



宏峰太平洋集團有限公司
Powerwell Pacific Holdings Limited

(a company incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock code 股份代號: 8265

Annual Report **2014** 年報

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創業板的定位，乃為相比起其他在聯交所上市的公司帶有較高投資風險的公司提供一個上市的市場。有意投資的人士應瞭解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。創業板的較高風險及其他特色表示創業板較適合專業及其他老練投資者。

由於創業板上市公司新興的性質所然，在創業板買賣的證券可能會較於聯交所主板買賣的證券承受較大的市場波動風險，同時無法保證在創業板買賣的證券會有高流通量的市場。

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本報告乃遵照聯交所創業板證券上市規則(「創業板上市規則」)的規定而提供有關宏峰太平洋集團有限公司(「本公司」)的資料。本公司各董事(「董事」)願共同及個別就本報告負全責，並在作出一切合理查詢後確認，就他們所深知及確信，本報告所載資料在各重大方面均屬準確完整，並無誤導或欺詐成份，及並無遺漏其他事項，致使本報告任何聲明或本報告有所誤導。

本報告將由刊登日期起最少7天於創業板網站(www.hkgem.com)「最新公司公告」網頁刊載，亦將於本公司指定網站(www.hklistco.com/8265)刊載。



CONTENTS

Corporate Information
Chairman's Statement
Management Discussion and Analysis
Corporate Governance Report
Directors and Senior Management
Directors' Report
Independent Auditor's Report
Consolidated Statement of Comprehensive Income
Consolidated Statement of Financial Position
Statement of Financial Position
Consolidated Statement of Cash Flows
Consolidated Statement of Changes in Equity
Notes to the Financial Statements

目錄

公司資料	2-3
主席報告	4-6
管理層討論及分析	7-11
企業管治報告	12-23
董事及高級管理人員	24-25
董事會報告	26-36
獨立核數師報告	37-38
綜合全面收益表	39-40
綜合財務狀況表	41
財務狀況表	42
綜合現金流量表	43-44
綜合權益變動表	45
財務報表附註	46-103

CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. FEI Jie (*Chairman*)
Mr. FUNG Chi Kin

Independent Non-executive Directors

Mr. CHEUNG Siu Wah
Mr. JIM Yiu Ming
Mr. SIT Sai Hung, Billy

Company Secretary

Mr. CHAN Kwong Leung, Eric

Compliance Officer

Mr. FUNG Chi Kin

Authorized Representatives

Mr. FEI Jie
Mr. CHAN Kwong Leung, Eric

Audit Committee

Mr. SIT Sai Hung, Billy (*Chairman*)
Mr. CHEUNG Siu Wah
Mr. JIM Yiu Ming

Remuneration Committee

Mr. SIT Sai Hung, Billy (*Chairman*)
Mr. CHEUNG Siu Wah
Mr. JIM Yiu Ming

Nomination Committee

Mr. JIM Yiu Ming (*Chairman*)
Mr. CHEUNG Siu Wah
Mr. SIT Sai Hung, Billy

Auditor

BDO Limited
Certified Public Accountants

公司資料

董事會

執行董事

費杰先生(*主席*)
馮志堅先生

獨立非執行董事

張少華先生
詹耀明先生
薛世雄先生

公司秘書

陳鄭良先生

監察主任

馮志堅先生

授權代表

費杰先生
陳鄭良先生

審核委員會

薛世雄先生(*主席*)
張少華先生
詹耀明先生

薪酬委員會

薛世雄先生(*主席*)
張少華先生
詹耀明先生

提名委員會

詹耀明先生(*主席*)
張少華先生
薛世雄先生

核數師

香港立信德豪會計師事務所有限公司
執業會計師

CORPORATE INFORMATION

Principal Banker

Hang Seng Bank Limited

Registered Office

Clarendon House, 2 Church Street
Hamilton HM 11 Bermuda

Headquarter and Place of Business

Units 610–611, Tower Two
Lippo Centre
89 Queensway
Hong Kong

Principal Share Registrar and Transfer Office

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM 08, Bermuda

Hong Kong Branch Share Registrar and Transfer Office

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

Stock Code

8265

Company Website and Investor Relations

www.hklistco.com/8265

公司資料

主要往來銀行

恒生銀行有限公司

註冊辦事處

Clarendon House, 2 Church Street
Hamilton HM 11 Bermuda

總辦事處及營業地點

香港
金鐘道89號
力寶中心第二座
610–611室

股份過戶登記總處及轉讓辦事處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM 08, Bermuda

香港股份過戶登記分處及轉讓辦事處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

股份代號

8265

公司網站及投資者關係

www.hklistco.com/8265

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors (the "Board") of Powerwell Pacific Holdings Limited (the "Company"), I am pleased to present to you the annual report of the Company and its subsidiaries (collectively referred to as the "Group") for the financial year ended 31 December 2014 (the "Year").

Business Review

Silverware and Silver Utensils Business

On 8 December 2014, the Company entered into a sale and purchase agreement with a third party in relation to the acquisition of the entire issued share capital in and shareholder's loan due by Core Kingdom Limited, which indirectly owns 51% equity interest in 浙江通銀貴金屬經營有限公司 (for identification purpose, Zhejiang Tong Yin Precious Metal Operation Company Limited) ("Tong Yin"), a limited liability company established in the PRC and engaged in retail of luxury brand silverware and silver utensils in Zhejiang Province, the PRC. The Group expects that through the acquisition of Tong Yin, the Group is well positioned to expand its business and offer a wider diversity of products and services to the customers so as to enhance the Group's overall performance for the benefit of its shareholders. Details of the acquisition were given in the announcement of the Company dated 9 December 2014.

Sourcing Business

The results of our Sourcing Business was mixed; amidst increasing sales in our watch business mainly in North American region and Europe, on the other hand, we were seeing slower movement for our display and packaging business. Overall, the Group was still benefited from our increasing in watch business resulting in a better year of 2014.

Watch business's revenue significantly increased due to increasing orders from our major brand owner customers during the Year, which led to better results for the Group's Sourcing Business.

Sales of our costume jewelries was mixed. On the one hand orders are slowing down from our central and mid-west US customers, but on the other hand orders had increased from our customers in other US regions. Overall sales remain stable for the Year.

主席報告

親愛的股東：

本人欣然代表宏峰太平洋集團有限公司(「本公司」)董事會(「董事會」)呈報本公司及其附屬公司(統稱「本集團」)截至2014年12月31日止財政年度(「本年度」)的年報。

業務回顧

銀器及銀質餐具業務

於2014年12月8日，本公司與第三方就收購Core Kingdom Limited全部已發行股本及Core Kingdom Limited到期應付股東貸款訂立買賣協議。Core Kingdom Limited間接擁有浙江通銀貴金屬經營有限公司(「通銀」)51%股權，通銀為一間於中國成立的有限公司，並於中國浙江省從事奢侈品牌銀器及銀質餐具零售。本集團預期透過收購通銀可藉此機會拓展其業務，並向客戶提供豐富多樣的產品及服務，提升本集團的整體表現，令其股東收益。該收購事項的詳情載於本公司日期為2014年12月9日的公佈。

貨源搜尋業務

我們的貨源搜尋業務的業績好壞參半。其中，我們主要於北美地區及歐洲的鐘錶業務銷售額不斷增加，另一方面，我們的陳列及包裝品業務則增長緩慢。整體而言，本集團仍因來自我們的鐘錶業務銷售額不斷增加而受益，致使2014年業績轉好。

鐘錶業務收入顯著增加，乃由於本年度來自我們主要品牌擁有人客戶的訂單不斷增加，使本集團貨源搜尋業務的業績改善。

我們人造珠寶的銷售好壞參半，一方面來自我們的美國中部及中西部客戶的訂單日趨減少，另一方面來自我們的美國其他地區客戶的訂單卻有增加。本年度的整體銷售表現保持穩定。

CHAIRMAN'S STATEMENT

Display and packaging business remains slow for the Year, brand owners are conservative in their promotional program. We are awaiting for customers' final endorsement for their 2015/2016 promotion design to support customers' products strategy following the watch fairs in Basel/Switzerland this April 2015. Hence, sales will be reflected towards the 2nd and 3rd quarter of 2015.

PRC Watch Business

During the Year, the Group disposed its PRC Watch Business and the disposal removed its exposure to the loss-making PRC Watch Business. Details of the disposal are set out in the circular of the Company dated 31 July 2014 and the announcement of the Company dated 26 August 2014.

Prospects

Silverware and Silver Utensils Business

The acquisition of 51% indirect equity interest in Tong Yin was completed in February 2015 as announced by the Company on 27 February 2015. The acquisition earmarks an important strategic step of the Group to successfully expand its business. The Group will step up expansion activities to increase the number of retail shops of Tong Yin at selected prime shopping and tourist locations in Zhejiang Province, the PRC aiming to strengthen this new business's performance and contributions to the Group steadily. Looking ahead, the PRC's economy is expected to maintain a relatively stable growth only while change of consumer sentiment from time to time with the ups and downs of the economy will pose challenges to the PRC retailers. However, with continual rising of the living standard of the middle class in the PRC and the quality and competing edge of the unique products provided by Tong Yin in the market, the Directors are optimistic about the long term prospects of Tong Yin's business.

Sourcing Business

While the watch sourcing business demonstrated improvement in the Year, the market condition of our sourcing business remained mixed and uncertain. We shall remain cautious on cost control and to uphold quality assurance of products in order to remain competitive for its valuable customers in our watch business. It is also our ongoing objective to develop business with new brand customers and enhance existing business relationship to stimulate growth and continue to maintain the overall costing level until signs of recovery is noticed in display and packaging products.

主席報告

本年度陳列及包裝品業務仍步伐緩慢，品牌擁有人推廣方案保守，我們正靜候客戶對2015年／2016年推廣設計的最終認可，以於2015年4月在瑞士巴塞爾的鐘錶展結束後支持客戶的產品策略。因此，銷售業績將反映在2015年第二季度及第三季度。

中國鐘錶業務

於本年度，本集團出售其中國鐘錶業務，透過該出售事項剝離本集團持續虧損之中國鐘錶業務。該出售事項的詳情載於本公司日期為2014年7月31日的通函及本公司日期為2014年8月26日的公佈。

前景

銀器及銀質餐具業務

如本公司於2015年2月27日所公佈，收購通銀51%間接股權於2015年2月完成。該收購事項乃本集團成功拓展其業務而邁出的具有重大策略意義的一步。本集團將加快拓展活動，以增加通銀於中國浙江省選定的購物人流及遊客密集地段的零售商店數量，旨在加強該新業務的表現及其對本集團的穩定貢獻。展望未來，預期中國經濟將維持相對穩定的增長，僅當隨經濟起落而不時變化的消費者意欲將使中國零售商面臨挑戰。然而，隨著中國中產階級生活水平的持續提高及通銀於市場上所提供獨特產品的質素及競爭優勢，董事對通銀業務的長遠前景持樂觀態度。

貨源搜尋業務

儘管鐘錶貨源搜尋業務於年內有所改善，但我們貨源搜尋業務的市況仍好壞參半，尚不明朗。我們將繼續審慎控制成本及信守產品質量保證，以維持對我們鐘錶業務的主要客戶的吸引力。此外，我們一貫的目標是堅持開發新的品牌客戶與改善現有業務關係並重，在陳列及包裝品業務出現復甦跡象前刺激銷售增長及繼續維持整體的成本水平。

CHAIRMAN'S STATEMENT

Appreciation

I would like to take this opportunity to extend my heartfelt gratitude to our fellow Board members, management, and employees for their steadfast contribution, dedication, and hard work to the Group. On behalf of the Board, I express sincere gratitude to our customers, suppliers, business partners and shareholders for their continuous support. We shall persist with best efforts in striving for optimal development for the Group and returns for our shareholders in the times to come.

Fei Jie

Chairman

Hong Kong, 18 March 2015

主席報告

致謝

本人謹藉此機會，為董事會成員、管理層及僱員對本集團的無私奉獻、全情投入及克盡己職衷心致謝。本人代表董事會，為本集團客戶、供應商、業務夥伴及股東的不斷支持致以衷心謝意。本集團將全力以赴，爭取最佳發展及於將來為本集團股東帶來回報。

主席

費杰

香港，2015年3月18日

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Financial Summary

財務資料概要

		Year ended 31 December 截至12月31日止年度				
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元	2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Revenue	收入	202,483	172,640	197,655	240,249	208,195
Profit before income tax	除所得稅前溢利	9,776	16,285	3,633	14,466	11,751
Profit for the year	年內溢利	6,799	15,564	2,307	10,398	7,889

		As at 31 December 於12月31日				
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元	2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Total assets	總資產	65,992	113,979	116,482	116,172	102,419
Total liabilities	總負債	(41,815)	(60,024)	(58,676)	(57,736)	(72,042)
Total equity	總權益	24,177	53,955	57,806	58,436	30,377

Financial Review

財務回顧

Revenue

The Group reported a total revenue of approximately HK\$202.5 million (2013: approximately HK\$172.6 million) for the Year, a year-on-year increase of approximately HK\$29.9 million or 17.3% from the Previous Year.

收入

本集團本年度的總收入約202.5百萬港元(2013年：約172.6百萬港元)，較上一年度按年增加約29.9百萬港元或17.3%。

With respect to the Group's revenue for the year ended 31 December 2014, the Sourcing Business remained a core business and recorded growth in USA and Germany. Revenue mainly came from the Sourcing Business of approximately HK\$158.1 million, representing approximately 78.1% of total revenue for the Year and it recorded an increase of approximately 23.7% or approximately HK\$30.3 million compared with approximately HK\$127.8 million for the Previous Year.

就本集團截至2014年12月31日止年度的營業額而言，貨源搜尋業務仍為核心業務，並於美國及德國錄得增長。收入主要來自貨源搜尋業務的收入約158.1百萬港元，佔本年度總收入的約78.1%，較上一年的約127.8百萬港元增加約23.7%或約30.3百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Sourcing of watches generated the largest revenue to the Group of approximately HK\$123.1 million for the Year, recorded year-on-year increase of approximately HK\$45 million or 57.6% comparing to approximately HK\$78.1 million for the Previous Year. Revenue from sourcing of costume jewelries representing approximately 5.7% (2013: 7.5%) of the Group's total revenue, which was fairly consistent with Previous Year. It recorded a sales of approximately HK\$11.6 million for the Year, a decline of approximately 10.1% or HK\$1.3 million comparing to approximately HK\$12.9 million for the Previous Year.

Sourcing business of display and packaging products contributed revenue of approximately HK\$23.4 million for the Year, representing a reduction of approximately HK\$13.4 million or 36.4% from approximately HK\$36.8 million for the Previous Year.

Revenue from PRC Watch Business approximately HK\$44.4 million remained at largely the same level as Previous Year (2013: HK\$44.8 million) and representing approximately 21.9% (2013: 26%) of the Group's total revenue. During the Year, the Group disposed its PRC Watch Business and the disposal removed its exposure to the loss-making PRC Watch Business. Details of the disposal are set out in the circular of the Company dated 31 July 2014 and the announcement of the Company dated 26 August 2014.

Cost of Sales and Gross Profit

Cost of sales of the Group increased by approximately 17.0% from approximately HK\$126.6 million for the Previous Year to approximately HK\$148.1 million for the Year.

The overall gross profit of the Group increased from approximately HK\$46 million for Previous Year to approximately HK\$54.4 million for the Year, representing an increase of approximately 18.3%. The gross profit of the Sourcing Business increased by approximately HK\$10.8 million to approximately HK\$39.1 million (2013: approximately HK\$28.3 million). Gross profit margin of the Sourcing Business was approximately 24.7%, similar to approximately 22.1% of the Previous Year. The PRC Watch Business contributed gross profit of approximately HK\$15.3 million (2013: approximately HK\$17.7 million), with gross profit margin of approximately 34.5% (2013: 39.6%), to the Group's total gross profit for the Year.

本年度鐘錶貨源搜尋業務為本集團帶來最多的收入，約達123.1百萬港元，較上一年的約78.1百萬港元錄得按年增加約45百萬港元或57.6%。來自人造珠寶貨源搜尋業務的收入佔本集團總收入約5.7%（2013年：7.5%），與上一年度大致相同。本年度該業務銷售額約達11.6百萬港元，較上一年的約12.9百萬港元下降約10.1%或1.3百萬港元。

本年度陳列及包裝品貨源搜尋業務帶來的收入約23.4百萬港元，較上一年度約36.8百萬港元下跌約13.4百萬港元或36.4%。

中國鐘錶業務的收入約為44.4百萬港元，與上一年度基本相當（2013年：44.8百萬港元），佔本集團總收入約21.9%（2013年：26%）。於本年度，本集團已出售其中國鐘錶業務，透過出售剝離其持續虧損的中國鐘錶業務。有關出售的詳情載於本公司日期為2014年7月31日的通函及本公司日期為2014年8月26日的公佈。

銷售成本及毛利

本集團的銷售成本由上一年度約126.6百萬港元增加約17.0%至本年度約148.1百萬港元。

本集團的整體毛利由上一年度約46百萬港元增加至本年度約54.4百萬港元，增幅約18.3%。貨源搜尋業務毛利增加約10.8百萬港元至約39.1百萬港元（2013年：約28.3百萬港元），而貨源搜尋業務的毛利率約24.7%，與上一年度約22.1%相當。本年度中國鐘錶業務為本集團的總毛利帶來毛利約15.3百萬港元（2013年：約17.7百萬港元），毛利率約34.5%（2013年：39.6%）。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Expenses

As a result of the disposal of PRC Watch Business during the Year, overall selling and distribution costs for the Year were approximately HK\$10.2 million (2013: approximately HK\$11.9 million), decreased by approximately HK\$1.7 million.

Overall administrative and other operating expenses for the Year were approximately HK\$37.1 million (2013: approximately HK\$36.2 million), increased by approximately HK\$0.9 million mainly due to the Company to complete various transactions have resulted in a substantial increase in the professional fees of the Company over the year.

Profit

The Group's profit attributable to owners of the Company was approximately HK\$6.8 million for the Year (2013: profit of approximately HK\$15.6 million which comprised of a gain on disposal of a subsidiary of approximately HK\$18 million and net with a loss of approximately HK\$2.4 million from its core operating business).

The Group's profit comprised of the segment profit on Sourcing Business of approximately HK\$21 million (2013: profit of approximately HK\$11.4 million) and the segment profit on PRC Watch Business of approximately HK\$0.3 million (2013: loss of approximately HK\$5.8 million) and the aggregate of interest income, net corporate expenses (excluded gain on disposal) and income tax expense of totally approximately HK\$14.5 million (2013: approximately HK\$8 million) for the Year.

Liquidity, Financial Resources and Capital Structure

The Group generally finances its daily operations from internally generated cash flows. As at 31 December 2014, the Group had bank balances and cash of approximately HK\$36.7 million (2013: approximately HK\$37.3 million) and a bank overdraft of approximately HK\$4.4 million (2013: nil). Taking into account cash and other current assets of approximately HK\$58.3 million as at 31 December 2014, the Group has sufficient financial resources to satisfy its working capital requirement and to achieve its business objectives.

Charges on Assets

As at 31 December 2014, the Group did not have any charges on its assets.

開支

由於本年度出售中國鐘錶業務，本年度的整體銷售及分銷成本下降約1.7百萬港元至約10.2百萬港元(2013年：約11.9百萬港元)。

本年度的整體行政及其他經營開支增加約0.9百萬港元至約37.1百萬港元(2013年：約36.2百萬港元)，主要是由於本公司完成各項交易導致本公司於本年度的專業費用大幅增加。

溢利

本年度的本公司擁有人應佔本集團溢利為約6.8百萬港元(2013年：溢利約為15.6百萬港元，其中包括出售一間附屬公司的收益約18百萬港元及抵銷其核心經營業務錄得的虧損約2.4百萬港元)。

本年度本集團錄得溢利乃由於貨源搜尋業務的分部溢利約21百萬港元(2013年：溢利約11.4百萬港元)與中國鐘錶業務的分部溢利約0.3百萬港元(2013年：虧損約5.8百萬港元)及利息收入總額、企業開支淨額(不包括出售收益)及所得稅開支合共約14.5百萬港元(2013年：約8百萬港元)相抵銷。

流動資金、財務資源及資本架構

本集團一般以內部產生的現金流量為其日常業務提供資金。於2014年12月31日，本集團的銀行結餘及現金約為36.7百萬港元(2013年：約37.3百萬港元)及銀行透支約為4.4百萬港元(2013年：無)。計及截至2014年12月31日，現金及其他流動資產約58.3百萬港元，本集團財務資源充裕，足可應付其營運資金需要並達成其業務目標。

資產抵押

於2014年12月31日，本集團並無任何資產抵押。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Foreign Exchange Exposure

The Group's transactions are mainly denominated in United States dollars ("US\$"), Hong Kong dollars and Renminbi ("RMB"). Therefore, the Group is exposed to foreign currency exchange risk. The Group has not implemented any foreign currency hedging policy at the moment. However, continuous monitoring on the foreign exchange exposure is carried out by the management and the management will consider hedging the foreign exchange exposure if it is significant to the Group.

Contingent Liabilities and Capital Commitment

As at 31 December 2014, the Company had commitment in relation to the acquisition of a subsidiary which is contracted but not provided for in the amount of HK\$31,200,000.

Significant Investments held, Material Acquisitions and Disposals of subsidiaries, and Future Plans for Material Investments or Capital Assets

On 27 June 2014, the Company entered into a conditional disposal agreement with a company, which is a wholly owned subsidiary of Data Champion Limited, to dispose of its entire 100% direct equity interest in two subsidiaries, namely Goldnet Holdings Group Limited ("Goldnet (HK)") and Goldnet Holdings Group Limited ("Goldnet (BVI)") (collectively the "Goldnet Group"), and the benefits of all loans of approximately HK\$43,462,000 advanced by the Company to the Goldnet Group for a cash consideration of HK\$23,000,000 (the "Disposal of Goldnet Group"). Goldnet Group was principally engaged in the PRC Watch Business of the Group. The Disposal of Goldnet Group was completed on 26 August 2014. Upon completion, Goldnet Group ceased to be subsidiaries of the Group. Details of the disposal are set out in the circular of the Company dated 31 July 2014 and announcements of the Company dated 10 July 2014 and 26 August 2014 respectively.

On 8 December 2014, the Company entered into a sale and purchase agreement with a third party in relation to the acquisition of the entire issued share capital in and shareholder's loan due by Core Kingdom Limited, which indirectly owns 51% equity interest in 浙江通銀貴金屬經營有限公司, a company engages in retail of luxury brand silverware and silver utensils in the PRC. The consideration in the amount of HK\$36,000,000 will be satisfied as to HK\$31,200,000 by the allotment and issue, credited as fully paid, of 26,000,000 new shares of the Company and as to HK\$4,800,000 in cash to the vendor. All conditions to the Sale and Purchase Agreement have been fulfilled

外匯風險

本集團的交易主要以美元(「美元」)、港元及人民幣(「人民幣」)計值。因此，本集團承受外匯風險。本集團現時並無實行任何外幣對沖政策。然而，管理層持續監察所承受的外匯風險，並將於外匯風險對本集團有重大影響時考慮進行對沖。

或然負債及資本承擔

於2014年12月31日，本公司就收購一間附屬公司作出之已訂約但未撥備之承擔為31,200,000港元。

所持重大投資、附屬公司的重大收購及出售以及未來重大投資或資本資產計劃

於2014年6月27日，本公司與一間公司(為Data Champion Limited之全資附屬公司)簽訂一份有條件出售協議，以出售其於兩間附屬公司(即金域控股集團有限公司(「Goldnet (HK)」)及金域控股集團有限公司(「Goldnet (BVI)」)(統稱「金域集團」)之全部100%直接股權，以及本公司墊支予金域集團之所有貸款約43,462,000港元之權益，現金代價為23,000,000港元(「出售金域集團」)。金域集團主要從事本集團的中國鐘錶業務。出售金域集團已於2014年8月26日完成。完成後，金域集團不再為本集團的附屬公司。有關出售的詳情載於本公司日期為2014年7月31日的通函及本公司日期分別為2014年7月10日以及2014年8月26日的公佈。

於2014年12月8日，本公司與第三方就收購Core Kingdom Limited全部已發行股本及Core Kingdom Limited到期應付股東貸款訂立買賣協議。Core Kingdom Limited間接擁有浙江通銀貴金屬經營有限公司51%股權(一間於中國從事零售奢侈品牌銀器及銀質餐具的公司)。代價36,000,000港元中的31,200,000港元將以配發及發行入賬列作繳足之26,000,000股本公司新股份支付，而4,800,000港元則以現金形式支付予賣方。買賣協議的所有條件均已達成，且完

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

and completion took place on 27 February 2015. Further details of the acquisition have been set out in the Company's announcement dated 9 December 2014 and 27 February 2015 respectively.

There were no significant investments held as at 31 December 2014. Save as aforesaid, there were no other material acquisitions and disposals of subsidiaries during the Year.

Dividends

A special dividend of HK\$36 million was paid during the Year (2013: HK\$19.5 million). The Directors do not recommend the payment of a final dividend for the Year (2013: nil).

Employees and Remuneration Policies

The Group had 44 (2013: 353) employees as at the end of the Year. The Group's remuneration practices are in line with the prevailing market practice and are determined on the basis of performance, qualification and experience of individual employee.

We recognise the importance of a good relationship with our employees by providing competitive remuneration package to our employees including salaries, allowances, insurance, discretionary bonus, and training for human resources upskilling.

成已於2015年2月27日發生。該收購事項的進一步詳情載於本公司日期分別為2014年12月9日及2015年2月27日的公佈中。

於2014年12月31日並無持有重大投資。除上文所述外，年內並無其他附屬公司的重大收購及出售。

股息

於本年度已支付特別股息36百萬港元(2013年：19.5百萬港元)。董事不建議派發本年度的末期股息(2013年：無)。

僱員及薪酬政策

於本年度年終時，本集團有44名(2013年：353名)僱員。本集團的薪酬常規符合現行市場慣例，並根據個別僱員的表現、資歷及經驗而釐定。

我們明白與僱員建立良好關係的重要性，並透過向僱員提供富競爭力的薪酬組合，包括薪金、津貼、保險、酌情花紅，及人力資源技能提升訓練，以達致該目標。

CORPORATE GOVERNANCE REPORT 企業管治報告

Pursuant to Rule 18.44(2) of the GEM Listing Rules, the Board is pleased to present this corporate governance report for the Year. This report highlights the key corporate governance practices of the Company.

Corporate Governance Practices

The Group is committed to upholding high standards of corporate governance. The Board considers that enhanced public accountability and corporate governance are beneficial for the healthy growth of the Group, improving customer and supplier confidence and safeguarding the interests of shareholders of the Company.

The Company has complied with the Corporate Governance Code (the "CG Code") contained in Appendix 15 of the GEM Listing Rules throughout the Year, except for certain deviations disclosed herein.

Directors Securities Transactions

The Company adopted the model code for securities transactions by the Directors (the "Model Code") on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. On specific enquiry made, all the Directors have confirmed compliance with the Model Code throughout the Year.

Board of Directors

The Board is currently composed of five Directors, two being executive Directors and three being Independent Non-executive Directors as set out below.

Executive Directors

Mr. Fei Jie (*Chairman*)
Mr. Fung Chi Kin

Independent Non-executive Directors

Mr. Cheung Siu Wah
Mr. Jim Yiu Ming
Mr. Sit Sai Hung, Billy

The Board is responsible for the overall management and affairs of the Company and to maximize returns for shareholders. The day-to-day operations and management of the Company are delegated to the Executive Directors and senior management of the Company.

The biographical details of the Directors are set out in the section "Directors and Senior Management" of this annual report.

根據創業板上市規則第18.44(2)條，董事會欣然呈報本年度的企業管治報告。本報告羅列本公司的主要企業管治常規。

企業管治常規

本集團致力維持高水平的企業管治。董事會認為，加強公眾問責性及企業管治有利於本集團的穩健增長，提升客戶及供應商信心，並保障本公司股東的利益。

本公司於年內已遵守創業板上市規則附錄15所載之企業管治守則（「企業管治守則」），惟其所披露的若干偏離事項除外。

董事的證券交易

本公司採納董事進行證券交易之標準守則（「標準守則」），條款不寬鬆於創業板上市規則第5.48至5.67條所載的交易必守標準。經向所有董事作出特定查詢後，全體董事已確認在整個年度期間一直遵守標準守則。

董事會

董事會現由五名董事組成，其中兩名為執行董事，三名為獨立非執行董事，詳情載列如下。

執行董事

費杰先生(主席)
馮志堅先生

獨立非執行董事

張少華先生
詹耀明先生
薛世雄先生

董事會負責本公司的整體管理及事務，旨在為股東提供最大的回報。本公司的日常營運及管理交由本公司執行董事及高級管理人員負責。

董事的履歷詳情載於本年報「董事及高級管理人員」一節。

CORPORATE GOVERNANCE REPORT 企業管治報告

Chairman and Chief Executive Officers

During the period from 1 January 2014 to 22 September 2014, the role of the chairman of the Board, the chief executive officer of Hong Kong operation and the chief executive officer of PRC Operation of the Company was separate and performed by three Directors, namely, Mr. Liu Tin Chak, Arnold, Mr. Lam Chi Wai, Peter and Mr. Yang Yijun respectively, who tendered their resignation as Directors on 23 September 2014. On 22 September 2014, the Board appointed Mr. Fei Jie as the chairman of the Board to lead strategic management and business development of the Group.

The Company will continue to review the management structure of the Group and consider the appointment of a new chief executive officer to oversee the operation of the Group at the right time in future.

Independent Non-executive Directors

In compliance with the GEM Listing Rules, the Company has appointed three Independent Non-executive Directors representing more than one-third of the Board and at least one of whom has appropriate professional qualifications, or accounting or related financial management expertise.

The functions of Independent Non-executive Directors are primarily to bring an independent judgement on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts at board meetings.

Confirmation of Independence

Each of Independent Non-executive Directors has made an annual confirmation of independence by reference to Rule 5.09 of the GEM Listing Rules and the Company considers that all Independent Non-executive Directors were independent during the Year.

Appointment and Re-election of Directors

All the Directors, including Independent Non-executive Directors, are appointed for a term of one year and subject to retirement by rotation and eligible for re-election in accordance with the Company's Bye-laws.

主席及行政總裁

於2014年1月1日至2014年9月21日止期間，本公司董事會主席、香港業務行政總裁及中國業務行政總裁的職位彼此獨立且分別由三位董事（即廖天澤先生、林志偉先生及楊一軍先生，均已於2014年9月23日辭任董事）擔任。於2014年9月22日，董事會委任費杰先生為董事會主席以領導本集團策略管理及業務發展。

本公司將繼續檢討本集團之管理架構，並考慮於未來合適時間委任一名新行政總裁監管本集團的運營。

獨立非執行董事

為遵守創業板上市規則，本公司已委任三名獨立非執行董事，佔董事會人數三分之一以上，且至少一名擁有適當專業資格或會計或相關財務管理專長。

獨立非執行董事的職能主要為於董事會會議上就策略、政策、表現、問責性、資源、主要委任及操守標準事宜作出獨立判斷。

確認獨立性

各獨立非執行董事已根據創業板上市規則第5.09條作出年度獨立性確認，本公司認為所有獨立非執行董事於本年度均為獨立人士。

董事委任及重選

所有董事（包括獨立非執行董事）的任期為一年，並須根據本公司細則輪值退任及符合資格重選。

CORPORATE GOVERNANCE REPORT 企業管治報告

In accordance with the Company's Bye-laws, (i) any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Company after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election; and (ii) at each annual general meeting, not less than one-third of the Directors then in office shall retire and every Director is subject to retirement by rotation at least once every three years.

Directors' Continuous Professional Development

During the Year, the newly appointed Directors were given an induction after their appointment so as to ensure that they had appropriate understanding of the Group's business and of their duties and responsibilities under the GEM Listing Rules and the relevant statutory and regulatory requirements. The Company provides regular updates on the business performance of the Group to the Directors. The Directors are continually updated on the latest development regarding the GEM Listing Rules and other applicable statutory requirements to ensure compliance and upkeep of good corporate governance practices.

The Company encourages the Directors to participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. All the Directors have participated in appropriate continuous professional development activities either by attending seminars or by reading materials relevant to the Company's business or to the Directors' duties and responsibilities during the Year. A record of the training received by the respective Directors are kept and updated by the Company Secretary of the Company.

根據本公司的細則，(i) 董事會為填補臨時空缺而委任的任何董事任期應至其獲委任後的首次股東大會止，且須於該會議上重選，而任何獲董事會委任加入現有董事會的董事任期僅至本公司下一屆股東週年大會，屆時將符合資格重選；及(ii) 於各股東週年大會上，不少於三分之一當時在任的董事須退任，而每名董事須最少每三年輪值退任一次。

董事的持續專業發展

於年內，新獲委任董事於委任後獲得就任須知，以確保彼等適當理解本集團業務，以及其根據創業板上市規則及相關法定及監管規定項下的職責與責任。本公司向董事提供本集團業務表現的定期更新。董事持續獲得有關創業板上市規則及其他適用法定規定的最新發展更新，以確保符合及維持良好企業管治常規。

本公司鼓勵董事參與持續專業發展，以發展及更新彼等的知識及技能，藉此確保彼等向董事會作出知情及恰當的貢獻。於本年度內，所有董事均透過參加研討會或閱讀與本公司業務或董事職責及責任有關的材料之方式參與適當的持續專業發展活動。各董事所接受的培訓記錄由本公司的公司秘書保管及更新。

CORPORATE GOVERNANCE REPORT 企業管治報告

The individual training record of each Director for the Year is set out below: 各董事年內的培訓記錄載列如下：

		Course/seminar provided/ accredited by professional body 專業機構提供／認可的課程／講座	Reading materials 閱覽材料
Executive Directors			
Mr. Fei Jie (appointed on 2 September 2014)	執行董事 費杰先生(於2014年9月2日獲委任)	√	—
Mr. Fung Chi Kin (appointed on 22 September 2014)	馮志堅先生(於2014年9月22日獲委任)	√	—
Mr. Liu Tin Chak, Arnold (resigned on 23 September 2014)	廖天澤先生(於2014年9月23日辭任)	—	√
Mr. Lam Chi Wai, Peter (resigned on 23 September 2014)	林志偉先生(於2014年9月23日辭任)	—	√
Mr. Wong Yu Man, Elias (resigned on 23 September 2014)	黃汝文先生(於2014年9月23日辭任)	—	√
Mr. Yang Yijun (resigned on 23 September 2014)	楊一軍先生(於2014年9月23日辭任)	—	√
Independent Non-executive Directors			
Mr. Cheung Siu Wah (appointed on 22 September 2014)	獨立非執行董事 張少華先生(於2014年9月22日獲委任)	√	—
Mr. Jim Yiu Ming (appointed on 22 September 2014)	詹耀明先生(於2014年9月22日獲委任)	√	—
Mr. Sit Sai Hung, Billy (appointed on 22 September 2014)	薛世雄先生(於2014年9月22日獲委任)	√	—
Mr. Cheung Chi Man, Dennis (resigned on 23 September 2014)	張志文先生(於2014年9月23日辭任)	√	√
Mr. Lui Tai Lok (resigned on 23 September 2014)	呂大樂先生(於2014年9月23日辭任)	—	√
Mr. Yip Kwok Kwan (resigned on 23 September 2014)	葉國均先生(於2014年9月23日辭任)	√	√

CORPORATE GOVERNANCE REPORT 企業管治報告

Board Meetings Held and Attendance

The CG Code requires regular meeting of the Board be held at least four times a year at approximately quarterly intervals. Such Board meetings involve the active participation, either in person or by telephone conference. Under code provision A.1.3 of the CG Code, notice of at least 14 days should be given of a regular board meeting to all Directors to give all Directors an opportunity to attend. Certain regular Board meetings were convened with less than 14 days' notice to enable the Board members to react timely and make expeditious decision making in respect of transactions which were of significance to the Group's business. As a results, the Board meetings were held with a shorter notice period than required with the consent of all the Directors for that time being. The Board will do its best endeavours to meet the requirement of code provision A.1.3 of the CG Code in future. Adequate and appropriate information is circulated normally three days in advance of Board meetings to the Directors. In addition to the regular Board meetings, the Chairman of the Board met with Independent Non-executive Directors without the presence of another Executive Director.

已舉行的董事會會議及出席情況

企業管治守則規定董事會須每年最少舉行四次定期會議，大約每季舉行一次。該等董事會會議均取得董事親身或透過會議電話積極參與。根據企業管治守則之守則條文第A.1.3條，應至少提前十四天向全體董事發出有關定期董事會會議的通告以給予全體董事機會出席。若干定期董事會會議所發出的通知少於十四日，讓董事會成員能夠就對本集團業務屬重大之交易及時作出迅速決策。因此，董事會會議於當時全體董事同意下較規定時間為短之通知期內舉行。董事會日後將盡其最大努力以遵守企業管治守則之守則條文第A.1.3條規定。一般在董事會會議舉行前三天會向董事傳閱充足及適用資料。除董事會定期會議外，董事會主席亦曾於沒有另一執行董事出席之情況下與獨立非執行董事會面。

CORPORATE GOVERNANCE REPORT 企業管治報告

The attendance record of the Directors at Board meetings and Board Committee meetings held during the Year are set below:

董事於本年度舉行的董事會會議及董事委員會會議的出席記錄載列如下：

		Number of meetings attended/ Eligible to attended 出席／合資格出席的會議數目			
		Board	Remuneration Committee	Audit Committee	Nomination Committee
		董事會	薪酬委員會	審核委員會	提名委員會
Executive Directors		執行董事			
Mr. Fei Jie (<i>Chairman</i>) (appointed on 2 September 2014)	費杰先生(主席)(於2014年 9月2日獲委任)	7/7	N/A不適用	N/A不適用	N/A不適用
Mr. Fung Chi Kin (appointed on 22 September 2014)	馮志堅先生(於2014年 9月22日獲委任)	5/5	N/A不適用	N/A不適用	N/A不適用
Mr. Liu Tin Chak, Arnold (resigned on 23 September 2014)	廖天澤先生(於2014年 9月23日辭任)	10/11	N/A不適用	N/A不適用	1/1
Mr. Lam Chi Wai, Peter (resigned on 23 September 2014)	林志偉先生(於2014年 9月23日辭任)	9/11	N/A不適用	N/A不適用	N/A不適用
Mr. Wong Yu Man, Elias (resigned on 23 September 2014)	黃汝文先生(於2014年 9月23日辭任)	9/11	N/A不適用	N/A不適用	N/A不適用
Mr. Yang Yijun (resigned on 23 September 2014)	楊一軍先生(於2014年 9月23日辭任)	6/11	N/A不適用	N/A不適用	N/A不適用
Independent Non-executive Directors		獨立非執行董事			
Mr. Cheung Siu Wah (appointed on 22 September 2014)	張少華先生(於2014年 9月22日獲委任)	6/6	1/1	1/1	0/0
Mr. Jim Yiu Ming (appointed on 22 September 2014)	詹耀明先生(於2014年 9月22日獲委任)	6/6	1/1	1/1	0/0
Mr. Sit Sai Hung, Billy (appointed on 22 September 2014)	薛世雄先生(於2014年 9月22日獲委任)	6/6	1/1	1/1	0/0
Mr. Cheung Chi Man, Dennis (resigned on 23 September 2014)	張志文先生(於2014年 9月23日辭任)	6/11	1/1	3/3	1/1
Mr. Lui Tai Lok (resigned on 23 September 2014)	呂大樂先生(於2014年 9月23日辭任)	5/11	1/1	2/3	1/1
Mr. Yip Kwok Kwan (resigned on 23 September 2014)	葉國均先生(於2014年 9月23日辭任)	6/11	1/1	3/3	1/1

CORPORATE GOVERNANCE REPORT 企業管治報告

General Meetings Held and Attendance

The attendance record of the Directors at general meetings held during the Year is set out below:

已舉行的股東大會及出席情況

董事於本年度舉行的股東大會的出席記錄載列如下：

		Number of meetings attended/ Eligible to attended 出席／合資格出席的會議數目	
		Annual General Meeting 股東週年大會	Special General Meeting 股東特別大會
Executive Directors		執行董事	
Mr. Fei Jie (<i>appointed on 2 September 2014</i>)	費杰先生(於2014年9月2日獲委任)	0/0	0/0
Mr. Fung Chi Kin (<i>appointed on 22 September 2014</i>)	馮志堅先生(於2014年9月22日獲委任)	0/0	0/0
Mr. Liu Tin Chak, Arnold (<i>resigned on 23 September 2014</i>)	廖天澤先生(於2014年9月23日辭任)	1/1	1/1
Mr. Lam Chi Wai, Peter (<i>resigned on 23 September 2014</i>)	林志偉先生(於2014年9月23日辭任)	1/1	1/1
Mr. Wong Yu Man, Elias (<i>resigned on 23 September 2014</i>)	黃汝文先生(於2014年9月23日辭任)	1/1	1/1
Mr. Yang Yijun (<i>resigned on 23 September 2014</i>)	楊一軍先生(於2014年9月23日辭任)	1/1	1/1
Independent Non-executive Directors		獨立非執行董事	
Mr. Cheung Siu Wah (<i>appointed on 22 September 2014</i>)	張少華先生(於2014年9月22日獲委任)	0/0	0/0
Mr. Jim Yiu Ming (<i>appointed on 22 September 2014</i>)	詹耀明先生(於2014年9月22日獲委任)	0/0	0/0
Mr. Sit Sai Hung, Billy (<i>appointed on 22 September 2014</i>)	薛世雄先生(於2014年9月22日獲委任)	0/0	0/0
Mr. Cheung Chi Man, Dennis (<i>resigned on 23 September 2014</i>)	張志文先生(於2014年9月23日辭任)	1/1	1/1
Mr. Lui Tai Lok (<i>resigned on 23 September 2014</i>)	呂大樂先生(於2014年9月23日辭任)	0/1	1/1
Mr. Yip Kwok Kwan (<i>resigned on 23 September 2014</i>)	葉國均先生(於2014年9月23日辭任)	1/1	1/1

Under code provision A.6.7 of the CG Code, all independent non-executive directors and non-executive directors should attend general meetings of listed issuers. Mr. Lui Tai Lok, an Independent Non-executive Director, was unable to attend the annual general meeting held on 12 May 2014 due to his personal commitment. Mr. Lui resigned from the board on 23 September 2014.

根據企業管治守則之守則條文第A.6.7條，所有獨立非執行董事及非執行董事應出席上市發行人的股東大會。獨立非執行董事呂大樂先生因個人需要未能出席於2014年5月12日舉行的股東週年大會。於2014年9月23日呂先生自董事會辭任。

CORPORATE GOVERNANCE REPORT 企業管治報告

Remuneration Committee

From 1 January 2014 to 22 September 2014, the Remuneration Committee comprised three Independent Non-executive Directors, namely Mr. Yip Kwok Kwan (Chairman of the Remuneration Committee), Mr. Cheung Chi Man, Dennis and Professor Lui Tai Lok, all of them resigned as Directors of the Company on 23 September 2014 and ceased to be the members of the Remuneration Committee on 22 September 2014. On 22 September 2014, the Board appointed Mr. Cheung Siu Wah, Mr. Jim Yiu Ming and Mr. Sit Sai Hung, Billy, all being Independent Non-executive Directors, as the members of the Remuneration Committee and Mr. Sit Sai Hung, Billy as the Chairman of the Remuneration Committee. The primary duties of the Remuneration Committee are making recommendations to the Board on the Group's policy and structure for the Directors and senior management remuneration, making recommendations to the Board on the remuneration packages of individual Director and ensuring that no Director or any of his associates is involved in deciding his own remuneration. Specific terms of reference of the Remuneration Committee are published on the websites of the Company and the Exchange.

The Remuneration Committee held two meetings during the Year to review the remuneration package of the Directors.

Audit Committee

From 1 January 2014 to 22 September 2014, the Audit Committee comprised three Independent Non-executive Directors, namely Mr. Cheung Chi Man, Dennis (Chairman of the Audit Committee), Professor Lui Tai Lok and Mr. Yip Kwok Kwan, all of them resigned as Directors of the Company on 23 September 2014 and ceased to be the members of the Audit Committee on 22 September 2014. On 22 September 2014, the Board appointed Mr. Cheung Siu Wah, Mr. Jim Yiu Ming and Mr. Sit Sai Hung, Billy, all being Independent Non-executive Directors, as the members of the Audit Committee and Mr. Sit Sai Hung, Billy as the Chairman of the Audit Committee, who has appropriate professional qualifications and experience as required by the GEM Listing Rules. Specific terms of reference of the Audit Committee are published on the websites of the Company and the Exchange. The primary duties of the Audit Committee include the following:

- (a) monitor and ensure a proper relationship with the Company's auditor;

薪酬委員會

於2014年1月1日至2014年9月22日，薪酬委員會由三名獨立非執行董事葉國均先生(薪酬委員會主席)、張志文先生及呂大樂教授組成，他們均於2014年9月23日辭任本公司董事，且於2014年9月22日不再為薪酬委員會成員。於2014年9月22日，董事會委任張少華先生、詹耀明先生及薛世雄先生(均為獨立非執行董事)為薪酬委員會成員，並由薛世雄先生擔任薪酬委員會主席。薪酬委員會的主要職責為就本集團董事及高級管理人員的薪酬政策及架構以及個別董事的薪酬方案向董事會提供推薦建議，並確保概無董事或其任何聯系人參與決定其自身的薪酬。薪酬委員會的職權範圍詳情已登載於本公司及聯交所之網站。

薪酬委員會於本年度舉行兩次會議，以檢討董事的薪酬待遇。

審核委員會

於2014年1月1日至2014年9月22日，審核委員會由三名獨立非執行董事張志文先生(審核委員會主席)、呂大樂教授及葉國均先生組成，他們均於2014年9月23日辭任本公司董事，且於2014年9月22日不再為審核委員會成員。於2014年9月22日，董事會委任張少華先生、詹耀明先生及薛世雄先生(均為獨立非執行董事)為審核委員會成員，並由薛世雄先生擔任審核委員會主席。他具備創業板上市規則規定的適當專業資格及經驗。審核委員會的職權範圍詳情已登載於本公司及聯交所之網站。審核委員會的主要職責包括以下各項：

- (a) 監察並確保與本公司核數師的關係恰當；

CORPORATE GOVERNANCE REPORT 企業管治報告

- (b) review of the Group's quarterly, interim and annual reports and compliance with accounting standards, the GEM Listing Rules, and legal requirements before submission to the Board; and
- (c) oversight of the Company's financial reporting process and internal control system.

The Audit Committee held four meetings during the Year, to review the Group's quarterly, interim and annual financial statements, to meet and discuss with the external auditor about audit findings, and discuss with the Board about re-appointment of the external auditor and the progress of internal control review performed by an external advisor.

The Audit Committee has reviewed the audited financial statements of the Group for the Year and recommended to the Board the approval and announcement of such financial statements.

Nomination Committee

From 1 January 2014 to 22 September 2014, the Nomination Committee comprised three Independent Non-executive Directors, namely Professor Lui Tai Lok (Chairman of the Nomination Committee), Mr. Cheung Chi Man, Dennis and Mr. Yip Kwok Kwan and an Executive Director, Mr. Liu Tin Chak, Arnold, all of them resigned as Directors of the Company on 23 September 2014 and ceased to be the members of the Nomination Committee on 22 September 2014. On 22 September 2014, the Board appointed Mr. Cheung Siu Wah, Mr. Jim Yiu Ming and Mr. Sit Sai Hung, Billy, all being Independent Non-executive Directors, as the members of the Nomination Committee and Mr. Jim Yiu Ming as the Chairman of the Nomination Committee. The primary duties of the Nomination Committee are to review the size, structure and composition of the Board, identify suitably qualified individual for appointment to the Board, assess the independence of Independent Non-executive Directors and make recommendations to the Board on the appointment or re-appointment of the Directors and succession planning for the Directors. The Nomination Committee is also responsible for ensuring the Board comprises diversity of perspectives appropriate for the Company's healthy development. The Nomination Committee considered that the Board has sufficient diverse expertise, particularly in corporate management, financial control, business development and human resources management, for the Company's business, while gender diversity is not directly relevant to the quality of the Board. Specific terms of reference of the Nomination Committee are published on the websites of the Company and the Exchange.

- (b) 於提交董事會前審閱本集團的季度、中期及年度報告，以及遵守會計準則、創業板上市規則及法律規定的情況；及
- (c) 監督本公司的財務申報程序及內部監控系統。

審核委員會於本年度已舉行四次會議，以審閱本集團的季度、中期及年度財務報表，會見外聘核數師，與外聘核數師討論審計過程中的發現，並與董事會討論有關外聘核數師的續聘及由一名外聘顧問所執行的內部監控審核程序。

審核委員會已審閱本集團的本年度經審核財務報表，並推薦董事會批准及公佈該等財務報表。

提名委員會

於2014年1月1日至2014年9月22日，提名委員會由三名獨立非執行董事呂大樂教授(提名委員會主席)、張志文先生及葉國均先生以及一名執行董事廖天澤先生組成，他們均於2014年9月23日辭任本公司董事，且於2014年9月22日不再為提名委員會成員。於2014年9月22日，董事會委任張少華先生、詹耀明先生及薛世雄先生(均為獨立非執行董事)為提名委員會成員，並由詹耀明先生擔任提名委員會主席。提名委員會的主要職責為檢討董事會的大小、架構及組成，物色可獲委任進入董事會的適當合資格人士，評核獨立非執行董事的獨立性，並就董事的任命或重新任命及董事的繼任安排，向董事會提供建議。提名委員會亦負責確保董事會成員提供有利於本公司健康發展之多元化見解。提名委員會認為董事會在企業管理、財務控制、業務發展及人力資源管理等方面就本公司業務而言具備足夠的多元化專長，而性別多元化與董事會質素並無直接關係。提名委員會的職權範圍詳情已登載於本公司及聯交所之網站。

CORPORATE GOVERNANCE REPORT 企業管治報告

The Nomination Committee held a meeting during the Year to review the composition of the Board and the suitability of the Directors proposed for re-appointment at the Company's annual general meeting.

Company Secretary

On 22 September 2014, Mr. Chan Sun Kwong resigned as the company secretary of the Company. The Company appointed Mr. Chan Kwong Leung, Eric as the company secretary of the Company since 22 September 2014 from an external secretarial services provider. The primary corporate contact person at the Company is Mr. Lam Koon Fai, the Chief Financial Controller of the Group. In accordance with Rule 5.15 of the GEM Listing Rules, Mr. Chan confirmed that he has taken no less than 15 hours of the relevant professional training during the Year.

Auditor's Remuneration

For the year ended 31 December 2014, fees for audit and non-audit services paid/payable to the auditor of the Company amounted to HK\$560,000 and HK\$565,000 respectively. The non-audit services included professional services rendered for interim results review, internal control review, tax compliance and transaction support.

Internal Control

The Board acknowledges that it is overall responsible for maintaining an adequate and effective internal control system of the Group. The Group's internal control system includes a well defined management structure with limits of authority which is designed for the achievement of business objectives, to safeguard the Group's assets against unauthorized use and disposition, to ensure compliance with relevant legislation and regulations, and to protect the interests of shareholders of the Company.

提名委員會於本年度期間舉行了一次會議，以檢討董事會的組成，及擬於本公司股東週年大會連任的董事是否適當人選。

公司秘書

於2014年9月22日，陳晨光先生辭任本公司的公司秘書。自2014年9月22日起，本公司委任陳鄭良先生為本公司的公司秘書（原為外部秘書服務供應商）。本公司主要企業聯絡人為本集團的財務總監林冠輝先生。根據創業板上市規則第5.15條，陳先生確認彼於年內已參加不少於15個小時的相關職業培訓。

核數師酬金

截至2014年12月31日止年度，已付／應付本公司核數師的審核及非審核服務費用分別為560,000港元及565,000港元。非審核服務包括就中期業績審閱、內部控制檢討、稅務合規及交易支援所提供的專業服務。

內部監控

董事會知悉其須全面負責維持本集團足夠而有效的內部監控系統。本集團的內部監控系統包括一個權限分明的管理架構以達成業務目標、保障本集團資產不會被未經授權使用及處置、確保遵守相關法例及法規，以及保障本公司股東的利益。

CORPORATE GOVERNANCE REPORT 企業管治報告

During the year under review, the Company appointed an independent internal control adviser to review the effectiveness of certain of the Group's system of internal controls. Relevant applicable recommendations made by independent internal control advisor are being implemented in stages by the Group to further enhance its internal control system.

Financial Reporting

The Directors acknowledge their responsibility for preparation of the Group's financial statements that give a true and fair view. The responsibility of auditor in respect of the Group's financial statements are set out in the independent auditor's report forming part of this annual report.

Communication with Shareholders and Investor Relations

The Board has established a shareholders' communication policy to maintain an on-going dialogue with its shareholders and investors in a timely, open and transparent manner. The Board reviews the policy on a regular basis to ensure effective communication between the Company, its shareholders and investors.

The Board communicates with its shareholders and investors through various channels. The Board members meet and communicate with shareholders and investors at annual general meetings and other general meetings. Corporate communications (such as quarterly, interim and annual reports, notices, circulars and announcements) are sent to shareholders in a timely manner and are available on the websites of the Company and the Exchange.

於回顧年度，本公司委聘一名獨立內部控制顧問，負責檢討本集團若干內部控制系統的有效性。本集團現正分階段落實由獨立內部監控顧問提出的相關適切建議，以進一步增強其內部監控系統。

財務申報

董事知悉他們須負責編製本集團的財務報表，以真實及公平地反映業務狀況。核數師就有關本集團財務報表的責任載於本年報的獨立核數師報告內。

與股東之溝通及投資者關係

董事會已建立股東溝通政策，以及時、公開及透明地與股東及投資者保持持續溝通。董事會負責定期審查上述政策，確保本公司、其股東及投資者之間保持有效溝通。

董事會透過各種渠道與股東及投資者進行溝通。董事會成員參加股東週年大會和其他股東大會，以與股東及投資者會面與溝通。本公司會及時向股東會面與傳達公司通訊(如季度、中期及年度報告、通告、通函及公告)，公司通訊亦可於本公司及聯交所網站查閱。

CORPORATE GOVERNANCE REPORT 企業管治報告

Shareholders' Rights**Procedures for Shareholders to Propose a Person for Election as a Director and Convene a Special General Meeting**

According to Bye-law 85 of the Company's Bye-laws, a shareholder of the Company (other than the person to be proposed) duly qualified to attend and vote at an annual general meeting of the Company may propose a person for election as a director at such meeting by lodging a notice in writing signed by such shareholder of his intention to propose such person for election and a notice in writing signed by the person to be proposed of his willingness to be elected at the head office of the Company or the office of the Hong Kong branch share registrar of the Company provided that the minimum length of the period, during which such notices are given, shall be at least seven days and that (if the notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgement of such notices shall commence on the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting.

Other than election at annual general meetings, pursuant to Bye-law 58 of the Company's Bye-laws, 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 company secretary, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition, including election of directors, and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists, themselves may do so in accordance with the provisions of Section 74(3) of the Companies Act 1981 of Bermuda.

股東的權利**股東提名董事人選及召開股東特別大會的程序**

根據本公司的公司細則第85條，有資格出席本公司股東週年大會並於會上投票的股東(不包括被推選者)可透過將經其簽署的一份表明該股東建議提名相關人士參選之意向的書面通知以及該被推選人士簽署的表明其願意參選的書面通知呈交至本公司總辦事處或香港股份過戶登記分處，於該大會上推選一名人士為董事，前提是發出該通知的最短期限至少應為七天，倘通知是在指定作該推選的股東大會通知寄發後提交，該通告之提交期間應從指定該推選的大會通知寄發當日開始截至該大會召開日期前不少於七天止。

除於股東週年大會上選舉外，根據本公司的細則第58條，在申請書提交當日持有本公司實收資本不少於十分之一且在本公司股東大會上有投票權之股東隨時有權通過向董事會或公司秘書提出書面申請，要求董事會召開股東特別大會，以商議申請書中列明之交易事項(包括選舉董事)，該大會應在申請書提交後兩個月內舉行。倘在提交申請書後二十一(21)天內，董事會未能著手準備召開該大會，則申請人可自行根據百慕達1981年公司法第74(3)條之規定召開該大會。

DIRECTORS AND SENIOR MANAGEMENT

Directors

Executive Directors

Fei Jie (費杰), aged 35, appointed as an Executive Director on 2 September 2014 and appointed as the Chairman of the Board on 22 September 2014. He has over 10 years of experience in management level positions from deputy manager to chairman of the board in several companies located in Zhejiang province, PRC, two of which are mining related companies.

Fung Chi Kin (馮志堅), aged 65, appointed as an Executive Director on 22 September 2014. Mr. Fung is also a director of a number of the Company's subsidiaries. He is the Honorary Permanent President of The Chinese Gold & Silver Exchange Society, the International Advisor of Shanghai Gold Exchange and Director of Fung Chi Kin Consulting Limited. Mr. Fung has over 30 years of experience in banking and finance. Prior to his retirement, he was the Director and Deputy General Manager of Po Sang Bank Limited (merged into Bank of China (Hong Kong) Limited in 2001), Managing Director of BOCI Securities Limited and Chief Administration Officer of BOC International Holdings Limited. From October 1998 to June 2000, Mr. Fung served as a Council Member of the First Legislative Council of the HKSAR. He also held offices in various public organisations and was the Vice Chairman of The Stock Exchange of Hong Kong Limited, Director of the Hong Kong Futures Exchange Limited, Director of Hong Kong Securities Clearing Company Limited and Hong Kong Affairs Advisor. Mr. Fung has been an independent non-executive director of Chaoda Modern Agriculture (Holdings) Limited (stock code: 682) since 2003 and was an independent non-executive director of New Times Energy Corporation Limited (stock code: 166) from 2006 to 2012.

Independent Non-executive Directors

Cheung Siu Wah (張少華), aged 49, appointed as an Independent Non-executive Director and a member of each of the Audit Committee, Remuneration Committee and Nomination Committee on 22 September 2014. He is the Associate Member of the Institute of Chartered Secretaries and Administrators, obtained the Honours Diploma of Company Secretary and Administration at Lingnan College in 1991. Mr. Cheung held senior management positions in various multinational companies and has been working in the management, finance, accounting and administration sectors for over 24 years.

董事及高級管理人員

董事

執行董事

費杰，35歲，於2014年9月2日獲委任為執行董事並於2014年9月22日獲委任為董事會主席。他曾於中國浙江省多間公司(其中兩間為採礦相關公司)擔任副經理至董事會主席等管理層職位，相關經驗超過10年。

馮志堅，65歲，於2014年9月22日獲委任為執行董事。馮先生亦為本公司眾多附屬公司的一名董事。他現為金銀業貿易場永遠名譽會長，上海黃金交易所國際顧問及馮志堅顧問有限公司董事。馮先生從事銀行金融業務三十多年。彼於退休之前，曾任寶生銀行有限公司(於2001年合併於中國銀行(香港)有限公司)董事兼副總經理、中銀國際證券有限公司董事總經理及中銀國際控股有限公司行政總監。於1998年10月至2000年6月，馮先生擔任香港特別行政區第一屆立法會議員。彼亦曾先後擔任多項重要公職，包括香港聯合交易所有限公司副主席、香港期貨交易所有限公司董事、香港中央結算有限公司董事及香港事務顧問等等。馮先生自2003年起擔任超大現代農業(控股)有限公司(股份代號：682)之獨立非執行董事，並於2006年至2012年擔任新時代能源有限公司(股份代號：166)之獨立非執行董事。

獨立非執行董事

張少華，49歲，於2014年9月22日獲委任為獨立非執行董事以及各審核委員會、薪酬委員會及提名委員會之成員。他現為英國特許秘書及行政人員公會會員，於1991年獲得嶺南大學公司秘書和行政榮譽文憑。張先生曾於多間跨國公司擔任高級管理職務，於管理、金融、會計及行政部門工作逾24年。

DIRECTORS AND SENIOR MANAGEMENT

Jim Yiu Ming (詹耀明), aged 48, appointed as an Independent Non-executive Director, the chairman of the Nomination Committee and a member of each of the Audit Committee and Remuneration Committee on 22 September 2014. Mr. Jim is a practicing solicitor in Hong Kong and is the founding partner of Jim & Co., Solicitors. He obtained the Degree of Bachelor of Laws at The University of Hong Kong in 1989 and completed the Postgraduate Certificate in Laws at The University of Hong Kong in 1991.

Sit Sai Hung, Billy (薛世雄), aged 58, appointed as an Independent Non-executive Director, the chairman of each of the Audit Committee and Remuneration Committee and a member of the Nomination Committee on 22 September 2014. He obtained the Degree of Bachelor of Social Science at The Chinese University of Hong Kong in 1981, the Diploma in Surveying at The College of Estate Management in 1996 and the Degree of Master of Law at The University of Beijing in 2002. Mr. Sit also completed the Merchant Bank Program at the School of Business Administration of The University of Washington in 1994. Mr. Sit has been working in the banking and financial related sector for more than 30 years.

Senior Management

Lam Koon Fai (林冠輝), aged 46, is the Chief Financial Officer of our Group. He joined our Group in October 2014 and is responsible for the overall financial management of the Group. Mr. Lam has over 24 years of auditing and accounting experience serving various listed companies in Hong Kong, USA & Canada. Prior to joining the Company, Mr. Lam joined Deloitte Touche Tohmatsu in Hong Kong in 1994. From 1999 to 2008, Mr. Lam was the financial controller of Hycomm Wireless Limited (now known as Qingdao Holdings International Limited) (stock code: 499). From 2008 to 2009, Mr. Lam was the Acting Chief Financial Officer of China Health Care Corporation, a company quoted on the US OTCBB. Since December 2009 to October 2013, Mr. Lam was the Chief Financial Officer of GINSMS Inc., a company listed on the TSX VENTURE. Mr. Lam graduated from Hong Kong Shue Yan College (now known as Hong Kong Shue Yan University) majoring in Accounting. He is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and a fellow member of The Association of Chartered Certified Accountants.

董事及高級管理人員

詹耀明，48歲，於2014年9月22日獲委任為獨立非執行董事、提名委員會主席以及各審核委員會及薪酬委員會之成員。詹先生現為香港執業律師，並為詹耀明律師事務所之創始合夥人。他於1989年獲得香港大學法律學士學位，並於1991年獲香港大學法律專業研究生證書。

薛世雄，58歲，於2014年9月22日獲委任為獨立非執行董事、各審核委員會及薪酬委員會之主席以及提名委員會之成員。他於1981年獲得香港中文大學社會科學學士學位，於1996年獲得College of Estate Management測量文憑，並於2002年獲得北京大學法律碩士學位。薛先生亦於1994年在華盛頓大學工商管理學院完成修讀商業銀行課程。薛先生於銀行及金融相關行業工作逾30年。

高級管理人員

林冠輝，46歲，乃本集團財務總監。他於2014年10月加入本集團並負責本集團的整體財務管理。林先生積逾24年香港、美國及加拿大多家上市公司的會計及審計經驗。於加入本公司前，林先生於1994年加入香港德勤•關黃陳方會計師行。林先生於1999年至2008年擔任華脈無線通信有限公司(現稱青島控股國際有限公司)(股份代號：499)的財務總監。林先生於2008年至2009年擔任China Health Care Corporation(一家於美國場外證券市場交易板報價的公司)的代理財務總監。林先生於2009年12月至2013年10月擔任GINSMS Inc.(一家於多交所創業板上市的公司)的財務總監。林先生畢業於香港樹仁學院(現稱香港樹仁大學)會計系。他為香港會計師公會執業會計師及英國特許會計師公會資深會員。

DIRECTORS' REPORT

The Directors present their annual report together with the audited consolidated financial statements of the Group for the Year.

Principal Activities

The principal activity of the Company is investment holding. The principal activities of its principal subsidiaries are set out in note 19 to the consolidated financial statements.

Results and Appropriations

The results of the Group for the Year are set out in the consolidated statement of comprehensive income on pages 39 to 40.

A special dividend of HK\$36.0 million was paid during the Year (2013: HK\$19.5 million). The Directors do not recommend the payment of a final dividend for the Year (2013: nil).

Property, Plant and Equipment

Details of movements in property, plant and equipment of the Group during the Year are set out in note 16 to the consolidated financial statements.

Share Capital

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

Reserves

Details of the movements in reserves of the Group and the Company during the Year are set out in consolidated statement of changes in equity on page 45 and note 26 to the consolidated financial statements respectively.

Distributable Reserves of the Company

At 31 December 2014, the Company has no reserve available for cash distribution and/or distribution in specie, as computed in accordance with the Companies Act 1981 of Bermuda.

董事會報告

董事呈報本集團本年度的年報及經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股。本公司的主要附屬公司的主要業務載於綜合財務報表附註19。

業績及分派

本集團本年度的業績載於第39至40頁的綜合全面收益表。

於本年度已支付特別股息36.0百萬港元(2013年：19.5百萬港元)。董事不建議派發本年度的末期股息(2013年：無)。

物業、廠房及設備

有關本集團物業、廠房及設備於年內的變動詳情載於綜合財務報表附註16。

股本

有關本公司股本於年內的變動詳情載於綜合財務報表附註25。

儲備

有關本集團及本公司儲備於年內的變動詳情分別載於第45頁的綜合權益變動表及綜合財務報表附註26。

本公司的可供分派儲備

於2014年12月31日，本公司並無可供現金分派及／或實物分派儲備，該儲備金額乃根據百慕達1981年公司法計算。

DIRECTORS' REPORT

董事會報告

Major Customers and Suppliers

The approximate percentages in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the financial year are as follows:

		Sales 銷售	Purchases 採購
The largest customer	最大客戶	62.1%	N/A 不適用
Five largest customers in aggregate	五大客戶合計	77.3%	N/A 不適用
The largest supplier	最大供應商	N/A 不適用	17.0%
Five largest suppliers in aggregate	五大供應商合計	N/A 不適用	49.7%

At no time during the Year have the Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had any interest in these major customers and suppliers.

主要客戶及供應商

本集團的主要客戶及供應商應佔本財政年度銷售及採購的概約百分比如下：

各董事、他們的聯繫人或任何據董事所知擁有本公司股本超過5%的本公司股東於年內概無擁有該等主要客戶及供應商的任何權益。

Directors

The Directors of the Company during the Year and up to the date of this annual report were as follows:

Executive Directors

Mr. Fei Jie (*appointed on 2 September 2014*)
Mr. Fung Chi Kin (*appointed on 22 September 2014*)
Mr. Liu Tin Chak, Arnold (*resigned on 23 September 2014*)
Mr. Lam Chi Wai, Peter (*resigned on 23 September 2014*)
Mr. Wong Yu Man, Elias (*resigned on 23 September 2014*)
Mr. Yang Yijun (*resigned on 23 September 2014*)

Independent Non-executive Directors

Mr. Cheung Siu Wah (*appointed on 22 September 2014*)
Mr. Jim Yiu Ming (*appointed on 22 September 2014*)
Mr. Sit Sai Hung, Billy (*appointed on 22 September 2014*)
Mr. Cheung Chi Man, Dennis (*resigned on 23 September 2014*)
Mr. Lui Tai Lok (*resigned on 23 September 2014*)
Mr. Yip Kwok Kwan (*resigned on 23 September 2014*)

In accordance with the Company's Bye-laws, Messrs. Fei Jie, Fung Chi Kin, Cheung Siu Wah, Jim Yiu Ming and Sit Sai Hung, Billy shall retire and being eligible, offer themselves for re-election at the forthcoming annual general meeting.

董事

於年內及截至本年度報告日期為止，本公司的董事如下：

執行董事

費杰先生(於2014年9月2日獲委任)
馮志堅先生(於2014年9月22日獲委任)
廖天澤先生(於2014年9月23日辭任)
林志偉先生(於2014年9月23日辭任)
黃汝文先生(於2014年9月23日辭任)
楊一軍先生(於2014年9月23日辭任)

獨立非執行董事

張少華先生(於2014年9月22日獲委任)
詹耀明先生(於2014年9月22日獲委任)
薛世雄先生(於2014年9月22日獲委任)
張志文先生(於2014年9月23日辭任)
呂大樂先生(於2014年9月23日辭任)
葉國均先生(於2014年9月23日辭任)

根據本公司的細則，費杰先生、馮志堅先生、張少華先生、詹耀明先生及薛世雄先生須於來年股東周年大會上退任，並符合資格膺選連任。

DIRECTORS' REPORT

董事會報告

Remuneration Policy

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

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

The Company has adopted a share option scheme as an incentive to the Directors and eligible employees. Details of the scheme are set out in the section headed "Share Option Scheme" of this annual report.

Remuneration of Directors, Senior Management and Five Individuals with Highest Emoluments

Details of the emoluments of the Directors and five individuals with highest emoluments are set out in note 15 to the consolidated financial statements.

Senior Management's Remuneration

The remuneration paid to each of the senior management for the Year fell within the following bands:

酬金政策

本集團僱員的酬金政策乃參考薪酬委員會的推薦建議後按其表現、資歷及能力而訂立。

本公司董事的酬金乃參考薪酬委員會的推薦建議後根據本公司的經營業績、個人表現及可比較市場統計數據而釐定。

本公司已採納購股權計劃，作為對董事及合資格僱員的獎勵。計劃的詳情載於本年度報告「購股權計劃」一節。

董事、高級管理人員及五名最高酬金人士的薪酬

有關董事及五名最高酬金人士的薪酬詳情載於綜合財務報表附註15。

高級管理人員之酬金

年內，已付各高級管理人員之酬金屬於以下範圍：

		Number of individuals 人數	
		2014 2014年	2013 2013年
Nil-HK\$499,999	零至499,999港元	4	4
HK\$500,000-HK\$1,000,000	500,000港元至1,000,000港元	3	3

Directors' Interests in Contracts

Save as disclosed in the section "Connected and Related Party Transactions" of this annual report and in notes 23 and 27 to the consolidated financial statements, no other contracts of significance to which the Company, its holding company, subsidiaries or any of its fellow subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

董事於合約的權益

除本年度報告「關連及關聯人士交易」一節及綜合財務報表附註23及附註27所披露者外，於年終或年內任何時間，本公司、其控股公司、附屬公司或其任何同系附屬公司概無訂立任何其他本公司董事直接或間接擁有重大權益的重大合約。

DIRECTORS' REPORT

Directors' Interests in Competing Businesses

As at 31 December 2014, none of the Directors, the management shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) had any interest in a business which causes or may cause a significant competition with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

Directors' Service Contracts

Mr. Fei Jie, Executive Director, had entered into a service contract with the Company for a term of one year from 2 September 2014 and is subject to retirement and re-election at annual general meeting in accordance with the provisions of the Company's Bye-laws. Under the service contract, Mr. Fei receives a monthly remuneration of HK\$100,000.

Mr. Fung Chi Kin, Executive Director, had entered into a service contract with the Company for a term of one year from 22 September 2014 and is subject to retirement and re-election at annual general meeting in accordance with the provisions of the Company's Bye-laws. Under the service contract, Mr. Fung receives a monthly remuneration of HK\$150,000.

Mr. Sit Sai Hung, Billy, Independent Non-executive Director, had entered into a letter of appointment with the Company for a term of one year from 22 September 2014 and is subject to retirement and re-election at annual general meeting in accordance with the provisions of the Company's Bye-laws. Under the letter of appointment, Mr. Sit receives a monthly remuneration of HK\$25,000 and the letter of appointment may be terminated by either party by giving not less than three months' prior written notice to the other party.

Each of Mr. Cheung Siu Wah and Mr. Jim Yiu Ming, Independent Non-executive Directors, had respectively entered into a letter of appointment with the Company for a term of one year from 22 September 2014 and is subject to retirement and re-election at annual general meeting in accordance with the provisions of the Company's Bye-laws. Under the letters of appointment, each of Mr. Cheung and Mr. Jim receives a monthly remuneration of HK\$20,000 and the letter of appointment may be terminated by either party by giving not less than three months' prior written notice to the other party.

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

董事會報告

董事於競爭業務的權益

於2014年12月31日，概無本公司的董事、管理層股東及他們各自的聯繫人(定義見創業板上規例)於導致或可能導致與本集團業務有重大競爭的業務中擁有任何權益，而任何有關人士並無與或可能與本集團有任何其他利益衝突。

董事的服務合約

執行董事費杰先生已與本公司訂立服務合約，由2014年9月2日起計為期一年，且須根據本公司細則條文於股東週年大會上退任及重選。根據服務合約，費先生每月酬金為100,000港元。

執行董事馮志堅先生已與本公司訂立服務合約，由2014年9月22日起計為期一年，且須根據本公司細則條文於股東週年大會上退任及重選。根據服務合約，馮先生每月酬金為150,000港元。

獨立非執行董事薛世雄先生已與本公司訂立委任狀，由2014年9月22日起計為期一年，且須根據本公司細則條文於股東週年大會上退任及重選。根據委任狀，薛先生每月酬金為25,000港元，且可由任何一方向另一方發出不少於三個月的事先書面通知終止委任狀。

獨立非執行董事張少華先生及詹耀明先生已分別與本公司訂立委任狀，由2014年9月22日起計為期一年，且並須根據本公司細則條文於股東週年大會上退任及重選。根據委任狀，張先生及詹先生每月酬金為20,000港元，且可由任何一方向另一方發出不少於三個月的事先書面通知終止委任狀。

概無董事與本公司訂立於一年內不可免付賠償(法定賠償除外)而終止的服務合約。

DIRECTORS' REPORT

董事會報告

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or any Associated Corporation

As at 31 December 2014, the interests of the Directors in the share capital of the Company which were required to be notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (the "SFO") (including interests which they were taken or deemed to have under such provisions of the SFO), or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required, pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Exchange were as follows:

Long positions in shares of the Company

(a) Interest in the shares of the Company

Director 董事	Capacity/Nature of interest 身份／權益性質	Number of issued ordinary shares held 所持已發行普通股數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本的概約百分比
Mr. Fei Jie 費杰先生	Corporate interest (Note) 公司權益(附註)	106,068,000	70.71%

Note: These shares are held by an associated corporation King Full Inc Limited. Director's interests in an associated corporation are disclosed immediately below.

附註：該等股份由相聯法團環灃有限公司持有。董事於相聯法團的權益於下文披露。

(b) Interest in the shares of an associated corporation

Name of associated corporation: King Full Inc Limited

Director 董事	Capacity/Nature of interest 身份／權益性質	Number of shares held 所持股份數目	Percentage of shareholding 持股百分比
Mr. Fei Jie 費杰先生	Beneficial owner 實益擁有人	5,000,000	100%

董事及最高行政人員於本公司或任何相聯法團股份、相關股份及債券的權益及淡倉

於2014年12月31日，董事於本公司股本中擁有根據證券及期貨條例(「證券及期貨條例」)第XV部第7及第8分部必須知會本公司及聯交所的權益(包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益)，或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益，或根據創業板上市規則第5.48至5.67條須知會本公司及聯交所的權益如下：

於本公司股份的好倉

(a) 於本公司股份的權益

Director 董事	Capacity/Nature of interest 身份／權益性質	Number of issued ordinary shares held 所持已發行普通股數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本的概約百分比
Mr. Fei Jie 費杰先生	Corporate interest (Note) 公司權益(附註)	106,068,000	70.71%

附註：該等股份由相聯法團環灃有限公司持有。董事於相聯法團的權益於下文披露。

(b) 於相聯法團股份的權益

相聯法團名稱：環灃有限公司

Save as disclosed above, as at 31 December 2014, none of the Directors or any chief executive of the Company had an interest or short position in any shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO) or which was required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or pursuant to the Rules 5.48 to 5.67 of the GEM Listing Rules to be notified to the Company and the Exchange.

除上文所披露者外，於2014年12月31日，本公司的董事或任何最高行政人員概無於本公司或任何相聯法團(定義見證券及期貨條例第XV部)的任何股份、相關股份或債券中擁有根據證券及期貨條例第XV部第7及第8分部必須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益及淡倉)，或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益或淡倉，或根據創業板上市規則第5.48至5.67條須知會本公司及聯交所的權益或淡倉。

DIRECTORS' REPORT

董事會報告

Substantial Shareholders' Interests in Shares

As at 31 December 2014, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, other than the interests disclosed above in respect of certain Directors, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company.

Long Positions

Ordinary shares and underlying shares of the Company

主要股東於股份的權益

於2014年12月31日，本公司根據證券及期貨條例第336條存置的主要股東登記冊顯示，除上文所披露有關若干董事的權益外，以下股東已通知本公司於本公司的已發行股本中擁有相關權益。

好倉

本公司的普通股及相關股份

Name of shareholders	Capacity/ Nature of interest	Number of issued ordinary shares held	Number of underlying shares held	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本的概約百分比
股東名稱	身份／權益性質	所持已發行普通股數目	所持相關股份數目	
King Full Inc Limited 璟灃有限公司	Beneficial owner (Note 1) 實益擁有人(附註1)	106,068,000	—	70.71%
Ms. Wu Wen 吳雯女士	Interest in spouse (Note 2) 於配偶的權益(附註2)	106,068,000	—	70.71%
Mr. Chow Tsi Tung 周吉東先生	Beneficial owner (Note 3) 實益擁有人(附註3)	—	26,000,000	17.33%

Notes:

- The entire issued share capital of King Full Inc Limited is wholly and beneficially owned by Mr. Fei Jie. By virtue of the SFO, Mr. Fei Jie is deemed to be interested in the entire 106,068,000 shares held by King Full Inc Limited.
- The shares are held by King Full Inc Limited, the entire issued share capital of which is owned by Mr. Fei Jie, the spouse of Ms. Wu Wen. Accordingly, Ms. Wu Wen is deemed to be interested in the entire 106,068,000 shares by virtue of the SFO.
- Pursuant to the sale and purchase agreement dated 8 December 2014, 26,000,000 shares were potentially issued and allotted to Mr. Chow Tsi Tung. For more details, please refer to the Company's announcements dated 9 December 2014 and 27 February 2015.

Save as disclosed above, as at 31 December 2014, no other persons had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO, or otherwise notified to the Company.

附註：

- 璟灃有限公司的全部已發行股本由費杰先生全資及實益擁有。根據證券及期貨條例，費杰先生被視為於璟灃有限公司持有的全部106,068,000股股份中擁有權益。
- 該等股份由璟灃有限公司持有，而璟灃有限公司的全部已發行股本由費杰先生(吳雯女士的配偶)擁有。因此，根據證券及期貨條例，吳雯女士被視為於全部106,068,000股股份中擁有權益。
- 根據日期為2014年12月8日的買賣協議，26,000,000股股份已被潛在發行並配發予周吉東先生。請參閱本公司日期為2014年12月9日及2015年2月27日的公告，獲取更多詳情。

除上文所披露者外，於2014年12月31日，概無其他人士於本公司的股份或相關股份中擁有根據證券及期貨條例第336條須記錄於本公司存置的登記冊或須另行知會本公司的任何權益或淡倉。

DIRECTORS' REPORT

Share Option Scheme

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Since the Scheme has become effective on 22 December 2010, no share options were granted, exercised, lapsed or cancelled by the Company under the Scheme during the Year and there were no outstanding share options under the Scheme as at 31 December 2014.

The maximum number of shares in respect to which options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company on the date of adopting the Scheme. The limit may be refreshed at any time provided that the new limit must not be in aggregate exceed 10% of the issued share capital of the Company as at the date of the shareholders' approval in general meeting. However, the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other scheme of the Company must not in aggregate exceed 30% of the shares in issue from time to time. The maximum number of shares in respect of which options may be granted to any individual in the 12-month period up to and including the date of grant shall not exceed 1% of the shares in issue for the time being unless approval of the shareholders of the Company has been obtained in accordance with the GEM Listing Rules. Where options are proposed to be granted to a substantial shareholder or an Independent Non-executive Director which would result in shares issued to such person in the 12-month period exceeding 0.1% of the shares in issue and having an aggregate value exceeding HK\$5,000,000, the proposed grant shall be subject to the approval of the shareholders of the Company in general meeting in accordance with the GEM Listing Rules.

Options may be exercised at any time from the date of grant of the option to the 10th anniversary of the date of grant as may be determined by the Directors. The exercise price is determined by the Directors, and will not be less than the highest of (i) the nominal value of a share; (ii) the closing price per share as stated in the Exchange's daily quotations sheets on the date of the grant of the options; or (iii) the average closing price per share as stated in the Exchange's daily quotations sheets for the five business days immediately preceding the date of the grant of the options.

On the basis of 10% of the shares of the Company in issue as at the date of this annual report, the total number of shares of the Company which may be issued upon the exercise of all options to be granted under the Scheme is 15,000,000 shares.

董事會報告

購股權計劃

本公司設立一項購股權計劃(「計劃」)，向為本集團業務成功作出貢獻的合資格參與者提供獎勵及回報。自計劃於2010年12月22日生效後，本公司並無於年內根據計劃使購股權授出、行使、失效或註銷，及於2014年12月31日並無根據計劃尚未行使的購股權。

根據計劃可授出之購股權所涉股份數目最多不超過本公司於採納計劃當日之已發行股本10%。該上限可隨時更新，惟新限額總數不得超過股東於股東大會批准當日本公司已發行股本之10%。然而，根據計劃及本公司任何其他計劃已授出但尚未行使之全部購股權獲行使時，可予發行之股份總數不得超過不時已發行股份之30%。於截至授出日期(包括該日)止十二個月期間內，向任何個別人士可授出之購股權所涉股份總數不得超過當時本公司已發行股份之1%，除非按照創業板上市規則經由本公司股東批准則作別論。根據創業板上市規則，倘建議授予主要股東或獨立非執行董事之購股權會導致於十二個月期間向該人士發行之股份超過已發行股份之0.1%及總值超過5,000,000港元，則相關建議授出須獲得本公司股東於股東大會上批准。

購股權可在授出當日起至授出日期十周年為止之期間內隨時行使，而授出日期由董事釐定。行使價由董事釐定，但不會低於下列最高者：(i) 股份面值；(ii) 股份在購股權授出當日在聯交所每日報價表所列之每股收市價；或(iii) 緊接購股權授出日期前五個營業日股份在聯交所每日報價表所列之每股平均收市價。

按本年度報告日期本公司已發行股份之10%計算，當根據計劃授出之所有購股權獲行使時，本公司可予發行的股份總數為15,000,000股。

DIRECTORS' REPORT

The Scheme will remain in force for a period of 10 years from the date of adoption and the remaining life of the Scheme as at the end of the Year was 6 years.

Arrangements to Purchase Shares or Debentures

Save as the Share Option Scheme disclosed above, at no time during the Year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Purchase, Sale or Redemption of Listed Securities of the Company

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year.

Connected and Related Party Transactions

During the Year, the Group had duly complied with the requirements of Chapter 20 of the GEM Listing Rules.

On 27 June 2014, the Company entered into a conditional disposal agreement with a company, which is a wholly owned subsidiary of Data Champion Limited, to dispose of its entire 100% direct equity interest in two subsidiaries, Goldnet (HK) and Goldnet (BVI) (collectively the "Goldnet Group"), and the benefits of all loans of approximately HK\$43,462,000 advanced by the Company to the Goldnet Group (the "Loans") for a cash consideration of HK\$23,000,000 (the "Disposal of Goldnet Group"). Goldnet (HK) was incorporated in Hong Kong and is principally engaged in investment holding. The major assets of Goldnet (HK) is its 100% equity interest in 深圳市天海霸鐘錶有限公司 (Shenzhen Tianhaiba Watches Company Limited) ("Tianhaiba") which was established in the PRC and carries out the PRC Watch Business. Goldnet (BVI) was incorporated in the British Virgin Islands and is principally engaged in investment holding. The Disposal of Goldnet Group was completed on 26 August 2014 and a gain of approximately HK\$2,475,000 arising on the Disposal of Goldnet Group was realised which is included in "Profit/(Loss) for the year from discontinued operation" in the consolidated statement of comprehensive income for the year. Upon completion of the Disposal of Goldnet Group, Goldnet Group ceased to be subsidiaries of the Group.

董事會報告

計劃將自採納日期起十年內有效，於本年度末計劃的剩餘年期為六年。

收購股份或債券的安排

除上文所披露的購股權外，於年內任何時間內，本公司、其控股公司或其任何附屬公司或同系附屬公司概無參與任何安排，致令本公司董事可藉購入本公司或任何其他法團的股份或債券而獲得利益。

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司於本年度概無購買、出售或贖回任何本公司上市證券。

關連及關聯人士交易

於本年度內，本集團已妥為遵守創業板上市規則第20章的規定。

於2014年6月27日，本公司與一間公司(為Data Champion Limited之全資附屬公司)簽訂一份有條件出售協議，以出售其於兩間附屬公司(Goldnet (HK)及Goldnet (BVI)) (統稱為「金域集團」)之100%直接股權，以及本公司墊支予金域集團之所有貸款約43,462,000港元之權益(「貸款」)，現金代價為23,000,000港元(「金域集團出售事項」)。Goldnet (HK)於香港註冊成立，主要從事投資控股。Goldnet (HK)之主要資產為持有深圳市天海霸鐘錶有限公司(「天海霸」)100%股權，而天海霸於中國成立，目前從事中國鐘錶業務。Goldnet (BVI)於英屬處女群島註冊成立，主要從事投資控股。金域集團出售事項已於2014年8月26日完成，且金域集團出售事項實現收益約2,475,000港元，計入本年度綜合全面收益表之「年內已終止經營業務產生之溢利/(虧損)」。金域集團出售事項完成後，金域集團不再為本集團之附屬公司。

DIRECTORS' REPORT

董事會報告

Continuing Connected Transaction

Outsourcing arrangement with Shenzhen Guifeng Watch Company Limited ("Guifeng")

On 20 March 2013, the Company and Guifeng entered into a renewed master agreement whereby Guifeng agrees to carry out watch assembly work for the Group based on purchase orders placed by the Group from time to time for a term from 20 March 2013 until 31 December 2015. A close family member of Mr. Yang Yijun, an Executive Director who resigned on 23 September 2014, has material equity interest in Guifeng. The transaction contemplated under the renewed master agreement constitutes a continuing connected transaction for the Company under Chapter 20 of the GEM Listing Rules.

Details of the above continuing connected transaction were set out in the announcement of the Company dated 20 March 2013.

The outsourcing arrangement with Guifeng for the period from 1 January 2014 to 23 September 2014 (when Guifeng ceased to be a related party) also constitutes related party transactions and is disclosed in note 27 to the consolidated financial statements.

Annual Caps and Actual Figures of Non-Exempted Continuing Connected Transaction of the Company

Transactions

交易

Outstanding arrangement with Guifeng

與桂峰的外判安排

The Independent Non-executive Directors had reviewed the aforesaid continuing connected transactions and confirmed that these transactions had been entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms or on terms no less favourable to the Company than terms available to or from (as appropriate) independent third parties; and

持續關連交易

與深圳市桂峰錶業有限公司(「桂峰」)的外判安排

於2013年3月20日，本公司與桂峰訂立一份總協議，據此，桂峰同意按照本集團不時發出的購貨訂單，為本集團進行鐘錶組裝工作，年期由2013年3月20日起至2015年12月31日止。執行董事楊一軍先生(於2014年9月23日辭任)的一名直系親屬於桂峰擁有重大股份權益。根據創業板上市規則第20章，已續訂總協議項下擬進行的交易構成本公司之持續關連交易。

有關上述持續關連交易的詳情載於本公司日期為2013年3月20日的公佈。

本公司與桂峰之間於2014年1月1日至2014年9月23日(桂峰不再為關聯人士)止期間的外判安排亦構成關聯方交易，載於綜合財務報表附註27。

本公司未獲豁免持續關連交易的年度上限及實際數字

Annual Caps for the Year ended 31 December 2014 截至2014年12月31日 止年度的年度上限	Actual Figures for the Year ended 31 December 2014 截至2014年12月31日 止年度的實際數字
HK\$'000 千港元	HK\$'000 千港元

8,925

8,768

獨立非執行董事已審閱上述持續關連交易，並確認該等交易：

- (1) 在本集團的一般及日常業務過程中訂立；
- (2) 按正常商業條款，或不遜於本公司向獨立第三方提供或取得(按適用)的條款訂立；及

DIRECTORS' REPORT

- (3) in accordance with the relevant agreement with terms which are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transaction 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 Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter containing his findings and conclusions in respect of the continuing connected transaction disclosed by the Group in pages 34 to 35 of this annual report in accordance with GEM Listing Rule 20.38. A copy of the auditor's letter has been provided by the Company to the Exchange.

Pre-emptive Rights

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

Sufficiency of Public Float

Save as disclosed below, from information publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float during the Year.

Upon the close of the mandatory unconditional cash offer on 22 September 2014, there were 36,928,000 shares of the Company, representing approximately 24.62% of the issued share capital of the Company, held by the public (as defined in the GEM Listing Rules). Accordingly, the minimum public float requirement of 25% under Rule 11.23(7) of the GEM Listing Rules was not satisfied. A waiver from strict compliance with Rule 11.23(7) of the GEM Listing Rules for the period of three months commencing from 22 September 2014 was granted by the Exchange. On 19 November 2014, King Full Inc Limited, the controlling shareholder of the Company, disposed of 580,000 shares of the Company on the open market, representing approximately 0.39% of the total issued share capital of the Company, for the purpose of restoring the public float of the Company in compliance with Rule 11.23(7) of the GEM Listing Rules. Immediately following the Disposal, a total of 37,508,000 Shares, representing approximately 25.01% of the entire issued share capital of the Company were held by the public. As such, after settlement of the above disposed shares, the public float of the Company has been restored in compliance with Rule 11.23(7) of the GEM Listing Rules.

董事會報告

- (3) 根據相關協議訂立，條款公平合理，並符合本公司股東的整體利益。

本公司核數師已獲委託，根據香港會計師公會頒佈的香港核證工作準則第3000號「除審核或審閱歷史財務信息以外的核證應聘工作」，並參考實務說明第740項「關於香港上市規則所述持續關連交易的核數師函件」，就本集團的持續關連交易呈交報告。核數師已發出無保留意見函件，當中載有其有關持續關連交易（本集團已根據創業板上市規則第20.38條於本年報第34頁至第35頁對此作出披露）的調查結果及結論。本公司已向聯交所提供該份核數師函件的副本。

優先購買權

本公司細則或百慕達法例並無載有優先購買權條文規定本公司須按比例向現有股東發售新股。

足夠公眾持股量

除下文所披露者外，自本公司所得的公開資料及就董事所知，於年內，本公司保持足夠公眾持股量。

強制性無條件現金收購要約於2014年9月22日結束後，本公司36,928,000股股份（佔本公司已發行股本的約24.62%）由公眾持有（定義見創業板上市規則）。因此，根據創業板上市規則第11.23(7)條公眾最低持股量25%的規定並未達成。聯交所已授出於由2014年9月22日起計三個月期間嚴格遵守創業板上市規則第11.23(7)條的豁免。於2014年11月19日，本公司的控股股東環豐有限公司就遵守創業板上市規則第11.23(7)條重恢公眾持股量於公開市場出售本公司580,000股股份（佔本公司全部已發行股本的約0.39%）。緊隨該出售事項後，合共37,508,000股股份（佔本公司全部已發行股本的約25.01%）由公眾持有。因此，上述已出售股份獲交割後，本公司的公眾持股量得以恢復，達致創業板上市規則第11.23(7)條的要求。

DIRECTORS' REPORT

Corporate Governance

A report on the corporate governance code adopted by the Company is set out on pages 12 to 23 of this annual report.

Interests of the Compliance Adviser

As notified by the compliance adviser of the Company, Messis Capital Limited ("Messis Capital"), as at 31 December 2014, except for the compliance adviser agreement entered into between the Company and Messis Capital dated 5 June 2013, neither Messis Capital or its directors, employees or associates had any interest in relation to the Group.

Subsequent Events

Details of the material events subsequent to 31 December 2014 are set out in note 32 to the consolidated financial statements.

Auditor

The financial statements for the Year have been audited by BDO Limited who retire and being eligible, offer themselves for re-appointment. A resolution will be proposed at the forthcoming annual general meeting to re-appoint BDO Limited as auditor of the Company.

On behalf of the Board

Fei Jie
Chairman

Hong Kong, 18 March 2015

董事會報告

企業管治

本公司採納的企業管治守則報告載於本年報第12至23頁。

合規顧問的權益

誠如本公司合規顧問大有融資有限公司(「大有融資」)的告知，於2014年12月31日，除2013年6月5日本公司與大有融資訂立的合規顧問協議外，大有融資或其董事、僱員或聯繫人概無擁有與本集團有關的任何權益。

期後事項

2014年12月31日後的重大事項詳情載於綜合財務報表附註32。

核數師

本年度財務報表已由香港立信德豪會計師事務所有限公司審核。彼現任滿告退，惟合資格並願意膺聘連任。將於應屆股東週年大會上提呈決議案，續聘香港立信德豪會計師事務所有限公司為本公司核數師。

承董事會命

主席
費杰

香港，2015年3月18日

INDEPENDENT AUDITOR'S REPORT



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獨立核數師報告

To the shareholders of Powerwell Pacific Holdings Limited

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Powerwell Pacific Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 39 to 103, which comprise the consolidated and the company statements of financial position as at 31 December 2014, and the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity 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, in accordance with Section 90 of the Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致宏峰太平洋集團有限公司各股東

(於百慕達註冊成立的有限公司)

本核數師(「我們」)已審計列載於第39頁至103頁宏峰太平洋集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)的綜合財務報表，此綜合財務報表中包括於2014年12月31日的綜合及公司財務狀況表與截至該日止年度的綜合全面收益表、綜合現金流量表及綜合權益變動表，以及主要會計政策概要及其他附註解釋資料。

董事就綜合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》的披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審計對該等綜合財務報表作出意見，並按照《百慕達1981年公司法》第90條僅向整體股東報告，除此之外，本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

BDO Limited
香港立信德豪會計師事務所有限公司

BDO Limited, a Hong Kong limited company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

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 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 2014 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.

BDO Limited

Certified Public Accountants

Lee Ming Wai

Practising Certificate no. P05682

Hong Kong, 18 March 2015

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》進行審計。該等準則要求我們須遵守道德規範，並規劃及執行審計，以合理確定綜合財務報表是否不存在任何重大錯誤陳述。

審計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計憑證。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在重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製綜合財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的合適性及作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等綜合財務報表已根據《香港財務報告準則》真實而公平地反映 貴公司及 貴集團於2014年12月31日的事務狀況及 貴集團截至該日止年度的溢利及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

香港立信德豪會計師事務所有限公司

執業會計師

利明慧

執業證書編號P05682

香港，2015年3月18日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

for the year ended 31 December 2014

截至2014年12月31日止年度

		Notes 附註	2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Re-presented) (經重列)
Continuing operations	持續經營業務			
Revenue	收入	5	158,128	127,808
Cost of sales	銷售成本		(119,028)	(99,500)
Gross profit	毛利		39,100	28,308
Other income	其他收入	6	174	361
Gain on disposal of interest in a subsidiary	出售附屬公司權益之收益	7	—	18,020
Selling and distribution costs	銷售及分銷成本		(959)	(1,216)
Administrative expenses	行政開支		(28,824)	(23,405)
Other operating expenses	其他經營開支		—	(2)
Finance costs	融資成本	9	—	(99)
Profit before income tax	除所得稅前溢利	10	9,491	21,967
Income tax expense	所得稅開支	11	(2,974)	(718)
Profit for the year from continuing operations	年內持續經營業務產生之溢利		6,517	21,249
Discontinued operation	已終止經營業務			
Profit/(Loss) for the year from discontinued operation	年內已終止經營業務產生之溢利/(虧損)	7	282	(5,685)
Profit for the year	年內溢利		6,799	15,564

		Notes 附註	2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Re-presented) (經重列)
Other comprehensive income	其他全面收益			
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>期後可重新分類至損益之項目：</i>			
— Exchange differences arising on translation of foreign operations	— 折算海外業務產生之匯兌差額		184	85
— Exchange differences reclassified on disposal of subsidiaries	— 出售附屬公司而重新分類之匯兌差額	7	(761)	—
Other comprehensive income for the year	年內其他全面收益		(577)	85
Total comprehensive income for the year	年內全面收益總額		6,222	15,649
Profit for the year attributable to owners of the Company	本公司擁有人年內應佔溢利	12	6,799	15,564
Total comprehensive income for the year attributable to owners of the Company	本公司擁有人年內應佔全面收益總額		6,222	15,649
Earnings per share from continuing and discontinued operations	持續經營業務及已終止經營業務的每股盈利			
— Basic and diluted	— 基本及攤薄	14	HK4.5 cents港仙	HK10.4 cents港仙
Earnings per share from continuing operations	持續經營業務的每股盈利			
— Basic and diluted	— 基本及攤薄	14	HK4.3 cents港仙	HK14.2 cents港仙

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

as at 31 December 2014

於2014年12月31日

		Notes 附註	2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
ASSETS AND LIABILITIES				
Non-current assets				
Property, plant and equipment	物業、廠房及設備	16	2,869	4,698
Goodwill	商譽	17	—	—
Other intangible assets	其他無形資產	18	—	5,815
Deposit for acquisition of a subsidiary	出售一間附屬公司的按金	32(ii)	4,800	—
			7,669	10,513
Current assets				
Inventories	存貨	20	12,983	42,426
Trade receivables	貿易應收款項	21	5,201	16,789
Prepayments and deposits	預付款項及按金	21	3,432	6,649
Prepaid tax	預付稅項		—	265
Cash and cash equivalents	現金及現金等價物	22	36,707	37,337
			58,323	103,466
Current liabilities				
Trade and other payables	貿易及其他應付款項	23	30,228	60,024
Amount due to holding company	應付控股公司的款項	24	4,744	—
Tax payables	應付稅項		2,476	—
Bank overdraft	銀行透支	22	4,367	—
			41,815	60,024
Net current assets	流動資產淨額		16,508	43,442
Total assets less current liabilities/ Net assets	總資產減流動負債／淨資產		24,177	53,955
EQUITY				
Share capital	股本	25	15,000	15,000
Reserves	儲備	26	9,177	38,955
Total equity	權益總額		24,177	53,955

Fei Jie
費杰
Director
董事

Fung Chi Kin
馮志堅
Director
董事

STATEMENT OF FINANCIAL POSITION

as at 31 December 2014

財務狀況表

於2014年12月31日

			2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	1,663	—
Investments in subsidiaries	於附屬公司的投資	19	27,125	30,367
Deposit for acquisition of a subsidiary	收購一間附屬公司的按金	32(ii)	4,800	—
			33,588	30,367
Current assets	流動資產			
Prepayments and deposits	預付款項及按金	21	575	114
Amounts due from subsidiaries	應收附屬公司款項	19	—	23,690
Cash and cash equivalents	現金及現金等價物	22	118	206
			693	24,010
Current liabilities	流動負債			
Other payables and accruals	其他應付款項及應計費用	23	1,734	932
Amount due to holding company	應付控股公司的款項	24	4,744	—
Amount due to a subsidiary	應付一間附屬公司款項	19	2,122	11
Bank overdraft	銀行透支	22	4,367	—
			12,967	943
Net current (liabilities)/assets	流動(負債)/資產淨值		(12,274)	23,067
Net assets	資產淨值		21,314	53,434
EQUITY	權益			
Share capital	股本	25	15,000	15,000
Reserves	儲備	26	6,314	38,434
Total equity	總權益		21,314	53,434

Fei Jie
 費杰
 Director
 董事

Fung Chi Kin
 馮志堅
 Director
 董事

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2014

綜合現金流量表

截至2014年12月31日止年度

		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Re-presented) (經重列)
Cash flows from operating activities 經營活動的現金流			
Profit/(Loss) before income tax	除所得稅前溢利/(虧損)		
Continuing operations	持續經營業務	9,491	21,967
Discontinued operations	已終止經營業務	285	(5,682)
		9,776	16,285
Adjustments for:	就下列各項作出調整：		
Gain on disposal of interest in subsidiaries	出售附屬公司權益之收益	(2,475)	(18,020)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,577	1,215
Loss on disposal of property, plant and equipment	報廢物業、廠房及設備虧損	38	260
Interest income	利息收入	(177)	(189)
Finance costs	融資成本	—	99
Impairment loss on property, plant and equipment	物業、廠房及設備之減值虧損	—	150
Impairment loss on goodwill	商譽之減值虧損	—	230
Impairment loss on other intangible assets	其他無形資產之減值虧損	—	220
Operating profit before working capital changes	營運資金變動前的經營溢利	8,739	250
Increase in inventories	存貨增加	(9,659)	(13,172)
(Increase)/Decrease in trade receivables, prepayments and deposits	貿易應收款項、預付款項及按金(增加)/減少	(345)	2,946
Increase in trade and other payables	貿易及其他應付款項增加	18,465	713
Cash generated from/(used in) operations	營運產生/(所用)的現金	17,200	(9,263)
Interest paid	已付利息	—	(99)
Income tax (paid)/refunded	(已付所得稅)/所得稅退稅	(236)	4
Net cash generated from/(used in) operating activities	經營活動產生/(所用)的現金淨額	16,964	(9,358)

		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Re-presented) (經重列)
Cash flows from investing activities	投資活動的現金流		
Deposit paid for acquisition of a subsidiary	收購一間附屬公司已付按金	(4,800)	—
Purchase of property, plant and equipment	購買物業、廠房及設備	(8,879)	(2,856)
Purchase of other intangible assets	購買其他無形資產	—	(18)
Net inflow of cash and cash equivalents in respect of the disposal of interest in subsidiaries and transfer of loans owing by the subsidiaries (note 7)	就出售附屬公司權益及轉讓附屬公司擁有之貸款之現金及現金等價物流入淨額(附註7)	22,395	23,670
Interest received	已收利息	177	189
<i>Net cash generated from investing activities</i>	<i>投資活動產生的現金淨額</i>	8,893	20,985
Cash flows from financing activities	融資活動的現金流		
Repayment of short-term bank borrowings	償還短期銀行借貸	—	(6,574)
Increase in amount due to holding company	應付控股公司款項增加	4,744	—
Advance from an independent third party	獨立第三方墊款	—	6,835
Dividend paid	已付股息	(36,000)	(19,500)
<i>Net cash used in financing activities</i>	<i>融資活動所用的現金淨額</i>	(31,256)	(19,239)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(5,399)	(7,612)
Cash and cash equivalents at beginning of year	年初的現金及現金等價物	37,337	45,268
Effect of foreign exchange rate changes	匯率變動的影響	402	(319)
Cash and cash equivalents at end of year (note 22)	年終的現金及現金等價物(附註22)	32,340	37,337

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

for the year ended 31 December 2014

截至2014年12月31日止年度

		Equity attributable to owners of the Company 本公司擁有人應佔權益						
		Share capital	Share premium*	Capital reserve*	Merger reserve*	Translation reserve*	Retained profits*	Total equity
		股本	股份溢價*	股本儲備*	合併儲備*	換算儲備*	保留溢利*	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2013	於2013年1月1日	15,000	6,937	155	1,033	492	34,189	57,806
Special dividend (note 13)	特別股息(附註13)	—	—	—	—	—	(19,500)	(19,500)
Transaction with owners	與擁有人的交易	—	—	—	—	—	(19,500)	(19,500)
Profit for the year	年內溢利	—	—	—	—	—	15,564	15,564
Other comprehensive income:	其他全面收益：							
Exchange differences arising on translation of foreign operations	折算海外業務產生之匯兌差額	—	—	—	—	85	—	85
Total comprehensive income for the year	年內全面收益總額	—	—	—	—	85	15,564	15,649
At 31 December 2013 and 1 January 2014	於2013年12月31日及2014年1月1日	15,000	6,937	155	1,033	577	30,253	53,955
Special dividend (note 13)	特別股息(附註13)	—	—	—	—	—	(36,000)	(36,000)
Transaction with owners	與擁有人的交易	—	—	—	—	—	(36,000)	(36,000)
Profit for the year	年內溢利	—	—	—	—	—	6,799	6,799
Other comprehensive income:	其他全面收益：							
Exchange differences arising on translation of foreign operations	折算海外業務產生之匯兌差額	—	—	—	—	184	—	184
Exchange differences reclassified on disposal of subsidiaries	出售附屬公司而重新分類之匯兌差額	—	—	—	—	(761)	—	(761)
Total comprehensive income for the year	年內全面收益總額	—	—	—	—	(577)	6,799	6,222
At 31 December 2014	於2014年12月31日	15,000	6,937	155	1,033	—	1,052	24,177

* The total of these balances at the end of the reporting period represents "Reserves" in the consolidated statement of financial position.

* 於報告期末的此等結餘的總額指綜合財務狀況表的「儲備」。

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2014

1. GENERAL INFORMATION

Powerwell Pacific Holdings Limited (the “Company”) was incorporated in Bermuda on 14 June 2010 as an exempted company with limited liability under the Companies Act 1981 of Bermuda. The Company’s registered office is located at Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda. The Company’s principal place of business is located at Units 610–611, Tower Two, Lippo Centre, 89 Queensway, Hong Kong.

The Company’s shares were listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 26 January 2011.

The principal activity of the Company is investment holding. The principal activities of the Company’s subsidiaries (together with the Company referred to as the “Group”) are the provision of sourcing and procurement solutions to customers for production of watches, costume jewelries, and display and packaging products (the “Sourcing Business”), as well as the design, manufacture and distribution of watches of the Group’s own brands of the watches in the People’s Republic of China (the “PRC Watch Business”). On 26 August 2014, the Company disposed of its entire equity interests in two subsidiaries, Goldnet Holdings Group Limited (“Goldnet (HK)”) and Goldnet Holdings Group Limited (“Goldnet (BVI)”), which collectively conduct the PRC Watch Business. Accordingly, the PRC Watch Business is presented as a discontinued operation in these financial statements as it represented a major line of business of the Group. Further details about this discontinued operation are disclosed in note 7.

Details of the principal activities of the Company’s subsidiaries are set out in note 19.

The directors of the Company consider the ultimate parent company of the Group as at 31 December 2014 to be King Full Inc Limited, a company incorporated in Hong Kong.

The financial statements on pages 39 to 103 have been prepared in accordance with 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 (“Int”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The financial statements also include the applicable disclosure requirements of the Hong Kong Companies Ordinance (the “Companies Ordinance”) and the Rules Governing the Listing of Securities on Growth Enterprise Market of the Stock Exchange (the “GEM Listing Rules”).

The financial statements for the year ended 31 December 2014 were approved for issue by the board of directors on 18 March 2015.

財務報表附註

截至2014年12月31日止年度

1. 一般資料

宏峰太平洋集團有限公司(「本公司」)於2010年6月14日在百慕達根據百慕達1981年公司法註冊成立為一間獲豁免有限公司。本公司的註冊辦事處位於Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda。本公司的主要營業地點位於香港金鐘道89號力寶中心第二座610–611室。

本公司的股份自2011年1月26日起於香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)上市。

本公司的主要業務為投資控股。本公司的附屬公司(連同本公司合稱為「本集團」)的主要業務為向客戶提供生產鐘錶、人造珠寶及陳列包裝品的貨源搜尋及採購解決方案(「貨源搜尋業務」)，以及設計、製造及在中華人民共和國分銷本集團鐘錶自有品牌的鐘錶(「中國鐘錶業務」)。於2014年8月26日，本公司出售其於兩間附屬公司，金城控股集團有限公司(「Goldnet (HK)」)及金城控股集團有限公司(「Goldnet (BVI)」)的全部權益，彼等共同開展中國鐘錶業務。因此，中國鐘錶業務於該等財務報表內呈列為已終止經營業務，乃由於其為本集團之主要業務。有關此項已終止經營業務的進一步詳情於附註7中披露。

本公司附屬公司的主要業務詳情載於附註19。

本公司董事認為於2014年12月31日本集團的最終母公司為於香港註冊成立的環澧有限公司。

第39至第103頁的財務報表乃根據香港財務報告準則(「香港財務報告準則」)(包括所有香港會計師公會(「香港會計師公會」)頒佈的適用的個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋(「詮釋」))編製。財務報表亦包括香港公司條例(「公司條例」)及聯交所創業板證券上市規則(「創業板上市規則」)規定的適用披露內容。

截至2014年12月31日止年度的財務報表已於2015年3月18日獲董事會批准刊發。

2. ADOPTION OF NEW/REVISED HKFRSs

(a) New/Revised HKFRSs — effective 1 January 2014

In the current year, the Group has applied for the first time the following new standards, amendments and interpretations issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2014:

Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
HK (IFRIC) 21	Levies

Except as explained below, the adoption of these new amendments had no material impact on the Group's financial statements.

Amendments to HKAS 32 — Offsetting Financial Assets and Financial Liabilities

The amendments clarify the offsetting requirements by adding appliance guidance to HKAS 32 which clarifies when an entity "currently has a legally enforceable right to set off" and when a gross settlement mechanism is considered equivalent to net settlement. The amendments are applied retrospectively.

The adoption of the amendments has no impact on these financial statements as the Group does not have any offsetting arrangements.

HK (IFRIC) 21 — Levies

HK (IFRIC) 21 clarifies that an entity recognises a liability to pay a levy imposed by government when the activity that triggers payment, as identified by the relevant legislation, occurs. The interpretation has been applied retrospectively.

The adoption of HK (IFRIC) 21 has no impact on these financial statements as the interpretation is consistent with the Group's previous application of its accounting policies on provisions.

2. 採納新訂／經修訂香港財務報告準則

(a) 新訂／經修訂香港財務報告準則 — 於2014年1月1日生效

本集團於本年度首次應用下列由香港會計師公會頒佈，與本集團於2014年1月1日開始之年度期間之財務報表相關並於該期間生效之新訂準則、修訂及詮釋：

香港會計準則 第32號之修訂	抵銷金融資產 及金融負債
香港(國際財務報告 詮釋委員會) 第21號	徵費

除下文所述情況外，採納此等新訂修訂並無對本集團財務報表產生重大影響。

香港會計準則第32號之修訂 — 抵銷金融資產及金融負債

該修訂通過對香港會計準則第32號加設應用指引而澄清有關抵銷之規定，該指引對實體「目前擁有法律上可強制執行權利以抵銷」之時間以及總額結算機制被認為是等同於淨額結算之時間作出澄清。該修訂已追溯應用。

由於本集團並無任何抵銷安排，故採納該修訂並無對該等財務報表構成影響。

香港(國際財務報告詮釋委員會)第21號 — 徵費

香港(國際財務報告詮釋委員會)第21號澄清實體於相關法規確定之觸發付款之活動發生時確認負債以支付政府所徵收之徵費。該詮釋已追溯應用。

採納香港(國際財務報告詮釋委員會)第21號對該等財務報表並無影響，因為該詮釋與本集團先前應用其有關撥備之會計政策一致。

2. ADOPTION OF NEW/REVISED HKFRSs (Continued)

(b) New/Revised HKFRSs — issued but are not yet effective

The Group has not applied the following new/revised HKFRSs that have been issued but are not yet effective and are potentially relevant to the Group's financial statements.

Amendments to HKAS 1	Disclosure Initiative ¹
Amendments to HKAS 27	Equity Method in Separate Financial Statements ¹
HKFRS 9 (2014)	Financial Instruments ³
HKFRS 15	Revenue from Contracts with Customers ²

- ¹ Effective for annual periods beginning on or after 1 January 2016
- ² Effective for annual periods beginning on or after 1 January 2017
- ³ Effective for annual periods beginning on or after 1 January 2018

Information on new and amended HKFRSs that are expected to have impact on the Group is explained as follows:

Amendments to HKAS 1 — Disclosure Initiative

The amendments are designed to further encourage companies to apply professional judgement in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that companies should use professional judgement in determining where and in what order information is presented in the financial disclosures.

Amendments to HKAS 27 — Equity Method in Separate Financial Statements

The amendments allow an entity to apply the equity method in accounting for its investments in subsidiaries, joint ventures and associates in its separate financial statements.

2. 採納新訂／經修訂香港財務報告準則 (續)

(b) 新訂／經修訂香港財務報告準則 — 已頒佈但尚未生效

本集團並無採納下列已頒佈但尚未生效且可能與本集團之財務報表有關之新訂／經修訂香港財務報告準則。

香港會計準則第 1 號之修訂	披露計劃 ¹
香港會計準則第 27 號之修訂	單獨財務報表之權益法 ¹
香港財務報告準則第 9 號 (2014 年)	金融工具 ³
香港財務報告準則第 15 號	來自與客戶合約之收益 ²

- ¹ 於 2016 年 1 月 1 日或以後開始之年度期間生效
- ² 於 2017 年 1 月 1 日或以後開始之年度期間生效
- ³ 於 2018 年 1 月 1 日或以後開始之年度期間生效

預期會對本集團產生影響之新訂及經修訂香港財務報告準則之相關資料解釋如下：

香港會計準則第 1 號之修訂 — 披露計劃

該修訂乃為進一步鼓勵公司運用專業判斷在財務報表上披露何等資料而設計。例如，該修訂釐清適用於整份財務報表之重要性，而載入不重要之資料可限制財務披露資料之效能。再者，上述修訂澄清，公司應運用專業判斷決定資料應在財務披露資料之呈列章節及排序。

香港會計準則第 27 號之修訂 — 單獨財務報表之權益法

該修訂允許實體在其單獨財務報表中就其於附屬公司、合營企業及聯營公司之投資進行會計處理時採用權益法。

2. ADOPTION OF NEW/REVISED HKFRSs (Continued)

(b) New/Revised HKFRSs — issued but are not yet effective (Continued)

HKFRS 9 (2014) — Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at FVTOCI if the objective of the entity's business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at FVTPL.

HKFRS 9 includes a new expected loss impairment model for all financial assets not measured at FVTPL replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

HKFRS 15 — Revenue from Contracts with Customers

The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and related interpretations.

2. 採納新訂／經修訂香港財務報告準則 (續)

(b) 新訂／經修訂香港財務報告準則 — 已頒佈但尚未生效 (續)

香港財務報告準則第9號(2014年) — 金融工具

香港財務報告準則第9號引進金融資產分類及計量的新規定。按業務模式持有資產而目的為收取合約現金流的債務工具(業務模式測試)以及具產生現金流的合約條款且僅為支付本金及未償還本金利息的債務工具(合約現金流特徵測試)，一般按攤銷成本計量。倘該實體業務模式的目的為持有及收取合約現金流以及出售金融資產，則符合合約現金流特徵測試的債務工具透過其他全面收益按公平值計量。實體可於初步確認時作出不可撤銷的選擇，以計量透過其他全面收益按公平值計量並非持作買賣的股本工具。所有其他債務及股本工具透過損益按公平值計量。

香港財務報告準則第9號就並非透過損益按公平值計量的所有金融資產納入新的預期虧損減值模式(取代香港會計準則第39號的已產生虧損模式)以及新的一般對沖會計規定，以讓實體於財務報表內更好地反映其風險管理活動。

香港財務報告準則第9號遵照香港會計準則第39號項下金融負債的確認、分類及計量規定，惟指定透過損益按公平值計量的金融負債除外，而負債信貸風險變動引致的公平值變動金額於其他全面收益確認，除非會產生或擴大會計錯配風險則作別論。此外，香港財務報告準則第9號保留香港會計準則第39號終止確認金融資產及金融負債的規定。

香港財務報告準則第15號 — 來自與客戶合約之收益

本項新準則設立一個單獨的收益確認框架。該框架的核心原則為實體應確認收益以用金額描述轉讓承諾商品或服務予客戶，該金額反映預期該實體有權就交換該等商品及服務所收取的代價。香港財務報告準則第15號取代現行收益確認指引(包括香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋)。

2. ADOPTION OF NEW/REVISED HKFRSs (Continued)

(b) New/Revised HKFRSs — issued but are not yet effective (Continued)

HKFRS 15 — Revenue from Contracts with Customers (Continued)

HKFRS 15 requires the application of a 5 steps approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to each performance obligation
- Step 5: Recognise revenue when each performance obligation is satisfied

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRS. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

(c) New Companies Ordinance provisions relating to the preparation of financial statements

The provisions of the new Companies Ordinance, Cap. 622, in relation to the preparation of financial statements will apply to the Company in its first financial year beginning on or after 3 March 2014 (i.e. the financial year ending 31 December 2015).

The directors consider that there will be no impact on the Group's financial position or performance, however the new Companies Ordinance, Cap. 622, would have impacts on the presentation and disclosures in the consolidated financial statements. In particular, the Statement of Financial Position of the Company can be presented in the notes rather than a separate statement and the related notes need not be included, and statutory disclosures will be simplified.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

The significant accounting policies that conform to HKFRSs and have been used in the preparation of these financial statements are summarised below. These policies have been consistently applied throughout the years presented unless otherwise stated.

These financial statements have been prepared under the historical cost convention. The measurement bases are fully described in the accounting policies below.

2. 採納新訂／經修訂香港財務報告準則 (續)

(b) 新訂／經修訂香港財務報告準則 — 已頒佈但尚未生效 (續)

香港財務報告準則第15號 — 來自與客戶合約之收益 (續)

香港財務報告準則第15號要求透過五個步驟釐定收入：

- 第一步：識別與客戶的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至各履約責任
- 第五步：於各履約責任完成時確認收入

香港財務報告準則第15號包含與特定收益相關的特定指引，該等指引或會更改香港財務報告準則現時應用之方法。該準則亦對收益相關的披露作出大幅質化與量化改進。

(c) 新公司條例項下有關編製財務報表之條文

本公司將於2014年3月3日或之後開始之首個財政年度(即截至2015年12月31日止財政年度)採用新公司條例(第622章)下有關編製財務報表之條文。

董事認為，採用新條文將不會對本集團之財務狀況或表現產生影響，然而，新公司條例(第622章)將影響綜合財務報表之呈報及披露。尤其本公司財務狀況表可於附註而非於獨立報表呈報且毋須包括其相關附註，而法定披露亦將予以簡化。

3. 主要會計政策概要

3.1 編製基準

符合香港財務報告準則且已用於編製該等財務報表的主要會計政策概述於下文。除另有指明外，該等政策已於所呈報年度貫徹應用。

此等財務報表乃根據歷史成本法編製。計量基準詳載於下述之會計政策。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.1 Basis of preparation (Continued)

It should be noted that accounting estimates and assumptions are used in preparation of these financial statements. Although these estimates and assumptions are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

3.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (see note 3.3 below) made up to 31 December each year. Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from inter-company transactions are also eliminated unless the transaction provides evidence of impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributable to the owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest, and also the cumulative transaction difference recorded in equity. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

3. 主要會計政策概要(續)

3.1 編製基準(續)

謹請留意，編製此等財務報表時曾採用會計估計及假設。儘管該等估計及假設乃根據管理層對現時事件及行動的最佳認證，惟實際結果可能有別於該等估計及假設。涉及大量判斷或繁複的範疇，或假設及估計對財務報表而言屬重要的範疇，已於附註4中披露。

3.2 綜合基準

綜合財務報表包括本公司及其附屬公司於每年12月31日編製之財務報表(見下文附註3.3)。附屬公司業績由收購日期(即本集團取得其控制權之日)及持續至該控制權停止之日綜合入賬。本集團內公司間的所有交易、結餘及未變現收益及虧損的交易已於編製綜合財務報表悉數撇銷。集團內公司間的交易所產生的未變現虧損亦予撇銷，除非交易提供所轉讓資產出現減值的憑證，並會即時在損益賬中確認。

本集團於附屬公司權益之變動如不導致失去控制權，入賬列為權益交易。本集團權益及非控股權益之賬面值均予以調整，以反映其各自於附屬公司之相對權益之變動。經調整後非控股權益金額與所付或所收代價公平值之任何差額，直接於權益確認，並歸屬於本公司擁有人。

當本集團失去附屬公司控制權時，出售所產生溢利或虧損為以下兩者之差額：(i) 已收代價之公平值與任何保留權益之公平值之總額；與(ii) 該附屬公司之資產(包括商譽)及負債與任何非控股權益及權益所記錄之累計交易差額之過往賬面值。以往於其他全面收益確認為與附屬公司有關之金額，入賬方式相同，猶如相關資產或負債已經出售。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.3 Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

3.4 Goodwill

Goodwill arising from acquisition of subsidiaries represents the excess of the aggregate of consideration transferred and the amount recognised for non-controlling interests over the fair value of the identifiable assets acquired and liabilities including contingent liabilities assumed as at the date of acquisition.

Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess, being bargain purchases, is recognised immediately in profit or loss.

Goodwill is initially recognised at cost and subsequently measured at cost less impairment losses. Goodwill is reviewed for impairment annually at the end of the reporting period or more frequently if events or changes in circumstances indicate that the carrying value of goodwill may be impaired (note 3.7). On subsequent disposal of a subsidiary, the carrying amount of goodwill relating to the entity sold is included in determining the amount of the gain or loss on disposal.

3.5 Other intangible assets

Acquired intangible assets are recognised initially at cost. After initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any impairment losses (note 3.7). Amortisation for intangible assets with finite useful lives is provided on straight-line basis over their estimated useful lives. Amortisation commences when the intangible assets are available for use. Intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

3. 主要會計政策概要(續)

3.3 附屬公司

附屬公司為被投資方，本公司可對其行使控制權。倘下列三項因素全部出現時，本公司可控制被投資方：對被投資方擁有權力、參與或有權分享投資方的可變回報及有能力利用權力影響該等可變回報。當事實及情況顯示該等控制權的任何因素可能發生變動，控制權將會進行重新評估。

於本公司的財務狀況表中，於附屬公司的投資乃按成本減去減值虧損(如有)入賬。本公司按已收及應收股息將附屬公司的業績入賬。

3.4 商譽

收購附屬公司產生之商譽指已轉讓的總代價及就非控制權益所確認的金額超出所收購的已確認已收購可識別資產及負債(包括於收購日期確認的或然負債)的公平值的差額。

倘可識別資產、負債及或然負債之公平值超出已付代價之公平值，則超出部分(即議價收購)即時在損益中確認。

商譽初步按成本確認，其後按成本扣除減值虧損計量。商譽每年於報告期末進行減值測試，如果有跡象及變動顯示商譽的賬面值可能出現減值，進行減值測試的次數會更頻密(附註3.7)。當其後出售一間附屬公司時，出售溢利或虧損金額已包括有關出售實體的商譽賬面值。

3.5 其他無形資產

已收購無形資產初步按成本值確認。於初步確認後，可使用年期有限的無形資產按成本值減累計攤銷及任何減值虧損(附註3.7)列賬。可使用年期有限的無形資產攤銷按估計可使用年期以直線法予以攤銷。無形資產於可供使用時隨即攤銷。不設年限可使用年期的無形資產按成本減任何後續累計減值虧損列賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.6 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses (note 3.7). Depreciation is provided to write off the cost less their residual values, using straight-line method, over their estimated useful lives. Land and building classified as finance leases are depreciated over the unexpired term of the leases. Other items are depreciated at the following rates per annum:

Leasehold improvements	20%
Furniture, fixtures and equipment	20%
Plant and machinery	20%
Motor vehicles	20%

The asset's residual values, depreciation method and estimated useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The gain or loss arising on disposal is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other costs such as repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

3.7 Impairment of non-financial assets

Goodwill and other intangible assets having indefinite useful lives are tested for impairment at least annually, irrespective of whether there is any indication that they are impaired. All other assets including property, plant and equipment and other intangible assets with finite useful lives are tested for impairment whenever there are indications that the assets' carrying amounts may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal 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 assessment of time value of money and the risk specific to the asset.

3. 主要會計政策概要(續)

3.6 物業、廠房及設備

物業、廠房及設備按成本減累計折舊及任何減值虧損(附註3.7)後列賬,並於其估計可使用年期以直線法計提折舊以撇銷成本減其餘值。列為融資租賃的土地及樓宇於租約尚未屆滿年期內計提折舊。其他項目按以下年利率計提折舊:

租賃裝修	20%
傢俬、裝置及設備	20%
廠房及機器	20%
汽車	20%

資產的殘值、折舊法及估計可使用年期會於各報告日期予以檢討並作出調整(如合適)。

出售產生的損益按銷售所得款項與資產賬面值的差額釐定,並於損益賬確認。

如其後成本的相關未來經濟效益很可能歸於本集團,而且能可靠地計量該項目的成本,則該項成本計入有關資產的賬面值或確認為獨立資產(如適用)。維修及保養等所有其他成本則在其產生的財政期間在損益賬中支銷。

3.7 非金融資產減值

無論是否有任何減值跡象,商譽及具不設年限可使用年期的其他無形資產至少每年進行一次減值測試。所有其他資產(包括物業、廠房及設備及可使用年期有限的其他無形資產)則在有跡象顯示資產賬面值未必能夠收回時進行減值測試。

倘資產賬面值超出其可收回金額,多出的金額將作為減值虧損並立即確認為開支。可收回金額指公平值減出售成本與使用價值兩者中的較高者。評估使用價值時,估計日後現金流量按反映時間價值的現行市場評估及該資產的特定風險的稅前折現率折現到其現值。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.7 Impairment of non-financial assets (Continued)

For the purposes of assessing impairment, 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 generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill in particular is allocated to those cash-generating units that are to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired.

An impairment loss on goodwill is not reversed in subsequent periods. In respect of other assets, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. A reversal of such impairment is credited to profit or loss in the period in which it arises unless that asset is carried at revalued amount, in which case the reversal of impairment loss is accounted for in accordance with the relevant accounting policy for the revalued amount.

3.8 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost of inventories for the sourcing and procurement business is determined using first-in, first-out basis whereas cost of inventories for the PRC watch business, which was disposed of during the year, was determined using weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and applicable selling expenses.

3.9 Financial assets

Financial assets of the Group are classified into loans and receivables. Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at every reporting date.

3. 主要會計政策概要(續)

3.7 非金融資產減值(續)

就評估減值而言，倘資產並無產生大致上獨立於其他資產的現金流入，其可收回金額會按獨立產生現金流入的最小組別資產(即現金產生單位)釐定。因此，部分資產會個別測試減值，部分則按現金產生單位測試。商譽乃特別分配至預期可受惠於相關合併之協同效益之現金產生單位。獲分配商譽之現金產生單位將每年及於有跡象顯示該單位可能出現減值時進行減值測試。

商譽的減值虧損於其後期間不予撥回。就其他資產而言，如用以釐定資產可收回金額的估計發生有利變化，減值虧損將予以撥回，惟撥回額只限於資產的賬面值不超過假設並無確認減值虧損而應釐定的賬面值(扣除折舊或攤銷)。除按重估金額列值之資產根據重估金額之相關政策計算減值虧損之撥回外，有關減值之撥回均於其產生期間計入損益。

3.8 存貨

存貨按成本值與可變現淨值的較低者列賬。貨源搜尋及採購業務的存貨成本按先入先出法釐定，而中國鐘錶業務(已於年內出售)的存貨成本則按加權平均基準釐定。可變現淨值為日常業務過程中的估計售價減估計完成成本及適當銷售開支。

3.9 金融資產

本集團金融資產分類為貸款及應收款項。管理層視乎所收購金融資產的用途釐定於初步確認時的金融資產分類，如許可及適用，會於各報告日期重新評估此分類。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.9 Financial assets (Continued)

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. Regular way purchases of financial assets are recognised on trade date. When financial assets are recognised initially, they are measured at fair value plus directly attributable transaction costs, except in the case of financial assets recorded at fair value through profit or loss. Derecognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are subsequently measured at amortised cost using the effective interest method, less any identified impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost. Gain and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired as well as through the amortisation process.

Impairment of financial assets

At each reporting date, the Group assesses whether there is any objective evidence that financial asset is impaired. Objective evidence of impairment of individual financial assets includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- granting concession to a debtor because of debtors' financial difficulty;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

3. 主要會計政策概要(續)

3.9 金融資產(續)

所有金融資產只會在本集團成為有關工具合約條文的訂約方時，方予確認。正常採購的金融資產均於其交易日入賬。金融資產於初步確認時乃按公平值加上直接應佔交易成本計量，惟按公平值計入損益之金融資產除外。當收取投資現金流之權利屆滿或被轉讓時，或擁有權之絕大部分風險及回報被轉讓時，方會終止確認金融資產。

貸款及應收款項為附帶固定或可釐定付款的非衍生金融資產，且並無在活躍市場報價。貸款及應收款項其後採用實際利息法計算的經攤銷成本，減任何已確認減值虧損列賬。經攤銷成本經計及任何收購折讓或溢價後計算，並包括屬於實際利率及交易成本組成部分的各項費用。當貸款及應收款項在攤銷過程中取消確認或減值，收益及虧損於損益確認。

金融資產減值

於各報告日期，本集團進行審核，以釐定有否客觀證據顯示金融資產減值。個別金融資產的客觀減值證據包括引致本集團對下列一項或多項虧損事件關注的可觀察數據：

- 債務人陷入重大財務困難；
- 違反合約，例如拖欠或延遲償還利息或本金；
- 因債務人財務困難而授予債務人寬限；
- 債務人可能會破產或經歷其他財務重整；及
- 科技、市場、經濟或法律環境的重大改變對債務人有負面影響。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.9 Financial assets (Continued)

Impairment of financial assets (Continued)

Loss events in respect of a group of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the group of financial assets. Such observable data include but not limited to adverse changes in the payment status of debtors in the group and, national or local economic conditions that correlate with defaults on the assets in the group.

If there is objective evidence that an impairment loss on loans and receivables has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The amount of the loss is recognised in profit or loss of the period in which the impairment occurs.

If, in subsequent period, the amount of the impairment loss on loans and receivables decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss for the period in which the reversal occurs.

Where the recovery of trade receivables is considered doubtful but not remote, the impairment losses for doubtful receivables are recorded using an allowance account. When the Group is satisfied that recovery of trade receivables is remote, the amount considered irrecoverable is written off against trade receivables directly and any amounts held in the allowance account in respect of that receivable 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.

3. 主要會計政策概要(續)

3.9 金融資產(續)

金融資產減值(續)

一組金融資產之虧損事件包括顯示該組金融資產之估計未來現金流量出現可計量之減少之可觀測數據。該等可觀測數據包括但不限於該組債務人之付款情況，以及與該組資產違約有關連之國家或地方經濟情況出現不利變動。

如有客觀證據顯示貸款及應收款項有減值虧損，則按資產賬面值與按照金融資產原定實際利率(即於初步確認時計算的實際利率)折現的估計未來現金流量(不包括尚未產生的未來信貸虧損)現值兩者的差額計量虧損金額。虧損金額於減值出現期間在損益賬中確認。

倘若其後期間貸款及應收款項的減值虧損金額減少，而有關減幅可客觀地與確認減值後發生的事件有關係，則撥回過往確認的減值虧損，惟於撥回減值當日不得導致金融資產賬面值超過如無確認減值的原有經攤銷成本。撥回金額於撥回發生期間在損益賬中確認。

倘貿易應收款項被認為有可能但並非不能收回，則屬呆賬的應收款項減值虧損會使用撥備賬列賬。當本集團信納不大可能收回貿易應收款項時，則被認為屬不可收回的金額乃直接自貿易應收款項中撇銷，而於撥備賬內就有關應收款項持有的任何金額會予以撥回。其後收回過往自撥備賬扣除的金額乃撥回至撥備賬。撥備賬的其他變動及其後收回過往直接撇銷的金額乃於損益賬內確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Cash and cash equivalents

Cash and cash equivalents include cash at banks and on hand, demand deposits and short-term, highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows presentation, cash and cash equivalents include bank overdrafts which are repayable on demand and form an integral part of the Group's cash management. For the purpose of the consolidated and the company statements of financial position, bank overdraft is included in current liabilities.

3.11 Financial liabilities

The Group's financial liabilities include trade and other payables, amount due to holding company, and bank overdraft which are financial liabilities at amortised cost.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest related charges are recognised in accordance with the Group's accounting policy for borrowing costs (note 3.18). A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

Trade and other payables are recognised initially at their fair values and subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策概要(續)

3.10 現金及現金等價物

現金及現金等價物包括銀行存款及手頭現金、銀行通知存款加上原定到期日為三個月或以下、隨時可轉換為已知金額現金及價值變動風險不大之高度流通短期投資。就綜合現金流量表之呈列而言，現金及現金等價物包括須按要求償還並構成本集團現金管理之一部份之銀行透支。就綜合財務狀況表及本公司財務狀況表而言，銀行透支計入流動負債。

3.11 金融負債

本集團的金融負債包括貿易及其他應付款項、應付控股公司款項及銀行透支，其為以攤銷成本計值之金融負債。

倘本集團成為有關工具合約條文的訂約方，則須確認金融負債。所有與利息相關的開支均按照本集團對借貸成本(附註3.18)的會計政策確認。當負債項下的責任被解除或取消或屆滿，將取消確認金融負債。

當現有金融負債以同一貸款人被有重大差別的條款或經重大修訂的現有負債條款提供的另一金融負債取代，則上述取代或修訂將視為終止確認原有負債，並確認新負債，而有關賬面值的差額在損益賬確認入賬。

貿易及其他應付款項最初以公平值確認，其後採用實際利息法按經攤銷成本計算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.12 Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share premium (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

3.13 Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which will probably result in an outflow of economic benefits that can be reasonably estimated.

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, the 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.

3.14 Revenue and other income recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods, net of applicable value-added tax, rebates and discounts. Provided it is probable that the economic benefits will flow to the Group and the revenue and other income can be measured reliably, revenue and other income is recognised as follows:

Sales of goods are recognised upon transfer of the significant risks and rewards of ownership to the customer. This is usually taken as the time when the goods are delivered and the customer has accepted the goods.

Freight income is recognised when the relevant services are rendered.

Interest income is recognised on a time-proportion basis by reference to the principal outstanding and the effective interest method.

3. 主要會計政策概要(續)

3.12 股本

普通股列為權益。股本採用已發行股份的面值釐定。與發行股份相關的任何交易成本自股份溢價(扣除任何相關所得稅利益)扣除，惟以直接與股本交易相關的任何遞增成本為限。

3.13 撥備及或然負債

當本集團因過去事項須承擔法定義務或推定義務，而履行該義務很可能需要付出經濟利益及有關經濟利益能夠可靠作出估計時，則會為未確定時間或金額的負債確認撥備。

倘不大可能需要導致經濟利益外流或未能可靠估計金額，除非出現經濟利益流出的可能性極微，否則有關責任將披露作或然負債。可能出現的責任(僅於一項或多項未來事件發生或不發生的情況下確定)亦披露為或然負債，除非出現經濟利益流出的可能性極微則作別論。

3.14 收入及其他收入確認

收入包括銷售貨品已收或應收的公平值，扣除適用增值稅、回扣及折扣。當經濟利益可能流入本集團，並能可靠計量收入及其他收入時按以下基準確認收入及其他收入：

銷售貨品於擁有權的重大風險及回報轉移至客戶時確認，通常為貨物已付運及客戶已接收貨物時。

運輸收入於提供有關服務時確認。

利息收入乃參考未償還本金以實際利息法按時間比例確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.15 Leases

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.

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.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

3.16 Employee benefits

Retirement benefit costs

Retirement benefits to employees are provided through defined contribution plans. The Group operates a defined contribution retirement benefit plan under the Mandatory Provident Fund Schemes Ordinance (the "MPF Scheme"), for all of its employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries.

The employees of the Group's subsidiary operated in the PRC, which was disposed of during the year, were required to participate in a central pension scheme operated by the local municipal government. This subsidiary was required to contribute certain percentage of employees' salaries to the central pension scheme.

Contributions are recognised as an expense in profit or loss as employees render services during the year. The Group's obligations under these plans are limited to the fixed percentage contributions payable.

Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

3. 主要會計政策概要(續)

3.15 租賃

倘本集團決定於協定期限內將特定資產使用權出讓以換取一筆或一連串款項的安排，包括一項交易或一連串交易的該項安排屬於或包括一項租約。該項決定乃基於安排內容的實質評估而作出，而不論該項安排是否採取租約的法律形式。

對於本集團以租賃方式持有的資產，倘租約使擁有權的絕大部分風險及回報已轉移至本集團，有關資產即分類為以融資租賃持有。倘租賃不會使擁有權的絕大部分風險及回報轉移至本集團，則分類為經營租賃。

根據經營租賃應付的租金於有關租期內以直線法自損益賬扣除。

3.16 僱員福利

退休福利成本

給予僱員的退休福利乃透過定額供款計劃提供。本集團根據強制性公積金計劃條例設立定額供款退休福利計劃(「強積金計劃」)，為所有合資格參與強積金計劃的僱員參與。供款按僱員基本薪金一定百分比作出。

本集團於中國營運的附屬公司(已於年內出售)旗下僱員須參與由有關地方市政府營運的中央退休金計劃。該附屬公司須按僱員薪金若干百分比對中央退休金計劃供款。

供款於年內僱員提供服務時在損益賬確認開支。本集團根據該等計劃的責任僅為應付固定百分比供款。

短期僱員福利

僱員可享有的年假於應計予僱員時確認。估計應享有的年假乃按僱員於報告日期止所提供的服務作出撥備。

病假及產假等非累積有薪假期於提取假期時方予確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.17 Foreign currencies

The financial statements are presented in Hong Kong Dollars (“HK\$”), which is also the functional currency of the Company.

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the reporting date retranslation of monetary assets and liabilities are recognised in profit or loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined and are reported as part of the fair value gain or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

In the consolidated financial statements, all individual financial statements of foreign operations, originally presented in a currency different from the Group’s presentation currency, have been converted into HK\$. Assets and liabilities have been translated into HK\$ at the closing rates at the reporting date. Income and expenses have been converted into the HK\$ at the exchange rates ruling at the transaction dates, or at the average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this procedure have been recognised in other comprehensive income and accumulated separately in the translation reserve in equity. Such translation differences are recognised as profit or loss in the period in which the foreign entity is disposed of.

3.18 Borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of any qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3. 主要會計政策概要(續)

3.17 外幣

財務報表以港元(「港元」)呈列，港元亦為本公司的功能貨幣。

於綜合實體的個別財務報表內，外幣交易按交易當日的匯率換算為個別實體的功能貨幣。於報告日期，以外幣為單位的貨幣資產及負債均按該日適用的匯率換算。因結算該等交易及報告日期重新換算貨幣資產及負債所產生的匯兌收益及虧損，乃於損益賬內確認。

按公平值列賬且以外幣計值的非貨幣項目，乃按公平值被釐定當日的現行匯率換算並呈報為公平值損益的一部分。以外幣計值且以歷史成本入賬的非貨幣項目不予重新換算。

於綜合財務報表內，所有以不同於本集團呈列貨幣呈列的海外業務的個別財務報表，均已折算為港元。資產與負債均以報告日期的收市匯率折算為港元。收入與開支則按交易日期適用的匯率折算為港元或若匯率並無大幅波動，可按報告期間的平均匯率折算為港元。因此而產生的任何差額均於其他全面收入內確認，並於權益項下的換算儲備分開累計。有關匯兌差額乃於出售海外公司期間確認為損益。

3.18 借貸成本

直接來自收購、建設或生產需要一段長時間方能用作其擬定用途或出售之合資格資產之借貸成本，會資本化為該等資產之部分成本。所有其他借貸成本於彼等產生期間在損益確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.19 Accounting for income taxes

Income taxes for the year comprise current tax and deferred tax. Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantially enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor accounting profit or loss. Deferred tax assets and liabilities are measured at the tax rates expected to apply in the period in which the liability is settled or the asset is realised based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in the other comprehensive income.

3. 主要會計政策概要(續)

3.19 所得稅的會計處理

本年度之所得稅包括即期稅項及遞延稅項。即期稅項乃根據日常業務之溢利或虧損，就所得稅而言毋須課稅或不可扣稅之項目作出調整，按報告期末已制定或大致上制定之稅率計算。

遞延稅項乃因就財務報告而言資產與負債之賬面值與就稅務而言之相關數值之暫時差異而確認。除不影響會計或應課稅溢利之商譽及已確認資產與負債之外，所有暫時差異之遞延稅項負債均會確認。在可運用可扣稅之暫時差異抵銷應課稅溢利時，遞延稅項資產方會確認。倘暫時差異自商譽或交易(概不影響應課稅溢利或會計損益)的其它資產及負債的初次確認(業務合併除外)產生，則不會確認有關資產及負債。遞延稅項資產及負債乃按預期於有關負債結算或有關資產變現之期間適用之稅率根據報告日期已制定或大致上制定之稅率計算。

與附屬公司的投資相關的應課稅暫時性差額確認為遞延稅項負債，惟若本集團可控制暫時性差額的撥回而暫時性差額大有可能於可見將來不會撥回的情況除外。與該等投資及權益相關的可扣稅暫時差額所產生的遞延稅項資產僅於可能有足夠應課稅溢利可以使用暫時性差額的益處且預計於可見將來可以撥回時確認。

遞延稅項資產的賬面值於各報告日期進行檢討，及於不再可能有足夠應課稅溢利能用作收回全部或部分遞延稅項資產時須予調減。

遞延稅項負債及資產的計量反映按照本集團預期於報告日期可收回或結清其資產及負債的賬面值方式計算而得出的稅務後果。

所得稅乃於損益中確認，除非該等稅項與於其他全面收入確認之項目有關，在此情況下，該等稅項亦於其他全面收入確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.20 Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's line of business.

The measurement policies the Group uses for reporting segment results under HKFRS 8 Operating Segments are the same as those used in its financial statements prepared under HKFRSs, except that interest income, interest expense, income tax and corporate income and expenses which are not directly attributable to the business activities of any operating segment are not included in arriving at the operating results of the operating segment.

Segment assets include all assets but tax assets.

3.21 Government grant

Government grants are recognised 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 deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

3.22 Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member to that person's family and 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 of a parent of the Group;

or

3. 主要會計政策概要(續)

3.20 分部報告

本集團定期向執行董事報告內部財務資料，以供彼等就本集團業務組成部分的資源分配作出決定，以及檢討該等組成部分的表現。根據該報告，本集團劃分經營分部及編製分部資料。向執行董事所報告內部財務資料的業務組成部分根據本集團的業務分類釐定。

本集團根據香港財務報告準則第8號經營分部用作呈報分類業績的計量政策與其根據香港財務報告準則編製的財務報表內採用者相同，惟：利息收入、利息支出、所得稅及並非直接歸屬於任何經營分部的業務活動的企業收入及開支不計入經營分部的經營業績。

分部資產包括所有資產但不包括稅項資產。

3.21 政府補助

政府補助於合理假設將可收取及本集團將遵照所附有關條件時予以確認。就所產生之開支向本集團提供之補助，於開支產生期間有系統於損益中予以確認。就資產成本向本集團作出賠償之補助，乃從資產之賬面值中扣除，因透過已減折舊開支按資產之可使用年期於損益中有效予以確認。

3.22 關聯人士

倘任何人士符合以下條件，則視為本集團的關聯人士：

- (a) 一名人士或其近親，而該名人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司的主要管理層成員；

或

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.22 Related parties (Continued)

(b) the party is an entity where any of the following conditions applies:

- (i) the entity and the Group are members of the same group;
- (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
- (iii) the entity and the Group are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third party and the other party is an associate of the third party;
- (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); and
- (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).

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

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

3. 主要會計政策概要(續)

3.22 關聯人士(續)

(b) 符合下列任何條件的一個實體：

- (i) 該實體與本集團屬同一集團之成員公司；
- (ii) 一間實體為另一實體（或另一實體的母公司、附屬公司或同系附屬公司）的聯營公司或合營企業；
- (iii) 該實體及本集團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) 該實體為離職後福利計劃，該計劃的受益人為本集團或與本集團有關的實體的僱員；
- (vi) 該實體由(a)項所述人士控制或共同控制；及
- (vii) 於(a)(i)項所述人士對該實體有重大影響或屬該實體（或該實體的母公司）主要管理層成員。

個別人士的近親為與該實體交易時預期可能影響該個別人士或受該個別人士影響的家庭成員及包括：

- (i) 該名人士的子女及配偶或同居伴侶；
- (ii) 該名人士配偶或同居伴侶；及
- (iii) 該名人士或其配偶或同居伴侶所供養的人士。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of receivables

The Group determines impairment losses for bad and doubtful debts resulting from the inability of the customers/debtors to make the required payments. A considerable amount of estimate and judgement is required in assessing the ultimate realisation of these receivables which is based on the ageing of the accounts receivable balance, customer credit-worthiness, and historical write-off experience. If the financial conditions of customers/debtors deteriorate, additional allowance for bad and doubtful debts may be required. The carrying amounts of the Group's trade receivables at 31 December 2014 were approximately HK\$5,201,000 (2013: HK\$16,789,000).

Inventory valuation

In determining whether and the amount of allowance required in case of slow-moving inventories, the Group would make reference to the ageing analysis of the inventories and assess realisability of those inventories by considering all possible means of sale channel. A considerable amount of judgement and estimates is required in determining such allowance. If conditions which have an impact on the net realisable value of inventories deteriorate, additional allowances may be required.

Estimate of current tax and deferred tax

The Group is subjected to tax in different tax jurisdictions. Significant judgement and estimates is required in determining the amount of the provision for taxation and the timing of payment of the related taxation. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the periods in which such determination are made.

4. 重大會計估計及判斷

估計及判斷會不斷被評估，並以過往經驗及其他因素為基礎，包括預期日後出現在有關情況下相信屬合理的事件。

本集團會對未來作出估計及假設。所產生的會計估計(顧名思意)，甚少與有關的實際結果相同。有重大風險會對下個財政年度的資產與負債的賬面值造成大幅調整的估計及假設討論如下：

應收款項減值

本集團會就因客戶／債務人無法作出所需付款導致的呆壞賬釐定減值虧損。於評估該等應收款項最終能夠變現時須作出一定程度的估計及判斷，並視乎應收賬結餘的賬齡、客戶信貸評級及過往撇銷紀錄而定。倘客戶／債務人的財務狀況惡化，可能須作出額外呆壞賬準備。本集團貿易應收款項於2014年12月31日之賬面值約為5,201,000港元(2013年：16,789,000港元)。

存貨估值

於釐定是否需對滯銷存貨作出準備時，本集團會參考存貨的賬齡分析及透過考慮所有潛在銷售渠道評估該等存貨能否變現。於釐定有關準備時須要一定程度的判斷及估計。倘對存貨可變現淨值有影響的情況惡化，則可能須作出額外準備。

即期稅項及遞延稅項的估計

本集團在不同司法權區須繳納稅項。釐定稅項撥備金額及有關稅項的支付時限時須作出重大判斷及估計。倘最終稅額與最初記錄的金額不同，該差額將會影響作出有關決定期間的所得稅及遞延稅項撥備。

5. REVENUE

An analysis of the revenue from the Group's principal activities (note 1), which is also the Group's turnover is as follows:

		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Re-presented) (經重列)
Continuing operations	持續經營業務		
Sales of goods	貨品銷售	157,603	126,940
Freight income	運費收入	525	868
		158,128	127,808
Discontinued operation	已終止經營業務		
Sales of goods	貨品銷售	44,355	44,832
		202,483	172,640

5. 收入

來自本集團主要業務(附註1)的收入(亦為本集團營業額)的分析如下:

6. OTHER INCOME

		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Re-presented) (經重列)
Continuing operations	持續經營業務		
Bank interest income	銀行利息收入	174	182
Exchange gain	匯兌收益	—	97
Sundry income	雜項收入	—	82
		174	361

6. 其他收入

7. DISPOSAL OF INTEREST IN SUBSIDIARIES AND DISCONTINUED OPERATION

On 21 December 2012, one of the Group's subsidiaries, Good Destination Co. Limited ("Good Destination") entered into a conditional agreement to dispose of its entire 100% equity interest in a subsidiary, Richmind International Investment Limited ("Richmind"), which is engaged in holding of properties, and to transfer the benefit of a loan of approximately HK\$2,119,000 advanced by Good Destination to Richmind to Data Champion Limited at an aggregate consideration of HK\$24,000,000 (the "Disposal of Richmind"). Data Champion Limited was then a controlling shareholder of the Company which is owned by Mr. Liu Tin Chak, Arnold, Mr. Lam Chi Wai, Peter and Mr. Wong Yu Man, Elias, the then executive directors of the Company. The Disposal of Richmind was completed on 10 May 2013 and a gain of approximately HK\$18,020,000 arising on the disposal was realised which was included in the consolidated statement of comprehensive income for the year ended 31 December 2013. Upon completion of the Disposal of Richmind, Richmind ceased to be a subsidiary of the Group. The net inflow of cash and cash equivalents in respect of the disposal and transfer of loan amounted to HK\$23,670,000.

On 27 June 2014, the Company entered into a conditional disposal agreement with a company, which is a wholly owned subsidiary of Data Champion Limited, to dispose of its entire 100% direct equity interest in two subsidiaries, Goldnet (HK) and Goldnet (BVI) (collectively the "Goldnet Group"), and the benefits of all loans of approximately HK\$43,462,000 advanced by the Company to the Goldnet Group (the "Loans") for a cash consideration of HK\$23,000,000 (the "Disposal of Goldnet Group"). Goldnet (HK) was incorporated in Hong Kong and is principally engaged in investment holding. The major assets of Goldnet (HK) is its 100% equity interest in 深圳市天海霸鐘錶有限公司 (Shenzhen Tianhaiba Watches Company Limited) ("Tianhaiba") which was established in the PRC and carries out the PRC Watch Business. Goldnet (BVI) was incorporated in the British Virgin Islands and is principally engaged in investment holding. The Disposal of Goldnet Group was completed on 26 August 2014 and a gain of approximately HK\$2,475,000 arising on the Disposal of Goldnet Group was realised which is included in "Profit/(Loss) for the year from discontinued operation" in the consolidated statement of comprehensive income for the year. Upon completion of the Disposal of Goldnet Group, Goldnet Group ceased to be subsidiaries of the Group.

7. 出售附屬公司及已終止經營業務權益

於2012年12月21日，本集團之一間附屬公司Good Destination Co. Limited (「Good Destination」)簽訂一份有條件協議出售其於一間附屬公司富宏國際投資有限公司(「富宏」，主要業務為持有物業)之全部100%權益並將Good Destination向富宏墊付之貸款約2,119,000港元之權益轉讓予Data Champion Limited，總代價為24,000,000港元(「富宏出售事項」)。Data Champion Limited為本公司當時之控股股東，且由本公司當時之執行董事廖天澤先生、林志偉先生及黃汝文先生擁有。富宏出售事項已於2013年5月10日完成，且出售實現收益約18,020,000港元，計入截至2013年12月31日止年度之綜合全面收益表。富宏出售事項完成後，富宏不再為本集團之附屬公司。就出售及轉讓貸款之現金及現金等價物流入淨額為23,670,000港元。

於2014年6月27日，本公司與一間公司(為Data Champion Limited之全資附屬公司)簽訂一份有條件出售協議，以出售其於兩間附屬公司(Goldnet (HK)及Goldnet (BVI)，(統稱為「金域集團」))之100%直接股權，以及本公司墊支予金域集團之所有貸款約43,462,000港元之權益(「貸款」)，現金代價為23,000,000港元(「金域集團出售事項」)。Goldnet (HK)於香港註冊成立，主要從事投資控股。Goldnet (HK)之主要資產為持有深圳市天海霸鐘錶有限公司(「天海霸」)100%股權，而天海霸於中國成立，目前從事中國鐘錶業務。Goldnet (BVI)於英屬處女群島註冊成立，主要從事投資控股。金域集團出售事項已於2014年8月26日完成，且金域集團出售事項實現收益約2,475,000港元，計入本年度綜合全面收益表之「年內已終止經營業務產生之溢利／(虧損)」。金域集團出售事項完成後，金域集團不再為本集團之附屬公司。

7. DISPOSAL OF INTEREST IN SUBSIDIARIES AND DISCONTINUED OPERATION (Continued)

The net liabilities of Goldnet Group at the date of disposal were as follows:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	9,021
Goodwill	商譽	—
Intangible assets	無形資產	5,747
Inventories	存貨	38,663
Trade receivables	貿易應收款項	13,214
Other receivables, prepayments and deposits	其他應收款項、預付款項及按金	1,805
Cash and cash equivalents	現金及現金等價物	605
Trade and other payables	貿易及其他應付款項	(47,769)
Amount due to immediate holding company	應付直接控股公司的款項	(43,462)
Net liabilities disposed of	所出售負債淨額	(22,176)
Release of exchange reserve upon disposal of subsidiaries	出售附屬公司後撥回之換算儲備	(761)
		(22,937)
Loans transfer	轉讓貸款	43,462
Gain on disposal of subsidiaries	出售附屬公司之收益	2,475
Total consideration, satisfied by cash	以現金支付之總代價	23,000

The analysis of the inflow of cash and cash equivalents in respect of the Disposal of Goldnet Group is as follows:

7. 出售附屬公司及已終止經營業務權益 (續)

金城集團於出售日期之負債淨額如下：

金城集團出售事項之現金及現金等價物流入分析如下：

		HK\$'000 千港元
Cash received	已收現金	23,000
Cash and cash equivalents disposed of	所出售現金及現金等價物	(605)
Net cash inflow on disposal	出售現金流入淨額	22,395

7. DISPOSAL OF INTEREST IN SUBSIDIARIES AND DISCONTINUED OPERATION (Continued)

Profit/(Loss) and net cash flows from the PRC Watch Business presented as discontinued operation for the period from 1 January 2014 up to the date of disposal and for last year are disclosed as follows:

		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Revenue (note 5)	收入(附註5)	44,355	44,832
Cost of sales	銷售成本	(29,021)	(27,099)
Gross profit	毛利	15,334	17,733
Other income	其他收入	16	134
Selling and distribution costs	銷售及分銷成本	(9,252)	(10,731)
Administrative expenses	行政開支	(8,288)	(11,960)
Other operating expenses	其他經營開支	—	(858)
Loss before income tax	除所得稅前虧損	(2,190)	(5,682)
Income tax expense	所得稅開支	(3)	(3)
Loss after income tax	除所得稅後虧損	(2,193)	(5,685)
Gain on disposal of subsidiaries	出售附屬公司之收益	2,475	—
Profit/(Loss) for the year from discontinued operation	來自已終止經營業務之年內溢利/(虧損)	282	(5,685)
Cash inflow/(outflow) from operating activities	經營活動的現金流入/(流出)	1,810	(4,128)
Cash outflow from investing activities	投資活動的現金流出	(6,306)	(2,633)
Cash inflow from financing activities	融資活動的現金流入	3,750	4,561
Net outflow of cash*	現金流出淨額*	(746)	(2,200)

* excluding the cash effect on the disposal as disclosed above

For the purpose of presenting the discontinued operation, the comparative consolidated statement of comprehensive income and the related notes have been re-presented as if the PRC Watch Business had been discontinued at the beginning of the comparative period.

7. 出售附屬公司及已終止經營業務權益(續)

自2014年1月1日至出售日期止期間及上一年度之來自中國鐘錶業務(作為已終止經營業務呈列)之溢利/(虧損)及現金流入淨額披露如下:

		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Revenue (note 5)	收入(附註5)	44,355	44,832
Cost of sales	銷售成本	(29,021)	(27,099)
Gross profit	毛利	15,334	17,733
Other income	其他收入	16	134
Selling and distribution costs	銷售及分銷成本	(9,252)	(10,731)
Administrative expenses	行政開支	(8,288)	(11,960)
Other operating expenses	其他經營開支	—	(858)
Loss before income tax	除所得稅前虧損	(2,190)	(5,682)
Income tax expense	所得稅開支	(3)	(3)
Loss after income tax	除所得稅後虧損	(2,193)	(5,685)
Gain on disposal of subsidiaries	出售附屬公司之收益	2,475	—
Profit/(Loss) for the year from discontinued operation	來自已終止經營業務之年內溢利/(虧損)	282	(5,685)
Cash inflow/(outflow) from operating activities	經營活動的現金流入/(流出)	1,810	(4,128)
Cash outflow from investing activities	投資活動的現金流出	(6,306)	(2,633)
Cash inflow from financing activities	融資活動的現金流入	3,750	4,561
Net outflow of cash*	現金流出淨額*	(746)	(2,200)

* 不包括上述所披露之出售之現金影響

就呈列已終止經營業務而言，比較綜合全面收益表及相關附註乃經重新呈列，猶如中國鐘錶業務已於比較期間期初終止經營。

8. SEGMENT INFORMATION

The Group is principally engaged in the provision of sourcing and procurement solutions to customers for production of watches, costume jewelries, and display and packaging products which is identified as a reportable segment as the “Sourcing Business”, the operating result over which has been regularly reviewed by the executive directors in assessing the performance of the Group and making decision for resource allocation. In respect of Sourcing Business, the Group provides customers with a wide range of sourcing management solutions including product design and product development, raw materials and components sourcing and production outsourcing; and procurement management solutions including quality assurance and control, logistics and delivery handling services. The products are mainly exported to overseas countries. In addition, the Group has established the necessary procurement and production facilities and its own sales network for the design, manufacturing and distribution of its own brands of watches in the PRC. This line of business is identified as another reportable segment as the “PRC Watch Business”, which has been disposed of during the year (note 7) and thereby is presented as discontinued operation.

8. 分部資料

本集團的主要業務為向客戶提供貨源搜尋及採購解決方案以製造鐘錶、人造珠寶及陳列及包裝品(「貨源搜尋業務」)，貨源搜尋業務被識別為可報告分部，有關經營業績於執行董事評估本集團表現及作出資源分配決定時不時審閱。就貨源搜尋業務而言，本集團向客戶提供範疇廣泛的貨源搜尋管理解決方案，包括產品設計及產品開發、原材及部件貨源搜尋及生產外判；及採購管理解決方案，包括品質保證及質量控制、物流及交貨服務。該等產品大多出口海外。此外，本集團已在中國成立所需採購及生產設施及其自有銷售網絡，以設計、生產及銷售其自有品牌的鐘錶。此項業務分類被視為另一可報告分部(「中國鐘錶業務」)，已於年內出售(附註7)，因此，呈列為已終止經營業務。

8. SEGMENT INFORMATION (Continued)
Segment revenue, segment results and segment assets

Information regarding the Group's reportable operating segments including the reconciliations to profit before income tax and total assets are as follows.

8. 分部資料(續)
分部收入、分部業績及分部資產

有關本集團可報告經營分部的資料(包括除所得稅前溢利與總資產的對賬)如下。

		Continuing operations 持續經營業務 Sourcing Business 貨源搜尋業務 HK\$'000 千港元	Discontinued operation 已終止經營業務 PRC Watch Business 中國鐘錶業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 December 2014	截至2014年12月31日止年度			
Reportable segment revenue (note (a))	可報告分部收入(附註(a))	158,128	44,355	202,483
Reportable segment profit	可報告分部溢利	21,032	282	21,314
Interest income	利息收入			177
Corporate income and expenses:	企業收入及開支：			
Directors' remuneration	董事酬金			(4,911)
Legal and professional fee	法律及專業費用			(4,261)
Operating lease charges in respect of land and building	有關土地及樓宇的經營租賃支出			(612)
Others	其他			(1,931)
Profit before income tax	除所得稅前溢利			9,776
Adjusted EBITDA (note (c))	經調整除利息、稅項、折舊及攤銷前盈利(附註(c))	21,470	1,361	22,831
At 31 December 2014	於2014年12月31日			
Reportable segment assets	可報告分部資產	59,411	—	59,411
Deposit for acquisition of a subsidiary	收購一間附屬公司之按金			4,800
Other corporate assets	其他企業資產			1,781
Total assets	總資產			65,992

8. SEGMENT INFORMATION (Continued)

Segment revenue, segment results and segment assets
(Continued)

8. 分部資料(續)

分部收入、分部業績及分部資產(續)

		Continuing operations 持續經營業務 Sourcing Business 貨源搜尋業務 HK\$'000 千港元	Discontinued operation 已終止經營業務 PRC Watch Business 中國鐘錶業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 December 2013	截至2013年12月31日止年度			
Reportable segment revenue (note (a))	可報告分部收入(附註(a))	127,808	44,832	172,640
Reportable segment profit/(loss)	可報告分部溢利/(虧損)	11,364	(5,786)	5,578
Interest income	利息收入			189
Gain on disposal of interest in a subsidiary	出售一間附屬公司權益之收益			18,020
Corporate income and expenses:	企業收入及開支：			
Directors' remuneration	董事酬金			(4,940)
Legal and professional fee	法律及專業費用			(1,965)
Others	其他			(597)
Profit before income tax	除所得稅前溢利			16,285
Adjusted EBITDA (note (c))	經調整除利息、稅項、折舊及攤銷前盈利(附註(c))	11,827	(4,335)	7,492
At 31 December 2013	於2013年12月31日			
Reportable segment assets	可報告分部資產	61,380	52,128	113,508
Prepaid tax	預付稅項			265
Corporate assets	企業資產			206
Total assets	總資產			113,979

8. SEGMENT INFORMATION (Continued)
Other segment information
8. 分部資料(續)
其他分部資料

		Continuing operations 持續經營業務	Discontinued operation 已終止經營業務	Unallocated/ Corporate 未分配／企業	Total 總計
		Sourcing Business 貨源搜尋業務	PRC Watch Business 中國鐘錶業務		
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Year ended 31 December 2014	截至2014年12月31日止年度				
Depreciation of property, plant and equipment	物業、廠房及設備折舊	438	1,079	60	1,577
Loss on disposal of property, plant and equipment	報廢物業、廠房及設備之虧損	—	38	—	38
Addition to non-current assets (note (b))	非流動資產添置 (附註(b))	855	6,301	6,523	13,679
Year ended 31 December 2013	截至2013年12月31日止年度				
Interest expenses	利息開支	99	—	—	99
Depreciation of property, plant and equipment	物業、廠房及設備折舊	365	850	—	1,215
Loss on disposal of property, plant and equipment	報廢物業、廠房及設備之虧損	2	258	—	260
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	—	150	—	150
Impairment loss on goodwill	商譽減值虧損	—	230	—	230
Impairment loss on other intangible assets	其他無形資產減值虧損	—	220	—	220
Addition to non-current assets (note (b))	非流動資產添置 (附註(b))	237	2,637	—	2,874

8. SEGMENT INFORMATION (Continued)
Other segment information (Continued)

Notes:

- (a) There were no inter-segment sales during the year.
- (b) Addition to non-current assets represents additions to property, plant and equipment, other intangible assets and deposit paid for acquisition of a subsidiary.
- (c) Adjusted earnings before interest, taxation, depreciation and amortisation ("Adjusted EBITDA") is also a measurement basis regularly reviewed by the directors in assessing the performance of the Group and making decision for resources allocation. This measurement basis is consistent with that of the segment results except that interest expenses, depreciation and amortisation charges and impairment losses on non-financial assets are not included in the Adjusted EBITDA.

Other than the above, the executive directors regularly review revenue analysis by products, including watches, display and packaging products, and costume jewelries, which is presented below:

8. 分部資料(續)
其他分部資料(續)

附註：

- (a) 於本年度並無分部間銷售。
- (b) 非流動資產添置指物業、廠房及設備添置、其他無形資產添置及收購一間附屬公司所支付之按金添置。
- (c) 董事定期審閱經調整除利息、稅項、折舊及攤銷前盈利(「經調整除利息、稅項、折舊及攤銷前盈利」)，作為評估本集團表現及作出資源分配決定的計量基準。此計量基準與分部業績一致，惟不包括不計入經調整除利息、稅項、折舊及攤銷前盈利之利息開支、折舊及攤銷以及非金融資產減值虧損。

除上述者外，執行董事定期審閱按產品(包括鐘錶，陳列及包裝品，及人造珠寶)劃分的收入分析，呈列如下：

		Continuing operations 持續經營業務		Discontinued operation 已終止經營業務		Total 總計	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Sales of	銷售						
— watches	— 鐘錶	123,106	78,088	44,355	44,832	167,461	122,920
— display and packaging products	— 陳列及包裝品	23,389	36,841	—	—	23,389	36,841
— costume jewelries	— 人造珠寶	11,633	12,879	—	—	11,633	12,879
		158,128	127,808	44,355	44,832	202,483	172,640

8. SEGMENT INFORMATION (Continued)
Geographical information

The Group's operations are mainly located in Hong Kong (place of domicile). The Group's revenue by geographical locations is determined based on shipment destination instructed by customers. The Group's non-current assets by geographical locations are determined based on physical location of the assets or location of operations in case of intangible assets.

Analysis of the Group's revenue is as follows:

8. 分部資料(續)
地區資料

本集團的業務主要位於香港(成立地點)。本集團按地區劃分的收入按客戶指示的付運目的地釐定。本集團按地區劃分的非流動資產按資產實際地點或經營地點(如為無形資產)釐定。

本集團收入分析如下：

		Revenue from external customers 來自外部客戶的收入					
		Continuing operations 持續經營業務		Discontinued operation 已終止經營業務		Total 總計	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Hong Kong (place of domicile)	香港(註冊地)	19,019	14,989	—	—	19,019	14,989
The PRC, excluding Hong Kong	中國，不包括香港	57	118	36,879	37,014	36,936	37,132
USA	美國	60,657	49,254	—	—	60,657	49,254
Europe	歐洲						
— Germany	— 德國	59,532	38,565	—	—	59,532	38,565
— Denmark	— 丹麥	—	—	7,259	7,017	7,259	7,017
— United Kingdom	— 英國	2,568	6,578	—	—	2,568	6,578
— France	— 法國	2,839	2,565	—	72	2,839	2,637
— Others	— 其他	2,078	4,473	124	729	2,202	5,202
Asia	亞洲	5,822	4,676	93	—	5,915	4,676
Others	其他	5,556	6,590	—	—	5,556	6,590
Total	總計	158,128	127,808	44,355	44,832	202,483	172,640

8. SEGMENT INFORMATION (Continued)**Geographical information (Continued)**

The following is an analysis of the carrying amount of non-current assets analysed by the geographical areas in which the assets are located:

		Non-current assets 非流動資產	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Hong Kong (place of domicile)	香港(註冊地)	2,176	846
The PRC, excluding Hong Kong	中國，不包括香港	5,493	9,667
		7,669	10,513

The Company is an investment holding company incorporated in Bermuda where the Group does not have activities. Since the major operations of the Group are conducted in Hong Kong, Hong Kong is considered as the Group's place of domicile for the disclosure purpose of HKFRS 8.

Information about major customers

During the year, there was one customer (2013: two customers) from the Group's Sourcing Business, whom (2013: each of whom) contributed 10% or more of the Group's total revenue. Revenue derived from this customer (2013: these 2 customers) during the year amounted to HK\$125,748,000 (2013: HK\$82,933,000 in aggregate).

9. FINANCE COSTS**Continuing operations**

Interest on bank borrowings and overdrafts wholly repayable within five years

持續經營業務

須於五年內悉數償還的銀行借貸及透支利息

		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
		—	99

8. 分部資料(續)**地區資料(續)**

以下為按資產所在地域劃分的非流動資產賬面值分析：

		Non-current assets 非流動資產	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Hong Kong (place of domicile)	香港(註冊地)	2,176	846
The PRC, excluding Hong Kong	中國，不包括香港	5,493	9,667
		7,669	10,513

本公司為於本集團並無業務的百慕達註冊成立的投資控股公司。由於本集團大部分業務於香港進行，香港就香港財務報告準則第8號的披露目的而言被視為本集團的成立地點。

主要客戶資料

年內，本集團共有一名(2013年：兩名客戶)貨源搜尋業務客戶，為(2013年：各為)本集團帶來總收入10%或以上的貢獻。於本年度，來自該名客戶(2013年：兩名客戶)的收入為125,748,000港元(2013年：合共82,933,000港元)。

9. 融資成本**Continuing operations**

Interest on bank borrowings and overdrafts wholly repayable within five years

持續經營業務

須於五年內悉數償還的銀行借貸及透支利息

		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
		—	99

10. PROFIT BEFORE INCOME TAX

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

10. 除所得稅前溢利

除所得稅前溢利於扣除／(計入)以下各項後達致：

		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Re-presented) (經重列)
Continuing operations	持續經營業務		
Auditor's remuneration:	核數師酬金：		
Audit fee	審核費用	560	560
Fee for non-audit services	非審核服務費	565	200
		1,125	760
Cost of inventories recognised as expenses, comprising:	確認為開支的存貨成本，包括：		
Amount of inventories recognised as expenses	確認為開支的存貨金額	118,808	99,284
Inventories write-off	存貨撇銷	—	109
Depreciation of property, plant and equipment	物業、廠房及設備折舊	438	365
Net exchange loss/(gain)	匯兌虧損／(收益)淨額	696	(97)
Operating lease charges in respective of land and building	就土地及樓宇的經營租賃支出	1,581	687
Employee benefit expenses (including directors' remuneration)	僱員福利開支 (包括董事酬金)		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	16,522	26,266
Retirement benefit — defined contribution plans ¹	退休福利 — 定額供款計劃 ¹	517	984
		17,039	27,250
Loss on disposal of property, plant and equipment ²	報廢物業、廠房及設備的虧損 ²	—	2

¹ no forfeited contributions available for offset against existing contributions during the year and in prior year

² included in "other operating expenses" in the consolidated statement of comprehensive income

¹ 於本年度及上一年度均無沒收供款可供抵銷現有供款

² 計入綜合全面收益表的「其他經營開支」

11. INCOME TAX EXPENSE

11. 所得稅開支

		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Re-presented) (經重列)
Continuing operations	持續經營業務		
Current tax — Hong Kong profits tax	即期稅項 — 香港利得稅		
— charge for the year	— 年內支出	3,102	965
— over provision in prior years	— 過往年度超額撥備	(128)	(247)
		2,974	718

Hong Kong profits tax has been provided at the rate of 16.5% (2013: 16.5%) on the estimated assessable profits for the year.

香港利得稅就本年度估計應課稅溢利按稅率16.5%(2013年：16.5%)計稅。

Tianhaiba is subject to PRC Enterprise Income Tax ("PRC EIT") at the tax rate of 25%. No provision for PRC EIT has been made for the year or in prior year as the directors estimate that taxable income arising in the PRC, if any, is not significant to the Group.

天海霸須按稅率25%繳付中國企業所得稅(「中國企業所得稅」)。由於董事估計中國產生的應課稅收入(如有)對本集團不重大，因此於本年度或上一年度並無就中國企業所得稅作出撥備。

Reconciliation between income tax expense and accounting profit at applicable tax rates is as follows:

所得稅開支與會計溢利按適用稅率的對賬如下：

		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元 (Re-presented) (經重列)
Profit before income tax from continuing operations	持續經營業務之除所得稅前溢利	9,491	21,967
Tax calculated at tax rates applicable to the jurisdictions concerned	按相關司法權區的適用稅率計算的稅項	1,566	3,625
Tax effect of non-deductible expenses	不可扣減開支的稅務影響	1,125	364
Tax effect of non-taxable income	毋須課稅收入的稅務影響	(29)	(3,078)
Tax effect of tax loss/deductible temporary differences not recognised	未確認稅務虧損/可扣稅暫時差異的稅務影響	18	16
Over provision of tax in prior years, net	過往年度超額撥備淨額	(128)	(247)
Others	其他	422	38
Income tax expense for the year	年內所得稅開支	2,974	718

11. INCOME TAX EXPENSE (Continued)

The Group had unrecognised tax losses and deductible temporary differences arising in Hong Kong of approximately HK\$401,000 (2013: HK\$61,000) and HK\$545,000 (2013: HK\$776,000) respectively. These tax losses are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose and the temporary differences can be carried forward indefinitely. As at 31 December 2014 and 2013, the Group did not have unrecognised tax losses arising in the PRC. No deferred tax asset has been recognised in respect of the unused tax losses and deductible temporary differences due to the unpredictability of future profit streams.

12. PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

Of the consolidated profit attributable to owners of the Company of HK\$6,799,000 (2013: HK\$15,564,000), a profit of HK\$3,880,000 (2013: HK\$27,648,000) has been dealt with in the financial statements of the Company.

13. DIVIDENDS

Dividends proposed or declared by the Company during the year and in prior year are as follows:

Special dividend — HK\$0.24 (2013: HK\$0.13) per ordinary share	特別股息 — 每股普通股0.24港元 (2013年：0.13港元)
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The dividends paid during the year ended 31 December 2014 amounting to HK\$36,000,000 represent a special dividend of HK\$0.24 per ordinary share, which were paid in August 2014 and mainly financed by the net proceeds generated from the Disposal of Goldnet Group (note 7) and general working capital.

The dividends paid during the year ended 31 December 2013 amounting to HK\$19,500,000 represented a special dividend of HK\$0.13 per ordinary share, which were paid in May 2013 and financed by the net proceeds generated from the Disposal of Richmind (note 7).

11. 所得稅開支(續)

本集團在香港產生的未確認稅務虧損及可扣稅暫時差異分別約為401,000港元(2013年：61,000港元)及545,000港元(2013年：776,000港元)。該等稅務虧損可於產生虧損時永遠用作抵銷公司的未來應課稅溢利及該等暫時差異可無限結轉。於2014年及2013年12月31日，本集團並無於中國產生未確認稅務虧損。因未來溢利流量存在不確定性，故並未就未動用稅務虧損及可扣稅暫時差異確認遞延稅項資產。

12. 本公司擁有人應佔溢利

本公司擁有人應佔綜合溢利6,799,000港元(2013年：15,564,000港元)中，溢利3,880,000港元(2013年：27,648,000港元)已於本公司的財務報表反映。

13. 股息

於本年度及上一年度，本公司建議或宣派的股息如下：

2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
36,000	19,500

截至2014年12月31日止年度已付股息為36,000,000港元，即每股普通股的特別股息為0.24港元，有關股息已於2014年8月派付並主要由金域集團出售事項獲得的所得款項淨額及一般營運資金撥付(附註7)。

截至2013年12月31日止年度已付股息為19,500,000港元，即每股普通股的特別股息為0.13港元，有關股息已於2013年5月派付並由富宏出售事項獲得的所得款項淨額撥付(附註7)。

14. EARNINGS PER SHARE**(a) From continuing and discontinued operations**

The calculation of basic earnings per share from continuing and discontinued operations is based on the profit attributable to the owners of the Company amounting to HK\$6,799,000 (2013: HK\$15,564,000), and the weighted average of 150,000,000 shares (2013: 150,000,000 shares) in issue throughout the year.

(b) From continuing operations

The calculation of basic earnings per share from continuing operations is based on the profit from continuing operations attributable to the owners of the Company amounting to HK\$6,517,000 (2013: HK\$21,249,000) and the weighted average number of shares of 150,000,000 shares (2013: 150,000,000 shares) in issue throughout the year.

(c) From discontinued operation

Basic earnings per share from discontinued operation for the year is HK0.2 cents (2013: loss per share of HK3.8 cents), which is calculated based on profit for the year from discontinued operations attributable to owners of the Company amounting to HK\$282,000 (2013: loss of HK\$5,685,000) and weighted average number of shares of 150,000,000 shares (2013: 150,000,000 shares) in issue throughout the year.

The Group had no potential dilutive ordinary shares in issue during the year and in prior year and therefore the basic and diluted earnings per share are the same for both years.

14. 每股盈利**(a) 來自持續及已終止經營業務**

來自持續及已終止經營業務之每股基本盈利乃根據本公司擁有人應佔溢利6,799,000港元(2013年：15,564,000港元)，以及年內已發行股份加權平均數150,000,000股(2013年：150,000,000股)計算。

(b) 來自持續經營業務

來自持續經營業務之每股基本盈利乃根據本公司擁有人應佔來自持續經營業務溢利6,517,000港元(2013年：21,249,000港元)，以及年內已發行股份加權平均數150,000,000股(2013年：150,000,000股)計算。

(c) 來自已終止經營業務

年內來自已終止經營業務之每股基本盈利為0.2港仙(2013年：每股虧損3.8港仙)，乃根據本公司擁有人年內應佔來自已終止經營業務之溢利282,000港元(2013年：虧損5,685,000港元)，以及年內已發行股份加權平均數150,000,000股(2013年：150,000,000股)計算。

本集團於本年度及上一年度均無已發行具攤薄潛力之普通股。因此上述年度的基本及攤薄之每股盈利相同。

15. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS
Directors' remuneration
15. 董事及五名最高薪人士的薪酬
董事薪酬

		Fees	Discretionary bonuses	Salaries, allowances and benefits in kind	Retirement benefit costs	Total
		袍金	酌情花紅	薪金、津貼及實物利益	退休福利成本	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Year ended 31 December 2014 截至2014年12月31日止年度						
<i>Executive directors:</i>		<i>執行董事：</i>				
Fei Jie#	費杰#	—	—	397	—	397
Fung Chi Kin##	馮志堅##	—	—	495	—	495
Liu Tin Chak, Arnold*	廖天澤*	—	—	765	12	777
Lam Chi Wai, Peter*	林志偉*	—	—	765	12	777
Wong Yu Man, Elias*	黃汝文*	—	—	765	12	777
Yang Yijun*	楊一軍*	—	—	765	12	777
<i>Independent non-executive directors:</i>		<i>獨立非執行董事：</i>				
Cheung Siu Wah##	張少華##	—	—	66	—	66
Jim Yiu Ming##	詹耀明##	—	—	66	—	66
Sit Sai Hung, Billy##	薛世雄##	—	—	83	—	83
Cheung Chi Man, Dennis*	張志文*	—	—	232	—	232
Lui Tai Lok*	呂大樂*	—	—	232	—	232
Yip Kwok Kwan*	葉國均*	—	—	232	—	232
		—	—	4,863	48	4,911

15. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)
Directors' remuneration (Continued)
15. 董事及五名最高薪人士的薪酬(續)
董事薪酬(續)

		Fees	Discretionary bonuses	Salaries, allowances and benefits in kind	Retirement benefit costs	Total
		袍金	酌情花紅	薪金、津貼及實物利益	退休福利成本	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Year ended 31 December 2013 截至2013年12月31日止年度						
<i>Executive directors:</i>		<i>執行董事：</i>				
Liu Tin Chak, Arnold	廖天澤	—	—	1,040	15	1,055
Lam Chi Wai, Peter	林志偉	—	—	1,040	15	1,055
Wong Yu Man, Elias	黃汝文	—	—	1,040	15	1,055
Yang Yijun	楊一軍	—	—	1,040	15	1,055
<i>Independent non-executive directors:</i>		<i>獨立非執行董事：</i>				
Cheung Chi Man, Dennis	張志文	—	—	240	—	240
Lui Tai Lok	呂大樂	—	—	240	—	240
Yip Kwok Kwan	葉國均	—	—	240	—	240
		—	—	4,880	60	4,940

Appointed on 2 September 2014

** Appointed on 22 September 2014

* Resigned on 23 September 2014

於2014年9月2日獲委任

** 於2014年9月22日獲委任

* 於2014年9月23日辭任

15. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

Five highest paid individuals

The five highest paid individuals consisted of four (2013: four) directors, details of whose remuneration are reflected in the analysis presented above. Details of remuneration of the remaining one (2013: one) highest paid individual are as follows:

		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	765	736
Retirement benefits — defined contribution plan	退休福利 — 定額供款計劃	15	15
		780	751

The remuneration paid to the above non-director individual for the year fell within the following band:

		2014 2014年	2013 2013年
Nil — HK\$1,000,000	零至1,000,000港元	1	1

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2013: Nil).

No emolument was paid by the Group to the directors or any of the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office (2013: Nil).

15. 董事及五名最高薪人士的薪酬(續)

五名最高薪人士

五名最高薪人士包括四名(2013年：四名)董事，有關薪酬詳情於上文所列的分析中反映。於截至2013年12月31日止年度，其餘一名(2013年：一名)最高薪人士的薪酬詳情如下：

		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	765	736
Retirement benefits — defined contribution plan	退休福利 — 定額供款計劃	15	15
		780	751

年內已付以上各非董事個別人士的薪酬屬於以下範圍：

		Number of individuals 人數	
		2014 2014年	2013 2013年
Nil — HK\$1,000,000	零至1,000,000港元	1	1

年內並無任何董事放棄或同意放棄任何酬金的安排(2013年：無)。

本集團並無向董事或任何五名最高薪人士支付任何酬金，作為彼等加盟或於加盟本集團時的獎勵或離職補償(2013年：無)。

16. PROPERTY, PLANT AND EQUIPMENT
Group16. 物業、廠房及設備
本集團

		Leasehold improvements	Furniture, fixtures and equipment	Plant and machinery	Motor vehicles	Total
		租賃裝修	傢俱、裝置 及設備	廠房及機器	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 January 2013	於2013年1月1日					
Cost	成本	816	5,405	4,043	630	10,894
Accumulated depreciation	累計折舊	(533)	(2,363)	(3,940)	(630)	(7,466)
Net carrying amount	賬面淨值	283	3,042	103	—	3,428
Year ended 31 December 2013	截至2013年12月31日止年度					
Opening net carrying amount	年初賬面淨值	283	3,042	103	—	3,428
Additions	添置	—	2,808	48	—	2,856
Depreciation	折舊	(42)	(1,124)	(49)	—	(1,215)
Impairment loss (note 17)	減值虧損(附註17)	—	(150)	—	—	(150)
Disposal	報廢	(187)	(70)	(3)	—	(260)
Exchange adjustment	匯兌調整	18	15	6	—	39
Closing net carrying amount	年終賬面淨值	72	4,521	105	—	4,698
At 31 December 2013 and at 1 January 2014	於2013年12月31日及 2014年1月1日					
Cost	成本	556	7,363	4,096	630	12,645
Accumulated depreciation	累計折舊	(484)	(2,692)	(3,991)	(630)	(7,797)
Accumulated impairment	累計減值	—	(150)	—	—	(150)
Net carrying amount	賬面淨值	72	4,521	105	—	4,698
Year ended 31 December 2014	截至2014年12月31日止年度					
Opening net carrying amount	年初賬面淨值	72	4,521	105	—	4,698
Additions	添置	791	6,638	746	704	8,879
Depreciation	折舊	(76)	(1,387)	(102)	(12)	(1,577)
Disposal	報廢	—	(38)	—	—	(38)
Disposal of subsidiaries (note 7)	出售附屬公司(附註7)	(8)	(8,958)	(55)	—	(9,021)
Exchange adjustment	匯兌調整	—	(72)	—	—	(72)
Closing net carrying amount	年終賬面淨值	779	704	694	692	2,869
At 31 December 2014	於2014年12月31日					
Cost	成本	1,336	2,207	4,661	1,334	9,538
Accumulated depreciation	累計折舊	(557)	(1,503)	(3,967)	(642)	(6,669)
Net carrying amount	賬面淨值	779	704	694	692	2,869

16. PROPERTY, PLANT AND EQUIPMENT (Continued)
 Company

 16. 物業、廠房及設備(續)
 本公司

		Leasehold improvements 租賃裝修 HK\$'000 千港元	Furniture, fixtures and equipment 傢俱、裝置 及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 December 2014	截至2014年12月31日止年度				
Opening net carrying amount	年初賬面淨值	—	—	—	—
Additions	添置	791	228	704	1,723
Depreciation	折舊	(39)	(9)	(12)	(60)
Closing net carrying amount	年終賬面淨值	752	219	692	1,663
At 31 December 2014	於2014年12月31日				
Cost	成本	791	228	704	1,723
Accumulated depreciation	累計折舊	(39)	(9)	(12)	(60)
Net carrying amount	賬面淨值	752	219	692	1,663

17. GOODWILL

17. 商譽

HK\$'000
千港元

Year ended 31 December 2013	截至2013年12月31日止年度	
Opening net carrying amount	年初賬面淨值	230
Impairment loss	減值虧損	(230)
Closing net carrying amount	年終賬面淨值	—
As at 31 December 2013	於2013年12月31日	
Cost	成本	230
Accumulated impairment	累計減值	(230)
Net carrying amount	賬面淨值	—
Year ended 31 December 2014	截至2014年12月31日止年度	
Opening net carrying amount	年初賬面淨值	—
Closing net carrying amount	年終賬面淨值	—
As at 31 December 2014	於2014年12月31日	
Cost	成本	—
Accumulated impairment	累計減值	—
Net carrying amount	賬面淨值	—

Goodwill arose from the acquisition of Tianhaiba on 1 February 2010. The goodwill as well as the trademarks with indefinite useful lives as mentioned in note 18 are tested for impairment at least annually and are allocated to the CGU of PRC Watch Business for impairment assessment purpose. The goodwill was fully impaired in the year ended 31 December 2013.

For impairment assessment purpose for the year ended 31 December 2013, the recoverable amount of the CGU of PRC Watch Business was determined using value in use calculation which is a cash flow projection prepared based on a five-year forecast approved by the directors. The pre-tax discount rate applied to the cash flow projection was 19%, which reflected specific risk relating to the PRC Watch Business. Growth rate used to extrapolate the cash flows beyond the five-year period was 4% which reflected the long-term average growth rate of the PRC Watch Business as forecasted by the directors. In the prior year, impairment was recognised for goodwill, other intangible assets i.e. trademarks and property, plant and equipment by HK\$230,000, HK\$220,000 and HK\$150,000 respectively.

商譽乃因於2010年2月1日收購天海霸而產生。商譽及附註18提述的具不設年限可使用年期的商標每年進行減值測試，且會分配予中國鐘錶業務的現金產生單位作減值評估用途。商譽於截至2013年12月31日止年度已悉數減值。

就截至2013年12月31日止年度之減值評估而言，中國鐘錶業務現金產生單位之可收回金額乃以使用價值釐定，而使用價值乃根據董事批准的五年期預測編製的現金流預測計算得出。現金流預測適用的稅前貼現率為19%，反映有關中國鐘錶業務的特定風險。董事預測，用於推斷超出五年期間現金流的增長率為4%，反映有關中國鐘錶業務的長期平均增長率。於上一年度，商譽、其他無形資產（即商標以及物業、廠房及設備）已分別確認減值230,000港元、220,000港元及150,000港元。

18. OTHER INTANGIBLE ASSETS

18. 其他無形資產

Trademarks
商標
HK\$'000
千港元

Year ended 31 December 2013	截至2013年12月31日止年度	
Opening net carrying amount	年初賬面淨值	5,869
Addition	添置	18
Impairment loss (note 17)	減值虧損(附註17)	(220)
Exchange adjustment	滙兌調整	148
		<hr/>
Closing net carrying amount	年終賬面淨值	5,815
		<hr/>
As at 31 December 2013	於2013年12月31日	
Cost	成本	6,035
Accumulated impairment	累計減值	(220)
		<hr/>
Net carrying amount	賬面淨值	5,815
		<hr/>
Year ended 31 December 2014	截至2014年12月31日止年度	
Opening net carrying amount	年初賬面淨值	5,815
Disposal of subsidiaries (note 7)	出售附屬公司(附註7)	(5,747)
Exchange adjustment	滙兌調整	(68)
		<hr/>
Closing net carrying amount	年終賬面淨值	—
		<hr/>
As at 31 December 2014	於2014年12月31日	
Cost	成本	—
Accumulated impairment	累計減值	—
		<hr/>
Net carrying amount	賬面淨值	—
		<hr/>

On 30 June 2010, Tianhaiba entered into an agreement with a PRC entity to acquire from the PRC entity the Tianba and Harpo trademarks at a total consideration of RMB4,700,000 (equivalent to approximately HK\$5,345,000).

The directors consider these trademarks having indefinite useful lives as there is no foreseeable limit on the period of time over which the trademarks in watch industry is expected to provide cash flows. These trademarks can be renewable in a period of time at minimal cost and the products are continuing in the market.

The trademarks have been allocated to the CGU of PRC Watch Business for impairment assessment. Based on the assessment of the directors, impairment loss of HK\$220,000 was recognised for the trademarks during year ended 31 December 2013 (note 17). The intangible assets have been disposed of upon the completion of the Disposal of Goldnet Group (note 7) during the year.

於2010年6月30日，天海霸與一家中國實體訂立一份協議，以向該中國實體收購天霸及海霸商標，總代價為人民幣4,700,000元（約等於5,345,000港元）。

董事認為此等商標具不設年限可使用年期，原因是該等商標於鐘錶業內預期並無提供現金流的可預見時間限制。此等商標可以極低成本重續一段時間，且產品於市場上持續不斷。

商標已分配予中國鐘錶業務的現金產生單位作減值評估。根據董事評估，截至2013年12月31日止年度，商標已確認減值虧損220,000港元(附註17)。金城集團出售事項(附註7)完成後，無形資產已於本年度出售。

19. INTERESTS IN SUBSIDIARIES

19. 於附屬公司的權益

		Company 本公司	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Investments in unlisted shares, at cost	非上市股份投資，按成本	27,125	30,367
Amounts due from subsidiaries	應收附屬公司款項	—	23,690
Amount due to a subsidiary	應付一間附屬公司款項	2,122	11

Amounts due from/(to) subsidiaries are unsecured, interest-free and repayable on demand.

應收／(應付)附屬公司款項為無抵押、免息及須按要求償還。

Particulars of the Company's principal subsidiaries, which are private companies with limited liability, as at 31 December 2014 are as follows:

於2014年12月31日，本公司之主要附屬公司(均為私人有限公司)的詳情如下：

Name 名稱	Country/Place of incorporation/ establishment 註冊成立／成立國家／ 地點	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本／ 註冊資本詳情	Effective interest held by the Company 本公司持有的實際權益		Principal activities and place of operation 主要業務及經營地點
			Directly 直接	Indirectly 間接	
Ampress Merchandising Limited	Hong Kong	Ordinary shares of HK\$100,000	—	100%	Trading of watches, costume jewelries and accessories in Hong Kong
和峰實業有限公司	香港	100,000港元的普通股	—	100%	於香港買賣鐘錶、人造珠寶及配飾
Ampress Packaging Asia Limited	Hong Kong	Ordinary shares of HK\$500,000	—	100%	Trading of display and packaging products in Hong Kong
和峰包裝(亞洲)有限公司	香港	500,000港元的普通股	—	100%	於香港買賣陳列及包裝品
Display & Packaging Limited	Hong Kong	Ordinary shares of HK\$300,000	—	100%	Trading of display and packaging products in Hong Kong
Display & Packaging Limited	香港	300,000港元的普通股	—	100%	於香港買賣陳列及包裝品
EC Pacific Limited	Hong Kong	Ordinary shares of HK\$500,000	—	100%	Trading of watches and accessories in Hong Kong
宏發(太平洋)有限公司	香港	500,000港元的普通股	—	100%	於香港買賣鐘錶及配飾

19. INTERESTS IN SUBSIDIARIES (Continued)

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

20. INVENTORIES

		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Raw materials	原材料	6,613	12,200
Finished goods	成品	6,370	30,226
		12,983	42,426

19. 於附屬公司的權益(續)

上表列出本公司之附屬公司，其中董事認為該等附屬公司對年內業績產生重大影響或構成本集團資產淨值的重要部份。董事認為，列出其他附屬公司之詳情將使資料過長。

20. 存貨

		Group 本集團	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Raw materials	原材料	6,613	12,200
Finished goods	成品	6,370	30,226
		12,983	42,426

21. TRADE RECEIVABLES, PREPAYMENTS AND DEPOSITS

		Group 本集團		Company 本公司	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Trade receivables	貿易應收款項	5,201	16,789	—	—
Prepayments and deposits	預付款項及按金	3,432	6,649	575	114
Trade receivables, prepayments and deposits	貿易應收款項、預付款項及按金	8,633	23,438	575	114

21. 貿易應收款項、預付款項及按金

		Group 本集團		Company 本公司	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Trade receivables	貿易應收款項	5,201	16,789	—	—
Prepayments and deposits	預付款項及按金	3,432	6,649	575	114
Trade receivables, prepayments and deposits	貿易應收款項、預付款項及按金	8,633	23,438	575	114

21. TRADE RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

The Group normally allows credit period of 30 to 60 days (2013: 30 to 60 days) to its major customers. Credit period is normally not granted to other customers. Based on the invoice dates, ageing analysis of the Group's accounts receivable at the reporting date is as follows:

		Group 本集團	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
1-30 days	1-30天	2,294	11,014
31-60 days	31-60天	2,381	4,565
61-90 days	61-90天	526	834
Over 90	90天以上	—	376
		5,201	16,789

The ageing analysis (based on due date) of the Group's trade receivables that are not yet past due and that are past due but not impaired at the reporting date is as follows:

		Group 本集團	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Not past due	未逾期	3,539	11,753
1-30 days past due	逾期1-30天	1,241	3,850
31-60 days past due	逾期31-60天	421	709
61-90 days past due	逾期61-90天	—	101
Over 90 days past due	逾期90天以上	—	376
		5,201	16,789

21. 貿易應收款項、預付款項及按金(續)

本集團一般向其主要客戶給予30至60天(2013年:30至60天)的信貸期。一般來說,不會向其他客戶授予信貸期。於報告日期,本集團的應收款項按發票日期的賬齡分析如下:

		Group 本集團	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
1-30 days	1-30天	2,294	11,014
31-60 days	31-60天	2,381	4,565
61-90 days	61-90天	526	834
Over 90	90天以上	—	376
		5,201	16,789

於報告日期,本集團未逾期和逾期但未減值貿易應收款項按到期日的賬齡分析如下:

		Group 本集團	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Not past due	未逾期	3,539	11,753
1-30 days past due	逾期1-30天	1,241	3,850
31-60 days past due	逾期31-60天	421	709
61-90 days past due	逾期61-90天	—	101
Over 90 days past due	逾期90天以上	—	376
		5,201	16,789

21. TRADE RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

At each reporting date, the Group reviews receivables for evidence of impairment on both an individual and collective basis. Impairment losses in respect of trade receivables 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 receivables directly. None of the trade receivables as at 31 December 2014 and 31 December 2013 have been identified by the Group as having impairment issue and thereby no allowance were made as at 31 December 2014 and 2013.

Trade receivables that were not yet past due and that were past due but not considered as impaired related to a number of customers that had a good track record of credit with the Group. Based on past credit 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. The Group did not hold any collateral in respect of trade receivable past due but not impaired.

22. CASH AND CASH EQUIVALENTS

Included in the cash and cash equivalents of the Group as at 31 December 2014 was a balance of HK\$7,026,000 (2013: HK\$17,628,000) which is denominated in RMB. RMB is not a freely convertible currency.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term time deposits are made for periods depending on the immediate cash requirements of the Group, and earn interest at the respective short-term time deposit rates.

21. 貿易應收款項、預付款項及按金(續)

於各報告日期，本集團會按個別及綜合基準檢討是否有證據顯示應收款項減值。貿易應收款項之減值虧損使用撥備賬目作記錄，惟本集團認為可收回該金額的機會屬輕微者除外，在該情況下，減值虧損直接於貿易應收款項扣除。於2014年12月31日及2013年12月31日，本集團並無確認任何貿易應收款項有減值跡象，因此本集團於2014年及2013年12月31日並無計提任何撥備。

尚未逾期及已逾期但未被視為減值的貿易應收款項與於本集團信貸紀錄良好的大量不同類別客戶有關。根據過往信貸經驗，管理層相信，由於信貸質素並無重大變動且結餘仍被視作可全數收回，因此毋須為該等結餘作減值撥備。本集團並無就已逾期但未減值的貿易應收款項持有任何抵押品。

22. 現金及現金等價物

		Group 本集團		Company 本公司	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Bank balances and cash	銀行結餘及現金	29,811	20,660	118	206
Short-term bank deposits	短期銀行存款	6,896	16,677	—	—
Cash and cash equivalents in the statement of financial position	於財務狀況表的現金及現金等價物	36,707	37,337	118	206
Bank overdraft	銀行透支	(4,367)	—		
Cash and cash equivalents in the consolidated statement of cash flows	於綜合現金流量表的現金及現金等價物	32,340	37,337		

於2014年12月31日，計入本集團現金及現金等價物為按人民幣計值的結餘7,026,000港元(2013年：17,628,000港元)。人民幣並非可自由兌換之貨幣。

銀行存款按浮動銀行存款日利率賺取利息。短期定期存款之期限，乃視乎本集團之即時現金需求而定，按有關短期定期存款利率賺取利息。

23. TRADE AND OTHER PAYABLES

		Group 本集團		Company 本公司	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Trade payables	貿易應付款項	22,585	38,761	—	—
Other payables and accruals	其他應付款項及 應計費用	3,454	14,073	1,734	932
Deposits received	已收取按金	4,189	7,190	—	—
		30,228	60,024	1,734	932

Based on the invoice dates, ageing analysis of the Group's accounts payable at the reporting date is as follows:

於報告日期，本集團的應付款項按發票日期的賬齡分析如下：

		Group 本集團	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
1-30 days	1-30天	6,521	11,783
31-60 days	31-60天	6,241	12,194
61-90 days	61-90天	5,927	4,341
Over 90	90天以上	3,896	10,443
		22,585	38,761

As at 31 December 2013, included in trade payables was an amount of HK\$418,000 which was due to a PRC entity, Guifeng (as defined in note 27). There was no balance due to Guifeng as at 31 December 2014.

於2013年12月31日，貿易應付款項中包含418,000港元，為應付一家中國實體桂峰（定義見附註27）。於2014年12月31日，概無應付桂峰之結餘。

As at 31 December 2013, included in other payables was an amount of RMB5,400,000 (equivalent to HK\$6,835,000) which was advanced from an independent third party. The advance is unsecured, non-interest bearing and repayable on 5 December 2014. Such balance was disposed upon the Disposal of Goldnet Group.

於2013年12月31日，其他應付款項中包含人民幣5,400,000元（相等於6,835,000港元）為一名獨立第三方之墊款。該墊款為無抵押、免息及須於2014年12月5日償還。該結餘於金城集團出售事項後出售。

24. AMOUNT DUE TO HOLDING COMPANY

Amount due to holding company is unsecured, interest-free and repayable on demand.

24. 應付控股公司款項

應付控股公司款項為無抵押、免息及須按
要求償還。

25. SHARE CAPITAL
Company
25. 股本
本公司

		2014 2014年		2013 2013年	
		Number of ordinary shares 普通股數目	Carrying value 賬面值 HK\$'000 千港元	Number of ordinary shares 普通股數目	Carrying value 賬面值 HK\$'000 千港元
Authorised:	法定：				
Ordinary shares with par value of HK\$0.1 each	每股面值0.1港元 之普通股				
At 1 January	於1月1日	1,000,000,000	100,000	1,000,000,000	100,000
At 31 December	於12月31日	1,000,000,000	100,000	1,000,000,000	100,000
Issued and fully paid:	已發行及繳足：				
Ordinary shares with par value of HK\$0.1 each	每股面值0.1港元 之普通股				
At 1 January	於1月1日	150,000,000	15,000	150,000,000	15,000
At 31 December	於12月31日	150,000,000	15,000	150,000,000	15,000

The share capital of the Company at the end of reporting period comprises only of fully paid ordinary shares with carrying value of HK\$15,000,000 (2013: HK\$15,000,000). All shares are equally eligible to receive dividends and to the repayment of capital and each share is entitled to one vote at shareholders' meeting of the Company.

於報告期末，本公司的股本僅包括賬面值為15,000,000港元(2013年：15,000,000港元)的已繳足普通股。所有股份於收取股息及退還資本方面享有同等地位，且每股股份均享有本公司股東大會上的一份投票權。

26. RESERVES
Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity. Nature of the reserves are as follows:

(a) *Share premium*

Share premium is the excess of the proceeds received over the nominal value of the shares of the Company issued at a premium, less the amount of expenses incurred in connection with the issue of the shares.

26. 儲備
本集團

本集團於本年度及過往年度的儲備金額及其變動乃於綜合權益變動表呈列。儲備性質如下：

(a) *股份溢價*

股份溢價乃本公司股份以溢價發行時所得資金，撇除發行股份費用後，與股份面值之差異。

26. RESERVES (Continued)*(b) Capital reserve*

Capital reserve arose from the acquisition of non-controlling interests. It represents the difference between the consideration paid and the net assets (at book value) of the relevant group companies shared by the non-controlling shareholders. Capital reserve at the end of the reporting period arose from the acquisition of 33.3% equity interests in Display & Packaging Limited on 13 April 2010 at a total cash consideration of HK\$200,000, the acquisition of 20% equity interests in EC Manufacturing Limited on 7 May 2010 at a total cash consideration of HK\$2,000 and the acquisition of the 10% equity interests in Ampress Packaging Asia Limited on 23 June 2010 at a total cash consideration of HK\$1,027,000.

(c) Merger reserve

To rationalise the structure of the Group in preparation for the listing of the Company's shares, the Group undergone a group restructuring which became effective on 20 December 2010 (the "Reorganisation"). The financial information of the Group has been prepared as if the group structure intended under the Reorganisation had always been exist. In connection to the Reorganisation, merger reserve arose mainly in respect of the followings:

- (i) On 16 June 2010 and 20 June 2010 respectively, the Group's subsidiary, Powerwell Pacific Limited ("Powerwell Pacific"), issued 752 new shares of US\$1 each to the founding shareholders of the Group at the consideration of US\$1 each and issued 44 new shares of US\$1 each, representing 5.5% of the enlarged share capital of Powerwell Pacific, to a party who was then a non-controlling shareholder of Powerwell Pacific at a consideration of HK\$1,027,000. These have resulted in an increase in equity of the Group by HK\$1,033,000 which was included in merger reserve; and
- (ii) The difference between the nominal value of the aggregate share capital of subsidiaries acquired pursuant to the Reorganisation over the nominal value of the shares of the Company issued in exchange for the subsidiaries.

(d) Translation reserve

Translation reserve comprises all foreign exchange differences arising on the translation of the financial statements of foreign operations in accordance with the accounting policy adopted in note 3.17.

26. 儲備(續)*(b) 資本儲備*

資本儲備源自收購非控制權益，指所付代價與非控股股東佔相關集團公司淨資產(按賬面值計)之間的差額。於報告期末的資本儲備，來自於2010年4月13日以現金總代價200,000港元收購Display & Packaging Limited 33.3%股本權益、於2010年5月7日以現金總代價2,000港元收購宏發製造有限公司20%股本權益及於2010年6月23日以現金總代價1,027,000港元收購和峰包裝(亞洲)有限公司10%股本權益。

(c) 合併儲備

為理順本集團的結構以準備本公司股份上市，本集團於2010年12月20日進行重組(「重組」)。本集團財務資料乃按猶如重組後集團結構一直存在而編製。就重組而言，合併儲備主要源自下列各項：

- (i) 分別於2010年6月16日及2010年6月20日，本集團的附屬公司Powerwell Pacific Limited (「Powerwell Pacific」)已按代價每股1美元向本集團創始股東發行752股每股面值1美元的新股份，以及向Powerwell Pacific當時的一名非控制權益股東發行44股每股面值1美元的新股份，佔Powerwell Pacific已擴大股本5.5%，代價為1,027,000港元。發行令本集團之權益增加1,033,000港元，金額已計入合併儲備；及
- (ii) 根據重組收購的附屬公司全部股本之面值超出本公司所發行用作交換附屬公司股份之股本面值之差額。

(d) 換算儲備

換算儲備包括所有根據附註3.17所採納的會計政策而換算海外業務財務報表產生的匯兌差額。

26. RESERVES
Company

The movements in the Company's reserves are as follows:

26. 儲備(續)
本公司

本公司的儲備變動如下：

		Share premium	Contributed surplus	(Accumulated losses)/ Retained profits	Total
		股份溢價	實繳盈餘	(累計虧損)/ 保留溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2013	於2013年1月1日	6,937	30,357	(7,008)	30,286
Special dividend (note 13)	特別股息(附註13)	—	—	(19,500)	(19,500)
Transaction with owners	與擁有人的交易	—	—	(19,500)	(19,500)
Profit for the year/Total comprehensive income for the year	年內溢利/年內全面收益總額	—	—	27,648	27,648
At 31 December 2013 and 1 January 2014	於2013年12月31日及於2014年1月1日	6,937	30,357	1,140	38,434
Special dividend (note 13)	特別股息(附註13)	—	(30,357)	(5,643)	(36,000)
Transaction with owners	與擁有人的交易	—	(30,357)	(5,643)	(36,000)
Profit for the year/Total comprehensive income for the year	年內溢利/年內全面收益總額	—	—	3,880	3,880
At 31 December 2014	於2014年12月31日	6,937	—	(623)	6,314

Contributed surplus of the Company represents the difference between the costs of investment in subsidiaries acquired pursuant to the Reorganisation over the nominal value of the share capital of the Company in exchange.

本公司的實繳盈餘乃根據重組所購附屬公司的投資成本超出本公司所交換的股本面值的差額。

27. RELATED PARTY TRANSACTIONS

- (i) Save as disclosed elsewhere in these financial statements, during the year, the Group carried out the following transactions with its related parties:

	Nature of transactions 交易性質	2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
深圳市桂峰錶業有限公司 (Shenzhen Guifeng Watch Company Limited) ("Guifeng") (note (a) & (c))	Assembly of watches	6,876	5,981
深圳市桂峰錶業有限公司(「桂峰」)(附註(a)及(c))	鐘錶組嵌		
Data Champion Limited and its subsidiary (note (b) & (c))	Consideration for disposal of interest in subsidiaries and transfer of loan	23,000	24,000
Data Champion Limited 及其附屬公司 (附註(b)及(c))	出售附屬公司權益及轉讓貸款的代價		
Richmind (note (b) & (c)) 富宏(附註(b)及(c))	Rental expenses 租金開支	720	640

Notes:

- (a) A close family member of Mr. Yang Yijun, a director of the Company who resigned on 23 September 2014, has material equity interest in Guifeng.
- (b) Upon completion of the Disposal of Richmind to Data Champion Limited on 10 May 2013 at an aggregate consideration of HK\$24,000,000 as mentioned in note 7, Richmind ceased to be a subsidiary of the Group and has become a related party of the Group. The Group has entered into tenancy agreements with Richmind for leasing of office premises for a term of three years from the first day of the month following the completion of the disposal. Mr. Liu Tin Chak, Arnold, Mr. Lam Chi Wai, Peter and Mr. Wong Yu Man, Elias, executive directors of the Company who resigned on 23 September 2014, have equity interests in Data Champion Limited.
- In current year, the Group disposed the Goldnet Group to a subsidiary of Data Champion Limited at an aggregate consideration of HK\$23,000,000 as mentioned in note 7.
- (c) Following the resignations of Mr. Liu Tin Chak, Arnold, Mr. Lam Chi Wai, Peter, Mr. Wong Yu Man, Elias and Mr. Yang Yijun as directors of the Company on 23 September 2014, these parties ceased to be related parties of the Group.

The directors of the Company are of the opinion that the above related party transactions were conducted on normal commercial terms and in the ordinary course of business.

27. 關聯人士交易

- (i) 除本財務報表其他部分所披露者外，本集團本年度曾與其關聯人士進行以下交易：

附註：

- (a) 本公司董事楊一軍先生(已於2014年9月23日辭任)的一名直系親屬於桂峰擁有重大股份權益。
- (b) 於附註7所述於2013年5月10日以總代價24,000,000港元出售富宏予Data Champion Limited的事項完成後，富宏將不再為本集團之附屬公司並已成為本集團的關連人士。本集團已與富宏簽訂租賃協議，內容有關其辦公物業的租賃年期自緊隨出售事項完成後月份的第一天起計為期三年。本公司的執行董事廖天澤先生、林志偉先生及黃汝文先生(均已於2014年9月23日辭任)於Data Champion Limited持有權益。
- 於本年度，誠如附註7所述，本集團以總代價23,000,000港元向Data Champion Limited之一間附屬公司出售金城集團。
- (c) 繼廖天澤先生、林志偉先生、黃汝文先生及楊一軍先生於2014年9月23日辭任本公司董事後，該等人士不再為本集團之關聯人士。

本公司董事認為，上述關聯人士交易乃於日常業務過程中進行及按正常商業條款進行。

27. RELATED PARTY TRANSACTIONS (Continued)
(ii) Compensation of key management personnel

Included in employee benefit expenses are key management personnel compensation (including directors), the details of which are as follows:

		2014	2013
		2014年	2013年
		HK\$'000	HK\$'000
		千港元	千港元
Short term employee benefits	短期僱員福利	7,953	7,046
Post-employment benefits	離職後福利	144	140
		8,097	7,186

28. OPERATING LEASE COMMITMENTS
Group

The total future minimum lease payments payable by the Group under non-cancellable operating lease in respect of land and buildings are as follows:

		2014	2013
		2014年	2013年
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	960	2,479
Within two and five years	兩至五年內	400	6,189
		1,360	8,668

The Group leases certain properties under operating leases. The leases run for an initial period of three (2013: three to five) years, with options to renew the lease terms at the expiry dates or other dates as mutually agreed between the Group and the respective landlords. None of these leases includes any contingent rentals.

Company

The Company does not have any significant operating lease commitments as lessee.

27. 關聯人士交易(續)
(ii) 主要管理人員的補償

僱員福利開支內計入主要管理人員(包括董事)的補償,有關詳情如下:

		2014	2013
		2014年	2013年
		HK\$'000	HK\$'000
		千港元	千港元
Short term employee benefits	短期僱員福利	7,953	7,046
Post-employment benefits	離職後福利	144	140
		8,097	7,186

28. 經營租賃承擔
本集團

本集團根據不可撤銷經營租約就土地及樓宇應付的未來最低租金如下:

		2014	2013
		2014年	2013年
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	960	2,479
Within two and five years	兩至五年內	400	6,189
		1,360	8,668

本集團根據經營租賃租用若干物業。該等租賃初步為期三(2013年:三至五)年,並可於到期日或按本集團與相關業主互相協定的其他日期續租。概無租約包括任何或然租金。

本公司

本公司作為承租人概無任何重大經營租約承擔。

29. CAPITAL COMMITMENTS Group and Company

Acquisition of a subsidiary 收購一間附屬公司

As detailed in note 32(ii), the Group and the Company had commitment in relation to the acquisition of a subsidiary which is contracted but not provided for in the amount of HK\$31,200,000 as at 31 December 2014.

30. FINANCIAL RISK MANAGEMENT

The Group is exposed to a variety of financial risks which result from the use of financial instruments in its ordinary course of operations. The financial risks include market risk (mainly foreign currency risk), credit risk and liquidity risk. Details of these financial instruments are disclosed in the notes below. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by key management under the policies approved by the directors. The Group does not have written risk management policies. However, the directors and senior management of the Group meet regularly to identify and evaluate risks and to formulate strategies to manage financial risks on timely and effective manner. The risks associated with these financial instruments and the policies applied by the Group to mitigate these risks are set out below.

29. 資本承擔 本集團及本公司

2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
31,200	—

誠如附註32(ii)所詳述，於2014年12月31日，本集團及本公司就收購一間附屬公司作出之已訂約但未撥備之承擔為31,200,000港元。

30. 金融風險管理

本集團因於其日常業務過程中使用金融工具而承受多項金融風險。金融風險包括市場風險(主要為外幣風險)、信貸風險及流動資金風險。有關金融工具的詳情於以下附註中披露。本集團的整體風險管理集中於金融市場的不可預測性及致力減低對本集團財務表現的潛在不利影響。風險管理由主要管理層根據董事批准的政策進行。本集團並無書面風險管理政策。不過，本集團董事及高級管理人員定期會面以識別及評估風險以及制定策略以及時及有效地管理金融風險。與該等金融工具相關的風險及本集團採用以降低有關風險的政策載列如下。

30. FINANCIAL RISK MANAGEMENT (Continued)
Categories of financial assets and liabilities

The carrying amounts of the Group's and the Company's financial assets and liabilities recognised in the statements of financial position at the reporting date may also be categorised as follows (see notes 3.9 and 3.11 for explanations on how the category of financial instruments affects their subsequent measurement):

30. 金融風險管理(續)
金融資產及負債類別

本集團及本公司於報告日期在財務狀況表確認的金融資產及負債的賬面值亦可分類如下(有關金融工具的分類如何影響其後計量的說明，請參閱附註3.9及3.11)：

		Group 本集團		Company 本公司	
		2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元	2014 2014年 HK\$'000 千港元	2013 2013年 HK\$'000 千港元
Financial assets	金融資產				
Loans and receivables:	貸款及應收款項：				
— Trade receivables	— 貿易應收款項	5,201	16,789	—	—
— Refundable deposits	— 可退回按金	537	802	345	—
— Amounts due from subsidiaries	— 應收附屬公司款項	—	—	—	23,690
— Cash and cash equivalents	— 現金及現金等價物	36,707	37,337	118	206
		42,445	54,928	463	23,896
Financial liabilities	金融負債				
Financial liabilities at amortised cost:	按攤銷成本列賬的金融負債：				
— Trade and other payables	— 貿易及其他應付款項	26,039	52,834	1,734	932
— Amount due to holding company	— 應付控股公司款項	4,744	—	4,744	—
— Amount due to a subsidiary	— 應付一間附屬公司款項	—	—	2,122	11
— Bank overdraft	— 銀行透支	4,367	—	4,367	—
		35,150	52,834	12,967	943

Due to their short-term nature, the carrying values of the financial assets and liabilities approximate their fair values.

由於其本身屬短期性質，金融資產及負債之賬面值與其公平值相若。

30. FINANCIAL RISK MANAGEMENT (Continued)**Foreign currency risk**

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. For the years ended 31 December 2014 and 2013, the Group mainly operates in Hong Kong and the PRC. The functional currency of the Company and its subsidiaries are mainly HK\$ and Renminbi ("RMB"). The Group's exposures to currency risk arise from its overseas sales, which are primarily denominated in US\$ which are not the functional currency of the Company and the relevant operating group entities. Since HK\$ is linked to US\$, the directors consider that the Group's exposure on currency risk is not significant.

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

Interest rate risk

The Group does not have any significant exposure to interest rate risk as at 31 December 2014 and 2013 as the Group has no significant interest bearing assets and liabilities.

Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group.

The Group's policy to manage credit risk is to deal only with credit worthy counterparties. In order to minimise the credit risk, the management of the Group has formulated a credit policy and delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

Credit risk on bank balances is limited because the counterparties are reputable banks.

The credit policies have been followed by the Group since prior years and are considered to have been effective in limiting the Group's exposure to credit risk to a desirable level.

As at 31 December 2014, approximately 48% (2013: 20%) and 92% (2013: 53%) of the trade receivables was due from the Group's largest customer and the five largest customers respectively. The Group has been actively seeking new customers to reduce the risk of over-reliance on those customers. Please refer to note 21 for further details of the Group's exposures to credit risk on trade receivables.

30. 金融風險管理(續)**外幣風險**

外幣風險指金融工具的公平值或未來現金流因匯率變動而波動的風險。於截至2014年及2013年12月31日止年度，本集團主要於香港及中國進行業務經營。本公司及其附屬公司之功能貨幣主要為港元及人民幣（「人民幣」）。本集團的貨幣風險來自其海外銷售，主要以美元計值，而美元並非本公司及其他經營集團實體的功能貨幣。由於港元與美元掛鈎，董事認為本集團承受的貨幣風險並不重大。

本集團現時並無外幣對沖政策。不過，管理層會監察外匯風險，並將考慮於有需要時對沖重大外幣風險。

利率風險

鑒於本集團並無重大計息資產及負債，故本集團於2014年及2013年12月31日並無任何重大利率風險。

信貸風險

信貸風險指金融工具的對手方未能履行金融工具條款項下的責任並導致本集團蒙受財政損失的風險。

本集團管理信貸風險的政策為只與信用良好的對手方交易。為盡量減低信貸風險，本集團管理層已制定信貸政策，並委派團隊專責釐定信貸限額、批核信貸及進行其他監管程序，以確保能跟進追討逾期債務。

由於對手方為知名銀行，故銀行結餘的信貸風險有限。

本集團自過往年度一直遵從信貸政策，而有關政策亦被視為有效將本集團的信貸風險限制於理想水平。

於2014年12月31日，本集團貿易應收款項約48%（2013年：20%）及92%（2013年：53%）分別為應收本集團最大客戶及五大客戶款項。本集團一直積極發掘新客戶以降低對該等客戶的過分依賴。有關本集團面臨的貿易應收款項信貸風險的詳情，請見附註21。

30. FINANCIAL RISK MANAGEMENT (Continued)
Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group is exposed to liquidity risk in respect of settlement of trade payables and its financing obligations, and also in respect of its cash flow management. The Group's objective is to maintain an appropriate level of liquid assets and committed lines of funding to meet its liquidity requirements in the short and longer term.

The liquidity policies have been followed by the Group since prior years and considered by the directors to have been effective in managing liquidity risks.

Analysed below is the Group's and the Company's remaining contractual maturities for its financial liabilities as at 31 December 2014 and 2013. When the creditor has a choice of when the liability is settled, the liability is included on the basis of the earliest date on when the Group and the Company can be required to pay. Where the settlement of the liability is in instalments, each instalment is allocated to the earliest period in which the Group and the Company is committed to pay.

Group

		At 31 December 2014 於2014年12月31日				
		On demand	Within 6 months	6 months to 12 months	Total undiscounted amount	Carrying amount
		於要求時	六個月內	六個月至十二個月	未貼現總額	賬面值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Trade and other payables	貿易及其他應付款項	16,064	9,975	—	26,039	26,039
Amount due to holding company	應付控股公司款項	4,744	—	—	4,744	4,744
Bank overdraft	銀行透支	4,367	—	—	4,367	4,367
		25,175	9,975	—	35,150	35,150
		At 31 December 2013 於2013年12月31日				
		On demand	Within 6 months	6 months to 12 months	Total undiscounted amount	Carrying amount
		於要求時	六個月內	六個月至十二個月	未貼現總額	賬面值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Trade and other payables	貿易及其他應付款項	24,255	21,744	6,835	52,834	52,834

30. 金融風險管理(續)
流動資金風險

流動資金風險乃與本集團未能履行以現金或另一金融資產清償的金融負債相關責任的風險有關。本集團在清償貿易應付款項及履行融資承擔方面以及在現金流量管理方面承擔流動資金風險。本集團的目標為維持適當水平的流動資產及取得足夠已承諾資金，以配合短期及長期資金需要。

本集團自過往年度一直遵從流動資金政策，而有關政策亦被視為有效將流動資金風險限制於理想水平。

下表顯示本集團及本公司於2014年及2013年12月31日就金融負債的餘下合約年期分析。當債權人有權選擇償還負債時，負債會基於本集團及本公司被要求償還的最早日期入賬。當分期清償負債時，各分期分配予本集團及本公司承諾支付的最早期間。

本集團

30. FINANCIAL RISK MANAGEMENT (Continued) Company

		At 31 December 2014 於2014年12月31日				
		On demand	Within 6 months	6 months to 12 months	Total undiscounted amount	Carrying amount
		於要求時	六個月內	六個月至十二個月	未貼現總額	賬面值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Trade and other payables	貿易及其他應付款項	1,734	—	—	1,734	1,734
Amount due to holding company	應付控股公司款項	4,744	—	—	4,744	4,744
Amount due to a subsidiary	應付一間附屬公司款項	2,122	—	—	2,122	2,122
Bank overdraft	銀行透支	4,367	—	—	4,367	4,367
		12,967	—	—	12,967	12,967

		At 31 December 2013 於2013年12月31日				
		On demand	Within 6 months	6 months to 12 months	Total undiscounted amount	Carrying amount
		於要求時	六個月內	六個月至十二個月	未貼現總額	賬面值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Trade and other payables	貿易及其他應付款項	932	—	—	932	932
Amount due to a subsidiary	應付一間附屬公司款項	11	—	—	11	11
		943	—	—	943	943

31. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern and to provide an adequate return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged during the current and prior years.

The Group sets the amount of capital in proportion to its overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. The Group had no net debt (calculated as total borrowings less cash and cash equivalents) as at 31 December 2014 and 2013.

30. 金融風險管理(續) 本公司

31. 資本管理

本集團管理其資本，以確保本集團的實體可持續經營，同時藉着優化債務及股本平衡，為持份者提供充足回報。本集團的整體策略於本年度及過往年度維持不變。

本集團按本身的整體財務架構釐定資本金額。本集團因應經濟狀況變動及相關資產的風險特點，管理資本架構並作出調整。為維持或調整資本架構，本集團可能調整派付予股東的股息金額、退回資本予股東、發行新股份或出售資產減債。本集團於2014年及2013年12月31日並無債務淨額（按借貸總額減現金及現金等價物計算）。

32. EVENTS AFTER THE REPORTING PERIOD

- (i) On 6 February 2015, the Company entered into a loan agreement with a third party in relation to a loan of HK\$15,000,000 obtained exclusively for the purpose of providing working capital and general funding to the Company and/or its subsidiaries. The loan is fully secured by the shares charge in respect of the entire issued share capital of Powerwell Pacific Limited, a wholly owned subsidiary of the Company incorporated in the British Virgin Islands. The loan bears interest at 1% per annum above the HKD prime lending rate published by HSBC and is repayable together with interest not later than 12 months from the drawdown date. Subject to the fulfilment of certain conditions, the Company shall have the right to extend the repayment date to another 12 months from the original repayment date.
- (ii) On 8 December 2014, the Company entered into a sale and purchase agreement (the “SPA”) with a third party in relation to the acquisition of the entire issued share capital in and shareholder’s loan due by Core Kingdom Limited, which indirectly owns 51% equity interest in 浙江通銀貴金屬經營有限公司 (for identification purpose, Zhejiang Tong Yin Precious Metal Operation Company Limited) (“Tong Yin”), a company engages in retail of luxury brand silverware and silver utensils in the PRC. The consideration in the amount of HK\$36,000,000 will be satisfied as to HK\$31,200,000 by the allotment and issue, credited as fully paid, of 26,000,000 new shares of the Company and as to HK\$4,800,000 in cash to the vendor. The cash consideration was paid and recorded as deposit for acquisition of a subsidiary as at 31 December 2014.

According to the SPA, the vendor has provided an irrevocable and unconditional guarantee (the “Profit Guarantee”) in favor of the Company that the audited net profits of Tong Yin (the “Audited Net Profits”) for the three financial years ending 31 December 2015, 31 December 2016 and 31 December 2017 shall be no less than RMB20 million, RMB24 million and RMB30 million respectively (each a “Guaranteed Net Profit”). In the event that the actual Audited Net Profits for each of the three financial years ending 31 December 2015, 31 December 2016 and 31 December 2017 is less than the respective Guaranteed Net Profit, the shortfall shall be settled by the vendor to the Company (the “Shortfall Payment”) as follows:

$$\text{Shortfall Payment} = (\text{Guaranteed Net Profit} - \text{Audited Net Profit}) \times 51\%$$

32. 報告期後事項

- (i) 於2015年2月6日，本公司與第三方簽訂貸款協議，內容有關專門為本公司及／或其附屬公司提供運營資金及一般融資而獲得之貸款15,000,000港元。該筆貸款由Powerwell Pacific Limited(本公司於英屬處女群島註冊成立之一間全資附屬公司)之全部已發行股本相關的股份抵押作全面擔保。該筆貸款按滙豐銀行所頒布之港元最優惠利率加年利率1%計息，且須連同自提取日期起不晚於12個月之利息一併償還。若滿足一定條件，本公司有權將原來之償還日期再延遲12個月。
- (ii) 於2014年12月8日，本公司與第三方簽訂買賣協議(「買賣協議」)，內容有關本公司收購Core Kingdom Limited全部已發行股本及Core Kingdom Limited到期應付股東貸款。Core Kingdom Limited間接擁有浙江通銀貴金屬經營有限公司(「通銀」，一間於中國從事零售奢侈品牌銀器及銀質餐具之公司)51%之股權。代價金額36,000,000港元將透過以下方式支付：31,200,000港元透過配發及發行本公司26,000,000股新股份(列入作繳足股款)支付，而4,800,000港元以現金形式支付予賣方。現金代價於2014年12月31日支付並計為收購一間附屬公司之按金。

根據買賣協議，賣方以本公司為受益人提供不可撤銷及無條件擔保(「溢利擔保」)，保證通銀於截至2015年12月31日、2016年12月31日及2017年12月31日止三個財政年度之經審核溢利淨額(「經審核溢利淨額」)分別不少於人民幣20百萬元、人民幣24百萬元及人民幣30百萬元(各項為「保證溢利淨額」)。倘於截至2015年12月31日、2016年12月31日及2017年12月31日止三個財政年度各年之實際經審核溢利淨額少於相關保證溢利淨額，則賣方將以如下方式向本公司結算差額(「不足款項」)：

$$\text{不足款項} = (\text{保證溢利淨額} - \text{經審核溢利淨額}) \times 51\%$$

32. EVENTS AFTER THE REPORTING PERIOD (Continued)(ii) *(Continued)*

The acquisition was completed on 27 February 2015, and the consideration shares were issued on the same date. The consideration shares issued rank pari passu with the existing shares of the Company in all respects. Further details of the acquisition have been set out in the Company's announcements dated 9 December 2014 and 27 February 2015.

The acquisition is to be accounted for as a business combination in accordance with HKFRS 3 Business Combinations. The Profit Guarantee is to be accounted for as a contingent consideration. Up to the approval date of these financial statements, the directors are still in the process of determining the fair values of the identifiable assets and liabilities of the Target Company and the contingent consideration.

- (iii) On 13 March 2015, the Company entered into a placing agreement with a placing agent in relation to the placement of bonds (the "Bonds") to be issued by the Company up to the maximum principal amount of HK\$50,000,000 within seven business days after entering into the placing agreement. The Bonds will be bearing interest of 6% per annum payable annually in arrears, and will have maturity date falling the day being the third anniversary of the issue date, or if that is not a business day, the first business day thereafter. The issue price will be 100% of the principal amount of the Bonds.

Up to approval of these financial statements, none of the Bonds have been issued. Further details of the placing arrangement have been set out in the Company's announcement dated 13 March 2015.

32. 報告期後事項(續)(ii) *(續)*

收購事項已於2015年2月27日完成，且代價股份已於同日獲發行。該等代價股份一經發行將與本公司現有股份於所有方面享有同等地位。有關收購事項之進一步詳情載於本公司日期為2014年12月9日及2015年2月27日之公佈。

根據香港財務報告準則第3號業務合併，收購事項被列作一項業務合併。溢利擔保列作或然代價。截至該等財務報表批准日期，董事仍正釐定目標公司可識別資產及負債之公平值及或然代價。

- (iii) 於2015年3月13日，本公司與配售代理訂立配售協議，內容有關於訂立配售協議後七個營業日內配售本公司擬發行的本金額最多為50,000,000港元的債券(「債券」)。債券將按年利率6厘計息，且到期日將為發行日期滿三週年當日，或倘該日並非營業日，則為其後首個營業日。發行價將為債券本金額的100%。

截至該等財務報表獲批准，未發行任何債券。配售安排的進一步詳情載於本公司日期為2015年3月13日的公佈。

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宏峰太平洋集團有限公司
Powerwell Pacific Holdings Limited