a percentage over total sales of the “others” category decreased, and the gross margin for such sales is significantly lower among the products within the “others” category.

條裝拉鏈

條裝拉鏈之毛利由2011年的59,750,000港元減少約32.8%至2012年的40,170,000港元。毛利率由約34.2%下跌至27.9%，乃主要由於營業額下降導致單位固定製造成本增加所致。

拉頭

拉頭的毛利由2011年的1,490,000港元增加約29.5%至2012年的1,930,000港元。另一方面，毛利率由約30.6%下降至27.3%。

禮品

禮品毛利由2011年的910,000港元減少約93.4%至2012年的60,000港元。毛利率由約24.5%上升至28.6%。

其他

其他類別的毛利由2011年的400,000港元增加約265.0%至2012年的1,460,000港元。毛利率亦由約5.7%增加至23.6%，此乃由於部分銷售予第三方的廢料於「其他」類別總銷售之百分比減少，而該等銷售的毛利相對「其他」類別的其他產品明顯較低。

DISTRIBUTION COSTS

Distribution costs mainly represent (i) staff costs relating to sales and marketing personnel; (ii) transportation costs for delivery of the Group's products to customers; and (iii) advertising and promotion expenses. In 2012, the Group's distribution costs amounted to approximately HK\$13.63 million (2011: HK\$12.79 million), accounting for approximately 8.7% of the Group's turnover (2011: 6.7%). The increase in distribution costs was mainly due to salary increase of experienced and qualified sales staff.

ADMINISTRATIVE EXPENSES

Administrative expenses primarily consist of (i) salary and welfare expenses for management and administrative personnel; (ii) depreciation and amortisation; (iii) auditors' remuneration; (iv) product research and development expenses; and (v) other administrative expenses including professional fees. In 2012, the Group's administrative expenses amounted to approximately HK\$28.33 million (2011: HK\$31.39 million), which accounted for approximately 18.0% of the Group's turnover (2011: 16.5%). The decrease in administrative expenses was mainly due to more stringent control of various fees and expenses.

分銷成本

分銷成本主要指(i)有關銷售及市場推廣人員的員工成本；(ii)向客戶交付本集團產品的運輸成本；以及(iii)宣傳及促銷費用。於2012年，本集團分銷成本約為13,630,000港元（2011年：12,790,000港元），佔本集團營業額的約8.7%（2011年：6.7%）。分銷成本增加主要由於有經驗、資質的銷售人員的薪金增加所致。

行政開支

行政開支主要包括(i)管理及行政人員的薪資及福利費用；(ii)折舊及攤銷；(iii)核數師酬金；(iv)產品研發費用；及(v)其他行政開支（包括專業費用）。於2012年，本集團行政開支約為28,330,000港元（2011年：31,390,000港元），佔本集團營業額約18.0%（2011年：16.5%）。行政開支減少主要由於更嚴格控制各項費用支出所致。

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FINANCE COSTS

Finance costs represent interest expenses on the Group's bank borrowings. There is no finance cost in year 2012 (2011: HK\$0.26 million).

INCOME TAX

Income tax mainly represents the tax expenses incurred in relation to the operations of the Group in the PRC and Hong Kong.

PROFITABILITY

In 2012, the Group's profit attributable to Shareholders amounted to HK\$1.06 million (2011: HK\$20.42 million), representing a decrease of 94.8% as compared to 2011. The decrease was primarily due to a decrease of turnover which led to an increase in fixed costs per unit. The margin of profit attributable to Shareholders for the year was 0.7% (2011: 10.7%), a decrease of 10 percentage points compared to 2011.

During the year, the Group's return on equity was 0.3% (2011: 6.7%), representing a decrease of 6.4 percentage points as compared to 2011. The Group's relatively lower return on equity recorded was a result of a decrease in the Group's profit attributable to Shareholders.

財務費用

財務費用指本集團銀行借貸的利息開支。於2012年並無財務費用(2011年：260,000港元)。

所得稅

所得稅主要指就本集團於中國及香港之營運產生的相關稅項開支。

盈利能力

於2012年，本集團股東應佔溢利為1,060,000港元(2011年：20,420,000港元)，較2011年減少94.8%，主要由於營業額下降導致單位固定費用增加所致。年內股東應佔溢利率為0.7%(2011年：10.7%)，較2011年下降10個百分點。

年內，本集團股本回報率為0.3%(2011年：6.7%)，較2011年下降6.4個百分點。所錄得的本集團相對偏低的股本回報率乃由於本集團股東應佔溢利減少。

INVENTORIES

Inventories are one of the principal components of the Group's current assets. The value of inventories accounted for approximately 12.3% and 8.8% of the Group's total current assets as at 31 December 2011 and 2012 respectively.

Inventories decreased by approximately 28.4% from HK\$23.00 million as at 31 December 2011 to HK\$16.46 million as at 31 December 2012 as the Company has strengthened its spares production management and inventory management.

The increase in average inventory turnover days from 63 days in 2011 to 70 days in 2012 was primarily because consumption of spare zippers produced in 2011 was lower than expected as a result of the decrease of sales volume.

The write-down on inventories for the year 2012 was HK\$902,000 (2011: HK\$1.49 million) because of a decrease in the estimated net realisable value of certain slow-moving inventories.

存貨

存貨乃本集團流動資產的主要組成部份之一。存貨價值分別佔本集團於2011年及2012年12月31日的總流動資產約12.3%及8.8%。

存貨由2011年12月31日的23,000,000港元減少約28.4%至2012年12月31日的16,460,000港元，是由於本公司加強備料生產管理和存貨管理所致。

平均存貨周轉日由2011年的63日增加至2012年的70日，主要由於銷售訂單量下降導致2011年備料的拉鏈件消耗低於預期所致。

2012年存貨撇減為902,000港元（2011年：1,490,000港元），是由於若干周轉較慢存貨之估計可變現淨值減少所致。

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TRADE DEBTORS

The Group's policy in respect of allowance for doubtful debts for 2012 was the same as that in 2011. As at 31 December 2012, the allowance for doubtful debts was HK\$164,000 (31 December 2011: HK\$715,000), accounting for 0.5% of the Group's total trade debtors (2011: 1.9%). The decrease in the allowance for doubtful debts in 2012 was primarily because the Group made provision for a one-off doubtful account of approximately HK\$374,000 in 2011.

The Group's trade debtors (net) decreased by around 2.4% from approximately HK\$36.05 million as at 31 December 2011 to HK\$35.20 million as at 31 December 2012 mainly due to the decrease in sales.

The increase in average trade debtors turnover days from 77 days in 2011 to 84 days in 2012 was primarily due to the weakened demand in the apparel industry, which affected businesses of our customers and in turn led to a longer credit period for certain customers.

TRADE CREDITORS

The Group's trade creditors primarily relate to purchases of raw materials from suppliers, with credit terms of 7 to 60 days from trade creditors.

The Group's trade creditors increased by around 0.9% from approximately HK\$7.44 million as at 31 December 2011 to HK\$7.51 million as at 31 December 2012. The average trade creditors turnover days increased from 38 days in 2011 to 69 days in 2012 because of the effective control of purchase and payment.

貿易應收賬款

於2012年，本集團就呆賬準備的政策與2011年相同。於2012年12月31日，呆賬累計撥備為164,000港元（2011年12月31日：715,000港元），佔本集團貿易應收賬款總額的0.5%（2011年：1.9%）。2012年的呆賬累計撥備減少，主要因為2011年本集團針對一個金額為約374,000港元的一次性呆賬進行了撥備。

本集團貿易應收賬款（淨額）由2011年12月31日的約36,050,000港元減少約2.4%至2012年12月31日的35,200,000港元，主要由於銷售減少所致。

平均貿易應收賬款周轉日由2011年的77日增加至2012年的84日，主要由於服裝業的需求趨弱，對我們客戶的業務造成影響，因此造成某些客戶的信用期限適當延長。

貿易應付賬款

本集團貿易應付賬款主要與供應商採購原材料（貿易應付賬款的信用期由7至60日不等）有關。

本集團貿易應付賬款由2011年12月31日的約7,440,000港元增加約0.9%至2012年12月31日的7,510,000港元。平均貿易應付賬款周轉日由2011年的38日增加至2012年的69日，乃由於有效控制採購及付款所致。

OTHER PAYABLES

Other payables mainly represent (i) payroll and staff benefits payable; (ii) accrued expenses; (iii) payables for taxes other than income tax; (iv) payables for fixed assets; and (v) advance from a third party. The balance of other payables increased by approximately 104.2% to HK\$25.99 million as at 31 December 2012 (2011: HK\$12.73 million) due to the advance from a state-owned enterprise and construction project in Jingmen, Hubei, PRC.

LIQUIDITY AND CAPITAL RESOURCES

The following table is a summary of cash flow data for the two years ended 31 December 2012:

其他應付款項

其他應付款項主要指(i)工資及應付員工福利；(ii)應計費用；(iii)應付稅項(除所得稅外)；(iv)固定資產之應付款項；及(v)來自第三方之墊款。其他應付款項結餘增加約104.2%至2012年12月31日的25,990,000港元(2011年：12,730,000港元)乃由於國有企業之墊款與位於中國湖北荊門的工程建設所致。

流動資金及資本資源

下表為截至2012年12月31日止兩個年度的現金流量資料摘要：

		Year ended 31 December	
		截至12月31日止年度	
		2012	2011
		HK\$ million	HK\$ million
		百萬港元	百萬港元
Net cash generated from operating activities	經營活動所得現金淨額	23.83	32.43
Net cash used in investing activities	投資活動所用現金淨額	(28.42)	(85.56)
Net cash generated in financing activities	融資活動所得現金淨額	7.05	111.78
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	2.46	58.65
Cash and cash equivalents at 1 January	於1月1日的現金及現金等價物	76.93	15.58
Effect of foreign exchange rate changes	外匯匯率變動的影響	(0.01)	2.70
Cash and cash equivalents at 31 December	於12月31日的現金及現金等價物	79.38	76.93

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The Group's net cash inflow from operating activities for the year 2012 amounted to HK\$23.83 million (2011: HK\$32.43 million). As at 31 December 2012, cash and cash equivalents amounted to HK\$79.38 million, representing a net increase of HK\$2.45 million as compared with the position as at 31 December 2011.

As at 31 December 2012 and 31 December 2011, the Group had no bank loans.

As at 31 December 2012, the Group had unutilised bank facilities amounting to HK\$106.06 million. During the year 2012, the Group did not hedge its exposure to interest rate risks. The gearing ratio, which was calculated by dividing total bank borrowings by total equity, was 0% as at 31 December 2012 and 31 December 2011.

NET CURRENT ASSETS

As at 31 December 2012, the Group had net current assets of approximately HK\$151.70 million. The key components of current assets as at 31 December 2012 included inventories of approximately HK\$16.46 million, trade and other receivables of approximately HK\$48.17 million, deposits with banks of approximately HK\$42.32 million and cash and cash equivalents of approximately HK\$79.38 million. The key components of current liabilities included trade and other payables of approximately HK\$33.49 million.

The net current assets decreased from HK\$164.39 million as at 31 December 2011 to HK\$151.70 million as at 31 December 2012 primarily due to the increase in trade and other payables of approximately HK\$13.32 million.

本集團於2012年經營活動現金流入淨額為23,830,000港元(2011年: 32,430,000港元)。於2012年12月31日, 現金及現金等價物為79,380,000港元, 較於2011年12月31日之狀況增加淨額2,450,000港元。

於2012年12月31日以及2011年12月31日, 本集團均無銀行貸款。

於2012年12月31日, 本集團未動用銀行融資約106,060,000港元。於2012年, 本集團並無對沖其利率風險。2012年12月31日以及2011年12月31日的資本負債比率(由銀行貸款總額除以權益總額計算而成)均為0%。

流動資產淨值

於2012年12月31日, 本集團錄得流動資產淨值約151,700,000港元。於2012年12月31日的流動資產主要包括存貨約16,460,000港元、貿易及其他應收款項約48,170,000港元、銀行定期存款約42,320,000港元, 以及現金及現金等價物約79,380,000港元。流動負債主要組成部分包括貿易及其他應付款項約33,490,000港元。

流動資產淨額由2011年12月31日的164,390,000港元減少至2012年12月31日的151,700,000港元, 主要由於貿易及其他應付款項增加約13,320,000港元所致。

PLEDGE OF ASSETS

As at 31 December 2012, buildings with net book value of HK\$28.85 million (31 December 2011: HK\$30.59 million) and lease prepayments with net book value of HK\$4.29 million (31 December 2011: HK\$4.40 million) of the Group were pledged to secure certain unutilised bank facilities of the Group.

CONTINGENT LIABILITIES

As at 31 December 2011 and 2012, the Group did not have any material contingent liabilities.

CAPITAL COMMITMENTS

The capital commitments as at 31 December 2011 and 2012 not provided for in the financial statements were HK\$11.62 million and HK\$74.04 million respectively.

FOREIGN CURRENCY RISK

The Group is exposed to currency risk primarily through sales and bank deposits and which give rise to receivables and cash balances that are denominated in United States Dollars ("US\$") under KEE Zippers Corporation Limited.

As HK\$ are pegged to US\$, the Group considers the risk of movements in exchange rates between US\$ and HK\$ to be insignificant.

資產抵押

於2012年12月31日，本集團抵押賬面淨值28,850,000港元(2011年12月31日：30,590,000港元)的樓宇及賬面淨值4,290,000港元(2011年12月31日：4,400,000港元)的租賃預付，以取得本集團若干未動用銀行融資。

或然負債

於2011年及2012年12月31日，本集團並無任何重大或然負債。

資本承擔

於2011年及2012年12月31日未於財務報表撥備的資本承擔分別為11,620,000港元及74,040,000港元。

外幣風險

本集團主要面對銷售及銀行存款產生之貨幣風險，當中導致開易拉鏈有限公司的應收款項及現金結餘以美元計值。

由於港元與美元掛鈎，本集團認為美元與港元之間的匯率變動風險並不重大。

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EMPLOYEES

As at 31 December 2012, the Group had 695 full-time employees (31 December 2011: 739 full-time employees). The Group reviews remuneration and benefits of its employees annually according to the relevant market practice and individual performance of the employees. Save for the social insurance in China and the mandatory provident fund scheme in Hong Kong, the Group has not set aside or accrued any amount of money to provide for retirement or similar benefits for its employees. The staff costs incurred in the year 2012 were approximately HK\$55.65 million (2011: HK\$51.14 million).

THE INDUSTRIAL PARK IN JINGMEN

On 30 November 2012, KEE Jingmen entered into a main contractor contract with 中輝建設集團有限公司 (ZhongHui Construction Group Co., Ltd) for the construction of the garment accessories industrial park, details of which are set out in the circular of the Company dated 4 January 2013. It is anticipated that the garment accessories industrial park will be made available for use by the end of 2013.

KEE Jingmen intended that the garment accessories industrial park will produce flat knit ribs, zippers, and other garment accessories as well as integrate the garment accessories business of the Group. After the completion of the construction, it is expected to provide to the Group an additional annual manufacturing capacity of approximately 40 million pieces of finished zippers and approximately 80 million pieces of sliders, which will help the Group to reach its goal by raising its market share, as well as strengthening the competitiveness of the Group.

僱員

於2012年12月31日，本集團擁有695名全職僱員（2011年12月31日：739名全職僱員）。本集團根據有關市場慣例及僱員個人表現每年檢討其僱員的薪酬及福利。除中國的社保及香港強制性公積金計劃外，本集團並無留置或累計任何金額的資金，以為其僱員的退休或相若福利進行撥備。於2012年產生的員工成本為約55,650,000港元（2011年：51,140,000港元）。

荊門工業園

於2012年11月30日，開易荊門與中輝建設集團有限公司訂立總承包合同，以興建服裝輔料工業園，詳情載於本公司日期為2013年1月4日之通函。預計服裝輔料工業園將於2013年年底可供使用。

開易荊門有意在服裝輔料工業園生產橫機羅紋、拉鏈及其他服裝輔料以及整合本集團的服裝輔料業務。於建設完成後，其預期將為本集團增加年產能約4,000萬件條裝拉鏈及約8,000萬個拉頭，此將有助於本集團的目標實現，提高服裝輔料市場的份額，以及增強本集團的競爭力。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The board of Directors (the “**Board**”) of the Company has committed to achieving high corporate governance standards.

The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders and to enhance corporate value and accountability.

The Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”), issued by the Stock Exchange in October 2011, is the new edition of the Code on Corporate Governance Practices (the “**Former Code**”), and is applicable to financial reports covering the financial period which ends after 1 April 2012.

企業管治常規

本公司董事會(「**董事會**」)已致力維持高水平之企業管治標準。

董事會相信，高水平之企業管治標準乃本集團保障股東利益及提升企業價值及問責性之關鍵。

香港聯合交易所有限公司(「**聯交所**」)於2011年10月頒布在聯交所證券上市規則(「**上市規則**」)附錄14所載之企業管治守則(「**企業管治守則**」)，為企業管治常規守則(「**前守則**」)之新版本，適用於截至2012年4月1日止財政期間的財務報告。

Corporate Governance Report 企業管治報告

The Company's corporate governance practices are based on the principles and code provisions as set out in the CG Code.

During the financial year ended 31 December 2012, the Company has complied with all the Code Provisions set out in the CG Code during the period from 1 April 2012 to 31 December 2012 as well as the Former Code during the financial period from 1 January 2012 to 31 March 2012.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2012.

BOARD OF DIRECTORS

The Board currently comprises seven members, consisting of three executive Directors, one non-executive Director and three independent non-executive Directors.

The biographical information of the Directors and the relationships between the members of the Board are set out in the section headed "Biographies of Directors and Senior Management" on pages 47 to 54 of the annual report for the year ended 31 December 2012.

Apart from regular Board meetings, the Chairman also held meetings with the non-executive Directors (including independent non-executive Directors) without the presence of executive Directors during the year.

本公司的企業管治常規乃根據企業管治守則所載的原則及守則條文。

截至2012年12月31日止財政年度，本公司於2012年4月1日至2012年12月31日期間遵守企業管治守則所載的全部守則條文及於2012年1月1日至2012年3月31日的財務期間遵守前守則。

證券交易之標準守則

本公司已採納上市規則附錄十所載之董事進行證券交易之標準守則（「標準守則」）。

經向全體董事查詢後，董事確認彼等於截至2012年12月31日止年度整年已遵守標準守則。

董事會

董事會現時由七名成員組成，包括三名執行董事、一名非執行董事及三名獨立非執行董事。

董事之履歷及與董事會各成員之關係載於截至2012年12月31日止年度年報第47至54頁「董事及高級管理層履歷」一節。

除定期舉行董事會會議外，主席亦於年內在執行董事不會出席的情況下與非執行董事（包括獨立非執行董事）舉行會議。

The attendance record of each Director at the Board meetings and general meetings of the Company held during the year ended 31 December 2012 is set out below:

各董事於截至2012年12月31日止年度出席董事會會議及本公司股東大會的記錄載列如下：

The Board	Board Meetings Attendance	Annual General Meeting Attendance	董事會	董事會會議出席率	股東週年大會出席率
<i>Executive Directors</i>			<i>執行董事</i>		
Mr. Xu Xipeng (Chairman)	6/6	1/1	許錫鵬先生（主席）	6/6	1/1
Mr. Xu Xinan	6/6	1/1	許錫南先生	6/6	1/1
Mr. Chow Hoi Kwang, Albert	6/6	1/1	周浩光先生	6/6	1/1
<i>Non-executive Director</i>			<i>非執行董事</i>		
Mr. Yang Shaolin	6/6	1/1	楊少林先生	6/6	1/1
<i>Independent non-executive Directors</i>			<i>獨立非執行董事</i>		
Mr. Lin Bin	6/6	1/1	林 斌先生	6/6	1/1
Mr. Kong Hing Ki	6/6	1/1	江興琪先生	6/6	1/1
Mr. Tam Yuk Sang, Sammy	6/6	1/1	譚旭生先生	6/6	1/1

Corporate Governance Report 企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The positions of Chairman and Chief Executive Officer are held by Mr. Xu Xipeng and Mr. Xu Xinan respectively. The Chairman provides leadership and is responsible for chairing the meetings, managing the operations of the Board, and ensuring that all major and appropriate issues are discussed by the Board in a timely and constructive manner. The Chief Executive Officer is responsible for running the Company's businesses and implementing the Group's strategic plans and business goals. Their respective responsibilities are clearly defined and set out in writing.

INDEPENDENT NON-EXECUTIVE DIRECTORS

During the year ended 31 December 2012, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors are independent.

主席及首席執行官

主席及首席執行官職位分別由許錫鵬先生及許錫南先生擔任。主席負責主持會議、管理董事會的運作，並確保所有重要及適當事項均由董事會作出適時及具建設性的討論。首席執行官負責本公司的業務經營，並實行本集團的策略性計劃及業務目標。彼等各自的職責已書面清楚界定。

獨立非執行董事

截至2012年12月31日止年度，董事會在任何時間均符合上市規則有關委任最少三名獨立非執行董事而其中一名董事擁有合適之會計專業資格或相關財務管理專業知識之規定。

本公司已接獲獨立非執行董事各自根據上市規則第3.13條所載之獨立性指引就其獨立性發出的年度書面確認。本公司認為全體獨立非執行董事均為獨立人士。

NON-EXECUTIVE DIRECTORS AND DIRECTORS' RE-ELECTION

Code provision A.4.1 of the CG Code stipulates that non-executive Directors shall be appointed for a specific term, subject to re-election, whereas code provision A.4.2 states that all Directors appointed to fill a casual vacancy shall be subject to election by shareholders at the first general meeting after appointment and that every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years.

Each of the Directors of the Company is appointed for a specific term of three years and is subject to retirement by rotation once every three years.

非執行董事及董事重選

企業管治守則之守則條文第A.4.1條規定，非執行董事須有指定任期，並須接受重選，而守則條文第A.4.2條指出，所有獲委任填補臨時空缺之董事應在獲委任後之首次股東大會上由股東選任，且每位董事（包括按指定任期委任之董事）須至少每三年輪值告退一次。

本公司各董事委任的指定任期為三年，並須每三年輪值告退。

Corporate Governance Report 企業管治報告

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board is responsible for leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. Directors of the Board take decisions objectively in the interests of the Company.

All Directors, including non-executive Directors and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

All Directors have full and timely access to all the information of the Company as well as the services and advice from the company secretary and senior management. The directors may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them and the Board regularly reviews the contribution required from each Director to perform his responsibilities to the Company.

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

董事會及管理層職責、問責及貢獻

董事會負責領導及控制本公司並監管本集團之業務、策略決策及表現以及集體負責透過指導及監管本公司之事務推動其成功發展。董事會應以本公司之利益作出客觀決定。

全體董事(包括非執行董事及獨立非執行董事)均為董事會帶來多種領域之寶貴業務經驗、知識及專長，使其高效及有效地運作。

全體董事均可全面並及時獲得本公司所有資料以及要求公司秘書及高級管理層提供服務及意見。董事可於要求時在適當情況下尋求獨立專業意見，以向本公司履行其職責，費用由本公司承擔。

董事須向本公司披露彼等擔任之其他職務之詳情，而董事會定期審閱各董事向本公司履行其職責時須作出之貢獻。

董事會負責決定所有重要事宜，當中涉及政策事宜、策略及預算、內部監控及風險管理、重大交易(特別是或會涉及利益衝突者)、財務資料、委任董事及本公司其他重大營運事宜。有關執行董事會決策、指導及協調本公司日常營運及管理之職責轉授予管理層。

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

Directors keep abreast of responsibilities as a Director of the Company and of the conduct, business activities and development of the Company.

Every newly appointed Director will receive induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. Internally-facilitated briefings for directors will be arranged and reading material on relevant topics will be issued to directors where appropriate.

董事之持續專業發展

董事須時刻瞭解身為本公司董事的職責並遵守本公司的行為操守、跟進業務活動及公司發展。

每名新任董事均於首次獲委任時獲提供入職介紹，確保新董事可適當掌握本公司業務及營運，並完全瞭解於上市規則及相關法規下之董事職責及責任。

董事須參與合適的持續職業發展，以提高及更新其知識及技能，以確保繼續在具備全面資訊及切合所需的情況下向董事會作出貢獻。本公司將會於適當時為董事安排內部講座，並就有關主題刊發閱讀材料。

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According to the records maintained by the Company, the Directors received the following training with an emphasis on the roles, functions and duties of a director of a listed company on continuous professional development during the year.

Name of Directors	Reading Materials	Attending Seminars
<i>Executive Directors</i>		
Mr. Xu Xipeng (Chairman)	✓	✓
Mr. Xu Xinan	✓	✓
Mr. Chow Hoi Kwang, Albert	✓	✓
<i>Non-executive Director</i>		
Mr. Yang Shaolin	✓	✓
<i>Independent non-executive Directors</i>		
Mr. Lin Bin	✓	✓
Mr. Kong Hing Ki	✓	✓
Mr. Tam Yuk Sang, Sammy	✓	✓

根據本公司所載記錄，董事於年內已接受有關於一間處於持續專業發展的上市公司出任董事之職位、功能及職責之培訓。

董事姓名	閱讀材料	出席講座
<i>執行董事</i>		
許錫鵬先生(主席)	✓	✓
許錫南先生	✓	✓
周浩光先生	✓	✓
<i>非執行董事</i>		
楊少林先生	✓	✓
<i>獨立非執行董事</i>		
林 斌先生	✓	✓
江興琪先生	✓	✓
譚旭生先生	✓	✓

BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, Remuneration Committee and Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees are posted on the Company's website and the Stock Exchange's website and are available to shareholders upon request.

The majority of the members of each Board committee are independent non-executive Directors and the list of the chairman and members of each Board committee is set out under "Corporate Information" on page 2.

董事委員會

董事會已成立三個委員會，即審核委員會、薪酬委員會及提名委員會，以監管本公司事務之特定方面。本公司所有董事委員會均已訂明書面職權範圍。董事委員會之職權範圍刊登於本公司網站及聯交所網站，並可應要求時供股東查閱。

各董事委員會之大部分成員為獨立非執行董事，且各董事委員會之主席及成員名單載於第2頁「公司資料」。

AUDIT COMMITTEE

The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, internal control procedures and risk management system and relationship with external auditors, and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Audit Committee held three meetings to review interim and annual financial results and reports in respect of the year ended 31 December 2012 and significant issues on the financial reporting and compliance procedures, internal control and risk management systems, scope of work and appointment of external auditors, connected transactions and arrangements for employees to raise concerns about possible improprieties.

The Audit Committee also met the external auditors twice without the presence of the executive Directors.

The attendance record of each Director at the Audit Committee meetings of the Company held during the year ended 31 December 2012 is set out below:

Audit Committee	<i>Attendance</i>
Mr. Lin Bin (Chairman)	3/3
Mr. Kong Hing Ki	3/3
Mr. Tam Yuk Sang, Sammy	3/3

審核委員會

審核委員會之主要職責為協助董事會審閱財務資料及申報程序、內部監控程序及風險管理制度、審核計劃及與外聘核數師之關係，以及檢討安排，使本公司僱員可以保密方式關注本公司財務申報、內部監控或其他方面之可能不當行為。

審核委員會合共舉行三次會議，以審閱截至2012年12月31日止年度之中期及年度財務業績及報告以及有關財務申報及合規程序、內部監控及風險管理制度、外聘核數師之工作範圍及委聘之重大事宜，以及可使僱員以保密方式關注可能不當行為之安排。

審核委員會亦在執行董事不會出席的情況下與外聘核數師舉行兩次會議。

截至2012年12月31日止年度，各董事出席本公司審核委員會會議的記錄載列如下：

審核委員會	<i>出席率</i>
林斌先生(主席)	3/3
江興琪先生	3/3
譚旭生先生	3/3

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REMUNERATION COMMITTEE

The primary functions of the Remuneration Committee include determining the remuneration packages of individual executive Directors and senior management; reviewing and making recommendation to the Board on the remuneration policy and structure for all Directors and senior management; establishing transparent procedures for developing such remuneration policy to ensure that no Director or any of his associates will participate in deciding his own remuneration.

The Remuneration Committee met three times to review and make recommendation to the Board on the remuneration policy and structure of the Company, and to determine the remuneration packages of the Executive Directors and senior management and other related matters.

The attendance record of each Director at the Remuneration Committee meetings of the Company held during the year ended 31 December 2012 is set out below:

Remuneration Committee	Attendance
Mr. Tam Yuk Sang, Sammy (Chairman)	3/3
Mr. Xu Xipeng	3/3
Mr. Lin Bin	3/3

The remuneration of senior executives by band for the year ended 31 December 2012 is set out below:

	Number of persons
HKD200,000 to HKD300,000	2
HKD400,000 to HKD500,000	2

薪酬委員會

薪酬委員會之主要職責包括審閱個別執行董事及高級管理層之薪酬待遇、全體董事及高級管理層之薪酬政策及架構並就此向董事會提供意見；及設立透明程序以制定薪酬政策及架構，從而確保概無董事或任何彼等之聯繫人士可參與釐定彼等自身之薪酬。

薪酬委員會已舉行三次會議，以審閱本公司薪酬政策及架構，以及釐定執行董事、非執行董事及高級管理層之薪酬待遇及其他相關事宜，並就此向董事會提供意見。

截至2012年12月31日止年度，各董事出席本公司薪酬委員會會議的記錄載列如下：

薪酬委員會	出席率
譚旭生先生(主席)	3/3
許錫鵬先生	3/3
林 斌先生	3/3

截至2012年12月31日止年度，高級行政人員之薪酬載列如下：

	人數
200,000 港元至 300,000 港元	2
400,000 港元至 500,000 港元	2

NOMINATION COMMITTEE

The principal duties of the Nomination Committee include reviewing the Board composition, making recommendations to the Board on the appointment and succession planning of directors, and assessing the independence of independent non-executive Directors.

The Nomination Committee has adopted a set of nomination procedures for selection of candidates for directorship of the Company by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of such individuals, the Company's needs and other relevant statutory requirements and regulations. External recruitment professionals might be engaged to carry out selection process when necessary.

The Nomination Committee met twice to review the structure, size and composition of the Board and the independence of the independent non-executive Directors, and to consider the qualifications of the retiring directors standing for election at the Annual General Meeting.

The attendance record of each Director at the Nomination Committee meetings of the Company held during the year ended 31 December 2012 is set out below:

Nomination Committee	Attendance
Mr. Kong Hing Ki (Chairman)	2/2
Mr. Xu Xinan	2/2
Mr. Lin Bin	2/2

提名委員會

提名委員會之主要職責包括審閱董事會之組成、就董事委任及繼任計劃向董事會提供意見，以及評估獨立非執行董事之獨立性。

提名委員會已就物色本公司董事候選人採納一套提名程序，包括參考有關人士之技能、經驗、專業知識、個人操守及出任時間、本公司的需要及其他相關法定規則及規例。如有需要，可物色過程中可委聘外部招聘專業人士參與。

提名委員會已舉行兩次會議，以檢討董事會之架構、規模及組成以及獨立非執行董事之獨立性，以及考慮於股東週年大會上候選之退任董事之資格。

截至2012年12月31日止年度，各董事出席本公司提名委員會會議的記錄載列如下：

提名委員會	出席率
江興琪先生(主席)	2/2
許錫南先生	2/2
林 斌先生	2/2

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CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the code provision D.3.1 of the CG Code.

The Board reviewed the Company's corporate governance policies and practices, training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2012.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the independent auditors of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditors' Report on pages 75 to 190.

AUDITORS' REMUNERATION

The remuneration paid to the Company's external auditors of the Company in respect of audit services and non-audit services for the year ended 31 December 2012 is set out under note 5(c) to the Notes to the Financial Statements on page 119.

企業管治職能

董事會負責履行企業管治守則之守則條文第D.3.1條所載之職能。

董事會檢討本公司之企業管治政策及常規、董事及高級管理層之培訓及持續專業發展、本公司在遵守法律法規規定、遵守標準守則及本公司遵守本企業管治報告的企業管治守則及披露之合規狀況。

董事有關財務報表之責任

董事知悉彼等編製本公司截至2012年12月31日止年度之財務報表之職責。

董事並不知悉任何重大不確定因素涉及可能對本公司持續經營能力造成重大疑惑之事件或情況。

本公司獨立核數師有關彼等就財務報表之申報責任之陳述載於第75至190頁之獨立核數師報告內。

核數師薪酬

本公司就截至2012年12月31日止年度之審核服務及非審核服務向本公司外聘核數師支付之薪酬於第119頁之「財務報表附註」之附註5(c)列示。

INTERNAL CONTROLS

During the year under review, the Board conducted a review of the effectiveness of the internal control system of the Company, including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function.

COMPANY SECRETARY

Ms. Li Yan Wing, Rita of Tricor Services Limited, external service provider, has been engaged by the Company as its joint company secretary. Its primary contact persons at the Company are Mr. Xu Haizhou and Mr. Yung Chi Hung Quincy, joint company secretary and chief financial officer respectively of the Company.

SHAREHOLDERS' RIGHTS

To safeguard shareholder interests and rights, a separate resolution is proposed for each substantially separate issue at shareholder meetings, including the election of individual directors. All resolutions put forward at shareholder meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each shareholder meeting.

內部監控

於回顧年度，董事會已檢討本公司內部監控制度之有效性，包括資源充足性、僱員資格及經驗、培訓項目以及本公司會計及財務申報功能之預算。

公司秘書

外部服務供應商卓佳專業商務有限公司之李昕穎女士已獲本公司委任為聯席公司秘書，其本公司主要聯絡人士為本公司的聯席公司秘書徐海州先生及首席財務官翁智鴻先生。

股東權利

為保障股東權益及權利，本公司將就各重大個別事宜（包括選舉個別董事）於股東大會提呈獨立決議案。股東大會上提呈之所有決議案將根據上市規則進行投票表決，且投票表決之結果將於股東大會結束後在本公司及聯交所網站上刊載。

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CONVENING AN EXTRAORDINARY GENERAL MEETING BY SHAREHOLDERS

Pursuant to Articles 58 of the Company's Articles of Association, any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

PUTTING FORWARD PROPOSALS AT GENERAL MEETINGS

There are no provision allowing shareholders to move new resolutions at general meetings under the Cayman Islands Companies Law or the Articles of Association of the Company. Shareholders who wish to move a resolution may request the Company to convene a general meeting following the procedures set out in the preceding paragraph.

股東召開股東特別大會

根據本公司組織章程細則第58條，任何一位或以上於遞呈要求當日持有不少於有權於本公司股東大會上投票之本公司繳足股本十分之一的股東，有權隨時透過向董事會或本公司秘書發出書面要求，要求董事會就有關要求所指的任何業務交易召開股東特別大會，以於相關要求遞呈後兩月內舉行有關會議。倘董事會遞呈後二十一日內未有召開該大會，則遞呈要求人士可自發以同樣方式作出此舉，而遞呈要求人士因董事會未有召開大會而產生的所有合理開支應由本公司向遞呈要求人士作出償付。

於股東大會上提出議案

開曼群島公司法或本公司之組織章程細則並無列明股東可在股東大會上提呈任何新決議案。有意提呈決議案之股東可按上段所載程序要求本公司召開股東大會。

PUTTING FORWARD ENQUIRIES TO THE BOARD

For putting forward any enquiries to the Board of the Company, shareholders may send written enquiries to the Company.

Note: The Company will not normally deal with verbal or anonymous enquiries.

CONTACT DETAILS

Shareholders may send their enquiries or requests as mentioned above to the principal place of business of the Company in Hong Kong:

Address: Room 2101A, Tower 2, China Hong Kong City,
33 Canton Road, Tsim Sha Tsui, Kowloon,
Hong Kong
(For the attention of the Company Secretary)
Fax: (852) 2369 1388
Email: Andy.xu@kee.cn/Quincy.yung@kee.cn

For the avoidance of doubt, shareholders must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address, apart from the registered office of the Company, and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

Shareholders may call the Company at (852) 2369 2288 or (852) 2369 2118 for any assistance.

向董事會作出查詢

至於向本公司董事會作出任何查詢，股東可將書面查詢發送至本公司。

附註：本公司通常不會處理口頭或匿名的查詢。

聯絡詳情

股東可透過上述方式向本公司香港主要營業地點發送查詢或要求：

地址：香港九龍尖沙咀廣東道33號中港城第
2座2101A室
(註明收件人為公司秘書)
傳真：(852) 2369 1388
電郵：Andy.xu@kee.cn/Quincy.yung@kee.cn

為免生疑問，股東須向上述地址（除本公司註冊地址外）遞呈及送交正式簽署的書面要求、通知或陳述或查詢（視乎情況而定）的正本，並提供彼等全名、聯絡詳情及身份，以便本公司可回復。股東資料可能根據法律規定而予以披露。

股東如需任何協助，亦可致電本公司，號碼為(852) 2369 2288 或 (852) 2369 2118。

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COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/INVESTOR RELATIONS

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavours to maintain an on-going dialogue with shareholders and in particular, through annual general meetings and other general meetings. The Chairman of the Board, all other members of the Board including Non-executive Directors, independent non-executive Directors, and the chairmen of all Board committees (or their delegates) will make themselves available at the annual general meetings to meet shareholders and answer their enquiries.

During the year under review, the Company has not made any changes to its Articles of Association. An up to date version of the Company's Articles of Association is also available on the Company's website and the Stock Exchange's website.

與股東及投資者的溝通／ 投資者關係

本公司認為，與股東有效溝通對加強投資者關係及讓投資者瞭解本集團業務表現及策略相當重要。本公司盡力保持與股東之間的對話，尤其是透過股東週年大會及其他股東大會。董事會主席、董事會所有其他成員包括非執行董事、獨立非執行董事及所有董事委員會主席（或彼等之代表）將出席股東週年大會與股東會面及解答其查詢。

於回顧年度，本公司並無對其公司細則作出任何更改。本公司經更新的組織章程細則亦可於本公司網站及聯交所網站查閱。

Biographies of Directors and Senior Management 董事及高級管理層履歷

As at the date of this annual report, the Board consists of seven Directors, including three executive Directors, one non-executive Director and three independent non-executive Directors.

EXECUTIVE DIRECTORS

Mr. Xu Xipeng (許錫鵬), aged 47, is an executive Director, chairman of the Board, one of the founders of the Group and an elder brother of Mr. Xu Xinan. Mr. Xu is responsible for the formulation of development strategies, overseeing of the overall business of the Group and the operation of the Board. Mr. Xu has over 20 years of experience in the zipper industry, especially on the overall management and production supervision. He was appointed as an executive Director on 6 July 2010.

Mr. Xu Xinan (許錫南), aged 42, is an executive Director, the chief executive officer, one of the founders of the Group and the younger brother of Mr. Xu Xipeng. Mr. Xu is responsible for the implementation of the decisions of the Board and the overall guidance and supervision of our business. Mr. Xu has over 20 years of experience in the zipper industry, especially on the overall management, and sales and marketing. He was appointed as an executive Director on 6 July 2010.

於本年報日期，董事會由七名董事組成，包括三名執行董事、一名非執行董事及三名獨立非執行董事。

執行董事

許錫鵬先生，47歲，執行董事、本集團董事會主席兼創辦人之一，並為許錫南先生的胞兄。許先生負責制定發展策略、監管本集團的整體業務及董事會的運營。許先生在拉鏈行業擁有逾20年經驗，特別是在整體管理及生產監督方面。彼於2010年7月6日獲委任為執行董事。

許錫南先生，42歲，執行董事、本集團首席執行官兼創辦人之一，並為許錫鵬先生的胞弟。許先生負責執行董事會的決策以及整體指導及監管我們的業務。許先生在拉鏈行業擁有逾20年經驗，特別是在整體管理及銷售與市場推廣方面。彼於2010年7月6日獲委任為執行董事。

Biographies of Directors and Senior Management

董事及高級管理層履歷

Mr. Chow Hoi Kwang, Albert (周浩光), aged 61, is an executive Director. Mr. Chow was appointed as a non-executive Director on 6 July 2010 and re-designated as an executive Director on 1 April 2012. Mr. Chow joined the Group in 2005 and has advised the Group on business strategy and business development. Mr. Chow has over 21 years' experience in corporate management and holds a Bachelor Degree of Commerce from McMaster University in Canada. Mr. Chow is also a member of The Society of Management Accountants of Canada (also known as CMA Canada). Mr. Chow's work experience prior to joining the Company includes:

- from 1988 to 1991, as the regional finance director of Frank Small & Associates Limited, an Australian market research company;
- from 1992 to 1996, as chief operating officer and director and one of the founders of Asia Market Intelligence Limited, a market research company in Hong Kong; and
- from 1999 until the date of this annual report, as the managing director, the founder and the sole shareholder of Inetol Cyber Limited (力圖聯網有限公司) of Hong Kong, a company engaged in manufacturing and trading of headwear.

周浩光先生，61歲，執行董事。周先生於2010年7月6日獲委任為非執行董事，並於2012年4月1日調任為執行董事。周先生於2005年加入本集團，並就本集團的業務策略及業務發展提供意見。周先生在企業管理方面擁有逾21年經驗，持有加拿大麥克馬斯特大學商業學士學位。周先生亦為加拿大註冊管理會計師公會（英文簡稱CMA Canada）會員。周先生在加入本公司前的工作經驗包括：

- 1988年至1991年，擔任澳大利亞市場調查公司Frank Small & Associates Limited的區域財務董事；
- 1992年至1996年，擔任香港市場調查公司Asia Market Intelligence Limited的首席營運總監、董事兼創辦人之一；及
- 1999年至本年報日期，擔任從事生產及買賣頭飾的香港公司力圖聯網有限公司的董事總經理、創辦人及唯一股東。

NON-EXECUTIVE DIRECTOR

Mr. Yang Shaolin (楊少林), aged 39, is a non-executive Director. Mr. Yang was appointed as an executive Director on 6 July 2010 and was the chief financial officer and one of the joint company secretaries. Mr. Yang was re-designated as a non-executive Director and resigned as the chief financial officer and joint company secretary of the Company on 1 April 2012. Mr. Yang joined the Group in December 2008 and has over 15 years' experience in corporate management and financial management. Mr. Yang worked as an accountant and later as a finance manager in various manufacturing enterprises (including 廣州金源行金屬有限公司 (Guangzhou KYH Metal Co., Ltd.) for over two and a half years) prior to joining the Group. He obtained a Bachelor's Degree in Economics majoring in accounting from 北京物資學院 (Beijing Wuzi University) in 1997, then obtained a MBA Master's Degree from Sun Yat-Sen University in 2012. Mr. Yang is also a member of The Chinese Institute of Certified Public Accountants and a registered tax agent in the PRC. Mr. Yang was appointed on 22 October 2012 as a chief financial officer of 廣東海大集團股份有限公司 (Guangdong Haid Group Co., Ltd.) (stock code: 002311), a company whose shares are listed on the Shenzhen Stock Exchange.

非執行董事

楊少林先生，39歲，非執行董事，楊先生於2010年7月6日獲委任為執行董事、首席財務官及本公司聯席秘書之一。楊先生於2012年4月1日調任為非執行董事，並辭去本公司首席財務官及聯席秘書職務。楊先生於2008年12月加入本集團，擁有逾15年的企業管理及財務管理經驗。加入本集團之前，楊先生任職於多家製造企業（包括於廣州金源行金屬有限公司工作逾兩年半）擔任會計師，之後出任財務經理。彼於1997年自北京物資學院取得經濟學學士學位，主修會計學專業。之後於2012年畢業於中山大學，獲得MBA碩士學位。楊先生亦為中國註冊會計師協會會員及中國註冊稅務師。楊先生於2012年10月22日獲委任為廣東海大集團股份有限公司（股份代號：002311，其股份於深圳證券交易所上市）之財務總監。

Biographies of Directors and Senior Management

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

獨立非執行董事

Mr. Lin Bin (林斌), aged 50, was appointed as an independent non-executive Director on 10 August 2010. Mr. Lin graduated from 江西財經大學 (Jiangxi University of Finance and Economics) in 1984 with a Bachelor's Degree in Economics majoring in industrial accounting. Mr. Lin obtained his Doctorate Degree in Economics (Accountancy) from 廈門大學 (the University of Xiamen) in 1997. Mr. Lin has served in various positions as tutor, lecturer and associate professor in the Faculty of Economics and Management in 華東交通大學 (East China Jiaotong University). Currently, Mr. Lin is a professor of the department of accountancy in 中山大學 (Sun Yat-Sen University). His roles in public services include:

- the vice chairman of 廣東省內部審計協會 (the Association of Internal Audit of Guangdong Province);
- the vice chairman of 廣東省審計學會 (the Audit Society of Guangdong Province);
- a committee member of 中國會計學會會計教育專業委員會 (the Committee of Accounting Education of the Accounting Society of China); and
- a member of 中華人民共和國財政部企業內部控制標準委員會諮詢專家組 (the Consultation Team for Enterprise Internal Control Standards of the Ministry of Finance of the PRC).

Mr. Lin resigned as a director of the department of accountancy in 中山大學 (Sun Yat-Sen University) after January 2013 and resigned as a director of 會計學碩士專業教育中心 (the Education Centre of Master of Professional Accounting) of 中山大學 (Sun Yat-Sen University) since 13 March 2013.

林斌先生，50歲，於2010年8月10日獲委任為獨立非執行董事。林先生於1984年畢業於江西財經大學，取得經濟學學士學位，主修工業財會專業。林先生於1997年自廈門大學取得經濟(會計)博士學位。林先生曾在華東交通大學經濟管理學院先後擔任導師、講師及副教授等職務。目前林先生為中山大學會計學教授。林先生的公眾服務角色包括：

- 廣東省內部審計協會副主席；
- 廣東省審計學會副主席；
- 中國會計學會會計教育專業委員會委員；及
- 中華人民共和國財政部企業內部控制標準委員會諮詢專家組成員。

林先生於2013年1月辭去中山大學會計系主任職務，並於2013年3月13日辭去中山大學會計碩士專業教育中心主任職務。

Mr. Lin also acts as an independent (non-executive) director of:

- 廣州白雲國際機場股份有限公司 (Guangzhou Baiyun International Airport Company Limited), a company whose shares are listed on the Shanghai Stock Exchange;
- 深圳市愛施德股份有限公司 (Shenzhen Aisidi Company Limited), a company whose shares are listed on the Shenzhen Stock Exchange;
- 安徽桑樂金股份有限公司 (Auhui SaunaKing Company Limited), a company whose shares are listed on the Shenzhen Stock Exchange; and
- 廣州珠江啤酒股份有限公司 (Guangzhou Zhujiang Brewery Co., Ltd.), a company whose shares are listed on the Shenzhen Stock Exchange.

Mr. Kong Hing Ki (江興琪), aged 42, was appointed as an independent non-executive Director on 24 November 2010. He has over 15 years' experience in accounting, auditing and finance, gained from international accountancy and commercial firms. Currently, he is a financial controller of a company whose ultimate holding company is listed on the main board of the Singapore Exchange Securities Trading Limited, and is an independent non-executive director and the audit committee chairman of Hing Lee (HK) Holdings Limited (stock code: 396), a company whose shares are listed on the Main Board, and also an independent non-executive director of RENHENG Enterprise Holdings Limited (stock code: 8012), a company whose shares are listed on the Growth Enterprise Market of the Hong Kong Stock Exchange. Mr. Kong obtained a Bachelor's Degree in Commerce from The Australian National University and a Master of Business Administration Degree from Deakin University. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia.

林先生亦擔任下列公司的獨立(非執行)董事:

- 廣州白雲國際機場股份有限公司(其股份於上海證券交易所上市的公司);
- 深圳市愛施德股份有限公司(其股份於深圳證券交易所上市的公司);
- 安徽桑樂金股份有限公司(其股份於深圳證券交易所上市的公司); 及
- 廣州珠江啤酒股份有限公司(其股份於深圳證券交易所上市的公司)。

江興琪先生，42歲，於2010年11月24日獲委任為獨立非執行董事。江先生擁有自國際會計及商業公司獲得逾15年的會計、審核及財務經驗。現時，彼為一間公司(其最終控股公司於新加坡證券交易所有限公司主板上市)之財務總監，亦任興利(香港)控股有限公司(其股份於香港聯交所主板上市，股份代號：396)的獨立非執行董事兼審核委員會主席。彼亦任仁恆實業控股有限公司(其股份於香港聯交所創業板上市，股份代號：8012)之獨立非執行董事。江先生持有澳大利亞國立大學商業學士學位及迪肯大學工商管理碩士學位。彼現為香港會計師公會資深會員及澳洲會計師公會會員。

Biographies of Directors and Senior Management 董事及高級管理層履歷

Mr. Tam Yuk Sang, Sammy (譚旭生), aged 49, was appointed as an independent non-executive Director on 10 August 2010. Mr. Tam graduated from the Hong Kong Polytechnic University with a Professional Diploma in Accountancy in 1986 and is a fellow of The Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He has over 26 years' experience in accounting, auditing and finance. He is currently president of Essentack Limited, a corporate strategy and management advisory company. He is also an independent non-executive director and the audit committee chairman of Kith Holdings Limited (stock code: 1201), a company whose shares are listed on the Main Board, and also an independent non-executive director and the nomination committee chairman of RENHENG Enterprise Holdings Limited (stock code: 8012), a company whose shares are listed on the Growth Enterprise Market of the Stock Exchange. Mr. Tam was also appointed on 18 January 2013 as an independent non-executive director and the audit committee chairman of Long Success International (Holdings) Limited (stock code: 8017), a company whose shares are listed on the Growth Enterprise Market of the Stock Exchange.

譚旭生先生，49歲，於2010年8月10日獲委任為獨立非執行董事。譚先生於1986年畢業於香港理工大學，持有會計專業文憑，為英國特許公認會計師公會及香港會計師公會資深會員。彼在會計、審核及財務方面擁有逾26年經驗。彼現時為企業策略及管理顧問公司Essentack Limited的總裁，亦為僑威集團有限公司（其股份於主板上市，股份代號：1201）的獨立非執行董事及審核委員會主席，及仁恒實業控股有限公司（其股份於聯交所創業板上市，股份代號：8012）的獨立非執行董事兼提名委員會主席。譚先生亦於2013年1月18日獲委任為百齡國際（控股）有限公司（其股份於聯交所創業板上市，股份代號：8017）的獨立非執行董事兼審核委員會主席。

SENIOR MANAGEMENT

The senior management are responsible for the day-to-day management of the Group's business.

Mr. Yung Chi Hung Quincy (翁智鴻), aged 44, is the Chief Financial Officer responsible for overseeing finance & accounting, investment strategy, information technology, and internal audit. Mr. Yung graduated from University of Wisconsin – Madison, USA in 1994 with a Bachelor Degree in Business Administration majoring in Accounting. Mr. Yung obtained his Master Degree in Business Administration in 2004 from The Chinese University of Hong Kong. He is a member of the American Institute of Certified Public Accountants (AICPA). Prior to his joining the Group, Mr. Yung has over 17 years of experience in financial planning, financial management and internal audit in retail and manufacturing industry.

高級管理層

高級管理層負責本集團業務的日常管理。

翁智鴻先生，44歲，為首席財務官，負責監督財務及會計、投資策略、資訊科技及內部審核。翁先生於1994年畢業於美國威斯康星大學麥迪遜分校，獲頒工商管理學士學位，主修會計。翁先生於2004年取得香港中文大學頒授的工商管理碩士學位。彼為美國註冊會計師協會會員。加入本集團前，翁先生在零售及製造業的財務計劃、財務管理及內部審核方面積逾17年經驗。

Mr. Hsieh Chin Fong (謝慶豐), aged 68, is the chief technical officer responsible for overseeing various aspects of product design, and research and development departments. He has many years of experience in the zipper industry including zipper production and the development of zipper production machinery. Prior to joining the Group in November 2004, Mr. Hsieh had worked for several zipper manufacturers in Taiwan. Mr. Hsieh acted as a senior specialist in 宏大拉鏈股份有限公司 (Max Zipper Co., Ltd) from 1987 to 1993 and acted as a general manager in 冠宇拉鏈股份有限公司 (Unitech Zipper & Machinery Co. Ltd) from 1992 to 2004.

Ms. Mo Qiuye (莫秋葉), aged 34, was appointed as assistant sales director in January 2013. She is responsible for the Group's main business in China. Ms. Mo joined the Group in March 1999 as a sales assistant. Ms. Mo has more than 13 years' experience in the sale of zippers and garment accessories and has an in-depth knowledge in the apparel business.

JOINT COMPANY SECRETARIES

Mr. Xu Haizhou (徐海州), aged 37, is currently the vice financial controller of the Group. He was appointed as the joint company secretary on 29 June 2012. He joined the Group in May 2010 and has taken different positions such as group finance manager and assistant financial controller of the Group. Mr. Xu has a bachelor's degree in economics from Hubei University (湖北大學) of the People's Republic of China. He is a member of The Chinese Institute of Certified Public Accountants, a certified tax agent in the PRC.

謝慶豐先生，68歲，為技術總監，負責監督指導產品設計及研發部門的各方面工作。彼於拉鏈行業擁有多年經驗，包括拉鏈生產及開發拉鏈生產機器方面。謝先生於2004年11月加入本集團，之前曾在台灣多間拉鏈生產企業任職。謝先生於1987年至1993年任宏大拉鏈股份有限公司高級專家，於1992年至2004年任冠宇拉鏈股份有限公司總經理。

莫秋葉女士，34歲，於2013年1月獲委任為助理營銷總監。彼負責管理本集團在中國的主要業務。莫女士於1999年3月加入本集團，擔任銷售助理。莫女士在銷售拉鏈及服裝配飾方面擁有逾13年經驗，並在服裝業務方面擁有豐富知識。

聯席公司秘書

徐海州先生，37歲，現任本集團財務副總監，於2012年6月29日獲任聯席公司秘書。彼於2010年5月加入本集團，曾於本集團擔任不同職位，如集團財務經理及助理財務總監。徐先生具有中華人民共和國湖北大學經濟學學士學位，為中國註冊會計師協會會員及中國註冊稅務師。

Biographies of Directors and Senior Management 董事及高級管理層履歷

Ms. Li Yan Wing, Rita (李昕穎), aged 47, was appointed as a joint company secretary of the Company on 25 November 2010. Ms. Li is a director of the corporate services division of Tricor Services Limited and an associate of both The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries. She has over 23 years' experience in corporate advisory services. Prior to joining Tricor Services Limited, Ms. Li served as a senior manager of the company secretarial department of Tengis Limited. Ms. Li has provided various secretarial and corporate services to many listed companies.

李昕穎女士，47歲，於2010年11月25日獲委任為本公司聯席公司秘書。李女士為卓佳專業商務有限公司企業服務分部董事，亦為英國特許秘書及行政人員公會及香港特許秘書公會資深會員，擁有逾23年企業顧問服務經驗。加入卓佳專業商務有限公司之前，李女士曾任登捷時有限公司公司秘書事務部高級經理。李女士曾向多間上市公司提供各種秘書及企業服務。

Report of the Directors 董事會報告書

The Directors submit their report together with the audited financial statements for the year ended 31 December 2012.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are design, manufacture and sale of finished zippers, flat knit ribs and other garment accessories in China. The Group's major customers are OEMs who manufacture apparel products for (i) apparel brands in China; and (ii) some well known international apparel labels.

The Group also supplies sliders, components of zippers (including continuous zipper chains and stops) and moulds to other zipper manufacturers and designs and supplies premium items (such as glasses) exclusively to apparel brand owners to meet the promotional needs for their products.

SUBSIDIARIES

Particulars of the Company's subsidiaries as at 31 December 2012 are set out in note 14 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2012 are set out in the "Consolidated Income Statement" on page 77 of this annual report.

The Directors recommend the payment of a final dividend of HK2 cents per Share (2011: HK1.25 cents) in respect of the year 2012 to the Shareholders.

Upon approval at the annual general meeting on 24 May 2013, the proposed final dividend will be paid on or about Monday, 17 June 2013 to Shareholders whose names appear on the register of members of the Company on Friday, 31 May 2013.

董事謹此提呈彼等的報告，連同截至2012年12月31日止年度的經審核財務報表。

主要業務

本公司為投資控股公司。其附屬公司的主要業務為於中國設計、製造及銷售條裝拉鏈、橫機羅紋及其他服裝配件。本集團的客戶主要是為(i)中國服裝品牌；以及(ii)部分國際知名服裝品牌生產服裝產品的OEM。

本集團亦向其他拉鏈製造商供應拉頭、拉鏈配件(包括碼裝拉鏈及止)及模具及專門為服裝品牌商設計及供應禮品(如眼鏡)以滿足其推廣產品的需要。

附屬公司

本公司附屬公司於2012年12月31日的詳情載於綜合財務報表附註14。

業績及股息

本集團於截至2012年12月31日止年度的業績載於本年報第77頁的「綜合收益表」。

董事建議向股東派付2012年每股2港仙(2011: 1.25港仙)的末期股息。

待取得2013年5月24日舉行的股東週年大會批准後，建議末期股息將於2013年6月17日(星期一)或前後派付於2013年5月31日(星期五)名列本公司股東名冊之股東。

Report of the Directors 董事會報告書

RESERVES

As at 31 December 2012, distributable reserves of the Company amounted to HK\$139.93 million (2011: HK\$138.26 million). Details of movements in reserves of the Group during the year are set out in consolidated statement of changes in equity to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

Sales and purchases of the Group attributable to its major customers and suppliers respectively for the two financial years were as follows:

The largest customer	最大客戶
Five largest customers	五大客戶

The information required in paragraph 31(5) of Appendix 16 to the Listing Rules is omitted pursuant to paragraph 31(7) of Appendix 16 to the Listing Rules since the percentage of total turnover attributable to the five largest customers combined for the year ended 31 December 2012 was approximately 18.0%, i.e. less than 30%.

The largest supplier	最大供應商
Five largest suppliers	五大供應商

All of the above five largest suppliers of the Group are independent third parties. To the best knowledge of the Directors, none of the Directors, their associates or any Shareholder holding more than 5% of the issued share capital of the Company, has any interest in any of the Group's five largest suppliers as disclosed above.

儲備

於2012年12月31日，本公司可分派儲備為139,930,000港元(2011年：138,260,000港元)。本集團年內儲備的變動詳情載於綜合財務報表的綜合權益變動表內。

主要客戶及供應商

本集團於兩個財政年度內分別向主要客戶及供應商作出的銷售量及採購量如下：

Year ended 31 December 截至十二月三十一日止年度	
2012	2011
% of total turnover 佔總營業額的 百分比	% of total turnover 佔總營業額的 百分比

6.6	6.4
18.0	17.4

根據上市規則附錄16第31(7)段，上市規則附錄16第31(5)段所規定的資料可予省略，原因為截至2012年12月31日止年度五大客戶合共應佔營業總額百分比約18.0%，即少於30%。

% of total purchase 佔總採購的 百分比	% of total purchase 佔總採購的 百分比
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26.0	26.1
63.6	70.4

本集團上述五大供應商均為獨立第三方。據董事所深知，概無持有本公司已發行股本5%以上的董事、彼等之聯繫人士或任何股東於上述披露的本集團任何五大供應商中擁有任何權益。

BANK BORROWINGS

As at 31 December 2012, the Group had no bank loans (2011: nil).

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the Group's property, plant and equipment during the year are set out in note 12 to the consolidated financial statements.

ORDINARY SHARES

Details of movements in ordinary shares of the Company during the year are set out in consolidated statement of changes in equity to the consolidated financial statements.

FIVE-YEAR FINANCIAL HIGHLIGHTS

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on pages 5 to 10 of this annual report.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands where the Company is incorporated.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2012.

銀行借貸

於2012年12月31日，本集團並無銀行貸款（2011年：無）。

物業、廠房及設備

本集團物業、廠房及設備於年內的變動詳情載於綜合財務報表附註12。

普通股

本公司普通股於年內的變動詳情載於綜合財務報表的綜合權益變動表。

五年財務概要

本集團過去五個財政年度的業績、資產及負債概要載於本年報第5至10頁。

優先權

本公司的組織章程細則或本公司註冊成立所在開曼群島的法例並無優先權的條文。

購買、出售或贖回股份

截至2012年12月31日止年度，本公司及其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

Report of the Directors 董事會報告書

DIRECTORS

The Directors of the Company during the year and up to the date of this report are as follows:

Executive Directors

Mr. Xu Xipeng (*Chairman*)

Mr. Xu Xinan (*Chief Executive Officer*)

Mr. Chow Hoi Kwang, Albert

Non-executive Director

Mr. Yang Shaolin

Independent Non-executive Directors

Mr. Lin Bin

Mr. Kong Hing Ki

Mr. Tam Yuk Sang, Sammy

In accordance with articles 87(1) and (2) of the Company's articles of association, Mr. Chow Hoi Kwang, Albert, Mr. Kong Hing Ki and Mr. Tam Yuk Sang, Sammy will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographies of Directors and senior management of the Group are set out on pages 47 to 54 of this annual report.

董事

年內及截至本報告日期的本公司董事如下：

執行董事

許錫鵬先生(主席)

許錫南先生(首席執行官)

周浩光先生

非執行董事

楊少林先生

獨立非執行董事

林 斌先生

江興琪先生

譚旭生先生

根據本公司組織章程細則第87(1)及(2)條，周浩光先生、江興琪先生及譚旭生先生將於應屆股東週年大會上退任，並合資格膺選連任。

董事及高級管理層履歷

本集團董事及高級管理層履歷載於本年報第47至54頁。

DIRECTORS' SERVICE CONTRACTS

None of the Directors has any unexpired service contract which is not determinable by the Company or its subsidiaries within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTEREST IN CONTRACTS

Save as disclosed in this report, no contracts of significance in relation to the Company's business to which the Company or its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted as at the end of the year or any time during the year.

NON-COMPETITION UNDERTAKINGS

Each of the Controlling Shareholders has confirmed to the Company of his/her compliance with the non-competition undertakings provided to the Company under a deed of non-competition in favour of the Company entered into on 30 December 2010 (details are disclosed in the Prospectus under the section headed "Relationship with the Controlling Shareholders"). The independent non-executive Directors have reviewed the status of compliance and confirmed that all the undertakings under the deed of non-competition have been complied with by the Controlling Shareholders.

董事服務合約

概無董事訂有本公司或其附屬公司不可於一年內終止而毋須作出賠償(法定賠償除外)的未屆滿服務合約。

董事的合約權益

除本報告披露者外，董事概無於本公司或其任何附屬公司所訂立而於年終時或年內任何時間有效的重大合約中直接或間接擁有重大權益。

不競爭承諾

各控股股東已向本公司確認，彼已根據2010年12月30訂立以本公司為受益人的不競爭契據(詳情披露於招股章程「與控股股東的關係」一節)遵守向本公司作出的不競爭承諾。獨立非執行董事已審閱有關遵守情況，並確認控股股東已遵守不競爭契據下的所有承諾。

Report of the Directors 董事會報告書

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors is or was interested in any business apart from the Group's business, which competes or competed or is or was likely to compete, either directly or indirectly, with the Group's business at any time during the year ended 31 December 2012 and up to and including the date of this annual report.

PENSION SCHEME

In the PRC, the Group contributes to social insurance on a monthly basis for its employees. The Group has no further obligation for payment of post-retirement benefits to employees beyond the aforesaid contributions made by the Group.

The Group also participates in mandatory provident fund scheme (the "MPF Scheme") in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group and are under the control of an independent trustee. Both the Group and its employees are required to contribute 5% of the employees' monthly salaries. The mandatory contributions required to be made respectively by the Group and an employee are each capped at HK\$1,250 per month. Members are entitled to 100% of the employers' mandatory contributions as soon as they are paid to the MPF Scheme but all benefits derived from the mandatory contributions must be preserved until an employee reaches the retirement age of 65 or in accordance with the rules of the MPF Scheme.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2012.

董事於競爭業務中的權益

於截至2012年12月31日止年度直至本年報日期(包括該日)內的任何時間,概無董事在與本集團業務直接或間接存在或曾存在或很可能存在或曾很可能存在競爭的任何業務(本集團業務除外)中擁有或曾擁有任何權益。

退休金計劃

在中國,本集團為其僱員每月作出社會保險供款。除本集團作出上述供款外,本集團毋須承擔向僱員支付其他退休後福利責任。

本集團亦於香港參與強制性公積金計劃(「強積金計劃」)。強積金計劃之資產由獨立信託人控制,與本集團之資產分開。本集團及其僱員須從其有關入息中扣除5%作為供款。強積金須由本集團及其僱員分別作出強制性供款,每月上限為1,250港元。會員有權在有關強積金計劃供款後取得僱主之100%強制性供款,但所有強制性供款所產生之利益必須保存至僱員達65歲退休年齡或根據強積金計劃之規例為止。

管理合約

截至2012年12月31日止年度內,並無訂立或存在有關本公司全部或任何重大部分業務之管理及行政合約。

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

As at 31 December 2012, the interests of the Directors in the shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept under Section 352 of the SFO or as notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code contained in the Listing Rules, are as follows:

LONG POSITIONS IN THE SHARES

Director 董事	Nature of Interest 權益性質	Number of Shares 股數	Percentage 百分比
Mr. Xu Xipeng 許錫鵬先生	Corporate 公司	306,490,000	73.85%
Mr. Xu Xinan 許錫南先生	Corporate 公司	306,490,000	73.85%
Mr. Chow Hoi Kwang, Albert 周浩光先生	Beneficial Owner 實益擁有人	380,000	0.09%
Mr. Kong Hing Ki 江興琪先生	Beneficial Owner 實益擁有人	380,000	0.09%
Mr. Lin Bin 林斌先生	Beneficial Owner 實益擁有人	380,000	0.09%
Mr. Tam Yuk Sang, Sammy 譚旭生先生	Beneficial Owner 實益擁有人	380,000	0.09%
Mr. Yang Shaolin 楊少林先生	Beneficial Owner 實益擁有人	380,000	0.09%

LONG POSITIONS IN THE SHARES AND UNDERLYING SHARES OF ASSOCIATED CORPORATION

Director 董事	Name of Associated Corporation 相聯法團名稱	Percentage 百分比
Mr. Xu Xipeng 許錫鵬先生	Nicco	49.75%
Mr. Xu Xinan 許錫南先生	Nicco	49.75%
Mr. Chow Hoi Kwang, Albert 周浩光先生	Nicco	0.50%

As at 31 December 2012, the Directors do not hold any short positions in shares, underlying shares or debentures of the Company or any of its associated corporations.

董事於本公司或其任何相聯法團之股份、相關股份或債權證中之權益及／或淡倉

於2012年12月31日，董事於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）根據證券及期貨條例第352條須記錄或根據上市規則所載上市發行人董事進行證券交易標準守則須知會本公司及香港聯交所之股份之權益如下：

於股份之好倉

於相聯法團之股份及相關股份之好倉

於2012年12月31日，董事並無於本公司或其任何相聯法團之股份、相關股份或債權證中持有任何淡倉。

Report of the Directors 董事會報告書

Save as disclosed above, none of the Directors, chief executives or any of their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations were recorded in the register required to be kept under Section 352 of the SFO as at 31 December 2012.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES OR UNDERLYING SHARES OF THE COMPANY

As at 31 December 2012, the register of substantial Shareholders maintained under section 336 of the SFO shows that the Company had been notified of the following substantial Shareholders' interests and short positions, representing 5% or more of the Company's issued share capital:

Name 名稱	Number of Shares 股數	Percentage 百分比
Nicco	306,490,000	73.85%
Mr. Xu Xipeng 許錫鵬先生 (Note 附註 1)	306,490,000	73.85%
Mr. Xu Xinan 許錫南先生 (Note 附註 2)	306,490,000	73.85%
Ms. Ke Saixia 柯賽霞女士 (Note 附註 1)	306,490,000	73.85%
Ms. Lu Jiehong 盧潔虹女士 (Note 附註 2)	306,490,000	73.85%
Atlantis Capital Holdings Limited	24,644,000	5.94%
Ms. Liu Yang 劉央女士 (Note 附註 3)	24,644,000	5.94%

Notes:

- As Nicco is beneficially owned as to 49.75% by Mr. Xu Xipeng, Mr. Xu Xipeng is deemed to be interested in the shares held by Nicco by virtue of Part XV of the SFO. Ms. Ke Saixia, being Mr. Xu Xipeng's spouse, is deemed to be interested in the shares held by Nicco under Part XV of the SFO.

除上文所披露者外，於2012年12月31日，董事、主要行政人員或彼等之任何聯繫人士概無於本公司或其任何相聯法團之股份、相關股份及債權證中擁有根據證券及期貨條例第352條記錄於須存置之登記冊之任何權益或淡倉。

主要股東於本公司之股份或相關股份之權益及淡倉

於2012年12月31日，根據證券及期貨條例第336條存置之主要股東登記冊顯示，本公司獲知會下列主要股東之權益及淡倉佔本公司之已發行股本5%或以上：

附註：

- 由於Nicco由許錫鵬先生實益擁有49.75%，故根據證券及期貨條例第XV部，許錫鵬先生被視為於Nicco持有的股份中擁有權益。柯賽霞女士作為許錫鵬先生的配偶根據證券及期貨條例第XV部將被視為於Nicco所持的股份中擁有權益。

2. As Nicco is beneficially owned as to 49.75% by Mr. Xu Xinan, Mr. Xu Xinan is deemed to be interested in the shares held by Nicco by virtue of Part XV of the SFO. Ms. Lu Jiehong, being Mr. Xu Xinan's spouse, is deemed to be interested in the shares held by Nicco under Part XV of the SFO.

3. These shares are owned by Atlantis Capital Holdings Limited, which is 100% beneficially owned by Ms. Liu Yang.

Save as disclosed above, no person had registered an interest of a short position in the shares and underlying shares or debentures of the Company that was required to be recorded under Section 336 of Part XV of the SFO.

CONTINUING CONNECTED TRANSACTIONS

Both Mr. Xu Xipeng and Mr. Xu Xinan are executive Directors and Controlling Shareholders and therefore are connected persons of the Company. Mr. Xu Xipeng and Mr. Xu Xinan (as lessors) and KEE Guangdong, a wholly-owned subsidiary of the Company (as lessee), entered into a lease agreement (the "**Lease Agreement**") on 12 August 2010 pursuant to which Mr. Xu Xipeng and Mr. Xu Xinan have agreed to lease to KEE Guangdong the production base in Foshan City of Guangdong Province at a monthly rental of RMB260,000 payable within the first 10 working days of each month for an initial term of three years commencing on 1 January 2010 to 31 December 2012. An independent property valuer, Asset Appraisal Limited, advised that the monthly rental of RMB260,000 is fair and reasonable with reference to the market rate. For each of the three years ending 31 December 2012, the annual rental paid and payable by the Group (the "**Annual Cap**") under the Lease Agreement was as follows:

	RMB 人民幣	HK\$ 港元
Year ended 31 December 2010 截至2010年12月31日止年度	3,120,000	3,761,472
Year ended 31 December 2011 截至2011年12月31日止年度	3,120,000	3,761,472
Year ending 31 December 2012 截至2012年12月31日止年度	3,120,000	3,761,472

2. 由於 Nicco 由許錫南先生實益擁有 49.75%，故根據證券及期貨條例第 XV 部，許錫南先生被視為於 Nicco 持有的股份中擁有權益。盧潔虹女士作為許錫南先生的配偶根據證券及期貨條例第 XV 部將被視為於 Nicco 所持的股份中擁有權益。

3. 此等股份由 Atlantis Capital Holdings Limited 擁有，上述公司由劉央女士實益擁有 100%。

除上文所披露者外，概無任何人士於本公司之股份及相關股份或債權證中擁有根據證券及期貨條例第 XV 部第 336 條須予記之已登記淡倉權益。

持續關連交易

許錫鵬先生及許錫南先生為執行董事及控股股東，故為本公司的關連人士。於 2010 年 8 月 12 日，許錫鵬先生及許錫南先生（作為出租人）與本公司的全資附屬公司開易廣東（作為承租人）訂立租賃協議（「**租賃協議**」），據此，許錫鵬先生及許錫南先生同意以每月人民幣 260,000 元月租（於每月首十個工作日內支付）向開易廣東出租廣東省佛山市生產基地，由 2010 年 1 月 1 日起至 2012 年 12 月 31 日止初步為期三年。獨立估值師資產評估顧問有限公司建議，月租人民幣 260,000 元經參考市場費率後公平合理。截至 2012 年 12 月 31 日止三個年度各年，本集團根據租賃協議已支付及應支付的年租（「**年度上限**」）如下：

Report of the Directors 董事會報告書

Given the annual rental amount payable by KEE Guangdong, the transactions contemplated under the Lease Agreement, which constitute continuing connected transactions under Rule 14A.34, fall within the ambit of Rule 14A.35 of the Listing Rules and is only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules, the annual review requirements set out in Rules 14A.37 to 14A.40 of the Listing Rules and the requirements set out in Rules 14A.35(1) and 14A.35(2) of the Listing Rules. A waiver from the announcement requirements set out in Rule 14A.47 of the Listing Rules was granted by the Hong Kong Stock Exchange since the details of the Lease Agreement have been disclosed in the Prospectus under the section headed "Connected Transaction".

Mr. Xu Xipeng and Mr. Xu Xinan (as lessors) entered into a lease renewal agreement (the "**Lease Renewal Agreement**") on 7 December 2012 with KEE Guangdong (as lessee) for a term of 3 years from 1 January 2013 to 31 December 2015 at a monthly rental of RMB300,000 payable within the first 10 days of each month commencing on 1 January 2013.

The Company has complied with the relevant requirements under Chapter 14A of the Listing Rules, including the Annual Cap, and will re-comply with the relevant rules of Chapter 14A of the Listing Rules (including independent Shareholders' approval requirements) if the waiver from the Hong Kong Stock Exchange expires or the Annual Cap is exceeded, or when the Lease Renewal Agreement expires or is renewed or when there is a material change to the terms of the Lease Renewal Agreement.

ANNUAL REVIEW

The Directors (including the independent non-executive Directors) have reviewed the above continuing connected transactions and confirmed that these transactions were entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms; and
- (iii) in accordance with the Lease Agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

鑑於開易廣東應付的年租金額，租賃協議（根據第14A.34條構成持續關連交易）屬於上市規則第14A.35條的適用範圍，僅須遵守上市規則第14A.45至14A.47條所載的申報及公佈規定、上市規則第14A.37條至14A.40條所載年度審核規定以及上市規則第14A.35(1)條及第14A.35(2)條所載規定。由於租賃協議之詳情已於招股章程「關連交易」一節內披露，香港聯交所授予豁免，豁免遵守上市規則第14A.47條所載公佈規定。

於2012年12月7日，許錫鵬先生及許錫南先生（作為出租人）與開易廣東（作為承擔人）訂立續租協議（「**續租協議**」），進一步租期為3年，自2013年1月1日起至2015年12月31日止。租金為每月人民幣300,000元，自2013年1月1日開始每月前10個工作日內支付。

倘香港聯交所授予的豁免到期或年度上限被超逾，或倘續租協議到期或獲續期或續租協議的條款有重大變動，本公司遵守上市規則第14A章的有關規定（包括年度上限），並將重新遵守上市規則第14A章的有關規則（包括獨立股東批准規定）。

年度檢討

董事（包括獨立非執行董事）已檢討上述持續關連交易並確認此等交易乃根據以下基準訂立：

- (i) 於本集團日常及一般業務過程中；
- (ii) 符合正常商業條款；及
- (iii) 遵照租賃協議條款，而有關條款乃公平合理並符合股東的整體利益。

KPMG, the auditors of the Company, was engaged to report on the above continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Rules” issued by the Hong Kong Institute of Certified Public Accountants and reported their findings to the Board that the transactions:

- (i) have been approved by the Board;
- (ii) have been entered into in accordance with the Lease Agreement during the year; and
- (iii) have not exceeded the Annual Caps.

OTHER RELATED-PARTY TRANSACTIONS

Apart from the aforesaid continuing connected transactions, the related-party transactions set out in note 26 to the consolidated financial statements also include transactions which did not constitute continuing connected transactions under Chapter 14A of the Listing Rules. Details of other related-party transactions entered into by the Group during the year ended 31 December 2012, which did not constitute connected transactions under Chapter 14A of the Listing Rules are set out in notes 26 to the consolidated financial statements.

SHARE OPTION SCHEME

The Company’s share option scheme (the “Share Option Scheme”) was conditionally adopted by the written resolutions of the sole Shareholder of the Company passed on 14 December 2010, pursuant to which the Board may, at its absolute discretion and on such terms as it may think fit, grants options to any employee(s) (whether full time or part time including any Director) of any member of the Group at the exercise price for such number of Shares as it may determine in accordance with the terms of the

本公司核數師畢馬威會計師事務所獲委聘根據香港會計師公會頒佈之香港核證委聘準則第3000號「審核或審閱過去財務資料以外之核證委聘」及參照實務說明第740號「關於香港上市規則所述持續關連交易之核數師函件」就上述持續關連交易作出報告，並向董事會匯報其結果，交易：

- (i) 已獲董事會批准；
- (ii) 於年內按照租賃協議訂立；及
- (iii) 並無超逾年度上限。

其他關連方交易

除上述之持續關連交易外，綜合財務報表附註26所載關連方交易亦包括根據上市規則第14A章並未構成持續關連交易之交易。截至2012年12月31日止年度，本集團訂立之其他關連方交易（根據上市規則第14A章並未構成關連交易）詳情載於綜合財務報表附註26。

購股權計劃

本公司的購股權計劃（「購股權計劃」）由本公司唯一股東於2010年12月14日通過的書面決議案有條件採納，據此，董事會可全權根據其認為適合的條款向任何僱員（不論全職或兼職，包括任何董事）授出購股權，供彼等按行使價認購根據購股權計劃的條款所釐

Report of the Directors 董事會報告書

Share Option Scheme. The purpose of the Share Option Scheme is to enable the Board to grant options to selected employee(s) as incentives or rewards for their contribution or potential contribution to the Group.

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 40,000,000 Shares which represents approximately 9.6% of the Shares in issue on the date of this report. The maximum number of Shares issued and to be issued upon exercise of options granted and to be granted under the Share Option Scheme and any other share option schemes of the Company to any employee(s) (including cancelled, exercised and outstanding options), in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine but in any event shall not exceed 10 years from the date of grant. Save as determined by the Board and provided in the offer of the grant of the relevant options, there is no minimum holding period before an option is exercisable.

An offer for the grant of options must be accepted within twenty-one days inclusive of the day on which such offer was made. The amount payable to our Company on acceptance of the offer for the grant of an option is HK\$1.00.

The exercise price is to be determined by the Board provided always that it shall be at least the higher of (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Hong Kong Stock Exchange on the date of offer for the grant of the option, which must be a trading day; and (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Hong Kong Stock Exchange for the five business days immediately preceding the date of grant, provided that the exercise price shall in no event be less than the nominal amount of one Share.

定數目的股份。購股權計劃旨在使董事會可向經甄選的僱員授出購股權，作為彼等對本集團作出或可能作出貢獻的獎勵或報酬。

因行使根據購股權計劃及本公司任何其他購股權計劃所授所有購股權而可能發行的股份數目上限，合共不得超過40,000,000股股份（於本報告日期佔已發行股份約9.6%）。在截至授出日期止的任何12個月期間內，任何僱員因行使根據購股權計劃及本公司任何其他購股權計劃已授出及將授出的購股權（包括已註銷、已行使和尚未行使的購股權）而發行及將予發行的股份數目上限，不得超過已發行股份的1%。

可於由董事會指定的期間內，隨時根據購股權計劃的條款行使購股權，但無論如何不得超過授出日期起計10年。除非董事會另有決定，並於授出有關購股權的建議上規定，否則購股權於可予行使前並無最短的持有期間。

授出購股權的建議必須於提出有關建議之日（包括當日）起計的21日內接納。於接納授出購股權的建議時須向本公司支付金額1.00港元。

行使價將由董事會釐定，但於一切情況下不得低於下列較高者：(i) 香港聯交所每日報價表所報股份於提出授出購股權的建議當日（須為交易日）的收市價；及(ii) 香港聯交所每日報價表所報股份於緊接授出日期前5個營業日的平均收市價，惟行使價無論如何不得低於一股股份的面值。

During the year ended 31 December 2012, 24,600,000 share options were granted by the Company.

截至2012年12月31日止年度，本公司授出24,600,000份購股權。

As at 31 December 2012, the executive Directors, non-executive Directors and employees of the Group have the following interests under the Share Option Scheme.

於2012年12月31日，本集團執行董事、非執行董事及僱員根據購股權計劃擁有以下權益。

Director 董事姓名	Date of Offer 發售日期	Exercise Price 行使價	Outstanding at 1.1.2012 於2012年 1月1日結存	Granted During the Year 年內授出	Exercised During the Year 行內行使	Lapsed During the Year 年內失效	Outstanding at 31.12.2012 於2012年 12月31日結存	Exercise Period 行使期	Closing Price of the Securities Immediately before the Date on Which the Options were Offered 緊接購股權 發售當日前證券 收市價
Yang Shaolin 楊少林	27.05.2011	1.39	318,000	–	–	318,000	0	From the day after the 2011 annual results being announced to the day the 2016 annual results being announced 由2011年年度業績公告當日至2016年年度業績公告當日	1.25
	27.05.2011	1.39	318,000	–	–	318,000	0	From the day after the 2012 annual results being announced to the day the 2016 annual results being announced 由2012年年度業績公告當日至2016年年度業績公告當日	1.25

Report of the Directors 董事會報告書

Director 董事姓名	Date of Offer 發售日期	Exercise Price 行使價	Outstanding at 1.1.2012 於2012年 1月1日結存	Granted During the Year 年內授出	Exercised During the Year 行內行使	Lapsed During the Year 年內失效	Outstanding at 31.12.2012 於2012年 12月31日結存	Exercise Period 行使期	Closing Price of the Securities Immediately before the Date on Which the Options were Offered 緊接購股權 發售當日前證券 收市價
	27.05.2011	1.39	424,000	–	–	424,000	0	From the day after the 2013 annual results being announced to the day the 2016 annual results being announced 由2013年年度業績公 告當日至2016年年度 業績公告當日	1.25
	27.05.2011	1.39	424,000	–	–	424,000	0	From the day after the 2014 annual results being announced to the day the 2016 annual results being announced 由2014年年度業績公 告當日至2016年年度 業績公告當日	1.25
	27.05.2011	1.39	636,000	–	–	636,000	0	From the day after the 2015 annual results being announced to the day the 2016 annual results being announced 由2015年年度業績公 告當日至2016年年度 業績公告當日	1.25

Director 董事姓名	Date of Offer 發售日期	Exercise Price 行使價	Outstanding at 1.1.2012 於2012年 1月1日結存	Granted During the Year 年內授出	Exercised During the Year 行內行使	Lapsed During the Year 年內失效	Outstanding at 31.12.2012 於2012年 12月31日結存	Exercise Period 行使期	Closing Price of the Securities Immediately before the Date on Which the Options were Offered 緊接購股權 發售當日前證券 收市價
Chow Hoi Kwang, Albert 周浩光	07.12.2012	0.60	–	380,000	–	–	380,000	From the day after the 2012 annual results being announced to the day the 2017 annual results being announced 自2012年年度業績公告當日至2017年年度業績公告當日	0.58
Yang Shaolin 楊少林	07.12.2012	0.60	–	380,000	–	–	380,000	From the day after the 2012 annual results being announced to the day the 2017 annual results being announced 自2012年年度業績公告當日至2017年年度業績公告當日	0.58
Lin Bin 林斌	07.12.2012	0.60	–	380,000	–	–	380,000	From the day after the 2012 annual results being announced to the day the 2017 annual results being announced 自2012年年度業績公告當日至2017年年度業績公告當日	0.58

Report of the Directors 董事會報告書

Director 董事姓名	Date of Offer 發售日期	Exercise Price 行使價	Outstanding at 1.1.2012 於2012年1月1日結存	Granted During the Year 年內授出	Exercised During the Year 行內行使	Lapsed During the Year 年內失效	Outstanding at 31.12.2012 於2012年12月31日結存	Exercise Period 行使期	Closing Price of the Securities Immediately before the Date on Which the Options were Offered 緊接購股權發售當日前證券收市價
Kong Hing Ki 江興琪	07.12.2012	0.60	–	380,000	–	–	380,000	From the day after the 2012 annual results being announced to the day the 2017 annual results being announced 自2012年年度業績公告當日至2017年年度業績公告當日	0.58
Tam Yuk Sang, Sammy 譚旭生	07.12.2012	0.60	–	380,000	–	–	380,000	From the day after the 2012 annual results being announced to the day the 2017 annual results being announced 自2012年年度業績公告當日至2017年年度業績公告當日	0.58
Employees in aggregate 累計僱員	27.05.2011	1.39	2,436,000	–	–	438,000	1,998,000	From the day after the 2011 annual results being announced to the day the 2016 annual results being announced 由2011年年度業績公告當日至2016年年度業績公告當日	1.25

Employees in aggregate 累計僱員	Date of Offer 發售日期	Exercise Price 行使價	Outstanding at 1.1.2012 於2012年 1月1日結存	Granted During the Year 年內授出	Exercised During the Year 行內行使	Lapsed During the Year 年內失效	Outstanding at 31.12.2012 於2012年 12月31日結存	Exercise Period 行使期	Closing Price of the Securities Immediately before the Date on Which the Options were Offered 緊接購股權 發售當日前證券 收市價
	27.05.2011	1.39	2,436,000	–	–	438,000	1,998,000	From the day after the 2012 annual results being announced to the day the 2016 annual results being announced 由2012年年度業績 公告當日至2016年 年度業績公告當日	1.25
	27.05.2011	1.39	3,248,000	–	–	584,000	2,664,000	From the day after the 2013 annual results being announced to the day the 2016 annual results being announced 由2013年年度業績公 告當日至2016年年度 業績公告當日	1.25
	27.05.2011	1.39	3,248,000	–	–	584,000	2,664,000	From the day after the 2014 annual results being announced to the day the 2016 annual results being announced 由2014年年度業績公 告當日至2016年年度 業績公告當日	1.25

Report of the Directors

董事會報告書

Employees in aggregate 累計僱員	Date of Offer 發售日期	Exercise Price 行使價	Outstanding at 1.1.2012 於2012年 1月1日結存	Granted During the Year 年內授出	Exercised During the Year 行內行使	Lapsed During the Year 年內失效	Outstanding at 31.12.2012 於2012年 12月31日結存	Exercise Period 行使期	Closing Price of the Securities Immediately before the Date on Which the Options were Offered 緊接購股權 發售當日前證券 收市價
	27.05.2011	1.39	4,872,000	–	–	876,000	3,996,000	From the day after the 2015 annual results being announced to the day the 2016 annual results being announced 由2015年年度業績公 告當日至2016年年度 業績公告當日	1.25
	07.12.2012	0.60	–	3,405,000	–	–	3,405,000	From the day after the 2012 annual results being announced to the day the 2017 annual results being announced 自2012年年度業績公 告當日至2017年年度 業績公告當日	0.58
	07.12.2012	0.60	–	3,405,000	–	–	3,405,000	From the day after the 2013 annual results being announced to the day the 2017 annual results being announced 自2013年年度業績公 告當日至2017年年度 業績公告當日	0.58

Employees in aggregate 累計僱員	Date of Offer 發售日期	Exercise Price 行使價	Outstanding at 1.1.2012 於2012年 1月1日結存	Granted During the Year 年內授出	Exercised During the Year 行內行使	Lapsed During the Year 年內失效	Outstanding at 31.12.2012 於2012年 12月31日結存	Exercise Period 行使期	Closing Price of the Securities Immediately before the Date on Which the Options were Offered 緊接購股權 發售當日前證券 收市價
	07.12.2012	0.60	–	4,540,000	–	–	4,540,000	From the day after the 2014 annual results being announced to the day the 2017 annual results being announced 自2014年年度業績公 告當日至2017年年度 業績公告當日	0.58
	07.12.2012	0.60	–	4,540,000	–	–	4,540,000	From the day after the 2015 annual results being announced to the day the 2017 annual results being announced 自2015年年度業績公 告當日至2017年年度 業績公告當日	0.58
	07.12.2012	0.60	–	6,810,000	–	–	6,810,000	From the day after the 2016 annual results being announced to the day the 2017 annual results being announced 自2016年年度業績公 告當日至2017年年度 業績公告當日	0.58

Report of the Directors 董事會報告書

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the knowledge of the Directors as at the date of this report, the Company has maintained the prescribed public float of not less than 25% of the issued Shares as required under the Listing Rules during the year ended 31 December 2012.

AUDITOR

KPMG will retire as auditors of the Company and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditor of the Company will be proposed at the annual general meeting.

By order of the Board

Xu Xipeng

Chairman

Hong Kong, 22 March 2013

公眾持股量

於本報告日期，根據本公司之公開資料以及據董事所知，截至2012年12月31日止年度，本公司一直維持上市規則所訂明不少於25%已發行股份之公眾持股量。

核數師

畢馬威會計師事務所將退任本公司之核數師，惟符合資格並願意膺選連任。續聘畢馬威會計師事務所為本公司核數師之決議案將於股東週年大會上提呈。

承董事會命

主席

許錫鵬

香港，2013年3月22日

Independent Auditor's Report

獨立核數師報告



Independent auditor's report to the shareholders of KEE Holdings Company Limited

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of KEE Holdings Company Limited (the "Company") and its subsidiaries (together "the Group") set out on pages 77 to 190, which comprise the consolidated and company statements of financial position as at 31 December 2012, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement 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. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致開易控股有限公司各股東之
獨立核數師報告
(於開曼群島註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核刊於第77頁至第190頁有關開易控股有限公司(「貴公司」)連同其附屬公司(統稱為「貴集團」)的綜合財務報表，此綜合財務報表包括於2012年12月31日的綜合及公司的財務狀況表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他說明資料。

董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定，編製真實而意見公允的綜合財務報表，以及維護董事認為必要的內部監控，以確保綜合財務報表的列報不會存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們審核工作的結果，對該等綜合財務報表提出意見，僅向整體股東報告。除此以外，我們的報告書不可用作其他用途。我們概不會就本報告書的內容，對任何其他人士負責或承擔法律責任。

Independent Auditor's Report 獨立核數師報告

AUDITOR'S RESPONSIBILITY (CONTINUED)

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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of 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 Company and 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.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

22 March 2013

核數師的責任(續)

我們已根據香港會計師公會頒佈的《香港審計準則》進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定綜合財務報表是否不存有任何重大錯誤陳述。

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的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師會考慮與該公司編製真實而意見公允的綜合財務報表相關的內部監控，以便設計適當的審核程序，但此並非為對公司的內部監控的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證能充足和適當地為下列審核意見建立基礎。

意見

我們認為，上述綜合財務報表已根據《香港財務報告準則》真實和公允地反映貴公司及貴集團於2012年12月31日的財政狀況和貴集團截至該日止年度的盈利及現金流量，並已按照香港《公司條例》的披露規定妥善編製。

畢馬威會計師事務所

執業會計師
香港中環
遮打道10號
太子大廈八樓

2013年3月22日

Consolidated Income Statement

綜合收益表

For the year ended 31 December 2012
(Expressed in Hong Kong dollars)
截至2012年12月31日止年度(以港元列示)

		Note	2012 \$'000 千元	2011 \$'000 千元
		附註		
Turnover	營業額	3	157,373	190,433
Cost of sales	銷售成本		(113,755)	(127,888)
Gross profit	毛利		43,618	62,545
Other revenue	其他收益	4	3,629	7,204
Other net loss	其他虧損淨額		(1,600)	(373)
Distribution costs	分銷成本		(13,630)	(12,788)
Administrative expenses	行政開支		(28,330)	(31,389)
Profit from operations	經營溢利		3,687	25,199
Finance costs	融資成本	5(a)	–	(261)
Profit before taxation	除稅前溢利	5	3,687	24,938
Income tax	所得稅	6	(2,859)	(4,516)
Profit for the year	年內溢利		828	20,422
Attributable to:	以下各項應佔：			
Equity shareholders of the Company	本公司權益股東		1,055	20,422
Non-controlling interests	非控股權益		(227)	–
Profit for the year	年內溢利		828	20,422
Basic and diluted earnings per share (\$)	每股基本及攤薄盈利(港元)	10	0.003	0.05

The notes on pages 86 to 190 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 23(b).

第86至190頁之附註構成本財務報表之一部分。有關年內溢利中應付本公司權益股東之股息，其詳情載於附註23(b)。

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 December 2012
(Expressed in Hong Kong dollars)
截至2012年12月31日止年度(以港元列示)

	Note	2012	2011
	附註	\$'000 千元	\$'000 千元
Profit for the year	年內溢利	828	20,422
Other comprehensive income for the year	年內其他全面收入		
Exchange differences on translation of financial statements of subsidiaries	換算附屬公司的財務報表時產生的匯兌差額	59	12,736
Total comprehensive income for the year	年內全面收入總額	887	33,158
Attributable to:	以下各項應佔：		
Equity shareholders of the Company	本公司權益股東	1,020	33,158
Non-controlling interests	非控股權益	(133)	—
Total comprehensive income for the year	年內全面收入總額	887	33,158

The notes on pages 86 to 190 form part of these financial statements.

第86至190頁之附註構成本財務報表之一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2012
(Expressed in Hong Kong dollars)
於 2012 年 12 月 31 日 (以港元列示)

		Note	2012	2011
		附註	\$'000 千元	\$'000 千元
Non-current assets	非流動資產			
Fixed assets	固定資產	12		
– Property, plant and equipment	– 物業、廠房及設備		122,651	107,540
– Lease prepayments	– 租賃預付		33,543	4,395
			156,194	111,935
Intangible assets	無形資產	13	6,668	7,463
Prepayments for fixed assets	固定資產的預付款項	15	212	21,551
Deferred tax assets	遞延稅項資產	18(c)	2,015	1,534
			165,089	142,483
Current assets	流動資產			
Inventories	存貨	16	16,464	22,995
Trade and other receivables	貿易及其他應收款項	17	48,169	40,793
Current tax recoverable	即期可收回稅項	18(a)	1,354	2,297
Deposits with banks	銀行定期存款	19	42,320	43,549
Cash and cash equivalents	現金及現金等價物	19	79,383	76,928
			187,690	186,562
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	20	33,494	20,172
Current tax payable	即期應付稅項	18(a)	2,494	2,004
			35,988	22,176
Net current assets	流動資產淨額		151,702	164,386
Total assets less current liabilities	總資產減流動負債		316,791	306,869

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2012
(Expressed in Hong Kong dollars)
於 2012 年 12 月 31 日 (以港元列示)

		Note	2012 \$'000 千元	2011 \$'000 千元
		附註		
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	18(c)	1,111	–
Net assets	流動資產		315,680	306,869
Capital and reserves	資本及儲備	23		
Share capital	股本		4,150	4,150
Reserves	儲備		299,636	302,719
Total equity attributable to equity shareholders of the company	本公司權益股東應佔權益總額		303,786	306,869
Non-controlling interests	非控股權益		11,894	–
Total equity	權益總額		315,680	306,869

Approved and authorised for issue by the board of directors on 22 March 2013.

董事會於 2013 年 3 月 22 日批准並授權刊發。

Xu Xipeng
Director

Xu Xinan
Director

董事
許錫鵬

董事
許錫南

The notes on pages 86 to 190 form part of these financial statements.

第 86 至 190 頁之附註構成本財務報表之一部分。

Statement of Financial Position

財務狀況表

At 31 December 2012
(Expressed in Hong Kong dollars)
於 2012 年 12 月 31 日 (以港元列示)

		Note	2012	2011
		附註	\$'000 千元	\$'000 千元
Non-current assets	非流動資產			
Interest in a subsidiary	於附屬公司之權益	14	–	–
Current assets	流動資產			
Amount due from a subsidiary	應收一間附屬公司之款項	26(d)	17,403	143,174
Loan to a subsidiary	貸款予附屬公司	26(d)	128,603	–
Other receivables	其他應收款項	17	328	270
Cash and cash equivalents	現金及現金等價物	19	15	403
			146,349	143,847
Current liabilities	流動負債			
Other payables	其他應付款項	20	639	625
			639	625
Net assets	資產淨額		145,710	143,222
Capital and reserves	資本及儲備	23		
Share capital	股本		4,150	4,150
Reserves	儲備		141,560	139,072
Total equity	權益總額		145,710	143,222

Approved and authorised for issue by the board of directors on 22 March 2013.

Xu Xipeng
Director

Xu Xinan
Director

董事會於 2013 年 3 月 22 日批准並授權刊發。

董事
許錫鵬

董事
許錫南

The notes on pages 86 to 190 form part of these financial statements.

第 86 至 190 頁之附註構成本財務報表之一部分。

Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2012
(Expressed in Hong Kong dollars)
截至2012年12月31日止年度(以港元列示)

		Attributable to equity shareholders of the Company									
		本公司權益股東應佔									
			Share	Capital	Statutory	Exchange	Retained		Non-	Total	
		Share	premium	reserve	reserve	reserve	earnings		controlling	equity	
		capital	股份	資本	法定	匯兌	保留		Total	非控股	
		股本	溢價	儲備	儲備	儲備	盈利		總計	權益	
Note		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
附註		千元	千元	千元	千元	千元	千元	千元	千元	千元	
Balance at 1 January 2011	於2011年1月1日餘額	-	-	15,432	13,044	15,664	91,699	135,839	-	135,839	
Changes in equity for 2011:	2011年的權益變動：										
Profit for the year	年內溢利	-	-	-	-	-	20,422	20,422	-	20,422	
Other comprehensive income	其他全面收入	-	-	-	-	12,736	-	12,736	-	12,736	
Total comprehensive income	全面收入總額	-	-	-	-	12,736	20,422	33,158	-	33,158	
Appropriation to statutory reserve	分配至法定儲備	-	-	-	2,597	-	(2,597)	-	-	-	
Issuance of shares by share offer	透過股份發售發行股份	23(c)/(d)	4,150	138,096	-	-	-	142,246	-	142,246	
Interim dividends declared in respect of the current year	就本年度宣派中期股息	23(b)	-	-	-	-	(5,188)	(5,188)	-	(5,188)	
Equity settled share-based transactions	以權益結算股份支付的交易	23(f)	-	-	814	-	-	814	-	814	
Balance at 31 December 2011	於2011年12月31日餘額		4,150	138,096	16,246	15,641	28,400	104,336	306,869	-	306,869
Balance at 1 January 2012	於2012年1月1日餘額		4,150	138,096	16,246	15,641	28,400	104,336	306,869	-	306,869
Changes in equity for 2012:	2012年的權益變動：										
Profit for the year	年內溢利	-	-	-	-	-	1,055	1,055	(227)	828	
Other comprehensive income	其他全面收入	-	-	-	-	(35)	-	(35)	94	59	
Total comprehensive income	全面收入總額	-	-	-	-	(35)	1,055	1,020	(133)	887	
Appropriation to statutory reserve	分配至法定儲備	-	-	-	665	-	(665)	-	-	-	
Dividends declared in respect of the previous year	就上年度宣派的股息	23(b)	-	-	-	-	(5,188)	(5,188)	-	(5,188)	
Equity settled share-based transactions	以權益結算股份支付的交易	23(f)	-	-	875	-	-	875	-	875	
Contribution from non-controlling equity holders	非控股權益股東注資		-	-	210	-	-	210	12,027	12,237	
Share options lapsed during the year	於年內失效的購股權	22(a)(iii)	-	-	(60)	-	-	60	-	-	
Balance at 31 December 2012	於2012年12月31日餘額		4,150	138,096	17,271	16,306	28,365	99,598	303,786	11,894	315,680

The notes on pages 86 to 190 form part of these financial statements.

第86至190頁之附註構成本財務報表之一部分。

Consolidated Cash Flow Statement

綜合現金流量表

For the year ended 31 December 2012
(Expressed in Hong Kong dollars)
截至2012年12月31日止年度(以港元列示)

	Note	2012	2011
	附註	\$'000 千元	\$'000 千元
Operating activities	經營活動		
Profit before taxation	除稅前溢利	3,687	24,938
Adjustments for:	調整：		
Depreciation and amortisation	折舊及攤銷	13,789	12,436
Impairment losses (written back)/ charged on trade and other receivables	減值虧損(撥回)/計入 貿易及其他應收款項	(151)	(1,075)
Impairment losses on inventories	存貨減值虧損	902	1,487
Finance costs	融資成本	—	261
Interest income	利息收入	(2,922)	(1,869)
Net loss on disposal of fixed assets	出售固定資產的虧損淨額	686	237
Equity-settled share-based payment expenses	以權益結算股份支付的開支	875	814
Foreign exchange (gain)/loss	外匯(盈利)/虧損	(52)	4,469
		16,814	43,848
Changes in working capital	營運資金變動		
Decrease/(increase) in inventories	存貨減少/(增加)	5,632	(5,201)
(Increase)/decrease in trade and other receivables	貿易及其他應收款項 (增加)/減少	(7,631)	5,869
Increase/(decrease) in trade and other payables	貿易及其他應付款項 增加/(減少)	9,817	(4,571)
Cash generated from operations	經營所得現金	24,632	39,945
Income tax paid	已付所得稅	(794)	(7,519)
Net cash generated from operating activities	經營活動所得現金淨額	23,838	32,426

Consolidated Cash Flow Statement

綜合現金流量表

For the year ended 31 December 2012
(Expressed in Hong Kong dollars)
截至2012年12月31日止年度(以港元列示)

	Note	2012	2011
	附註	\$'000 千元	\$'000 千元
Investing activities			
Investing activities			
Payment for purchase of property, plant and equipment		(26,190)	(18,740)
Payment for purchase of lease prepayments		(8,105)	(21,061)
Proceeds from sale of property, plant and equipment		1,355	149
Payment for purchase of intangible assets	13	(38)	(3,331)
Interest received		3,330	968
Decrease/(increase) in deposits with banks		1,229	(43,549)
Net cash used in investing activities		(28,419)	(85,564)

		Note	2012 \$'000 千元	2011 \$'000 千元
		附註		
Financing activities	融資活動			
Repayment of bank loans	償還銀行貸款		—	(28,205)
Interest paid	已付利息		—	(261)
Payment of share issuing cost	股份發行成本的付款		—	(7,511)
Proceeds from issuance of shares	股份發行所得款項	23(d)	—	152,950
Dividends paid to equity shareholders of the Company	派付予本公司權益股東的股息	23(b)	(5,188)	(5,188)
Contribution from non-controlling equity holders	非控股權益注資	14	12,237	—
Net cash generated from financing activities	融資活動所得現金淨額		7,049	111,785
Net increase in cash and cash equivalents	現金及現金等價物淨額		2,468	58,647
Cash and cash equivalents at 1 January	於 1 月 1 日的現金及現金等價物		76,928	15,584
Effect of foreign exchange rate changes	匯率變動的影響		(13)	2,697
Cash and cash equivalents at 31 December	於 12 月 31 日的現金及現金等價物	19	79,383	76,928

The notes on pages 86 to 190 form part of these financial statements.

第 86 至 190 頁之附註構成本財務報表之一部分。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

1 SIGNIFICANT ACCOUNTING POLICIES

(a) STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("The Hong Kong Stock Exchange"). A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

1 主要會計政策

(a) 合規聲明

此等財務報表是按照香港會計師公會頒佈之所有適用香港財務報告準則（「香港財務報告準則」），該統稱包括所有適用的單獨的《香港財務報告準則》、《香港會計準則》（「香港會計準則」）及詮釋、香港公認會計原則及香港《公司條例》之披露規定而編製。此外，此等財務報表亦已遵照香港聯合交易所有限公司（「香港聯交所」）證券上市規則中適用的披露規定。本集團所採用之主要會計政策撮要載列如下。

香港會計師公會頒佈了若干新訂及經修訂之香港財務報告準則，有關準則自本集團及本公司的本會計期間開始生效或可供提前採用。於本期間及過往會計期間，由於初次運用上述與本集團有關之新訂及經修訂香港財務報告準則而導致會計政策變動之影響已反映於財務報表中。其資料載於財務報表附註二內。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements for the year ended 31 December 2012 comprise KEE Holdings Company Limited ("the Company") and its subsidiaries (together referred to as "the Group").

The measurement basis used in the preparation of the financial statements is the historical cost basis.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 28.

1 主要會計政策(續)

(b) 財務報表編制基準

截至2012年12月31日止年度的綜合財務報表包括開易控股有限公司(「本公司」)及其附屬公司(統稱為「本集團」)。

編製財務報表採用的計量基準為歷史成本基準。

管理層在編製符合香港財務報告準則的財務報表時，須作出對政策的應用及對資產、負債、收入及支出的呈報金額造成影響的判斷、估計和假設。該等估計和相關假設是根據過往經驗和管理層因應當時情況認為合理的各種其他因素為基礎，而所得結果成為管理層在無法從其他渠道獲得資產和負債的賬面值時作出判斷的依據。實際結果可能有別於該等估計。

管理層會持續審閱該等估計及相關假設。倘若會計估計的修訂僅對作出修訂的期間產生影響，則有關修訂會在該期間內確認；倘若該項修訂對當前及未來期間均有影響，則在作出修訂的期間及未來期間確認。

有關管理層就採納香港財務報告準則所作出對此等財務資料有重大影響的判斷，以及估計不確定性的主要來源，於附註28討論。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) SUBSIDIARIES AND NON-CONTROLLING INTERESTS

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at their proportionate share of the subsidiary's net identifiable assets.

1 主要會計政策(續)

(c) 附屬公司及非控股權益

附屬公司是指受本集團控制的實體。控制是指本集團有權支配一間實體的財務及經營政策，並藉此從其業務中取得利益。在評估控制存在與否時，需要考慮目前可行使的潛在表決權。

於附屬公司的投資自控制權開始當日計入綜合財務報表，直至控制權終止當日為止。集團內公司間的結餘及交易，以及集團內公司間交易所產生的任何未變現溢利，在編製此等財務報表時均全數抵銷。集團內公司間交易所產生的未變現虧損則僅在無出現減值跡象的情況下以與抵銷未變現溢利相同的方法予以抵銷。

非控股權益是指非由本公司直接或間接應佔之附屬公司股權，而本集團未與該等權益的持有者達成任何附加協議，致令本集團整體上對該等權益產生符合金融負債定義的合約義務。就各業務合併而言，本集團可選擇按公允價值或按彼等佔附屬公司的可識別淨資產的比例而計量非控股權益。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) SUBSIDIARIES AND NON-CONTROLLING INTERESTS (CONTINUED)

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated income statement and the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 1 (j) or (l) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or jointly controlled entity.

1 主要會計政策(續)

(c) 附屬公司及非控股權益(續)

非控股權益呈列於綜合財務狀況表中的權益一項，與本公司權益股東應佔權益分開呈列。本集團業績中的非控股權益乃作為年內溢利或虧損總額及全面收入總額在非控股權益與本公司權益股東之間的分配於綜合收益表及綜合全面收益內列賬。本公司從非控股權益持有人獲得的貸款及對這些持有人的其他法定義務已按照附註1(j)或(l)釐或按其性質列示於綜合財務狀況表中的金負債項目內。

本集團之附屬公司權益變動(不會導致失去控制權)計作股權交易，而控股及非控股權益之金額將於綜合權益內作出調整，以反映相關權益之變動，惟不會對商譽作出調整，亦不會確認任何損益。

倘本集團失去附屬公司之控制權，有關交易將會當作出售有關附屬公司之全部權益入賬，而所得盈虧將於損益表中確認入賬。於失去控制權當日在該前附屬公司仍然保留之任何權益將按公允價值確認入賬，而此金額將被視為財務資產於首次確認時之公允值或(倘適用)於聯營公司或共同控制實體之投資在首次確認時之成本值。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) SUBSIDIARIES AND NON-CONTROLLING INTERESTS (CONTINUED)

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 1(g)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(d) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated in the statement of financial position at cost less accumulated depreciation and impairment losses (note 1(g)(iii)).

Cost includes expenditures that are directly attributable to the acquisition of an asset. The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

1 主要會計政策(續)

(c) 附屬公司及非控股權益(續)

在本公司之財務狀況表內，於附屬公司之投資按成本值減去任何減值虧損(見附註1(g))列賬；惟如有關投資已被列作待售投資(或計入列作持作出售之出售組別)則除外。

(d) 物業、廠房及設備

物業、廠房及設備在資產財務狀況表內按成本減累計折舊及減值虧損列值(附註1(g)(iii))。

成本包括收購資產直接應佔的費用。自建物業、廠房及設備項目的成本包括物料成本、直接工資、拆卸及搬遷項目以及恢復項目所在地原貌的成本的初步估計(倘有關)和適當比例的生產經常費用。

報廢或出售物業、廠房及設備項目的盈虧，乃出售所得款項淨額與有關項目賬面值的差額，並於報廢或出售日期在損益中確認。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- Buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 20 years after the date of completion.
- Leasehold improvement is depreciated over the shorter of the unexpired term of lease and their estimated useful lives of 1 to 10 years.
- Machinery 10 years
- Vehicles and other equipment 4-5 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Construction in progress ("CIP") represents property, plant and equipment under construction and pending installation, and is stated at cost less any impairment losses (note 1(g)(iii)).

1 主要會計政策(續)

(d) 物業、廠房及設備(續)

折舊乃將物業、廠房及設備項目的成本減其估計剩餘價值(如有)，按下述估計可使用年期內以直線法計算而撇銷：

- 於租賃土地上的樓宇，其折舊乃以未滿租約期與估計可使用年期較短者計算(即於竣工日期後不超過20年)。
- 租賃裝修的折舊乃以未滿租約期與估計可使用年期(1至10年)較短者計算。
- 機器 10年
- 車輛及其他設備 4-5年

倘物業、廠房及設備任何項目其中一部份有不同的可使用年期，該部份所佔項目成本或估值按合理準則分配，而各部份須分開計提折舊。資產的可使用年期及其剩餘價值(如有)均每年檢討一次。

在建工程(「在建工程」)是指興建中和待安裝的物業、廠房及設備，並按成本減去任何減值虧損(附註1(g)(iii)列示)。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Cost comprises direct costs of construction during the construction period. Capitalisation of these costs ceases and the CIP is transferred to property, plant and equipment when the asset is substantially ready for its intended use.

(e) INTANGIBLE ASSETS

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources and the intention to complete development. The expenditure capitalised includes the costs of materials, direct labour, and an appropriate proportion of overheads and borrowing cost, where applicable. Capitalised development costs are stated at cost less accumulated amortization and impairment loss (see note 1(g)(ii)). Other development expenditure is recognised as an expense in the period in which it is incurred.

Other intangible assets that are acquired by the Group are stated in the statement of financial position at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 1(g)(iii)).

1 主要會計政策(續)

(d) 物業、廠房及設備(續)

成本包括建築期間的直接建築成本。在資產大致上可作擬定用途時，該等成本將停止資本化，在建工程則撥入物業、廠房及設備項目內。

(e) 無形資產

研究活動的開支乃於產生期間確認作開支。倘產品或過程在技術上及商業上可行，且本集團具備充裕資源並有意完成開發工作，則開發活動的開支會予以資本化。資本化的開支包括物料成本、直接勞工以及適當比例的間接成本及借款成本(如適用)。資本化的開發成本乃按成本值減累計攤銷及減值虧損(見附註1(g)(ii))列賬。其他開發開支乃於產生期間確認作開支。

本集團所購入的其他無形資產乃於財務狀況表內按成本值減累計攤銷(倘屬有限估計可使用年期)及減值虧損(見附註1(g)(iii))列賬。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) INTANGIBLE ASSETS (CONTINUED)

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible asset with finite useful life is amortised from the date it is available for use and its estimated useful life is as follows:

– Software	5-10 years
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Both the period and method of amortisation are reviewed annually.

(f) LEASED ASSETS

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) *Classification of assets leased to the Group*

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

1 主要會計政策(續)

(e) 無形資產(續)

有限可使用年期的無形資產攤銷乃於資產估計可使用年期內以直線法在損益中扣除。以下具有有限可使用年期的無形資產由可供使用當日起攤銷，其估計可使用年期如下：

– 軟件	5–10 年
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攤銷的年期及方法均每年進行檢討。

(f) 租賃資產

倘本集團決定有關一項或一連串交易的安排將特定資產的使用權按協定期間轉移以換取一筆或多筆款項，則有關安排屬或包含租賃。有關決定乃按評估安排的性質作出，而不論有關安排是否屬法定形式的租賃。

(i) 租予本集團的資產的分類

本集團根據租約持有的資產，且租約使所有權的絕大部分風險和回報均轉移至本集團，則有關資產會分類為根據融資租賃持有。不會轉移所有權的絕大部分風險和回報的租約乃分類為經營租賃。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) LEASED ASSETS (CONTINUED)

(ii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term.

(g) IMPAIRMENT OF ASSETS

(i) Impairment of investments in equity securities and trade and other receivables

Investments in equity securities and other current and non-current receivables that are stated at cost or amortised cost are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

1 主要會計政策(續)

(f) 租賃資產(續)

(ii) 經營租賃費用

當本集團使用經營租賃資產，除非有其他更具代表性的基準以衡量從該等經營租賃資產獲得利益的模式，否則租賃付款按該租賃期所涵蓋的會計年期以等額分期記入損益賬。收到的租賃激勵措施均在損益賬中確認為租賃淨付款總額的組成部分。或有租金在其產生的會計期內在損益賬扣除。

取得以經營租賃持有土地的成本按直線法在租賃期內攤銷。

(g) 資產減值

(i) 股本證券投資以及貿易及其他應收款項的減值

以成本或攤銷成本列賬的股本證券投資及其他流動及非流動應收款項，會在每個報告期終檢討，以確定有否客觀減值證據。減值的客觀證據包括以下一項或多項引起本集團注意的虧損事件的可觀察資料：

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) IMPAIRMENT OF ASSETS (CONTINUED)

(i) *Impairment of investments in equity securities and trade and other receivables (continued)*

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For investments in subsidiaries, the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note 1(g)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with note 1(g)(ii).

1 主要會計政策(續)

(g) 資產減值(續)

(i) 股本證券投資以及貿易及其他應收款項的減值(續)

- 債務人重大財困；
- 違反合約，例如拖欠或逾期償還利息或本金付款；
- 債務人很可能破產或進行其他財務重組；
- 技術、市場、經濟或法律環境的重大改變對債務人有不利影響；及
- 於股本工具的投資的公允值大幅或長期下跌至低於其成本。

倘有憑證顯示出現減值，則會按下列方法釐定及確認任何減值虧損：

- 就附屬公司之投資，減值虧損以比較投資按照附註1(g)(iii)得出可收回金額與賬面值予以計量。若用於按照附註1(g)(ii)釐定可收回金額之估計出現可觀轉變，則可撥回減值虧損。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) IMPAIRMENT OF ASSETS (CONTINUED)

(i) *Impairment of investments in equity securities and trade and other receivables (continued)*

- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

1 主要會計政策(續)

(g) 資產減值(續)

(i) *股本證券投資以及貿易及其他應收款項的減值(續)*

- 對於按攤銷成本列賬的貿易及其他流動應收款項以及其他金融資產，減值虧損按該項資產賬面值與估計未來現金流量現值的差額計算，再按有關金融資產原先的實際利率（即按最初確認該等資產計算出的實際利率）折現（倘折現影響屬重大）。所有金融資產若擁有類似風險性質（如相近的逾期未付情況）和沒有被獨立評估為已減值，均按集體基準予以評估。該等按集體基準被評估為已減值的金融資產的未來現金流量乃根據擁有相似信貸風險性質的資產過往的虧損經驗評估。

若於其後的期間，減值虧損數額減少，而有關減少可客觀地與在確認減值虧損後發生的事件聯繫，則減值虧損會透過損益轉回。減值虧損轉回不得導致資產賬面值超過過往年度並無確認減值虧損而應得者。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) IMPAIRMENT OF ASSETS (CONTINUED)

(i) *Impairment of investments in equity securities and trade and other receivables (continued)*

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

1 主要會計政策(續)

(g) 資產減值(續)

(i) *股本證券投資以及貿易及其他應收款項的減值(續)*

因包含在貿易及其他應收款項中的應收賬款的可收回性被視為難以預料而並非甚微，就其確認的減值虧損不會從相應的資產中直接撇銷。在此情況下，呆賬的減值虧損以撥備賬記錄。倘本集團確認能收回應收賬款的機會甚微，則視為不可收回金額會直接從應收賬款中撇銷，而在撥備賬中就該債務保留的任何金額會被撥回。倘之前計入撥備賬的款項在其後收回，則有關款項於撥備賬撥回。撥備賬的其他變動及其後收回先前直接撇銷的款項均於損益中確認。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) IMPAIRMENT OF ASSETS (CONTINUED)

(ii) *Impairment of other assets*

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- pre-paid interests in leasehold land classified as being held under an operating lease; and
- intangible assets.

If any such indication exists, the asset's recoverable amount is estimated.

1 主要會計政策(續)

(g) 資產減值(續)

(ii) 其他資產的減值

本集團於每個報告期終檢討內外資料來源，以鑒定以下資產可有減值或原已確認的減值虧損不再存在或可有減少的跡象：

- 物業、廠房及設備；
- 分類為以經營租賃持有的租賃土地權益的預付款項；及
- 無形資產。

倘若任何此等跡象存在，則會估計有關資產的可收回金額。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) IMPAIRMENT OF ASSETS (CONTINUED)

(ii) Impairment of other assets (continued)

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

- Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

1 主要會計政策(續)

(g) 資產減值(續)

(ii) 其他資產的減值(續)

- 計算可收回金額

資產的可收回金額為其公允值減去銷售成本與其使用價值兩者中的較高者。評估使用價值時，本集團以除稅前的折現率計算估計未來現金流量的現值，而該折現率反映當時市場對貨幣時間價值及該項資產的特有風險的評估。如某項資產產生的現金流量不能獨立於其他資產所產生的現金流量，則可收回金額按可獨立產生現金流量的最小資產組合(即現金產生單位)計算。

- 確認減值虧損

每當資產(或其所屬的現金產生單位)的賬面值超過其可收回金額，即會在損益賬確認減值虧損。就現金產生單位確認的減值虧損，獲分配以按比例減少單位(或該組單位)資產的賬面值，惟資產賬面值不會減少至低於其本身的公允值減銷售成本或使用價值(若能釐定)。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) IMPAIRMENT OF ASSETS (CONTINUED)

(ii) *Impairment of other assets (continued)*

- Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(iii) *Interim financial reporting and impairment*

Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 1(g)(i) and (ii)).

1 主要會計政策(續)

(g) 資產減值(續)

(ii) 其他資產的減值(續)

- 減值虧損回撥

當釐定可收回金額時採納的估計有正面改變時，減值虧損將會回撥。減值虧損的回撥金額以假設過往年度並無確認減值虧損而計算的資產賬面值為限。減值虧損的回撥於確認回撥當年計入損益賬。

(iii) 中期財務報告及減值

根據香港聯合交易所有限公司證券上市規則，本集團須遵守香港會計準則第34號中期報告就財政年度首六個月編制一份中期報告。本集團於中期期間末所採納之減值測試、確認及撥回標準，與財政年度末將採納的相同(見附註1(g)(i)及(ii))。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) INVENTORIES

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(i) TRADE AND OTHER RECEIVABLES

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, less allowance for impairment of doubtful debts (see note 1(g)(ii)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

1 主要會計政策(續)

(h) 存貨

存貨以成本及可變現淨值的較低者列賬。

成本乃按加權平均成本法計算，並包括所有採購成本、加工成本及其他使存貨達致其現時地點及狀況而產生的成本。

可變現淨值指正常業務過程中的估計售價減估計完成成本及估計所需的銷售費用。

於售出存貨時，該等存貨的賬面值在相關收益確認的期間確認為支出。任何撇減存貨至可變現淨值的金額及存貨的所有虧損於撇減或出現虧損的期間內確認為支出。回撥任何撇減存貨的金額於出現回撥的期間確認為存貨支出的減額。

(i) 貿易及其他應收款項

貿易及其他應收款項初步按公允價值確認，其後則採用實際利率法按攤銷成本減呆賬減值撥備列賬（見附註1(g)(i)），惟倘應收款項為給予關連方的無任何固定償還期的免息貸款，或貼現影響並不重大者則除外。於此等情況下，應收款項按成本減呆賬減值撥備列賬。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) INTEREST-BEARING BORROWINGS

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(k) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(l) TRADE AND OTHER PAYABLES

Trade and other payables are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

1 主要會計政策(續)

(j) 計息借款

計息借款初步按公允值減應佔交易成本確認。初步確認後，計息借款以攤銷成本列賬，而初步確認金額與贖回價值之間的任何差額連同任何應付利息及費用均以實際利率法於借款期內在損益賬中確認。

(k) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行與其他金融機構的活期存款及可轉換為已知數額現金的短期高流動性投資，而該等投資的價值變動風險較低，且於購入起計三個月內到期。

(l) 貿易及其他應付款項

貿易及其他應付款項初步按公允值確認，其後則按攤銷成本列賬，除非倘貼現的影響並不重大，於此情況下，則按成本列賬。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) EMPLOYEE BENEFITS

(i) *Short term employee benefits and contributions to defined contribution retirement plans*

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) *Share-based payments*

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the binomial lattice model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

1 主要會計政策(續)

(m) 僱員福利

(i) *短期僱員福利及定額供款計劃的供款*

薪金、年度花紅、有薪年假、指定供款退休計劃的供款及非金錢福利成本均於僱員提供相關服務的年度計算。倘上述款項或福利遞延支付或提供，而有關影響重大，則該等款項均按現值入賬。

(ii) *以股份支付的支出*

僱員獲授予的股份期權按公允值確認為僱員成本，而權益中的資本儲備亦會相應增加。公允值是在授予日以二項式點陣模式計量，並考慮期權授予條款和條件。如果僱員須符合可行權條件才能無條件地享有股份期權的權利，在考慮到期權行權的可能性後，估計授予股份期權的公允值便會在整個行權等待期內分攤。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) EMPLOYEE BENEFITS (CONTINUED)

(ii) *Share-based payments (continued)*

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

(n) INCOME TAX

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

1 主要會計政策(續)

(m) 僱員福利(續)

(ii) 以股份支付的支出(續)

本公司會在行權等待期內審閱預期行權的股份期權數目。已於以往年度確認的累計公允值的任何調整會在審閱當年在損益中扣除／計入；但如果原來的僱員支出符合確認為資產的資格，便會對資本儲備作出相應的調整。已確認為支出的數額會在可行權日作出調整，以反映所行權股份期權的實際數目（同時對資本儲備作出相應的調整）；但只會在無法符合與本公司股份市價相關的可行權條件時才會放棄之股份期權除外。權益數額在資本儲備中確認，直至期權獲行使（轉入股份溢價賬）或期權到期（直接轉入盈餘儲備）時為止。

(n) 所得稅

本年度所得稅包括即期稅項及遞延稅項資產和負債的變動。即期稅項及遞延稅項資產和負債的變動均在損益賬內確認，但與確認為其他全面收益項目或與直接確認為權益項目相關的，有關稅項金額分別確認為其他全面收益或直接確認為權益。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) INCOME TAX (CONTINUED)

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

1 主要會計政策(續)

(n) 所得稅(續)

即期稅項是本年度應課稅收入按於報告期結束時已頒佈或實質頒佈的稅率計算的預期應付稅項，加上以往年度應付稅項的任何調整。

遞延稅項資產和負債分別由可抵扣和應課稅暫時差異產生。暫時差異是指資產和負債就財務申報目的的賬面值與該等資產和負債的計稅基礎的差異。遞延稅項資產也可以由未利用稅項虧損和未利用稅項抵減產生。

除某些例外情況外，所有遞延稅項負債和遞延稅項資產（只限於很可能獲得能利用該遞延稅項資產來抵扣的未來應課稅溢利）均會確認。支持確認由可抵扣暫時差異所產生遞延稅項資產的未來應課稅利潤包括因轉回目前存在的應課稅暫時差異而產生的數額；但這些轉回的差異必須與同一稅務機關及同一應課稅實體有關，並預期在可抵扣暫時差異預計轉回的同一期間或遞延稅項資產所產生可抵扣虧損可向後期或向前期結轉的期間內轉回。在決定目前存在的應課稅暫時差異是否足以支持確認由未利用可抵扣虧損和未利用稅款抵減所產生的遞延稅項資產時，亦會採用同一準則，即差異是否與同一稅務機關及同一應課稅實體有關，並預期是否在能使用可抵扣虧損和未利用稅款抵減回撥的同一期間內轉回。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) INCOME TAX (CONTINUED)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

1 主要會計政策(續)

(n) 所得稅(續)

不確認為遞延稅項資產和負債的暫時差異產生自以下有限的例外情況：不可在稅務方面獲得扣減的商譽；不影響會計或應課稅溢利的資產或負債的初始確認（如屬業務合併的一部分則除外）；以及投資附屬公司的暫時差異（如屬應課稅差異，只限於本集團可以控制回撥的時間，而且在可預見的將來不大可能回撥的暫時差異；或如屬可抵扣差異，則只限於很可能在將來回撥的差異）。

遞延稅項額是按照資產和負債賬面值的預期實現或清償方式，根據於報告期終已頒佈或實質頒佈的稅率計量。遞延稅項資產和負債均不折現計算。

本集團會在每個財務狀況表日評估遞延稅項資產的賬面值。如果不再可能獲得足夠的應課稅溢利以利用相關的稅務利益，該遞延稅項資產的賬面值便會調低；但是如果日後可能獲得足夠的應課稅溢利，有關減額便會轉回。

因派付股息而產生的額外所得稅，於確認支付有關股息的負債時確認入賬。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) INCOME TAX (CONTINUED)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

1 主要會計政策(續)

(n) 所得稅(續)

即期及遞延稅項結餘和其變動額會分開列示，並且不予抵銷。即期和遞延稅項資產只會在本公司或本集團有法定行使權以即期稅項資產抵銷即期稅項負債，並且符合以下附帶條件的情況下，才可以分別抵銷即期和遞延稅項負債：

- 即期稅項資產和負債，本公司或本集團計劃按淨額基準結算，或同時變現該資產和清償該負債；或
- 遞延稅項資產和負債：該等資產和負債如與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一應課稅實體；或
 - 不同的應課稅實體：該等實體計劃在預期有大額遞延稅項負債需要清償或遞延稅項資產可以收回的每個未來期間，按淨額基準實現即期稅項資產和清償即期稅項負債，或同時變現該資產和清償該負債。

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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) PROVISIONS AND CONTINGENT LIABILITIES

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

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

(p) REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

1 主要會計政策(續)

(o) 撥備及或然負債

當本集團或本公司因過去事項須承擔法定責任或推定責任，而履行該責任很可能需要付出經濟利益及能可靠估計時，本集團會就未能確定時間或金額的負債確認撥備。倘有關款項的貨幣時間價值重大，則撥備會以預期履行義務所需支出的現值入賬。

倘不大可能需要導致流出經濟利益，或其數額未能可靠地估計，則該責任將列作或然負債，惟經濟利益流出的機會極微則除外。潛在責任（其實現與否完全視乎一個或數個未來事項發生與否）亦會列作或然負債，惟經濟利益流出的機會極微則除外。

(p) 收益確認

收益按已收或應收代價的公允值衡量。倘經濟利益可能流入本集團，而收入及成本（如適用）能夠可靠計算時，下列各項收入會在損益中確認：

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) REVENUE RECOGNITION (CONTINUED)

(i) *Sale of goods*

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

(ii) *Government grants*

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are initially recognised as deferred income and subsequently recognised as other revenue in profit or loss over the useful life of the assets.

(iii) *Interest income*

Interest income is recognised as it accrues using the effective interest method.

1 主要會計政策(續)

(p) 收益確認(續)

(i) 銷售貨品

收益在貨物送達客戶場地，而且客戶接納貨物及其所有權相關的風險及回報時確認。收益不包括增值稅或其他銷售稅，且須及經扣除任何貿易折讓。

(ii) 政府補助金

倘可合理確定能夠收取政府補助金，而本集團將符合政府補助金所附帶之條件，則政府補助金將初步在財務狀況表中確認。補償本集團所產生開支之補助金於產生開支之同一期間有系統地於損益表中確認為收益。補償本集團資助成本之補助金當資產初步確認為已攤銷之遞延收入，並隨後於資產的可使用年期內在損益賬中確認為其他收入。

(iii) 利息收入

產生時採用實際利率法確認為利息收入。

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(除另有註明外，所有金額以港元計算)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) TRANSLATION OF FOREIGN CURRENCIES

For the purpose of presenting these financial statements, the Group adopted Hong Kong dollars ("HK\$") as its presentation currency. The functional currencies of the Company, KEE International (BVI) Company Limited ("KEE International BVI"), and KEE Zippers Corporation Limited ("KEE Zippers") are HK\$ and the functional currencies of the subsidiaries established in The People's Republic of China ("the PRC") are Renminbi ("RMB").

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

1 主要會計政策(續)

(q) 外幣換算

就呈列此等財務報表而言，本集團採用港幣作為其呈列貨幣。本公司：KEE國際BVI有限公司（「KEE國際BVI」）及開易拉鏈有限公司（「開易拉鏈」）的功能貨幣為港元。而於中華人民共和國（「中國」）成立的附屬公司的功能貨幣為人民幣（「人民幣」）。

年內的外幣交易已按交易日的匯率換算。以外幣計值的貨幣資產及負債已按報告期終的匯率換算。匯兌盈虧已於損益中確認。

以外幣按歷史成本計量的非貨幣資產及負債乃採用交易日的匯率換算。以外幣按公允值入賬的非貨幣資產及負債乃按釐定公允值當日的匯率換算。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) TRANSLATION OF FOREIGN CURRENCIES (CONTINUED)

The results of foreign operations are translated into HK\$ at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into HK\$ at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(r) BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

(s) RELATED PARTIES

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

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

1 主要會計政策(續)

(q) 外幣換算(續)

外國經營業務業績按與交易當日的匯率相若的匯率換算為港元。資產負債表項目按結算日的收市匯率換算為港元。所導致的匯兌差額已於分別確認為其他全面收益及在權益中的匯兌儲備內累積。

出售外國經營業務時，若有確認出售產生的溢利或虧損，則有關外國經營業務的匯兌差額累積金額由權益重新分類為溢利或虧損。

(r) 借款成本

凡直接與購置、建造或生產某項資產(該資產須一段長時間方可撥作其既定用途或銷售)所分佔的借款成本，均資本化為該項資產的一部分成本。其他借款成本則於產生期內支銷。

(s) 關連方

(a) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：

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

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
unless otherwise indicated)
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1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) RELATED PARTIES (CONTINUED)

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

- (i) The entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

1 主要會計政策(續)

(s) 關連方(續)

(b) 倘符合下列任何條件，即實體與本集團有關連：

- (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司)；
- (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)；
- (iii) 兩間實體均為同一第三方的合營企業；
- (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
- (v) 實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃；
- (vi) 實體受(a)所識別人士控制或受共同控制；
- (vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) RELATED PARTIES (CONTINUED)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(t) SEGMENT REPORTING

Operating segments, and the amounts of each segment item reported in these financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for the financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

1 主要會計政策(續)

(s) 關連方(續)

任何人士的近親是指與該實體交易時預期可影響該名人士或受該人士影響的家庭成員。

(t) 分部報告

業務分部及此等財務報表所呈列各分部的金額，乃從為向本集團各項業務及地理位置分配資源及評估其業績而定期向大多數高級管理人員提供的財務信息當中識別出來。

個別重要的經營分部不會合計以供財務報告之用，但如該等經營分部的產品和服務性質、生產工序性質、客戶類別或階層、分銷產品或提供服務的方法以至監管環境的本質等經濟特性均屬類似，則作別論。個別不重要的經營分部如果符合以上大部分條件，則可以合計為一個報告分部。

Notes to the Financial Statements 財務報表附註

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2 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group's financial statements:

- Amendments to HKFRS 7, *Financial instruments: Disclosures – Transfers of financial assets*
- Amendments to HKAS12, *Income taxes – Deferred tax: Recovery of underlying assets*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The developments resulted in changes in accounting policy but none of these changes in policy have a material impact on the current or comparative periods, for the following reasons:

2 會計政策變動

香港會計師公會已頒佈若干經修訂香港財務報告準則，並於本集團及本公司的本會計期間首次生效。其中下列變動與本集團的財務報表有關：

- 香港財務報告準則第7號的修訂，*金融工具：披露－金融資產轉讓*
- 香港會計準則第12號的修訂，*所得稅－遞延稅項：收回相關資產*

本集團並無採用本會計期間尚未生效的任何新準則或詮釋。

上述發展導致會計政策變動，但該等政策變動概無對本期或比較期間造成重大影響，原因如下：

2 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

Amendments to HKFRS 7, *Financial instruments: Disclosures*

The amendments to HKFRS 7 require certain disclosures to be included in the financial statements in respect of transferred financial assets that are not derecognised in their entirety and for any continuing involvement in transferred financial assets that are derecognised in their entirety, irrespective of when the related transfer transaction occurred. However, an entity need not provide the disclosures for the comparative period in the first year of adoption. The Group did not have any significant transfers of financial assets in previous periods or the current period which require disclosure in the current accounting period under the amendments.

Amendments to HKAS 12, *Income taxes*

Under HKAS 12 deferred tax is required to be measured with reference to the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of the asset(s) in question. In this regard, the amendments to HKAS 12 introduced a rebuttable presumption that the carrying amount of investment property carried at fair value under HKAS 40, *Investment property*, will be recovered through sale. This presumption is rebutted on a property-by-property basis if the investment property in question 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, rather than through sale. The amendments to HKAS 12 do not impact the Group because the Group does not hold any investment property.

2 會計政策變動(續)

香港財務報告準則第7號的修訂－金融工具：披露

香港財務報告準則第7條的修訂要求將未全面終止確認的已轉讓金融資產及任何持續涉及已全面終止確認的已轉讓金融資產(不論有關轉讓交易於何時發生)的若干披露資料載於財務報告。然而，實體於採納有關修訂的首年毋須就比較期間提供披露資料。本集團於過往期間或本期間並無任何重大的金融資產轉讓而需要根據該等修訂於本會計期間作出披露。

香港會計準則第12號，*利得稅的修訂*

根據香港會計準則第12號，實體在計量遞延稅項時需考慮其預期收回有關資產賬面金額的方式所產生的稅務結果。就此而言，香港會計準則第12號的修訂引入一項可予以推翻的假設，即根據香港會計準則第40號投資物業以公允價值入賬的投資物業賬面金額將通過出售收回。如果有關投資物業可予以折舊，而持有投資物業的商業模式的目的，是把投資物業絕大部分的經濟利益隨著時間消耗，而非通過出售消耗，則這項假設可按物業個別情況推翻。香港會計準則第12號的修訂對本集團並無影響，因本集團並無持有任何投資物業。

Notes to the Financial Statements 財務報表附註

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3 TURNOVER

The principal activities of the Group are manufacture and sale of zippers and other related products such as sliders, tapes and other products.

Turnover represents the sales value of goods supplied to customers. The amount of each significant category of revenue recognised in turnover during the year is as follows:

Metal zippers	金屬拉鏈
Nylon zippers	尼龍拉鏈
Plastic zippers	塑膠拉鏈
Sliders	拉頭
Premium items	禮品
Others	其他

No individual customer had transactions exceeding 10% of the Group's turnover.

3 營業額

本集團的主要業務為製造及銷售拉鏈及其他相關產品，例如拉頭、布帶及其他產品。

營業額指向客戶供應貨品所得銷售價值。於年內，在營業額中確認的每一主要類別的收益金額如下：

2012 \$'000 千元	2011 \$'000 千元
73,738	78,816
49,103	71,689
21,064	24,384
7,073	4,867
210	3,713
6,185	6,964
157,373	190,433

概無個別客戶的交易額超過本集團營業額的10%。

4 OTHER REVENUE

Government grants 政府補助金
Interest income 利息收入

4 其他收入

2012 \$'000 千元	2011 \$'000 千元
707	5,335
2,922	1,869
3,629	7,204

During 2011, the Group received various government grants in form of cash subsidies from local government, including subsidies of HK\$4,998,000 for the Company's successful listing on The Hong Kong Stock Exchange. During 2012, the Group was awarded unconditional government grants of HK\$707,000 as recognition of the Group's contribution to the development of the local economy.

本集團於2011年內獲得當地政府多項政府現金補助，包括本公司於香港聯交所成功上市的4,998,000港元。在2012年，本集團獲無條件政府補助金707,000港元，作為確認本集團對當地經濟發展之貢獻。

Notes to the Financial Statements 財務報表附註

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5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) FINANCE COSTS

	2012 \$'000 千元	2011 \$'000 千元
Interest on bank borrowings wholly repayable within five years	銀行借款(須於五年內全數償還)利息	
	—	261

(b) STAFF COSTS*

	2012 \$'000 千元	2011 \$'000 千元
Salaries, wages and other benefits	工資、薪水及其他福利	
Contributions to defined contribution retirement plans	向定額供款退休計劃作出的供款	
Equity-settled share-based payment expenses (notes 22 and 23)	以權益結算股份支付的開支(附註22及23)	
	50,794	47,058
	3,978	3,268
	875	814
	55,647	51,140

5 除稅前溢利

除稅前溢利已扣除／(計入)下列各項：

(a) 融資成本

	2012 \$'000 千元	2011 \$'000 千元
Interest on bank borrowings wholly repayable within five years	銀行借款(須於五年內全數償還)利息	
	—	261

(b) 員工成本*

	2012 \$'000 千元	2011 \$'000 千元
Salaries, wages and other benefits	工資、薪水及其他福利	
Contributions to defined contribution retirement plans	向定額供款退休計劃作出的供款	
Equity-settled share-based payment expenses (notes 22 and 23)	以權益結算股份支付的開支(附註22及23)	
	50,794	47,058
	3,978	3,268
	875	814
	55,647	51,140

5 PROFIT BEFORE TAXATION (CONTINUED)

(c) OTHER ITEMS

		2012 \$'000 千元	2011 \$'000 千元
Depreciation and amortisation*	折舊及攤銷*		
– lease prepayments (note 12)	– 租賃預付款(附註12)	339	100
– property, plant and equipment (note 12)	– 物業、廠房及設備(附註12)	12,620	11,672
– intangible assets (note 13)	– 無形資產(附註13)	830	664
Subtotal	小計	13,789	12,436
Auditors' remuneration	核數師酬金		
– audit services	– 審核服務	1,057	1,223
– tax services	– 稅務服務	28	17
– other services	– 其他服務	639	301
Subtotal	小計	1,724	1,541
Impairment losses (written back)/ charged on trade and other receivables (note 17)	減值虧損(撥回)/支付貿易及其他應收款項(附註17)	(151)	1,075
Operating lease charges*	經營租賃開支*		
– hire of plant and machinery	– 租用的廠房及機器	4,881	4,169
Net foreign exchange loss	匯兌虧損淨額	186	108
Net loss on disposal of fixed assets	出售固定資產虧損淨額	686	237
Interest income	利息收入	(2,922)	(1,869)
Listing expenses	上市開支	–	1,000
Research and development expenses on new products	新產品研發開支	1,638	3,242
Cost of inventories*	存貨成本*	113,755	127,888

* Cost of inventories includes HK\$47,464,000 (2011: HK\$46,571,000) relating to staff costs, depreciation and amortisation expenses and operating lease charges, which amounts are also included in the respective total amounts disclosed separately above or in note 5(b) for each of these types of expenses.

5 除稅前溢利(續)

(c) 其他項目

		2012 \$'000 千元	2011 \$'000 千元
Depreciation and amortisation*	折舊及攤銷*		
– lease prepayments (note 12)	– 租賃預付款(附註12)	339	100
– property, plant and equipment (note 12)	– 物業、廠房及設備(附註12)	12,620	11,672
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Subtotal	小計	1,724	1,541
Impairment losses (written back)/ charged on trade and other receivables (note 17)	減值虧損(撥回)/支付貿易及其他應收款項(附註17)	(151)	1,075
Operating lease charges*	經營租賃開支*		
– hire of plant and machinery	– 租用的廠房及機器	4,881	4,169
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Interest income	利息收入	(2,922)	(1,869)
Listing expenses	上市開支	–	1,000
Research and development expenses on new products	新產品研發開支	1,638	3,242
Cost of inventories*	存貨成本*	113,755	127,888

* 存貨成本內47,464,000港元(2011年: 46,571,000港元)與員工成本、折舊、攤銷費用及經營租賃開支有關, 該等金額亦包括於上文或附註5(b)所披露各類費用的總額內。

Notes to the Financial Statements 財務報表附註

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6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(a) INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT
REPRESENTS:

6 綜合收益表內的所得稅

(a) 綜合收益表內的所得稅指：

		2012 \$'000 千元	2011 \$'000 千元
Current tax – PRC corporate income tax	即期稅項－中國 企業所得稅		
Provision for the year	年內撥備	1,465	5,297
Current tax – Hong Kong Profits Tax	即期稅項－香港 利得稅		
Provision for the year	年內撥備	764	169
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時性差異的 產生及撥回	887	(982)
Effect on deferred tax balances at 1 January resulting from change in tax rate	稅率變動對1月1日 之遞延稅項結餘 的影響	(257)	32
		630	(950)
		2,859	4,516

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (CONTINUED)

(b) RECONCILIATION BETWEEN TAX EXPENSE AND ACCOUNTING

PROFIT AT APPLICABLE TAX RATES:

		2012 \$'000 千元	2011 \$'000 千元
Profit before taxation	除稅前溢利	3,687	24,938
Notional tax on profit before taxation, calculated at the rates applicable to profits in the jurisdiction concerned (note i)	除稅前溢利的名義稅項，按各相關司法權區溢利適用的稅率計算(附註i)	1,059	6,548
Effect of non-deductible expenses	不可扣減開支的影響	1,352	1,089
Effect of non-taxable income	非應課稅收入的影響	(4)	—
Effect of unused tax losses not recognised	未確認的未使用稅項虧損的影響	498	105
Effect of tax concessions (note ii)	稅務優惠的影響(附註ii)	(962)	(3,258)
Effect on deferred tax balances at 1 January resulting from a change in tax rate	稅率變動對1月1日之遞延稅項結餘的影響	(257)	32
Tax effect of withholding tax (note iii)	預扣稅的稅務影響(附註iii)	1,111	—
Others	其他	62	—
Actual tax expense	實際稅項開支	2,859	4,516

6 綜合收益表內的所得稅(續)

(b) 稅項開支與按適用稅率計算的會計溢利的對賬列載如下：

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (CONTINUED)

(b) RECONCILIATION BETWEEN TAX EXPENSE AND ACCOUNTING PROFIT AT APPLICABLE TAX RATES: (CONTINUED)

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the Cayman Islands or the BVI.

KEE Zippers is subject to Hong Kong Profits Tax at 16.5% in 2012 and 2011. The payments of dividends by Hong Kong companies are not subject to any Hong Kong withholding tax.

The PRC statutory income tax rate applicable to the Company's subsidiaries is 25% effective from 1 January 2008.

- (ii) KEE (Zhejiang) Garment Accessories Limited ("KEE Zhejiang"), being production-oriented FIEs with operating periods of 10 years or more, was entitled to two-year exemption from income tax followed by three-year 50% reduction in income tax rate commencing from the first profit-making year from PRC income tax perspective ("2+3 tax holiday"). KEE Zhejiang commenced its 2+3 tax holiday in 2008 and was subject to income tax rate at 12.5% in 2012 (2011:12.5%).

6 綜合收益表內的所得稅(續)

(b) 稅項開支與按適用稅率計算的會計溢利的對賬列載如下(續)：

- (i) 根據開曼群島及英屬處女群島(「英屬處女群島」)的法例法規，本集團毋須於開曼群島及英屬處女群島繳納任何所得稅。

開易拉鏈於2012年及2011年須按16.5%稅率繳納香港利得稅。香港公司派付股息毋須繳納任何預扣稅。

本公司附屬公司適用的中國法定所得稅稅率為25%，由2008年1月1日起生效。

- (ii) 開易(浙江)服裝配件有限公司(「開易浙江」)為生產型外資企業，且經營期間達10年或以上，故有權自其首個獲利年度起，於首兩年獲豁免繳納企業所得稅，並於其後三年獲寬減50%企業所得稅(「兩免三減半」稅收優惠)。開易浙江於2008年開始其「兩免三減半」稅收優惠，2012年的所得稅稅率為12.5%(2011：12.5%)。

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (CONTINUED)

(b) RECONCILIATION BETWEEN TAX EXPENSE AND ACCOUNTING PROFIT AT APPLICABLE TAX RATES: (CONTINUED)

(ii) (continued)

KEE (Guangdong) Garment Accessories Limited ("KEE Guangdong") was recognised as an enterprise of new and high technology and obtained the approval in June 2011 from local tax authority to enjoy a preferential income tax rate of 15% for the two financial years ended 31 December 2012 according to relevant regulations for enterprise of new and high technology in the PRC.

(iii) Pursuant to the Corporate Income Tax Law of the PRC and its relevant regulations, PRC-resident enterprises are levied withholding income tax at 10% on dividends to their non-PRC-resident corporate investors for earnings accumulated beginning on 1 January 2008. Undistributed earnings generated prior to 1 January 2008 are exempted from such withholding tax. Under the Sino-Hong Kong Double Tax Arrangement and its relevant regulations, a qualified Hong Kong tax resident which is the "beneficial owner" and holds 25% or more of the equity interest of a PRC-resident enterprise is entitled to a reduced withholding tax rate of 5%. As at 31 December 2012, deferred tax liability recognised in this regard was HK\$1,111,000 (2011: Nil) (see note 18(b)).

6 綜合收益表內的所得稅(續)

(b) 稅項開支與按適用稅率計算的會計溢利的對賬列載如下(續)：

(ii) (續)

開易(廣東)服裝配件有限公司(「開易廣東」)獲認可為高新技術企業及根據中國高新技術企業的有關法規，開易廣東於2011年6月獲地方稅務部門批准，截至2012年12月31日止兩個財政年度可享受15%的優惠所得稅稅率。

(iii) 根據中國企業所得稅法及其相關條例，中國居民企業就自2008年1月1日起的累計收益向其非中國居民企業投資者派付股息，須繳納10%的預扣稅。於2008年1月1日前產生的未分派盈利獲豁免預扣稅。根據內地與香港避免雙重徵稅和防止偷漏稅的安排及其有關法規，作為「實益擁有人」並持有中國居民企業25%或以上股本權益的獲認可香港稅務居民可按減免預扣稅稅率5%繳稅。於2012年12月31日，遞延稅項負債在此確認為1,111,000港元(2011：無)(見附註18(b))。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

7 DIRECTORS' REMUNERATION

7 董事薪酬

		For the year ended 31 December 2012					
		截至2012年12月31日止年度					
		Salaries, allowances and benefits in kind			Retirement scheme contribution	Share-based payment (note)	
		Directors' fees	薪金、津貼 及實物福利	退休 計劃供款	Sub-Total	以權益結算 股份支付 (附註)	Total
		董事袍金			小計		總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Chairman	主席						
Xu Xipeng	許錫鵬	200	392	6	598	–	598
Executive directors	執行董事						
Xu Xinan	許錫南	200	330	6	536	–	536
Yang Shaolin	楊少林						
(Resigned in April 2012)	(於二零一二年四月辭任)	50	110	1	161	(94)	67
Chow Hoi Kwang, Albert	周浩光						
(Appointed in April 2012)	(於二零一二年四月獲委任)	225	–	–	225	2	227
Non-executive director	非執行董事						
Yang Shaolin	楊少林						
(Appointed in April 2012)	(於二零一二年四月獲委任)	90	–	–	90	2	92
Chow Hoi Kwang, Albert	周浩光						
(Resigned in April 2012)	(於二零一二年四月辭任)	75	–	–	75	–	75
Independent non-executive directors	獨立非執行董事						
Lin Bin	林斌	140	–	–	140	2	142
Kong Hing Ki	江興琪	120	–	–	120	2	122
Tam Yuk Sang, Sammy	譚旭生	120	–	–	120	2	122
		1,220	832	13	2,065	(84)	1,981

7 DIRECTORS' REMUNERATION (CONTINUED)

7 董事薪酬(續)

For the year ended 31 December 2011

截至2011年12月31日止年度

		Salaries, allowances and benefits in kind			Retirement scheme contribution	Share-based payment (note)	
		Directors' fees	薪金、津貼及實物福利	退休計劃供款	Sub-Total	以權益結算股份支付(附註)	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Chairman	主席						
Xu Xipeng	許錫鵬	200	364	3	567	–	567
Executive directors	執行董事						
Xu Xinan	許錫南	200	307	3	510	–	510
Yang Shaolin	楊少林	200	413	3	616	94	710
Non-executive director	非執行董事						
Chow Hoi Kwang, Albert	周浩光	300	–	–	300	–	300
Independent non-executive directors	獨立非執行董事						
Lin Bin	林斌	140	–	–	140	–	140
Kong Hing Ki	江興琪	120	–	–	120	–	120
Tam Yuk Sang, Sammy	譚旭生	120	–	–	120	–	120
		1,280	1,084	9	2,373	94	2,467

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7 DIRECTORS' REMUNERATION (CONTINUED)

Note:

These represent the estimated value of share options granted to the directors under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in note 1(m)(ii) and, in accordance with that policy, includes adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited prior to vesting.

The details of these benefits in kind, including the principal terms and number of options granted, are set out in note 22.

There were no amounts paid or payable by the Group to the directors or any of the highest paid individuals set out in note 8 below as an inducement to join or upon joining the Group or as a compensation for loss of office. There was no arrangement under which a director has waived or agreed to waive any emoluments.

7 董事薪酬(續)

註：

該等數額指根據本公司購股權計劃董事獲授購股權之估計價值。該等購股權之價值乃根據附註1(m)(ii)所載本集團有關以權益結算股份支付之交易之會計政策計算，而根據該政策，有關價值包括就撥回過往年度授出權益工具於歸屬前被沒收而累計的金額作出的調整。

該等實物利益之詳情(包括已授出購股權的主要條款及數目)於附註22中披露。

本集團概無已付或應付予董事或下文附註8所述最高薪酬人士中任何人士酬金以吸引彼等加盟本集團或作為加入後的獎金或離職補償。概無董事放棄或同意放棄任何酬金的安排。

8 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, two (2011: three) are directors, whose emoluments are disclosed in note 7. The aggregate of the emoluments in respect of the other three (2011: two) individuals are as follows:

		2012 \$'000 千元	2011 \$'000 千元
Salaries and other emoluments	薪金及其他薪酬	1,155	749
Discretionary bonuses	酌情花紅	38	36
Retirement scheme contributions	退休計劃供款	136	23
Share-based payment	以股份支付的支出	10	—
		1,339	808

The emoluments of the three (2011: two) individuals with the highest emoluments are within the following band:

		2012 Number of individuals 人數	2011 Number of individuals 人數
Nil to HK\$1,000,000	零港元至 1,000,000 港元	3	2

8 最高薪酬人士

五名最高薪酬人士中，有2名為董事（2011年：3名），彼等的薪酬於附註7中披露。另外3名（2011年：2名）最高薪酬人士的薪酬總額如下：

3名（2011年：2名）最高薪酬人士的薪酬介乎以下範圍：

Notes to the Financial Statements 財務報表附註

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9 PROFIT/(LOSS) ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated profit/(loss) attributable to equity shareholders of the Company includes a profit of HK\$1,301,000 (2011: Loss of HK\$324,000) which has been dealt with in the financial statements of the Company.

Reconciliation of the above amount to the Company's profit/(loss) for the year:

9 本公司權益股東應佔 溢利／（虧損）

本公司權益股東應佔綜合溢利／（虧損）包括1,301,000港元之溢利（2011年：324,000港元之虧損）已計入本公司之財務報表內。

上述金額與本公司年內溢利／（虧損）之對賬：

		2012 \$'000 千元	2011 \$'000 千元
Amount of consolidated profit/(loss) attributable to equity shareholders dealt with in the Company's financial statements	計入本公司財務報表內之權益股東應佔綜合溢利／（虧損）	1,301	(324)
Final dividends from subsidiary attributable to the profits of the previous financial years, approved and paid during the year	就以前財政年度應佔附屬公司溢利之末期股息（於年內經批核並已支付）	5,500	17,000
Company's profit for the year (note 23(a))	本公司年內溢利（附註23(a)）	6,801	16,676

Details of dividends paid to equity shareholders of the Company are set out in note 23(b).

有關派付予本公司權益股東之股息之詳情載於附註23(b)。

10 EARNINGS PER SHARE

(a) BASIC EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$1,055,000 (2011: HK\$20,422,000) and the weighted average of 415,000,000 ordinary shares (2011: 410,562,000) in issue during the year.

(i) *Weighted average number of ordinary shares*

		2012 '000 千元	2011 '000 千元
Issued ordinary shares at 1 January	於1月1日已發行普通股	415,000	—
Effect of capitalisation issue	資本化發行的影響	—	410,562
Weighted average number of ordinary shares at 31 December	於12月31日普通股的加權平均數	415,000	410,562

(b) DILUTED EARNINGS PER SHARE

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$1,055,000 (2011: HK\$20,422,000) and the weighted average number of ordinary shares of 415,023,000 shares (2011: 410,562,000), calculated as follows:

10 每股盈利

(a) 每股基本盈利

每股基本盈利乃根據本公司權益股東應佔溢利1,055,000港元(2011年：20,422,000港元)普通股之加權平均數及年內已發行之415,000,000股(2011年：410,562,000股)計算。

(i) 普通股的加權平均數

(b) 每股攤薄盈利

每股攤薄盈利乃根據本公司權益股東應佔溢利1,055,000港元(2011年：20,422,000港元)普通股之加權平均數及年內已發行之415,023,000股(2011年：410,562,000股)計算如下：

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
unless otherwise indicated)
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10 EARNINGS PER SHARE (CONTINUED)

(b) DILUTED EARNINGS PER SHARE (CONTINUED)

10 每股盈利(續)

(b) 每股攤薄盈利(續)

	2012 '000 千元	2011 '000 千元
Weighted average number of ordinary shares at 31 December	415,000	410,562
Effect of deemed issue of shares under the Company's share option scheme	23	—
Weighted average number of ordinary shares (diluted) at 31 December	415,023	410,562

11 SEGMENT REPORTING

The Group manages its businesses by geographical areas. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Southern China and overseas: this segment manufactures zipper products and mainly sells the products to customers in Southern China and overseas market. Currently its activities are mainly carried out in Guangdong province and Hong Kong.
- Eastern China: this segment manufactures zipper products and mainly sells the products to customers in Eastern China. Currently its activities are mainly carried out in Zhejiang province.
- Central China: this segment manufactures zipper products and mainly sells the products to customers in Central China. Currently its activities are mainly carried out in Hubei province.

11 分部報告

本集團按地域管理其業務。基於向本集團最高管理人員內部呈報資料以供資源分配及評核業績相一致的方式，本集團已呈報下列三個可呈報分部。並無經營分部綜合組成以下可呈報分部。

- 華南及海外：該分部製造拉鏈產品，並主要銷售予華南及海外市場客戶，其業務現時主要於廣東省及香港進行。
- 華東：該分部製造拉鏈產品，並主要銷售予華東客戶，其業務現時主要於浙江省進行。
- 華中：該分部製造拉鏈產品，並主要銷售予華中客戶，其業務現時主要於湖北省進行。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
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11 SEGMENT REPORTING (CONTINUED)

(a) SEGMENT RESULTS AND SEGMENT ASSETS

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results and assets attributable to each reportable segment on the following bases:

Segment assets include all assets with the exception of investments in financial assets, deferred tax assets and other corporate assets.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit is "adjusted profit before taxation" i.e. "turnover less cost of sales, distribution costs, administrative expenses and finance costs". Items not specifically attributed to individual segment are excluded from the calculation of segment profit. The Group's senior executive management is provided with segment information concerning segment revenue, profit and assets. Segment liabilities are not reported to the Group's senior executive management regularly.

11 分部報告(續)

(a) 分部業績及分部資產

就評估分部表現及於分部間分配資源而言，本集團高級管理人員按以下基礎監控各報告分部應佔的業績及資產：

分部資產包括所有資產，惟金融資產投資、遞延稅項資產及其他企業資產除外。

收益及開支的配至乃參考該等分部而產生的銷售及該等分部而產生的開支，或則由該等分部應佔資產的折舊或攤銷，至可呈報分部收益及開支。

用於報告分部溢利的方法為「經調整除稅前溢利」，即「營業額減銷售成本、分銷成本、行政開支及融資成本」。計算分部溢利時，並不計入非指定屬於個別分部的項目。本集團會向高級管理人員提供有關分部收益、溢利及資產的分部資料。本集團不會定期向高級管理人員呈報分部負債。

11 SEGMENT REPORTING (CONTINUED)

(a) SEGMENT RESULTS AND SEGMENT ASSETS (CONTINUED)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2012 and 2011 respectively is set out below:

11 分部報告(續)

(a) 分部業績及分部資產(續)

分別就截至2012年12月31日止年度及2011年12月31日止年度的資源分配及評估分部表現向本集團最高管理人員提供有關本集團可呈報分部的資料載列如下：

		Year ended 31 December 2012 截至2012年12月31日止年度			
		Southern China and overseas 華南及海外 \$'000 千元	Eastern China 華東 \$'000 千元	Central China 華中 \$'000 千元	Total 總計 \$'000 千元
Revenue from external customers	來自外界客戶收益	97,251	60,122	–	157,373
Inter-segment revenue	分部間收益	13,710	7,591	–	21,301
Reportable segment revenue	可呈報分部收益	110,961	67,713	–	178,674
Reportable segment profit/(loss)	可呈報分部溢利/(虧損)	1,102	7,844	(1,521)	7,425
Interest income from bank deposits	銀行存款之利息收入	2,079	675	168	2,922
Depreciation and amortisation for the year	年內折舊及攤銷	(8,268)	(5,182)	(339)	(13,789)
Reportable segment assets at year end	年終的可呈報分部資產	158,481	123,192	71,393	353,066
Additions to non-current segment assets during the year	年內分部非流動 資產的添置	17,095	1,429	19,575	38,099

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(Expressed in Hong Kong dollars
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(除另有註明外，所有金額以港元計算)

11 SEGMENT REPORTING (CONTINUED)

(a) SEGMENT RESULTS AND SEGMENT ASSETS (CONTINUED)

11 分部報告(續)

(a) 分部業績及分部資產(續)

Year ended 31 December 2011

截至2011年12月31日止年度

		Southern China and overseas 華南及海外 \$'000 千元	Eastern China 華東 \$'000 千元	Central China 華中 \$'000 千元	Total 總計 \$'000 千元
Revenue from external customers	來自外界客戶收益	119,939	70,494	–	190,433
Inter-segment revenue	分部間收益	18,532	11,907	–	30,439
Reportable segment revenue	可呈報分部收益	138,471	82,401	–	220,872
Reportable segment profit/(loss)	可呈報分部溢利/(虧損)	13,094	11,350	(351)	24,093
Interest income from bank deposits	銀行存款之利息收入	1,468	120	26	1,614
Interest expense	利息開支	–	(261)	–	(261)
Depreciation and amortisation for the year	年內折舊及攤銷	(7,705)	(4,731)	–	(12,436)
Reportable segment assets at year end	年終的可呈報分部資產	203,326	114,313	12,240	329,879
Additions to non-current segment assets during the year	年內分部非流動資產 的添置	13,209	6,383	21,648	41,240

11 SEGMENT REPORTING (CONTINUED)

(b) RECONCILIATIONS OF REPORTABLE SEGMENT REVENUES, PROFIT OR LOSS AND ASSETS

		2012 \$'000 千元	2011 \$'000 千元
Revenue	收益		
Reportable segment revenue	可呈報分部收益	178,674	220,872
Elimination of inter-segment revenue	冲銷分部間收益	(21,301)	(30,439)
Consolidated turnover (note 3)	綜合營業額(附註3)	157,373	190,433
		2012 \$'000 千元	2011 \$'000 千元
Profit	溢利		
Reportable segment profit	可呈報分部收益	7,425	24,093
Elimination of unrealised profit of inter-segment purchase of inventories and fixed assets	冲銷分部間購買存貨及固定資產的未變現溢利	398	571
Reportable segment profit derived from the Group's external customers	來自本集團外界客戶的可呈報分部溢利	7,823	24,664
Other revenue and other net loss	其他收益及其他虧損淨額	2,029	6,576
Unallocated head office and corporate expenses	未分配總部及企業開支	(6,165)	(6,557)
Unallocated head office interest income from bank deposits	未分配總部銀行存款之利息收入	—	255
Consolidated profit before taxation	綜合除稅前溢利	3,687	24,938

11 分部報告(續)

(b) 可呈報分部收益、溢利或虧損及資產的對賬

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11 SEGMENT REPORTING (CONTINUED)

(b) RECONCILIATIONS OF REPORTABLE SEGMENT REVENUES, PROFIT OR LOSS AND ASSETS (CONTINUED)

11 分部報告(續)

(b) 可呈報分部收益、溢利或虧損及 資產的對賬(續)

		2012 \$'000 千元	2011 \$'000 千元
Assets	資產		
Reportable segment assets	可呈報分部資產	353,066	329,879
Elimination of unrealised profit of inter-segment purchase of inventories	沖銷分部間購買存貨的 未變現溢利	(1,632)	(1,884)
Elimination of unrealised profit of inter-segment purchase of fixed assets	沖銷分部間購買固定 資產的未變現溢利	(1,011)	(1,156)
		350,423	326,839
Deferred tax assets	遞延稅項資產	2,015	1,534
Unallocated head office and corporate assets	未分配總部及企業資產	341	672
Consolidated total assets	綜合資產總值	352,779	329,045

12 FIXED ASSETS

THE GROUP

12 固定資產

本集團

		Buildings	Machinery	Vehicles and other equipment	Leasehold improvement	Construction in progress	Sub-total	Lease prepayments	Total
		樓宇	機器	汽車及 其他設備	租賃裝修	在建工程	小計	租賃預付	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元
Cost:	成本：								
At 1 January 2011	於2011年1月1日	34,639	69,916	8,483	10,730	3,651	127,419	4,699	132,118
Exchange adjustments	匯兌調整	1,723	3,861	427	533	187	6,731	233	6,964
Additions	添置	159	6,291	1,770	43	8,095	16,358	-	16,358
Disposals	出售	(8)	(883)	(217)	(4)	-	(1,112)	-	(1,112)
Transfer from CIP	自在建工程轉出	-	7,750	-	-	(7,750)	-	-	-
At 31 December 2011 and 1 January 2012	於2011年12月31日 及2012年1月1日	36,513	86,935	10,463	11,302	4,183	149,396	4,932	154,328
Exchange adjustments	匯兌調整	(6)	11	1	-	53	59	93	152
Additions	添置	21	8,535	929	644	19,615	29,744	29,395	59,139
Disposals	出售	-	(2,629)	(422)	-	-	(3,051)	-	(3,051)
Transfer from CIP	自在建工程轉出	-	2,365	289	62	(2,716)	-	-	-
At 31 December 2012	於2012年12月31日	36,528	95,217	11,260	12,008	21,135	176,148	34,420	210,568

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12 FIXED ASSETS (CONTINUED)

THE GROUP (CONTINUED)

12 固定資產(續)

本集團(續)

		Buildings	Machinery	Vehicles and other equipment	Leasehold improvement	Construction in progress	Sub-total	Lease prepayments	Total
		樓宇	機器	汽車及 其他設備	租賃裝修	在建工程	小計	租賃預付	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元
Accumulated depreciation:	累計折舊：								
At 1 January 2011	於2011年1月1日	(4,028)	(18,006)	(5,253)	(1,993)	–	(29,280)	(414)	(29,694)
Exchange adjustments	匯兌調整	(238)	(989)	(260)	(143)	–	(1,630)	(23)	(1,653)
Charge for the year	年內支出	(1,670)	(6,672)	(1,372)	(1,958)	–	(11,672)	(100)	(11,772)
Written back on disposals	於出售時撥回	8	535	183	–	–	726	–	726
At 31 December 2011 and 1 January 2012	於2011年12月31日及2012年1月1日	(5,928)	(25,132)	(6,702)	(4,094)	–	(41,856)	(537)	(42,393)
Exchange adjustments	匯兌調整	(5)	(19)	(2)	(5)	–	(31)	(1)	(32)
Charge for the year	年內支出	(1,746)	(7,653)	(1,231)	(1,990)	–	(12,620)	(339)	(12,959)
Written back on disposals	於出售時撥回	–	619	391	–	–	1,010	–	1,010
At 31 December 2012	於2012年12月31日	(7,679)	(32,185)	(7,544)	(6,089)	–	(53,497)	(877)	(54,374)
Carrying amount:	賬面值：								
At 31 December 2012	於2012年12月31日	28,849	63,032	3,716	5,919	21,135	122,651	33,543	156,194
At 31 December 2011	於2011年12月31日	30,585	61,803	3,761	7,208	4,183	107,540	4,395	111,935

12 FIXED ASSETS (CONTINUED)

THE GROUP (CONTINUED)

- (a) The lease prepayments are for land use rights held on a medium-term lease of 50 years in the PRC.
- (b) Certain lease prepayments and buildings with an aggregate carrying value of HK\$33,141,000 (2011: HK\$34,980,000) were pledged as securities for unutilised bank facilities of the Group as at 31 December 2012.
- (c) The Group acquired land use rights for the new production plant set up in Hubei Province of the PRC with cash consideration of HK\$29,395,000 pursuant to the Investment Project Agreement ("the Agreement") entered into between one of the Group's subsidiary, KEE Guangdong, and Jingmen local government. Upon the full payment of the above land use right consideration, the Group will be entitled to a government grant in connection with the acquisition of land use right with an aggregate amount of HK\$16,781,000, subject to the fulfilment of the agreed conditions as set out in the Agreement. Upon the Group complies with the conditions attaching to the grant in the future, the related grant will be recognised in accordance with note 1(p)(ii).

12 固定資產(續)

本集團(續)

- (a) 租賃預付乃於中國按50年中期租賃持有的土地使用權。
- (b) 於2012年12月31日，總賬面值為33,141,000港元(2011年：34,980,000港元)的若干租賃預付及樓宇已就本集團的未動用銀行信用額度作抵押。
- (c) 本集團的一間附屬公司開易廣東與荊門當地政府訂立投資項目協議(「該協議」)，收購在中國湖北省土地使用權作成立新生產工廠，現金代價為29,395,000港元。待上述土地使用權代價全數繳悉後，本集團有關上述土地使用權之收購，在履行該協議所載的約定條件情況下，將有權獲政府補助金合計16,781,000港元。本集團日後符合補助金所附條件時，相關補助金將根據附註1(p)(ii)予以確認。

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13 INTANGIBLE ASSETS

13 無形資產

		The Group Software 本集團軟件 \$'000 千元
Cost:	成本：	
At 1 January 2011	於 2011 年 1 月 1 日	4,901
Exchange adjustments	匯兌調整	320
Additions	增添	3,331
At 31 December 2011 and 1 January 2012	於 2011 年 12 月 31 日 及 2012 年 1 月 1 日	8,552
Exchange adjustments	匯兌調整	(1)
Additions	增添	38
At 31 December 2012	於 2012 年 12 月 31 日	8,589
Accumulated amortisation:	累計攤銷：	
At 1 January 2011	於 2011 年 1 月 1 日	(390)
Exchange adjustments	匯兌調整	(35)
Amortisation for the year	年內攤銷	(664)
At 31 December 2011 and 1 January 2012	於 2011 年 12 月 31 日 及 2012 年 1 月 1 日	(1,089)
Exchange adjustments	匯兌調整	(2)
Amortisation for the year	年內攤銷	(830)
At 31 December 2012	於 2012 年 12 月 31 日	(1,921)
Carrying amount:	賬面值：	
At 31 December 2012	於 2012 年 12 月 31 日	6,668
At 31 December 2011	於 2011 年 12 月 31 日	7,463

14 INTEREST IN A SUBSIDIARY

14 於附屬公司的權益

		The Company	
		本公司	
		2012	2011
		\$'000	\$'000
		千元	千元
Unlisted shares, at cost	非上市股份，按成本	—	—

The balance represents the Company's equity interest in KEE International BVI, authorised and issued share capital of which as of 31 December 2012 are USD 50,000 (ordinary shares of 50,000 of USD 1 each) and USD 2, respectively.

該結餘指本公司於KEE國際BVI的股本權益，其截至2012年12月31日的法定及已發行股本分別為50,000美元（50,000股每股面值1美元的普通股）及2美元。

Details of subsidiaries of the Company at 31 December 2012 are set out below:

於2012年12月31日，本公司附屬公司的詳情載列如下：

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊成立／ 成立地點及日期	Issued and fully paid up capital 已發行及 繳足股本	Attributable equity interest 應佔股權		Principal activities 主要業務
			Direct 直接	Indirect 間接	
KEE International BVI	The British Virgin Islands ("BVI") 13 August 2010	2 ordinary shares of USD1 each	100%	—	Investment holding
開易國際 BVI	英屬處女群島 2010年8月13日	2股每股面值1美元 的普通股	100%	—	投資控股

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14 INTEREST IN A SUBSIDIARY (CONTINUED)

14 於附屬公司的權益 (續)

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊成立／ 成立地點及日期	Issued and fully paid up capital 已發行及 繳足股本	Attributable equity interest 應佔股權		Principal activities 主要業務
			Direct 直接	Indirect 間接	
KEE Zippers	Hong Kong 1 March 2002	1,000,000 ordinary shares of HK\$1 each	–	100%	Trading of zipper products
開易拉鏈	香港 2002年3月1日	1,000,000 股 每股面值 1 港元 的普通股	–	100%	買賣拉鏈產品
KEE Guangdong	The PRC 21 March 2005	HK\$137,500,000	–	100%	Manufacture and sale of zipper products
開易廣東	中國 2005年3月21日	137,500,000 港元	–	100%	生產及銷售 拉鏈產品
KEE Zhejiang	The PRC 9 September 2005	USD8,760,000	–	100%	Manufacture and sale of zipper products
開易浙江	中國 2005年9月9日	8,760,000 美元	–	100%	生產及銷售 拉鏈產品

14 INTEREST IN A SUBSIDIARY (CONTINUED)

14 於附屬公司的權益 (續)

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊成立／ 成立地點及日期	Issued and fully paid up capital 已發行及 繳足股本	Attributable equity interest 應佔股權		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Foshan UNA Cultural Gifts Co., Limited	The PRC 10 June 2009	RMB3,000,000	–	100%	Design and sale of garment accessories
佛山市優納文化 禮品有限公司	中國 2009年6月10日	人民幣3,000,000元	–	100%	設計及銷售 服裝配件
KEE (Jingmen) Garment Accessories Limited ("KEE Jingmen")	The PRC 23 September 2011	RMB50,000,000	–	80% (note i)	Manufacture and sale of zipper products
開易(荊門)服裝配件 有限公司 (「開易荊門」)	中國 2011年9月23日	人民幣50,000,000元	–	80% (附註i)	生產及銷售 拉鏈產品

Note (i) KEE Jingmen was established in Jingmen, Hubei Province in September 2011 by KEE Guangdong with capital contribution of RMB10,000,000. The paid-up capital of KEE Jingmen was increased to RMB50,000,000 after additional capital injection of RMB30,000,000 and RMB10,000,000 (equivalent to HK\$12,237,000) by KEE Guangdong and an external party respectively in September 2012.

附註(i) 開易荊門由開易廣東出資人民幣10,000,000元，於2011年9月於湖北省荊門市成立。於2012年9月，開易廣東及一家外部公司分別額外注資人民幣30,000,000元及人民幣10,000,000(相當於12,237,000港元)後，開易荊門的繳足股本增加至人民幣50,000,000元。

15 PREPAYMENTS FOR FIXED ASSETS

The balance as at 31 December 2012 represents the prepayments for purchase of property, plant and equipment. The balance as at 31 December 2011 mainly represents the initial lease prepayments for land use right of a parcel of land in Hubei Province.

15 固定資產的預付款項

於2012年12月31日之結餘指就購買物業、廠房及設備所繳付的預付款項。於2011年12月31日之結餘主要指就購買湖北省一塊地土之土地使用權所繳付的首期租賃付款。

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16 INVENTORIES

16 存貨

		The Group 本集團	
		2012 \$'000 千元	2011 \$'000 千元
Raw materials	原材料	3,918	4,249
Work in progress	在製品	10,426	15,740
Finished goods	製成品	2,120	3,006
		16,464	22,995

An analysis of the amount of inventories recognised as an expense and included in the consolidated income statement is as follows:

確認為開支並於綜合收益表入賬的存貨金額分析如下：

		The Group 本集團	
		2012 \$'000 千元	2011 \$'000 千元
Carrying amount of inventories sold	已售存貨的賬面值	112,853	126,401
Write down of inventories	撇減存貨	902	1,487
		113,755	127,888

The write-down of inventories is related to decrease in the estimated net realisable value of certain slow-moving inventories.

存貨撇減乃由於若干周轉較慢存貨之估計可變現淨值減少所致。

17 TRADE AND OTHER RECEIVABLES

17 貿易及其他應收款項

		The Group 本集團		The Company 本公司	
		2012 \$'000 千元	2011 \$'000 千元	2012 \$'000 千元	2011 \$'000 千元
Trade debtors	應收賬項	35,366	36,764	—	—
Less: allowance for doubtful debts (note 17 (b))	減：呆賬撥備 (附註 17 (b))	(164)	(715)	—	—
		35,202	36,049	—	—
Other prepayments	其他預付款項	2,832	2,668	—	—
Advance to a third party	預付第三方款項	8,571	—	—	—
Deposits and other debtors	押金及其他應收款項	1,564	2,269	328	270
Less: allowance for doubtful debts of other debtors	減：其他應收款項 之呆壞賬撥備	—	(193)	—	—
		48,169	40,793	328	270

All of the trade and other receivables (including amounts due from subsidiaries) are expected to be recovered or recognised as expense within one year.

所有的貿易及其他應收款項(包括應收附屬公司款項)，預計在一年內被收回或確認為開支。

During the year ended 31 December 2012, the Group has provided interest free advance of RMB6,950,000 (equivalent to HK\$8,571,000) to a state-owned enterprise responsible for investment projects on behalf of Jingmen local government.

截至2012年12月31日止年度，本集團向代表荊門當地政府負責投資項目的國有企業提供免息墊款人民幣6,950,000元(相等於8,571,000港元)。

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17 TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) AGEING ANALYSIS

As of the end of the reporting period, the ageing analysis of trade debtors based on the invoice date and net of allowance for doubtful debts, is as follows:

Within 1 month	1 個月內
1 to 2 months	1–2 個月
2 to 3 months	2–3 個月
Over 3 months	超過 3 個月

Trade debtors are in general due within 30-90 days from the date of billing. Further details on the Group's credit policy are set out in note 24(a).

17 貿易及其他應收款項 (續)

(a) 賬齡分析

截至本報告期結束，根據發票日期及扣除呆賬撥備的貿易應收款項的賬齡分析如下：

The Group 本集團	
2012 \$'000 千元	2011 \$'000 千元
11,624	14,531
12,192	10,534
4,762	6,880
6,624	4,104
35,202	36,049

應收賬項通常於發單日期起計 30 至 90 日內到期。有關本集團信貸政策的進一步詳情載於附註 24(a)。

17 TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) IMPAIRMENT OF TRADE DEBTORS

Impairment losses in respect of trade debtors are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade debtors directly (see note 1(g)(i)).

The movement in the allowance for doubtful debts during the year is as follows:

		The Group 本集團	
		2012 \$'000 千元	2011 \$'000 千元
At 1 January	於1月1日	715	106
Exchange adjustments	匯兌調整	(3)	19
Impairment loss (written back)/recognised	已確認減值(回撥)/虧損	(151)	882
Uncollectible amounts written off	撇銷不可收回金額	(397)	(292)
At 31 December	於12月31日	164	715

At 31 December 2012, the Group's trade debtors of HK\$164,000 (2011: HK\$715,000) respectively were individually determined to be impaired. The individually impaired receivables are mainly related to customers that were in financial difficulties and management assessed that the receivables are not probable to be recovered. Consequently, specific allowances for doubtful debts were recognised in full. The Group does not hold any collateral over these balances.

17 貿易及其他應收款項(續)

(b) 應收賬項減值

應收賬項的減值虧損記入撥備賬內，除非本集團認為收回款項機會甚微，在此情況下，減值虧損將直接從應收賬項撇銷請參閱附註1(g)(i)。

年內呆賬撥備變動如下：

於2012年12月31日，本集團應收賬項164,000港元(2011：715,000港元)釐定為個別減值。已減值應收款項主要與出現財務困難的客戶有關，據管理層評估，預期該等應收款項不太可能收回。因此，已全數確認特定呆賬撥備。本集團並未就該等結餘持有任何抵押品。

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17 TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) TRADE DEBTORS THAT ARE NOT IMPAIRED

The ageing analysis of trade debtors that are neither individually nor collectively considered to be impaired are as follows:

Neither past due nor impaired	既未逾期亦未減值
Less than 3 months past due	逾期不足3個月
More than 3 months but less than 12 months past due	逾期超過3個月但不足12個月
More than 12 months past due	逾期超過12個月
Amount past due	逾期金額

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

17 貿易及其他應收款項 (續)

(c) 未減值應收賬項

既非個別亦非共同被視為減值的應收貿易款項的賬齡分析如下：

The Group 本集團	
2012 \$'000 千元	2011 \$'000 千元
18,202	21,869
15,985	12,313
988	1,867
27	—
17,000	14,180
35,202	36,049

既未逾期亦未減值的應收款項與眾多並無近期欠款記錄的客戶有關。

已逾期但未減值的應收款項與多名獨立客戶有關，該等客戶於本集團的信貸記錄良好。根據過往經驗，由於信貸質素並無重大變動，且結餘仍被視為可悉數收回，故管理層相信毋須就此等結餘作出減值撥備。

18 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) CURRENT TAX PAYABLE/(RECOVERABLE) IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION REPRESENTS:

		The Group 本集團	
		2012 \$'000 千元	2011 \$'000 千元
At 1 January	於1月1日	(293)	1,705
Exchange adjustments	匯兌調整	(2)	55
Provision for PRC corporate income tax (note 6(a))	中國企業所得稅撥備(附註6(a))	1,465	5,297
Provision for Hong Kong Profits Tax (note 6(a))	香港利得稅撥備(附註6(a))	764	169
Income tax paid	已付所得稅	(794)	(7,519)
At 31 December	於12月31日	1,140	(293)

Represented by:

即：

		The Group 本集團	
		2012 \$'000 千元	2011 \$'000 千元
Current tax payable	即期應付稅項	2,494	2,004
Current tax recoverable	即期可收回稅項	(1,354)	(2,297)
		1,140	(293)

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(除另有註明外，所有金額以港元計算)

18 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(b) DEFERRED TAX ASSETS/(LIABILITIES) RECOGNISED:

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

18 綜合財務狀況表內的所得稅 (續)

(b) 已確認遞延稅項資產／(負債)：

於綜合財務狀況表中確認的遞延稅項資產／(負債)組成部分及年內的變動如下：

		Unrealised profit arising from intra-group transactions elimination 集團內交易 產生的未變現 溢利抵銷		PRC dividend withholding tax (note 6(b)(iii)) 中國股息 預扣稅 (附註 6(b)(iii))	Total 總計	
		Depreciation 折舊		Provisions 撥備		
		\$'000	\$'000	\$'000	\$'000	
		千港元	千港元	千港元	千港元	
Deferred tax arising from:	遞延稅項來自：					
At 1 January 2011	於 2011 年 1 月 1 日	–	452	104	–	556
Exchange adjustments	匯兌調整	9	–	19	–	28
Credited/(charged) to income statement	於收益表計入／(扣除)	396	(40)	594	–	950
At 31 December 2011 and 1 January 2012	於 2011 年 12 月 31 日及 2012 年 1 月 1 日	405	412	717	–	1,534
Charged/(credited) to income statement	於收益表計入／(扣除)	(21)	249	253	(1,111)	(630)
At 31 December 2012	於 2012 年 12 月 31 日	384	661	970	(1,111)	904

18 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(c) RECONCILIATION TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION:

Net deferred tax asset recognised in the consolidated statement of financial position	於綜合財務狀況報表確認之遞延稅項資產淨值
Net deferred tax liability recognised in the consolidated statement of financial position	於綜合財務狀況報表確認之遞延稅項負債淨值

18 綜合財務狀況表內的所得稅 (續)

(c) 綜合財務狀況報表對賬：

The Group 本集團	
2012 \$'000 千元	2011 \$'000 千元
2,015	1,534
(1,111)	—
904	1,534

(d) DEFERRED TAX ASSETS NOT RECOGNISED

In accordance with the accounting policy at out in note 1(n), the Group has not recognised deferred tax assets in respect of cumulative tax losses of HK\$2,412,000 (2011: HK\$420,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses expire in 5 years under current tax legislation.

(d) 未確認的遞延稅項資產

根據會計政策附註1(n)，本集團並未確認就累積稅收虧損2,412,000港元(2011：420,000港元)，由於不太可能於相關稅務機關和實體產生未來應課稅利潤以沖抵上述虧損。根據現行稅法，稅收虧損於5年到期。

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(除另有註明外，所有金額以港元計算)

18 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(e) DEFERRED TAX LIABILITIES NOT RECOGNISED

At 31 December 2012, temporary differences relating to the undistributed profits of the Group's PRC subsidiaries amounted to HK\$63,508,000 (2011: HK\$61,719,000). Deferred tax liabilities relating to portion of these temporary differences amounting to HK\$2,064,000 (2011: HK\$3,086,000) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Company controls the dividend policy of these subsidiaries and it has been determined that it is probable that these profits will not be distributed in the foreseeable future.

18 綜合財務狀況表內的所得稅 (續)

(e) 未確認的遞延稅項負債：

於2012年12月31日，有關本集團中國附屬公司未分派溢利的暫時差異為63,508,000港元(2011年：61,719,000港元)。有關這些暫時性差異金額的遞延稅項負債為2,064,000港元(2011年：3,086,000港元)，由於本公司控制該等附屬公司的股息政策，且該等溢利被認為不會於可見將來分派，因此並無確認與分派該等保留溢利時產生的應繳稅項有關的遞延稅項負債。

19 CASH AND CASH EQUIVALENTS

19 現金及現金等價物

		The Group 本集團		The Company 本公司	
		2012 \$'000 千元	2011 \$'000 千元	2012 \$'000 千元	2011 \$'000 千元
Deposits with banks	銀行定期存款	93,933	86,104	—	—
Cash at bank and in hand	銀行及手頭現金	27,770	34,373	15	403
		121,703	120,477	15	403
Less: Bank deposits with maturity beyond three months	減：到期日為三個月 以上之銀行存款	(42,320)	(43,549)	—	—
Cash and cash equivalents	現金及現金等價物	79,383	76,928	15	403

19 CASH AND CASH EQUIVALENTS (CONTINUED)

As at 31 December 2012, cash and cash equivalents in the amount of HK\$79,184,000 (2011: HK\$74,524,000) are denominated in RMB and are deposited in the PRC in the ordinary course of business. RMB is not a freely convertible currency and the remittance of funds out of the PRC is subject to the exchange restriction imposed by the PRC government.

19 現金及現金等價物 (續)

於2012年12月31日，金額為79,184,000港元(2011年：74,524,000港元)的現金及現金等價物乃以人民幣計值，並於日常業務過程中存放於中國。人民幣並非可自由兌換的貨幣，從中國匯出資金須受中國政府的外匯管制。

20 TRADE AND OTHER PAYABLES

20 貿易及其他應付款項

		The Group 本集團		The Company 本公司	
		2012 \$'000 千元	2011 \$'000 千元	2012 \$'000 千元	2011 \$'000 千元
Trade creditors	應付賬項	7,506	7,444	—	—
Payroll and staff benefits payable	應付工資及員工福利	7,433	6,133	—	—
Accrued expenses	應計開支	3,454	3,492	639	625
Payables for fixed assets	固定資產應付款項	4,823	1,318	—	—
Other taxes payable	其他應付稅項	954	1,644	—	—
Advanced from a third party	第三方墊款	8,633	—	—	—
Other payables	其他應付款項	691	141	—	—
		33,494	20,172	639	625

All of the trade and other payable are expected to be settled or recognised as income within one year or are repayable on demand.

所有的貿易及其他應付款項，預計一年內或須於要求時償還或確認為收入。

During the year ended 31 December 2012, the Group has received interest-free advance of HK\$8,633,000 from a state-owned enterprise responsible for investment projects on behalf of Jingmen local government.

截至2012年12月31日止年度，本集團自代表荊門當地政府負責投資項目的國有企業收取免息墊款8,633,000港元。

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20 TRADE AND OTHER PAYABLES (CONTINUED)

As of the end of the reporting period, the ageing analysis of trade creditors (which are included in trade and other payable), based on the invoice date, is as follows:

Within 1 month	1 個月內
Over 1 month but within 3 months	超過 1 個月但至 3 個月內
Over 3 months but within 6 months	超過 3 個月但至 6 個月內
Over 6 months but within 1 year	超過 6 個月但至 1 年內

20 貿易及其他應付款項 (續)

截至本報告期結束，根據發票日期，應付貿易款項 (已包括貿易及其他應付款項) 的賬齡分析，如下：

The Group 本集團	
2012 \$'000 千元	2011 \$'000 千元
5,772	6,517
1,337	471
351	367
46	89
7,506	7,444

21 EMPLOYEES RETIREMENT BENEFITS

The Group operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employee's relevant income, subject to a cap of monthly relevant income of HK\$25,000 (HK\$20,000 prior to June 2012).

21 僱員退休福利

本集團根據香港強制性公積金計劃條例為受香港僱傭條例管轄的司法權區的受聘僱員設立一項強制性公積金計劃 (「強積金計劃」)。強積金計劃為一項由獨立受託人管理的界定供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員相關收入的5%向計劃供款，以月相關收入25,000港元為上限 (於2012年6月前，上限為港幣20,000元)。

21 EMPLOYEES RETIREMENT BENEFITS (CONTINUED)

Employees in the Group's PRC subsidiaries are members of the state-managed retirement scheme. The PRC subsidiaries are required to contribute to the scheme at rate of 10%-14% of the eligible employees' basic salary. The local government authority is responsible for the entire pension obligations payable to the retired employees.

The Group has no other material obligation for payment of retirement benefits beyond the annual contributions as described above.

22 EQUITY SETTLED SHARE-BASED TRANSACTIONS

(a) THE 2011 SHARE OPTION PLAN

On 27 May 2011, the Company granted 24,880,000 share options under its share option scheme to one executive director and eighty three eligible employees of the Group (including four key management personnel) for subscribing shares of the Company at an exercise price of HK\$1.39 per share. The exercise of these share options would entitle the director to subscribe for an aggregate of 2,120,000 shares of the Company while the eligible employees for an aggregate of 22,760,000 shares. Each option granted under the share option scheme has a vesting period of one to five years, commencing from the day of announcement of the 2011 annual results. The options are exercisable until 2017.

21 僱員退休福利(續)

本集團中國附屬公司僱員乃國家管理退休計劃的成員。中國附屬公司須向計劃供款，按合資格僱員基本薪金之10%至14%供款。當地政府對退休僱員之整個退休金責任負責。

除上述年度供款外，本集團並無有關支付退休福利的其他重大責任。

22 權益結算股份支付的交易

(a) 2011年購股權計劃

於2011年5月27日，本公司根據購股權計劃向本集團一名執行董事及83名合資格僱員（包括4名主要管理人員）授出24,880,000份購股權，以按每股1.39港元的行使價認購本公司股份。行使該等購股權將令該董事有權合共認購本公司2,120,000股股份，而合資格僱員則可認購合共22,760,000股股份。根據購股權計劃授出的每份購股權均具有1至5年的行權等待期，自2011年年度業績公告之日起計。購股權可於2017年前行使。

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(除另有註明外，所有金額以港元計算)

22 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(a) THE 2011 SHARE OPTION PLAN (CONTINUED)

(i) The terms and conditions of the grants are as follows:

22 權益結算股份支付的交易 (續)

(a) 2011年購股權計劃 (續)

(i) 購股權的條款及條件如下：

Date granted 授出日期	Vesting date 可行權日	Expiry date 到期日	Number of share options granted 授出的購股權數目			Contractual life 合約期限
			Director 董事	Employees 僱員	Total 合計	
27-May-11	Tranche 1: the day the 2011 annual results being announced	the day the 2016 annual results being announced	318,000	3,414,000	3,732,000	6 years
2011年5月27日	第1批：2011年年度業績公佈之日	2016年年度業績公佈之日	318,000	3,414,000	3,732,000	6年
27-May-11	Tranche 2: the day the 2012 annual results being announced	the day the 2016 annual results being announced	318,000	3,414,000	3,732,000	6 years
2011年5月27日	第2批：2012年年度業績公佈之日	2016年年度業績公佈之日	318,000	3,414,000	3,732,000	6年
27-May-11	Tranche 3: the day the 2013 annual results being announced	the day the 2016 annual results being announced	424,000	4,552,000	4,976,000	6 years
2011年5月27日	第3批：2013年年度業績公佈之日	2016年年度業績公佈之日	424,000	4,552,000	4,976,000	6年
27-May-11	Tranche 4: the day the 2014 annual results being announced	the day the 2016 annual results being announced	424,000	4,552,000	4,976,000	6 years
2011年5月27日	第4批：2014年年度業績公佈之日	2016年年度業績公佈之日	424,000	4,552,000	4,976,000	6年
27-May-11	Tranche 5: the day the 2015 annual results being announced	the day the 2016 annual results being announced	636,000	6,828,000	7,464,000	6 years
2011年5月27日	第5批：2015年年度業績公佈之日	2016年年度業績公佈之日	636,000	6,828,000	7,464,000	6年
			2,120,000	22,760,000	24,880,000	

22 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(a) THE 2011 SHARE OPTION PLAN (CONTINUED)

(ii) The number and weighted average exercise prices of share options are as follows:

		2012		2011	
		Exercise price	Number of options '000	Exercise price	Number of options '000
		行使價	購股權數目 千	行使價	購股權數目 千
Outstanding at the beginning of the year	於年初尚未行使	\$1.39	18,360	–	–
Granted during the year	年內已授出	–	–	\$1.39	24,880
Lapsed during the year (note 1)	年內已失效 (附註 1)	\$1.39	(5,040)	\$1.39	(6,520)
Outstanding at the end of the year (note 2)	於年終尚未行使 (附註 2)	\$1.39	13,320	\$1.39	18,360
Exercisable at the end of the year	於年可予行使	\$1.39	1,998	\$1.39	–

22 權益結算股份支付的交易 (續)

(a) 2011 年購股權計劃 (續)

(ii) 購股權之數目及加權平均行使價如下：

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22 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(a) THE 2011 SHARE OPTION PLAN (CONTINUED)

(ii) *The number and weighted average exercise prices of share options are as follows (continued):*

Notes:

- 1 For the year ended 31 December 2012, 5,040,000 share options were lapsed as certain directors and employees ceased to be directors and employees of the Group.
- 2 The options outstanding at 31 December 2012 had an exercise price of HK\$1.39 and a weighted average remaining contractual life of 4.3 years (2011: 5.3 years).

(iii) *Fair value of share options and assumptions:*

The fair value of services received in return for the share options granted is measured by reference to the fair value of share options granted. The estimated fair value of the share options granted is measured based on a binomial lattice model. The contractual life of the share options is used as an input into this model. Expectations of early exercise are incorporated into the binomial lattice model.

22 權益結算股份支付的交易(續)

(a) 2011年購股權計劃(續)

(ii) 購股權之數目及加權平均行使價如下(續)：

附註：

- 1 截至2012年12月31日止年度，由於若干董事及僱員已不再是本集團的董事及僱員，因此5,040,000份購股權已告失效。
- 2 於2012年12月31日之尚未行使購股權之行使價為1.39港元，加權平均剩餘合約期為4.3年(2011：5.3年)。

(iii) 購股權公允值及假設：

交換購股權所獲得的服務的公允值乃參考授出的購股權的公允值計量。購股權的估計公允值乃基於二項式點陣模式計量。購股權的合約期限用作該模式的輸入數據。該二項式點陣模式已計及預期對提早行使的因素。

22 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(a) THE 2011 SHARE OPTION PLAN (CONTINUED)

(iii) Fair value of share options and assumptions (continued):

Fair value (weighted average) per share option at measurement date	HK\$0.46
Share price	HK\$1.28
Exercise price per option	HK\$1.39
Expected volatility rate	50% per annum
Expected dividend yield	2% per annum
In-service early exercise behaviour	Option holder will exercise his/her options when the share price is at least 250% of the exercise price.
Option life (expressed as weighted average life used in the modelling under binomial lattice model)	4.91 years
Risk-free rate of interest	
Tranche 1:	1.00% per annum
Tranche 2:	1.22% per annum
Tranche 3:	1.40% per annum
Tranche 4:	1.54% per annum
Tranche 5:	1.65% per annum

22 權益結算股份支付的交易(續)

(a) 2011年購股權計劃(續)

(iii) 購股權公允值及假設(續):

於計量日期 每份購股權 的公允值(加 權平均數)	0.46 港元
股份價格	1.28 港元
每份購股權 行使價	1.39 港元
預期波動率	每年 50%
預期股息收益	每年 2%
服務期內提早 行使活動	購股權 持有人於 股價至少 為行使價 的 250% 時行使其 購股權。
購股權年期 (根據二項式 點陣模式計 算中使用的 加權平均年 期表示)	4.91 年
無風險利率	
第 1 批:	每年 1.00%
第 2 批:	每年 1.22%
第 3 批:	每年 1.40%
第 4 批:	每年 1.54%
第 5 批:	每年 1.65%

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22 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(a) THE 2011 SHARE OPTION PLAN (CONTINUED)

(iii) *Fair value of share options and assumptions (continued):*

The expected volatility is based on the Company's own volatility since its listing and comparable companies' volatility in recent years.

Taking into account the probability of early exercise behaviour stated above, the expected term of the grant was determined to be around 5 years.

The risk-free rate of interest with expected term shown above was taken to be the linearly interpolated yields of the Hong Kong Exchange Fund Notes as at the grant date.

Except for the conditions mentioned above, there were no other market conditions and service conditions associated with the share options.

22 權益結算股份支付的交易(續)

(a) 2011年購股權計劃(續)

(iii) 購股權公允值及假設(續)：

預期波動乃基於本公司自其上市以來其波動性及近年來可資比較公司之波動性。

計及上述提早行使活動的可能性，授出的預期期限確定為約5年。

上文所示預期期限的無風險利率被視為於授出日期香港外匯基金債券線性插補收益率。

除上述條件之外，概無與購股權相關的市況及服務條件。

22 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(b) THE 2012 SHARE OPTION PLAN

On 7 December 2012, the Company granted 24,600,000 share options under its share option scheme to five directors and sixty six eligible employees of the Group (including four key management personnel) for subscribing shares of the Company at an exercise price of HK\$0.60 per share. The exercise of these share options would entitle the directors to subscribe for an aggregate of 1,900,000 shares of the Company while the eligible employees for an aggregate of 22,700,000 shares. Each option granted under the share option scheme has a vesting period of one to five years, commencing from the day of announcement of the 2012 annual results. The options are exercisable until 2018.

(i) The terms and conditions of the grants are as follows:

22 權益結算股份支付的交易(續)

(b) 2012年購股權計劃

於2012年12月7日，本公司根據購股權計劃向本集團五名董事及66名合資格僱員(包括4名主要管理人員)授出24,600,000份購股權，以按每股0.60港元的行使價認購本公司股份。行使該等購股權將令該董事有權合共認購本公司1,900,000股股份，而合資格僱員則可認購合共22,700,000股股份。根據購股權計劃授出的每份購股權均具有1至5年的行權等待期，自2012年年度業績公告之日起計。購股權可於2018年前行使。

(i) 購股權的條款及條件如下：

Date granted 授出日期	Vesting Date 可行權日	Expiry Date 到期日	Number of share options granted 授出的購股權數目				Contractual life 合約期限
			Directors 董事	Employees 僱員	Total 合計		
7-Dec-12	Tranche 1: the day the 2012 annual results being announced	the day the 2017 annual results being announced	1,900,000	3,405,000	5,305,000		6 years
2012年12月7日	第1批：2012年年度業績公佈之日	2017年年度業績公佈之日	1,900,000	3,405,000	5,305,000		6年
7-Dec-12	Tranche 2: the day the 2013 annual results being announced	the day the 2017 annual results being announced	–	3,405,000	3,405,000		6 years
2012年12月7日	第2批：2013年年度業績公佈之日	2017年年度業績公佈之日	–	3,405,000	3,405,000		6年

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22 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(b) THE 2012 SHARE OPTION PLAN (CONTINUED)

- (i) The terms and conditions of the grants are as follows
(continued):

22 權益結算股份支付的交易 (續)

(b) 2012年購股權計劃 (續)

- (i) 購股權的條款及條件如下
(續)：

Date granted 授出日期	Vesting Date 可行權日	Expiry Date 到期日	Number of share options granted 授出的購股權數目			Contractual life 合約期限
			Directors 董事	Employees 僱員	Total 合計	
7-Dec-12	Tranche 3: the day the 2014 annual results being announced	the day the 2017 annual results being announced	–	4,540,000	4,540,000	6 years
2012年12月7日	第3批：2014年年度業績公佈之日	2017年年度業績公佈之日	–	4,540,000	4,540,000	6年
7-Dec-12	Tranche 4: the day the 2015 annual results being announced	the day the 2017 annual results being announced	–	4,540,000	4,540,000	6 years
2012年12月7日	第4批：2015年年度業績公佈之日	2017年年度業績公佈之日	–	4,540,000	4,540,000	6年
7-Dec-12	Tranche 5: the day the 2016 annual results being announced	the day the 2017 annual results being announced	–	6,810,000	6,810,000	6 years
2012年12月7日	第5批：2016年年度業績公佈之日	2017年年度業績公佈之日	–	6,810,000	6,810,000	6年
			1,900,000	22,700,000	24,600,000	

22 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(b) THE 2012 SHARE OPTION PLAN (CONTINUED)

(ii) *The number and weighted average exercise prices of share options are as follows:*

Outstanding at the beginning of the year	於年初尚未行使
Granted during the year	年內已授出
Outstanding at the end of the year	於年終尚未行使
Exercisable at the end of the year	於年可予行使

The options outstanding at 31 December 2012 had an exercise price of HK\$0.60 and a weighted average remaining contractual life of 5.2 years.

(iii) *Fair value of share options and assumptions:*

The fair value of services received in return for the share options granted is measured by reference to the fair value of share options granted. The estimated fair value of the share options granted is measured based on a binomial lattice model. The contractual life of the share options is used as an input into this model. Expectations of early exercise are incorporated into the binomial lattice model.

22 權益結算股份支付的交易 (續)

(b) 2012年購股權計劃 (續)

(ii) 購股權之數目及加權平均行使價如下：

Exercise price 行使價	Number of options 購股權數目 '000 千
—	—
\$0.60	24,600
\$0.60	24,600
\$0.60	—

於2012年12月31日之尚未行使購股權之行使價為0.60港元，加權平均剩餘合約期為5.2年。

(iii) 購股權公允值及假設：

交換購股權所獲得的服務的公允值乃參考授出的購股權的公允值計量。購股權的估計公允值乃基於二項式點陣模式計量。購股權的合約期限用作該模式的輸入數據。該二項式點陣模式已計及預期對提早行使的因素。

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22 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(b) THE 2012 SHARE OPTION PLAN (CONTINUED)

(iii) Fair value of share options and assumptions (continued):

Fair value (weighted average)

per share option at

measurement date

– Directors HK\$0.226

– Employees HK\$0.212

Share price HK\$0.60

Exercise price per option HK\$0.60

Expected volatility rate 50% per annum

Expected dividend yield 2% per annum

In-service early exercise behaviour Option holder will exercise his/her options when the share price is at least 250% of the exercise price.

Option life (expressed as weighted average life used in the modelling under binomial lattice model) 4.37 years

Risk-free rate of interest

– Directors 0.25% per annum

– Employees

Tranche 1: 0.16% per annum

Tranche 2: 0.20% per annum

Tranche 3: 0.23% per annum

Tranche 4: 0.26% per annum

Tranche 5: 0.27% per annum

22 權益結算股份支付的交易 (續)

(b) 2012年購股權計劃 (續)

(iii) 購股權公允值及假設 (續) :

於計量日期每份購股權的公允值 (加權平均數)

– 董事 0.226 港元

– 僱員 0.212 港元

股份價格 0.60 港元

每份購股權

行使價 0.60 港元

預期波動率 每年 50%

預期股息收益 每年 2%

服務期內提早 購股權持

行使活動 有人於股價至少為行使價的 250% 時行使其購股權

購股權年期

(根據二項

式點陣模式

計算中使用的

加權平均

年期表示) 4.37 年

無風險利率

– 董事 每年 0.25%

– 僱員

第 1 批 : 每年 0.16%

第 2 批 : 每年 0.20%

第 3 批 : 每年 0.23%

第 4 批 : 每年 0.26%

第 5 批 : 每年 0.27%

22 EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(b) THE 2012 SHARE OPTION PLAN (CONTINUED)

(iii) *Fair value of share options and assumptions (continued):*

The expected volatility is based on the Company's own volatility since its listing and comparable companies' volatility in recent years.

Taking into account the probability of early exercise behaviour stated above, the expected term of the grant was determined to be around 4 years.

The risk-free rate of interest with expected term shown above was taken to be the linearly interpolated yields of the Hong Kong Exchange Fund Notes as at the grant date.

Except for the conditions mentioned above, there were no other market conditions and service conditions associated with the share options.

22 權益結算股份支付的交易(續)

(b) 2012 購股權計劃(續)

(iii) 購股權公允值及假設(續)：

預期波動乃基於本公司自其上市以來其波動性及近年來可資比較公司之波動性。

計及上述提早行使活動的可能性，授出的預期期限確定為約4年。

上文所示預期期限的無風險利率被視為於授出日期香港外匯基金債券線性插補收益率。

除上述條件之外，概無與購股權相關的市況及服務條件。

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23 CAPITAL, RESERVES AND DIVIDENDS

(a) MOVEMENTS IN COMPONENTS OF EQUITY

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

The Company

23 資本、儲備及股息

(a) 權益部分之變動

本集團綜合權益各部份年初及年終結餘之對賬載於綜合權益變動表。本公司各個權益部份於年初及年終期間之變動載列如下：

		Share capital 股本 \$'000 千元	Share premium 股份溢價 \$'000 千元	Capital reserve 資本儲備 \$'000 千元	(Accumulated losses)/ Retained earnings (累計虧損)/ 保留溢利 \$'000 千元	Total 總計 \$'000 千元
Balance at 1 January 2011	於 2011 年 1 月 1 日的結餘	-	-	-	(11,326)	(11,326)
Profit for the year	年內溢利	-	-	-	16,676	16,676
Issuance of shares by share offer	透過股份發售發行股份	4,150	138,096	-	-	142,246
Dividends declared and paid	宣派及派付股息	-	-	-	(5,188)	(5,188)
Equity settled share-based transactions	以權益結算股份支付的交易	-	-	814	-	814
Balance at 31 December 2011 and 1 January 2012	於 2011 年 12 月 31 日及 2012 年 1 月 1 日的結餘	4,150	138,096	814	162	143,222
Profit for the year	年內溢利	-	-	-	6,801	6,801
Dividends declared and paid	宣派及派付股息	-	-	-	(5,188)	(5,188)
Equity settled share-based transactions	以權益結算股份支付的交易	-	-	875	-	875
Share options lapsed during the year	股份期權於年內失效	-	-	(60)	60	-
Balance at 31 December 2012	於 2012 年 12 月 31 日	4,150	138,096	1,629	1,835	145,710

23 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(b) DIVIDENDS

Dividends payable to equity shareholders of the Company attributable to the year:

		2012 \$'000 千元	2011 \$'000 千元
Interim dividend declared and paid of HK1.25 cents per ordinary share attributable to the year 2011	宣派及派付2011年之中期股息每股普通股1.25港仙	—	5,188
Final dividend proposed after the end of the reporting period of HK2 cents per ordinary share (2011: HK1.25 cents)	於報告期後每股普通股2港仙之擬派末期股息(2011年: 1.25港仙)	8,300	5,188
		8,300	10,376

The final dividend proposed after 31 December 2012 has not been recognised as a liability as at the end of reporting period.

Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year:

		2012 \$'000 千元	2011 \$'000 千元
Final dividend in respect of the previous financial year, approved and paid during the year, of HK1.25 cents per share (2011: nil)	就上一個財政年度於年內批核及支付末期股息(1.25港仙)(2011: 無)	5,188	—

23 資本、儲備及股息(續)

(b) 股息

應付予本公司權益股東應佔年內的股息：

於2012年12月31日後之擬派末期股息並無於報告期終確認為負債。

應付予本公司權益股東應佔上一個財政年度已於年內批核及支付的股息

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23 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(c) SHARE CAPITAL

(i) Authorised and issued share capital

23 資本、儲備及股息 (續)

(c) 股本

(i) 法定及已發行股本

		2012		2011	
		No. of shares 股份數目 '000 千	Share capital 股本 \$'000 千元	No. of shares 股份數目 '000 千	Share capital 股本 \$'000 千元
Authorised,	法定,				
Ordinary shares of	每股面值 0.01 港元				
HK\$0.01 each	的普通股	2,000,000	20,000	2,000,000	20,000
Ordinary shares, issued and fully paid:	普通股，已發行 及繳足：				
At 1 January	1 月 1 日	415,000	4,150	–	–
Shares issued by share offer	透過股份發售發行的股份	–	–	415,000	4,150
At 31 December	12 月 31 日	415,000	4,150	415,000	4,150

23 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(c) SHARE CAPITAL (CONTINUED)

(i) *Authorised and issued share capital (continued)*

The shares of the Company were listed on the Main Board of The Hong Kong Stock Exchange on 12 January 2011, with a total number of 400,000,000 shares, among which 100,000,000 shares (25% of the total number of shares of the Company) were issued to the public. The gross proceeds received from the offering were approximately HK\$133,000,000. The Company subsequently over-allotted and issued 15,000,000 shares to the public on 28 January 2011 and gross proceeds received were approximately HK\$19,950,000.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Group's residual assets.

(ii) *Shares issued under share option scheme*

No options were exercised during the years ended 31 December 2012 and 2011. Further details of these options are set out in note 22 to financial statements.

23 資本、儲備及股息(續)

(c) 股本(續)

(i) 法定及已發行股本(續)

本公司股份於2011年1月12日於香港聯交所主板上市，股份總數為400,000,000股，其中100,000,000股股份(佔本公司股份總數的25%)已向公眾發行。已收取的公開發售所得款項總額約為133,000,000港元。本公司其後於2011年1月28日向公眾超額配發及發行15,000,000股股份，已收取的所得款項總額約為19,950,000港元。

普通股的持有人有權收取不時宣派的股息，並有權於大會上享有每股一票的投票權。就本集團的剩餘資產而言，所有普通股享有同等地位。

(ii) 根據購股權計劃所發行之股份

截至2012年及2011年12月31日止年度並無行使購股權。有關購股權之進一步詳情載於財務報表附註22內。

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23 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(d) SHARE PREMIUM

The excess of the issued price of HK\$152,950,000 (HK\$1.33 per share) net of any issuance expenses of HK\$10,704,000 over the par value of the shares issued has been credited to the share premium account of the Company.

Under the Companies Law (Revised) of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

According to the Company's Memorandum and Articles of Association, dividends may be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose with the sanction of an ordinary resolution.

23 資本、儲備及股息(續)

(d) 股份溢價

發行價152,950,000港元(每股1.33港元)扣除發行開支10,704,000港元後超出已發行股份面值的金額已計入本公司股份溢價賬。

根據開曼群島公司法(經修訂)，股份溢價賬可供分配予本公司股東，惟於緊隨建議分派股息之日後，本公司將有能力於日常業務過程中償還到期債務。

根據本公司之組織章程大綱及細則，本公司須經普通決議案准許後，方可從股份溢價賬或任何其他基金或賬目宣派及派付股息。

23 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(e) STATUTORY RESERVE

Statutory reserve was established in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiaries incorporated in the PRC. Transfers to the reserve were approved by the respective board of directors.

KEE Guangdong and KEE Zhejiang, which are wholly foreign owned enterprises incorporated in the PRC, are required to transfer at least 10% of its net profit (after offsetting prior year's losses), as determined under the PRC accounting rules and regulations, to statutory general reserve until the reserve balance reaches 50% of the registered capital under the PRC Company Law and the articles of association of these entities. The transfer to this reserve must be made before distribution of dividends to the equity shareholders.

Statutory general reserve can be used to make good prior years' losses, if any, and may be converted into paid-up capital provided that the balance after such conversion is not less than 25% of the registered capital.

23 資本、儲備及股息(續)

(e) 法定儲備

法定儲備按照相關中國規則及規例以及在中國註冊成立的本公司附屬公司的組織章程細則設立。轉撥至儲備由相關董事會批准。

開易廣東及開易浙江為在中國註冊成立的外商獨資企業，須於抵銷過往年度的虧損後將其純利（根據中國會計規則及規例計算）的至少10%轉撥至一般法定儲備，直至儲備結餘達根據中國公司法及該等實體的組織章程細則規定的註冊資本的50%。轉撥至該儲備須於向權益股東分派股息前進行。

法定一般儲備可用作彌補過往年度的虧損（如有），亦可轉換為繳足股本，惟進行有關轉換後的結餘不得少於註冊資本的25%。

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23 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(f) CAPITAL RESERVE

Capital reserve comprises the following:

- reserves arising prior to and during the reorganisation of the Group during the year ended 31 December 2010;
- the portion of the grant date fair value of unexercised share options granted to employees of the directors and employees of the Company that has been recognised in accordance with the accounting policy adopted for share-based payments in note 1(m)(ii); and
- changes in equity attributable to the shareholders of the Company arising from contribution from non-controlling interests for acquisition of interests in a PRC subsidiary.

(g) EXCHANGE RESERVE

Exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of subsidiaries with functional currencies other than HK\$. The reserve is dealt with in accordance with the accounting policy set out in note 1(q).

(h) DISTRIBUTABILITY OF RESERVES

At 31 December 2012, the aggregate amount of reserves available for distribution to the equity shareholders of the Company was HK\$139,931,000 (2011: HK\$138,258,000).

23 資本、儲備及股息(續)

(f) 資本儲備

資本儲備包括以下部份：

- 重組前及本集團於二零一零年十二月三十一日止年度重組期間產生之儲備；
- 授予本公司董事及僱員之未行使購股權之授出日期公允值根據就股份付款所採納的會計政策(見附註1(m)(ii))而予以確認的部分；及
- 透過本公司非控股權益股東注資收購一間中國附屬公司而產生本公司權益股東應佔權益變動。

(g) 匯兌儲備

匯兌儲備包括因換算使用港元以外的功能貨幣的附屬公司財務報表產生的所有外匯差額。該儲備乃根據附註1(q)所載的會計政策處理。

(h) 儲備的可供分派性

於2012年12月31日，可供分派予本公司權益股東的儲備總額為139,931,000港元(2011：138,258,000港元)。

23 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(i) CAPITAL MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes interest-bearing loans and borrowings, and obligation under finance lease, if any), less cash and cash equivalents. Adjusted capital comprises all components of equity.

During 2012, the Group's strategy, which was unchanged from 2011 was to maintain the adjusted net debt-to-capital ratio below 20%. As of 31 December 2012, the Group does not have any debts from banks. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholder, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

23 資本、儲備及股息(續)

(i) 資本管理

本集團管理資本的首要目標乃保障本集團的持續經營能力，從而透過按風險水平為產品及服務定價以及透過以合理成本取得融資，不斷為股東帶來回報及為其他利益相關者帶來利益。

本集團積極及定期對資本架構進行檢討及管理，以在較高借貸水平可能帶來的較高股東回報與良好的資本狀況帶來的好處及保障之間取得平衡，並因應經濟環境的變化對資本架構作出調整。

本集團按經調整負債淨額與資本比率的基準監察其資本架構。就此而言，經調整債務淨額乃定義為債務總額（包括付息貸款及借款以及融資租賃項下責任（如有）），減現金及現金等價物。經調整資本包括所有權益組成部分。

於2012年，本集團秉承2011年的策略，將經調整債務淨額與資本比率維持低於20%。於2012年12月31日，本集團並無對銀行的債務。為維持或調整該比率，本集團或會對派付予股東的股息金額作出調整、發行新股份、向股東返還資本、籌集新債務融資或出售資產以減少負債。

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24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES

Exposure to credit, interest rate, liquidity and currency risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) CREDIT RISK

The Group's credit risk is primarily attributable to trade and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade and other receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30-90 days from the date of billing. Debtors with balances that are past due are usually requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

24 金融風險管理及公允值

本集團所面臨的信貨、利率、流動資金及貨幣風險乃在本集團日常業務過程中產生。

本集團承受的風險及本集團就解決有關風險所用的財務風險管理政策及慣例載列如下。

(a) 信貸風險

本集團的信貨風險主要來自貿易及其他應收款項。管理層訂有信貸政策，並持續監管該等信貸風險。

就貿易及其他應收款項而言，本集團對於所有要求一定數額信貸的客戶進行個別信用評估。評估主要根據客戶過往到期還款歷史及現時償付能力，並考慮特定客戶的資料及其所處經營經濟環境。應收貿易款項自發出賬單日期起30至90日內到期。賬項逾期的債務人通常會被要求先清償所有未償還餘額，才能獲得任何進一步信貸。一般而言，本集團不會要求客戶提供抵押品。

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(a) CREDIT RISK (CONTINUED)

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore certain concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 22% (2011: 16%) of the total trade receivables were due from the Group's five largest customers.

The Group does not provide any guarantees which would expose the Group to credit risk.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 17.

(b) INTEREST RATE RISK

The Group did not have any loans outstanding at the end of the reporting date. Deposits placed with banks earn interest at a rate of 0.01% to 3.08% (2011: 0.01% to 3.30%) per annum. The Group does not consider that it has a significant exposure to interest rate risk.

24 金融風險管理及公允值(續)

(a) 信貸風險(續)

本集團所面臨的信貸風險主要受各客戶的個別特點所影響，而非客戶經營的行業或國家，因此，本集團所面臨的若干信貸風險高度集中情況主要來自所面臨的重大個別客戶風險。於本報告期結束時，應收貿易款項總額達22%(2011年：16%)來自本集團的五大客戶。

本集團不會提供任何會使本集團面臨信貸風險的擔保。

本集團因貿易及其他應收款項而產生的信貸風險的進一步定量披露載於附註17。

(b) 利率風險

於本報告期結束時，本集團並無任何未償還貸款。銀行存款賺取年率0.01%至3.08%的利息(2011：0.01%至3.30%)。本集團並不認為其面臨重大的利率風險。

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24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(c) LIQUIDITY RISK

Individual operating entities within the Group are responsible for their own cash management, including the short term investments of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

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

24 金融風險管理及公允值(續)

(c) 流動資金風險

本集團內個別營運企業須自行負責現金管理，包括將現金盈餘作短期投資及籌集貸款以應付預期的現金需求(惟借貸額超過若干預先釐定授權水平則須獲得母公司董事會批准)。本集團的政策為定期監察其流動資金需要，以確保其維持足夠現金儲備及隨時可變現的有價證券，並獲主要金融機構授予充足的已承諾資金額度，以應付其長短期之流動資金需要。

下表列示於財務狀況表日本集團報告期結束時及本公司之金融負債餘下的合約到期日(根據合約未折現現金流量(包括以合約利率計算的利息付款或倘為浮動利率，則以報告期結束時的現行利率計算))及本集團及本公司可能被要求支付的最早日期：

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(c) LIQUIDITY RISK (CONTINUED)

The Group

		2012		2011	
		Contractual undiscounted cash outflow	Carrying amount at 31 December	Contractual undiscounted cash outflow	Carrying amount at 31 December
		Within 1 year or on demand	於 12 月 31 日 之賬面值	Within 1 year or on demand	於 12 月 31 日 之賬面值
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Trade and other payables	貿易及其他應付款項	33,494	33,494	20,172	20,172

The Company

本公司

		2012		2011	
		Contractual undiscounted cash outflow	Carrying amount at 31 December	Contractual undiscounted cash outflow	Carrying amount at 31 December
		Within 1 year or on demand	於 12 月 31 日 之賬面值	Within 1 year or on demand	於 12 月 31 日 之賬面值
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Other payables	其他應付款項	639	639	625	625

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24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(c) LIQUIDITY RISK (CONTINUED)

The short-term liquidity risk inherent in this contractual maturity date has been addressed after the end of the reporting period by utilising the cash generated from operating activities.

(d) CURRENCY RISK

The Group is exposed to currency risk primarily through sales and bank deposits and which give rise to receivables and cash balances that are denominated in United States Dollars ("USD") under KEE Zippers.

As HKD are pegged to USD, the Group considers the risk of movements in exchange rates between USD and HKD to be insignificant.

(e) FAIR VALUES

The carrying amounts of the Group's and the Company's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2012 and 2011.

24 金融風險管理及公允值(續)

(c) 流動資金風險(續)

於該合約到期日固有的短期流動性風險已透過報告期結束後的經營活動所得現金緩解。

(d) 貨幣風險

本集團面對的貨幣風險主要來自銷售及銀行存款，而引致開易拉鏈其下的應收賬款及現金結餘均以美元計值(「美元」)。

由於港元與美元掛鈎，本集團認為美元與港元之間的匯率變動風險屬微不足道。

(e) 公允值

於2012年及2011年12月31日以成本或攤銷成本列賬的本集團及本公司之財務工具之賬面值與其公允值概無重大差異。

25 COMMITMENTS

- (a) Capital commitments outstanding at 31 December 2012 and 2011 not provided for in the financial statements were as follows:

		The Group 本集團	
		2012 \$'000 千元	2011 \$'000 千元
Contracted for	已訂約	74,043	11,615

- (b) At the end of the reporting period, the total future minimum leases payments under non-cancellable operating leases are payable as follows:

		The Group 本集團	
		2012 \$'000 千元	2011 \$'000 千元
Within 1 year	1 年內	5,129	4,592
After 1 year but within 5 years	1 年後但 5 年內	8,852	568
		13,981	5,160

25 承擔

- (a) 於2012年及2011年12月31日，未於財務報表內作出撥備的資本承擔如下：

- (b) 於報告期結束時，根據不可撤銷經營租賃應付的未來最低租金總額如下：

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26 MATERIAL RELATED PARTY TRANSACTIONS

During the year, the directors are of the view that related parties of the Group include the following individuals/companies:

Name of related party	Relationship with the Group
Xu Xipeng and Xu Xinan	Ultimate controlling parties and key management personnel
Nicco Worldwide Inc. ("Nicco")	Immediate holding company

(a) KEY MANAGEMENT PERSONNEL COMPENSATION

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 7 and certain of the highest paid employees as disclosed in note 8, is as follows:

Short-term employee benefits	短期僱員福利
Contributions to defined contribution retirement plans	向界定供款退休計劃供款
Equity compensation benefits	權益補償福利

Total remuneration is included in "staff costs" (note 5(b)).

26 重大關連方交易

年內，董事認為，本集團的關連方包括以下人士／公司：

關連方名稱	與本集團的關係
許錫鵬及許錫南	最終控股方及主要管理人員
Nicco Worldwide Inc. (「Nicco」)	直接控股公司

(a) 主要管理人員薪酬

主要管理人員薪酬(包括附註7所披露支付予本集團董事的款項及附註8所披露若干最高薪酬員工)如下：

The Group 本集團	
2012 \$'000 千元	2011 \$'000 千元
2,905	3,043
26	16
156	157
3,087	3,216

薪酬總額計入「員工成本」(附註5(b))。

26 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) RECURRING TRANSACTIONS WITH OTHER RELATED PARTIES

Rentals paid to 向以下各方支付租金
– Ultimate controlling parties – 最終控股方

(c) APPLICABILITY OF THE LISTING RULES RELATING TO CONNECTED TRANSACTIONS

The related party transactions in respect of rentals paid to ultimate controlling parties above constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules. The disclosures required by Chapter 14A of the Listing Rules are provided in the section of continuing connected transactions in the Reports of the directors.

26 重大關連方交易(續)

(b) 與其他關連方的經常交易

The Group 本集團	
2012 \$'000 千元	2011 \$'000 千元
3,836	3,761

(c) 適用上市規則有關的關連交易

就上文向最終控股方支付租金的關連方交易，上市規則第十四14A章所界定，構成關連交易或持續關連交易。根據上市規則第14A章的披露要求，於董事會報告持續關連交易一節披露。

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26 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(d) AMOUNT DUE FROM/(TO) A SUBSIDIARY

- Amount due from KEE Zippers — 應收開易拉鏈款項
- Loan to KEE Zippers — 貸款予開易拉鏈

The above amount due from KEE Zippers is unsecured, interest free and has no fixed terms of repayment. Loan to KEE Zippers, which bears an interest rate of 5% per annum, is unsecured and repayable on 31 December 2013. No provisions for bad or doubtful debts have been made in respect of the above amounts.

27 IMMEDIATE AND ULTIMATE CONTROLLING PARTIES

At 31 December 2012, the directors consider the immediate controlling party of the Group to be Nicco, while the ultimate controlling parties of the Group to be Mr. Xu Xipeng and Mr. Xu Xinan. Nicco is incorporated in BVI. This entity does not produce financial statements available for public use.

26 重大關連方交易(續)

(d) 應收／(應付)一間附屬公司款項

The Company 本公司	
2012 \$'000 千元	2011 \$'000 千元
17,403	143,174
128,603	—

上述應收開易拉鏈款項乃無抵押、免息及無固定還款期。借款予開易拉鏈，帶有年利率5%，貸款乃無抵押及須於2013年12月31日償付。就上述款項並無作出呆壞賬撥備。

27 直接及最終控股方

董事認為，截至2012年12月31日的本集團直接控股方為Nicco，而本集團的最終控股方為許錫鵬先生及許錫南先生。Nicco在英屬英屬處女群島註冊成立。該公司不會提供財務報表予公眾使用。

28 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group's financial condition and results of operations are sensitive to accounting methods, assumptions and estimates that underlie the preparation of the financial statements. The Group bases the assumptions and estimates on historical experience and on various other assumptions that the Group believes to be reasonable and which form the basis for making judgements about matters that are not readily apparent from other sources. On an on-going basis, management evaluates its estimates. Actual results may differ from those estimates as facts, circumstances and conditions change.

The selection of critical accounting policies, the judgements and other uncertainties affecting application of those policies and the sensitivity of reported results to changes in conditions and assumptions are factors to be considered when reviewing the financial statements. The significant accounting policies are set forth in note 1. The Group believes the following critical accounting policies involve the most significant judgements and estimates used in the preparation of the financial statements.

28 主要會計估計及判斷

本集團的財務狀況及經營業績易受到與編製財務報表有關的會計方法、假設及估計所影響。本集團以本集團認為合理的過往經驗及其他不同假設作為相關假設及估計的基礎，而該等經驗及假設均為對未能從其他來源確定的事宜作出判斷的基準。管理層會持續對其估計作出評估。由於實際情況、環境及狀況的改變，故實際業績可能有別於該等估計。

在審閱財務報表時，需要考慮的因素包括重要會計政策的選擇、對應用該等政策產生影響的判斷及其他不明朗因素，以及已呈報業績對狀況及假設改變的敏感度等。主要會計政策載列於附註1。本集團相信，以下重要會計政策包括在編製財務報表時所採用的最重要的判斷及估計。

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28 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) IMPAIRMENT

(i) *Non-financial long-term assets*

If circumstances indicate that the net book value of property, plant and equipment and lease prepayments may not be recoverable, these assets may be considered "impaired", and an impairment loss may be recognised in accordance with HKAS 36, Impairment of assets. The carrying amounts of these assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of the net selling price and the value in use. It is difficult to precisely estimate selling price because quoted market prices for the Group's assets are not readily available. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to level of sales volume, selling price, material costs and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including sales volume, expected changes to selling prices and operating costs, and discount rate.

28 主要會計估計及判斷(續)

(a) 減值

(i) *非金融長期資產*

倘若情況顯示物業、廠房及設備及租賃預付的賬面淨值可能無法收回，該等資產或會被視為「已減值」，並可根據香港會計準則第36號「資產減值」確認減值虧損。該等資產的賬面值會定期予以審閱，以評定可收回金額是否跌至低於賬面值。當事項或環境變動顯示資產的已記錄賬面值可能無法收回時，便會就有關資產進行減值測試。如有下跌，賬面值會減至可收回金額。可收回金額是以淨售價與使用價值兩者中的較高者計算。由於本集團難以獲得資產的市場報價，因此難以準確地估計售價。在釐定使用價值時，資產所產生的預期現金流量會貼現至其現值，因而需要對銷量、售價、材料成本及經營成本等作出重大判斷。本集團使用所有可供使用的資料以判斷合理相若的可回收金額，可使用資料包括銷量、售價及經營成本的預期變動及折現率。

28 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) IMPAIRMENT (CONTINUED)

(ii) *Receivables*

The Group estimates impairment losses for bad and doubtful debts resulting from the inability of the debtors to make the required payments. The Group bases the estimates on the ageing of the trade and other receivables balance, credit-worthiness of the debtors and historical write-off experience. If the financial condition of the debtors were to deteriorate, actual write-offs would be higher than estimated.

(b) DEPRECIATION AND AMORTISATION

Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the assets, after taking into account the estimated residual value, if any. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation expense to be recorded during any reporting period. The useful lives are based on the Group's historical experience with similar assets and taking into account upgrading and improvement work performed for anticipated technological changes, and legal or similar limits on the use of assets. The depreciation and amortisation expense for future periods is adjusted if there are significant changes from previous estimates.

28 主要會計估計及判斷(續)

(a) 減值(續)

(ii) 應收款項

本集團就債務人無法作出所需付款時產生的呆壞賬估計減值虧損。本集團以貿易及其他應收款項結餘的賬齡、債務人的信譽及過往撇銷經驗等資料作為估計的基礎。倘債務人的財務狀況惡化，實際撇銷數額將會高於估計數額。

(b) 折舊及攤銷

固定資產均在考慮其估計剩餘價值(如有)後，在資產的估計可使用年限內按直線法計提折舊。本集團定期審閱資產的估計可使用年限，以釐定將於任何報告期間記入的折舊費用數額。可使用年期是根據本集團對同類資產的以往經驗並經考慮所進行的升級及改善工作、預期的技術變動及使用資產的法律或類似限制而定。倘若以前作出的估計出現重大變動，則會在未來期間對折舊及攤銷費用作出調整。

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28 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(c) INVENTORIES

The Group determines the write-down for obsolescence of inventories. These estimates are based on the current market condition and the historical experience in selling goods of similar nature. It could change significantly as a result of change in market condition.

(d) INCOME TAXES

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. The Group carefully evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislations. Deferred tax assets are recognised for unused tax losses and deductible temporary differences. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profit will be available against which they can be utilised, management's judgement is required to assess the probability of future taxable profits. Management's assessment is constantly reviewed and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax asset to be recovered.

28 主要會計估計及判斷(續)

(c) 存貨

本集團會釐定陳舊存貨的撇減。此等估計乃根據目前市況及銷售類似性質貨物的過往經驗作出，可因應市況變動而大幅改變。

(d) 所得稅

釐定所得稅撥備涉及對若干交易的未來稅務處理的判斷。本集團審慎評估交易的稅務影響及從而成立稅項撥備。該等交易的稅務處理在考慮所有稅務變動而定期重新檢討。遞延稅項資產確認為未動用稅項虧損及可抵扣暫時差異產生。管理層需要判斷，以評估未來應課稅利潤的可能性，因遞延稅項資產只限於很可能獲得能利用該遞延稅項資產來抵扣的未來應課稅溢利的部份予以確認。管理層需不斷對上述評估進行檢討，如未來可產生應課稅溢利，以使遞延稅項資產可得以抵扣應課稅溢利，有關額外的遞延稅項資產將予以確認。

29 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2012

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and five new standards which are not yet effective for the year ended 31 December 2012 and which have not been adopted in these financial statements.

29 已公佈但於截至2012年12月31日止年度尚未生效之修訂、新準則及詮釋之可能影響

於此等財務報表刊發日期，香港會計師公會已公佈多項修訂及五項新準則。該等修訂、詮釋及新準則於截至2012年12月31日止年度尚未生效，此等財務報表亦無採用該等修訂、詮釋及新準則。

		Effective for accounting periods beginning on or after 自以下日期或之後開始的 會計期間生效
Amendments to HKAS 1	<i>Presentation of financial statements – Presentation of items of other comprehensive income</i>	1 July 2012
香港會計準則第1號的修訂	金融工具呈列—其他全面收入項目之呈列	2012年7月1日
HKFRS 10	<i>Consolidated financial statements</i>	1 January 2013
香港財務報告準則第10號	綜合財務報表	2013年1月1日
HKFRS 11	<i>Joint arrangements</i>	1 January 2013
香港財務報告準則第11號	合營安排	2013年1月1日
HKFRS 12	<i>Disclosure of interests in other entities</i>	1 January 2013
香港財務報告準則第12號	對其他實體權益之披露	2013年1月1日
HKFRS 13	<i>Fair value measurement</i>	1 January 2013
香港財務報告準則第13號	公允值計量	2013年1月1日
HKAS 27	<i>Separate financial statements (2011)</i>	1 January 2013
香港會計準則第27號	獨立財務報表(2011)	2013年1月1日

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

29 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)

29 已公佈但於截至2012年12月31 日止年度尚未生效之修訂、新 準則及詮釋之可能影響(續)

		Effective for accounting periods beginning on or after 自以下日期或之後開始的 會計期間生效
HKAS 28	<i>Investments in associates and joint ventures</i>	1 January 2013
香港會計準則第28號	於聯營公司及合資企業的投資	2013年1月1日
Revised HKAS 19	<i>Employee benefits</i>	1 January 2013
香港會計準則第19號(經修訂)	僱員福利	2013年1月1日
Annual Improvements to HKFRSs	<i>2009-2011 Cycle</i>	1 January 2013
香港財務報告準則之年度改進	二零零九年至二零一一年週期	2013年1月1日
Amendments to HKFRS 7	<i>Financial instruments: Disclosures – Disclosures-Offsetting financial assets and financial liabilities</i>	1 January 2013
香港財務報告準則第7號的修訂	金融工具：披露 –披露－財務資產及財務負債對銷	2013年1月1日
Amendments to HKAS 32	<i>Financial instruments: Presentation – Offsetting financial assets and financial liabilities</i>	1 January 2014
香港會計準則第32號的修訂	金融工具：呈列 –財務資產及財務負債對銷	2014年1月1日
HKFRS 9	<i>Financial Instruments</i>	1 January 2015
香港財務報告準則第9號	金融工具	2015年1月1日

29 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)

The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for the following:

HKFRS 10, CONSOLIDATED FINANCIAL STATEMENTS

HKFRS 10 replaces the requirements in HKAS 27, Consolidated and separate financial statements relating to the preparation of consolidated financial statements. It introduces a single control model to determine whether an investee should be consolidated, by focusing on whether the entity has power over the investee, exposure to variable returns from its involvement with the investee and the ability to use its power to affect the amount of those returns.

The application of HKFRS 10 is not expected to change any of the control conclusions reached by the Group in respect of its involvement with other entities as at 1 January 2013. However, it may in the future result in investees being consolidated which would not have been consolidated under the Group's existing policies or vice versa.

29 已公佈但於截至2012年12月31日止年度尚未生效之修訂、新準則及詮釋之可能影響(續)

本集團正評估該等修訂在首個應用期產生的影響。到目前為止，採納該等修訂不大可能對綜合財務報表構成任何重大影響，以下各項則除外：

香港財務報告準則第10號，合併財務報表

香港財務報告準則第10號取代有關編製合併財務報表的香港會計準則第27號，合併及獨立財務報表的規定。香港財務報告準則第10號引入單一控制模式，以釐定被投資公司應否予以合併處理，而焦點則放在有關實體是否有權控制被投資公司、參與被投資公司業務所得可變動回報的風險承擔，以及運用權力影響該等回報金額的能力。

本集團預期採用香港財務報告準則第10號不會改變就截至二零一三年一月一日為止參與其他實體業務所達致的任何有關控制方面的協議。但是，日後可能導致的情況是，根據本集團現有政策不應會合併處理的被投資公司卻予以合併處理，反之亦然。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars
unless otherwise indicated)
(除另有註明外，所有金額以港元計算)

30 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

After the end of the reporting period the directors proposed a final dividend. Further details are disclosed in note 23(b).

30 無需進行調整的報告期後事項

於報告期末後，董事擬分派末期股息。進一步詳情請於附註23(b)披露。

Glossary

詞彙

In this annual report, unless the context otherwise requires, the following terms shall have the following meanings.

除文義另有所指外，在本年報內，下列詞語具有以下涵義：

“Board” 「董事會」	means 指	the board of Directors 董事會
“CG Code” 「企業管治守則」	means 指	code on corporate governance practices as set out in Appendix 14 to the Listing Rules 上市規則附錄 14 所載企業管治常規守則
“Company” 「本公司」	means 指	KEE Holdings Company Limited, an exempted company incorporated with limited liability under the laws of the Cayman Islands on 6 July 2010, the Shares of which are listed on the Main Board of the Hong Kong Stock Exchange 開易控股有限公司，於 2010 年 7 月 6 日根據開曼群島法律註冊成立為獲豁免有限公司，其股份於香港聯交所主板上市
“Controlling Shareholder(s)” 「控股股東」		has the meaning ascribed to it under the Listing Rules and, in the context of the Company, means Nicco, Mr. Xu Xipeng and Mr. Xu Xinan 上市規則所賦予之涵義及就本公司文義而言，指 Nicco、許錫鵬先生及許錫南先生
“Director(s)” 「董事」	means 指	the director(s) of the Company 本公司董事
“Group” 「本集團」	means 指	the Company and its subsidiaries 本公司及其附屬公司
“HK\$” and “HK cents” 「港元」及「港仙」	means 指	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong 香港法定貨幣港元及港仙
“Hong Kong” 「香港」	means 指	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Hong Kong Stock Exchange” 「香港聯交所」	means 指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“KEE Guangdong”	means	開易（廣東）服裝配件有限公司(KEE (Guangdong) Garment Accessories Limited), a limited liability company established in the PRC on 21 March 2005 and an indirect wholly-owned subsidiary of the Company

Glossary 詞彙

「開易廣東」	指	開易(廣東)服裝配件有限公司，於2005年3月21日在中國成立的有限公司，為本公司間接全資擁有的附屬公司
“Listing Rules”	means	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
「上市規則」	指	香港聯交所證券上市規則
“Main Board”	means	the stock market operated by the Hong Kong Stock Exchange, which excludes the Growth Enterprise Market and the options market
「主板」	指	由香港聯交所營運的股票市場，不包括創業板及期權市場
“Nicco”	means	Nicco Worldwide Inc., a limited liability company incorporated in the British Virgin Islands on 3 May 2004, being 49.75% owned by Mr. Xu Xipeng, 49.75% owned by Mr. Xu Xinan and 0.5% owned by Mr. Chow Hoi Kwang, Albert as at the date of this report, and a Controlling Shareholder
「Nicco」	指	Nicco Worldwide Inc.，於2004年5月3日在英屬處女群島註冊成立之有限公司(即於本報告日期49.75%由許錫鵬先生擁有、49.75%由許錫南先生擁有及0.5%由周浩光先生擁有)，並為控股股東
“OEM” 「OEM」	means 指	original equipment manufacturer or manufacturing 原設備製造(商)
“PRC” or “China”	means	the People’s Republic of China excluding, for the purpose of this report, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
「中國」	指	中華人民共和國，就本報告而言，不包括香港、中國澳門特別行政區及台灣
“Prospectus” 「招股章程」	means 指	the Company’s prospectus dated 31 December 2010 本公司日期為2010年12月31日的招股章程
“RMB” 「人民幣」	means 指	Renminbi, the lawful currency of the PRC 中國法定貨幣人民幣
“SAP system” 「SAP系統」	means 指	an enterprise resources planning system developed by SAP AG of Germany and its affiliated companies 由德國SAP AG及其聯屬公司開發的企業資源規劃系統
“Share(s)” 「股份」	means 指	share(s) of HK\$0.01 each in the share capital of the Company 本公司股本中每股面值0.01港元之股份
“Shareholder(s)” 「股東」	means 指	shareholder(s) of the Company 本公司股東

