

**KINGDOM**

**ANNUAL**

**REPORT**

**2013**  
年報



**金達控股有限公司**

(於開曼群島註冊成立的有限公司)  
(股份代號：528)

**KINGDOM HOLDINGS LIMITED**

(incorporated in the Cayman Islands with limited liability)  
(Stock code : 528)



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# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors:

Mr. Ren Wei Ming (*Chairman*)  
Mr. Shen Yueming  
Mr. Zhang Hong Wen

#### Non-executive Directors:

Mr. Ngan Kam Wai Albert  
Mr. Tse Chau Shing Mark

#### Independent non-executive Directors:

Mr. Yang Donghui  
Mr. Lau Ying Kit  
Mr. Lo Kwong Shun Wilson

### AUDIT COMMITTEE

Mr. Lau Ying Kit (*Chairman*)  
Mr. Yang Donghui  
Mr. Lo Kwong Shun Wilson

### REMUNERATION COMMITTEE

Mr. Yang Donghui (*Chairman*)  
Mr. Zhang Hong Wen  
Mr. Lo Kwong Shun Wilson

### NOMINATION COMMITTEE

Mr. Lo Kwong Shun Wilson (*Chairman*)  
Mr. Lau Ying Kit  
Mr. Shen Yueming

### COMPANY SECRETARY

Ms. Chan Ching Yi (resigned on 15 January 2014)  
Mr. Chan Yan Kwan Andy (appointed on 15 January 2014)

### LEGAL ADVISERS TO THE COMPANY

Sidley Austin

### AUDITORS

Ernst & Young

### AUTHORISED REPRESENTATIVES

Mr. Ren Wei Ming  
Mr. Chan Yan Kwan Andy

### 董事會

#### 執行董事：

任維明先生 (*主席*)  
沈躍明先生  
張鴻文先生

#### 非執行董事：

顏金煒先生  
謝宙勝先生

#### 獨立非執行董事：

楊東輝先生  
劉英傑先生  
羅廣信先生

### 審核委員會

劉英傑先生 (*主席*)  
楊東輝先生  
羅廣信先生

### 薪酬委員會

楊東輝先生 (*主席*)  
張鴻文先生  
羅廣信先生

### 提名委員會

羅廣信先生 (*主席*)  
劉英傑先生  
沈躍明先生

### 公司秘書

陳靜儀女士 (於二零一四年一月十五日辭任)  
陳仁君先生 (於二零一四年一月十五日獲委任)

### 本公司法律顧問

盛德律師事務所

### 核數師

安永會計師事務所

### 授權代表

任維明先生  
陳仁君先生

### REGISTERED OFFICE

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

### HEADQUARTER IN CHINA

Henggang Town  
Haiyan County  
Zhejiang Province  
China

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Level 54  
Hopewell Centre  
183 Queen's Road East  
Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
26th Floor Tesbury Centre  
28 Queen's Road East  
Wanchai Hong Kong  
(which will be located to Level 22, Hopewell Centre,  
183 Queen's Road East, Hong Kong  
with effect from 31 March 2014)

### 註冊辦事處

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

### 中國總辦事處

中國  
浙江省  
海鹽縣  
橫港鎮

### 香港主要營業地點

香港  
皇后大道東183號  
合和中心  
54樓

### 主要股份過戶登記處

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

### 香港股份過戶登記分處

卓佳證券登記有限公司  
香港灣仔  
皇后大道東28號  
金鐘匯中心26樓  
(將由二零一四年三月三十一日起  
遷至香港皇后大道東183號合和中心22樓)



## Corporate Information 公司資料

### PRINCIPAL BANKERS

Bank of China, Rugao Branch  
Bank of China, Haiyan Branch

### STOCK CODE

0528

### COMPANY WEBSITE ADDRESS

<http://www.kingdom-china.com>

### INVESTOR RELATIONS CONTACT

Email: [ir@kingdom-china.com](mailto:ir@kingdom-china.com)

### 主要往來銀行

中國銀行如皋支行  
中國銀行海鹽支行

### 股份代號

0528

### 公司網站

<http://www.kingdom-china.com>

### 投資者聯繫方式

電郵：[ir@kingdom-china.com](mailto:ir@kingdom-china.com)

## Chairman's Statement 主席報告

I am pleased to present the annual report together with the audited financial statements of Kingdom Holdings Limited (“Kingdom” or the “Company”) and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2013 (the “Period under Review” or the “Year”).

In 2013, Kingdom held fast to its business strategy of “exploring new horizons while strengthening current operations” by consolidating its existing businesses and actively pursuing new markets amid market recovery. During the Year, demand in the textile and garment industry started to rally and the linen textile industry, in particular, saw an outstanding uplift. In 2013, China’s aggregate export of linen yarn amounted to approximately US\$245 million, up by 6.8% year-on-year; while Kingdom recorded RMB478,522,000 for its overall linen yarn export. Such export volume, which accounted for 29.3% of the total export from China, allowed Kingdom to top the industry and remain the largest Chinese linen yarn exporter for 11 consecutive years.

In 2013, both the global economy and the textile and garment industry have shown signs of recovery. In spite of the saturation of the existing production capacity and the impact of the rainstorm and flood brought by typhoon “Fitow” in October 2013, the Group’s overall business exhibited a continual and stable growth. For the year ended 31 December 2013, overall turnover increased year-on-year by 6.0% to RMB761,915,000. Profit attributable to owners of the parent was RMB100,438,000, which rose steadily by 6.6% from approximately RMB94,180,000 for 2012. To show the Group’s appreciation to the shareholders for their trust and support, the board of directors of the Company (the “Board”) recommended the payment of a final dividend of HK7.5 cents per ordinary share for the year ended 31 December 2013 (2012: HK7.0 cents per ordinary share).

本人欣然提呈金達控股有限公司（「金達控股」或「本公司」）及其附屬公司（統稱「本集團」）截至二零一三年十二月三十一日止年度（「回顧期內」或「年內」）的年度報告連同經審核財務報表。

二零一三年，金達控股堅守「固本拓新」的業務策略，把握市場回暖的機遇，鞏固現有業務、積極開拓新市場。年內，整體紡織服裝行業需求逐漸回穩，亞麻紡織行業更是取得可喜的增長。二零一三年中國亞麻紗的累計出口金額約2.45億美元，同比增長6.8%。而金達控股亞麻紗的整體出口金額達到人民幣478,522,000元，創下連續第十一年蟬聯中國最大亞麻紗出口商的佳績，出口量佔全國出口總量的29.3%，穩踞行業之首。

二零一三年全球經濟逐步回暖，整體紡織服裝行業需求漸漸回穩。雖然受制於現有產能飽和及二零一三年十月份颱風「菲特」帶來暴雨及嚴重水浸的影響，我們的整體業務依然實現了持續穩定的增長。截至二零一三年十二月三十一日止年度，整體營業額同比上升6.0%至人民幣761,915,000元。母公司擁有人應佔溢利達人民幣100,438,000元，較二零一二年的約人民幣94,180,000元穩定增長6.6%。本公司董事會（「董事會」）建議派發截至二零一三年十二月三十一日止年度末期股息為每股普通股7.5港仙（二零一二年：每股普通股7.0港仙），以回報股東對本集團的信任及支持。



## Chairman's Statement 主席報告

With the joint effort of Kingdom and other linen textiles manufacturers, significant advancement has been achieved in linen textile technology in the last few years. Linen yarn, which has previously been used solely for woven fabrics, is now widely applied in the production of knitted fabrics. The introduction of new products such as linen/cotton and linen/wool blended fabrics with a wide range of colors also contributed to the wider application of linen yarn. On the other hand, as technology marches on and the market continues to offer new products, fast fashion brands are quickly joining the rank of linen fabric users in addition to the traditional major linen fabric consumers, such as high-end fashion and home textiles manufacturers. Such trend has encouraged the demand for linen yarn, which in turn widened its appeal.

In addition to the breakthrough in application, the end markets of linen textiles are also expanding. Europe and the United States have traditionally been the major linen textiles consumers. However, the demand for linen yarn has shown signs of eastward shift to consumer markets in India, Korea and Japan. Among these emerging markets, the development in India is particularly impressive. The tropical climate as well as the rapid economic growth in India have created a favorable environment for the boom of linen textiles, and the market is shifting from processing and export to domestic consumption. Sales of linen yarn to the Indian market jumped from RMB45,624,000 in 2012 to RMB66,353,000 in 2013, up by 45%. Meanwhile, the linen textiles consumption market in Japan is also changing. Linen textiles are environmental-friendly, natural and comfortable, which fully complement the Japanese respect for nature and its cultural trend, and the local market is expected to expand further. Kingdom currently has a sales agency in India and two agencies in Korea in order to serve the entire East Asia. Looking ahead, it will further penetrate into these emerging markets with the aim of expanding its geographical coverage.

過去數年，在我們與亞麻紡織同業的共同努力下，亞麻的紡織技術得到了大幅度改良。從過去單純應用於梭織面料，至今日，亞麻紗已廣泛應用在針織面料上。與此同時，各色亞麻混紡面料如棉麻混紡、毛麻混紡等新產品的興起也擴大了其應用範圍。技術的突破加上產品的創新，使亞麻面料從過去主要應用於高端時裝和家紡產品，高速滲透至快速時裝領域，帶來了量的飛躍，也大幅提高了亞麻紗的需求。

除了應用範圍的突破，亞麻紡織品的終端消費市場正逐步擴寬。過去，歐洲和美國是亞麻紡織品的傳統消費大國。而近年，印度、韓國和日本等消費市場也逐步興起，帶動亞麻紗需求東移。其中，以印度的發展尤其矚目。由於印度的炎熱氣候及經濟增長迅速等有利因素，印度的亞麻紡織品已從過去的加工外銷逐步發展至自用內銷。印度市場的亞麻紗銷售額從二零一二年的人民幣45,624,000元大幅攀升至二零一三年的人民幣66,353,000元，升幅達45%。另一方面，日本的亞麻紡織品消費市場也發生變化。亞麻紡織品具備環保、天然和舒適等優點，切合日本崇尚自然的文化潮流，相信當地市場將可進一步擴大。目前，我們已於印度設立銷售代理，也於韓國設立兩個代理覆蓋整個東亞地區。未來金達控股將繼續深耕上述新興市場，進一步擴大業務版圖。



Being the industry leader, Kingdom holds an edge in terms of scale and network, giving it an advantage in seizing the opportunities brought by the growth of the linen yarn industry. In the coming year, it will endeavor to improve the sales network and enhance its brand building so as to further secure the market share and brand awareness of Kingdom at home and abroad. Following the successful hosting of a linen industry conference in Turkey in 2012, the Group has planned to organize exchange forums for linen yarn application and technology in Turkey in 2014. By increasing exchanges and interactions with distributors and clients, the Group can gain access to first-hand market information and further boost its brand awareness, thereby helping to promote its linen yarn products in other potential markets in an all-round way. In the meantime, Kingdom will continue to increase its production capacity which is close to full utilisation. To cope with surging market demand, the Group's third production base is scheduled to commence operation in the mid-second quarter of 2014. The annual total capacity will then go up by 38% to 18,000 tonnes. Moreover, this new production base will be equipped with the latest technologies and facilities, including power equipment and energy management solutions provided by Siemens. The Group believes its operational efficiency and profitability can be enhanced, thereby sustaining long-term business growth and increasing investment return to the shareholders and investors.

On behalf of the Board, I would like to thank the entire staff for their devotion and contributions in the past year. I would also like to express my sincere gratitude to the shareholders and business partners for their continuous support for the Group.

**Ren Wei Ming**  
*Chairman*

Haiyan County, Zhejiang Province, the PRC, 14 March 2014

作為行業龍頭，金達控股擁有規模及網絡優勢以把握亞麻紗行業發展的黃金機遇。來年，我們將致力完善銷售網絡佈局及品牌建設，以進一步鞏固金達控股於國內外的市場份額及品牌知名度。繼我們在二零一二年於土耳其成功舉行了亞麻行業交流會議，二零一四年，本集團計劃再度前往土耳其度舉辦亞麻紗應用及技術交流會。透過與經銷商和客戶的交流互動，我們將可獲得市場的第一手資料，進一步提升品牌知名度以及更深更廣地把亞麻紗產品推廣至其他具發展潛力的市場。與此同時，金達控股也將進一步提升產能。目前，我們的產能已近飽和，為了應付快速增長的市場需求，第三個生產基地計劃於二零一四年第二季度中正式投產。屆時，總年產能預期可大幅提高38%至18,000噸。同時，新生產基地引進了最新技術設備，並由西門子提供電力設備及能源管理解決方案等。我們相信透過以上策略可全面提升本集團的營運效益及盈利能力，實現業務的持續增長，從而為股東及投資者創造更理想的投資回報。

本人謹此代表董事會，感謝本集團全體員工過去一年所作出的努力和貢獻。同時，對於各位股東及業務夥伴對本集團的長期支持衷心致意。

主席  
任維明

中國浙江省海鹽縣，二零一四年三月十四日





## Five year Financial Summary 五年財務摘要

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements is set out below.

本集團最近五個財政年度的業績以及資產及負債摘要（摘錄自己刊發經審核財務報表）載列如下。

		Year ended 31 December 截至十二月三十一日止年度				
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
REVENUE	收入	761,915	718,912	710,960	628,718	491,165
Cost of sales	銷售成本	(555,032)	(509,612)	(482,957)	(462,876)	(435,148)
Gross profit	毛利	206,883	209,300	228,003	165,842	56,017
Other income and gains	其他收益及得益	32,056	8,320	9,403	13,806	6,374
Selling and distribution costs	銷售及分銷成本	(32,617)	(34,358)	(30,268)	(32,125)	(18,625)
Administrative expenses	行政開支	(41,042)	(39,821)	(39,191)	(31,914)	(34,597)
Other expenses	其他開支	(14,587)	(3,544)	(8,165)	(3,637)	(6,163)
Finance costs	財務成本	(9,551)	(12,848)	(14,720)	(15,152)	(19,325)
Share of profits and losses of an associate	應佔一間聯營公司溢利及虧損	99	(285)	17	652	-
PROFIT/(LOSS) BEFORE TAX	除稅前溢利／（虧損）	141,241	126,764	145,079	97,472	(16,319)
Income tax expense	所得稅開支	(40,803)	(32,584)	(41,940)	(29,541)	(1,837)
PROFIT/(LOSS) FOR THE YEAR	年內溢利／（虧損）	100,438	94,180	103,139	67,931	(18,156)
Attributable to:	應佔：					
Owners of the parent	母公司擁有人	100,438	94,180	103,139	67,931	(18,156)

### ASSETS AND LIABILITIES

### 資產及負債

		As at 31 December 於十二月三十一日				
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
TOTAL ASSETS	資產總值	1,314,794	1,149,187	1,046,094	1,151,756	1,097,359
TOTAL LIABILITIES	負債總值	(424,819)	(326,308)	(284,231)	(466,786)	(480,457)
NET ASSETS	資產淨值	889,975	822,879	761,863	684,970	616,902

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW

In 2013, both the global economy and the textile and garment industry have shown signs of recovery. In particular, the performance of the linen textile industry was one of the best in the textile and garment industry. Thanks to the continuous promotion of linen yarn/fabric application in recent years, the linen textile market has seen gradual expansion in scale. According to the statistics of the China Bast and Leaf Fibers Textile Association, the linen yarn export of China amounted to US\$245 million in 2013, representing a year-on-year increase of 6.8%. In spite of the saturation of the existing production capacity and the impact of the rainstorm and flood brought by typhoon Fitow in October 2013, the Group continued to dominate the industry and remained the largest Chinese linen yarn exporter for 11 consecutive years. The Group's linen yarn exports in 2013 accounted for 29.3% of the total export from China and topped the industry. The application of linen yarn was restricted to high-end fashion and home textiles in the past due to the limited raw material supply and primitive production technology. However, as advances in the technology for linen yarn spinning and linen fabric manufacturing brought about new products and applications, the use of linen textiles in fast fashion has since been growing. As international fast fashion brands began to embrace different kinds of linen textiles, such as linen/cotton and linen/wool blend fabrics, the demand of linen grew substantially.

For the year 2013, the Group's turnover was RMB761,915,000 (2012: RMB718,912,000), representing an increase of 6.0% compared to last year. Gross profit dropped by 1.2% year-on-year to RMB206,883,000 (2012: RMB209,300,000). Thanks to its leading market position, the Group enjoys pricing power in the market. Such power allows the Group to increase the average selling price in the year to counter part of the impact of rising labor costs in China. As a result, gross profit margin stood at 27.2% (2012: 29.1%). The Group's profit attributable to owners of the parent increased by 6.6% year-on-year to RMB100,438,000 (2012: RMB94,180,000). Basic earnings per share amounted to RMB0.16. To reciprocate the shareholders for their continued support, the Board has recommended the payment of a final dividend of HK7.5 cents per ordinary share (2012: HK7 cents per ordinary share).

### 業務回顧

二零一三年全球經濟逐步回暖，整體紡織服裝行業需求漸漸回穩。其中，亞麻紡織行業的表現尤其亮麗，主要得益於本集團與同業近年大力推廣亞麻紗應用，帶動亞麻紡織品市場規模逐步擴大。根據中國麻紡行業協會數據顯示，二零一三年全國亞麻紡織行業出口累計總額2.45億美元，同比增長6.8%。年內，雖然受制於現有產能飽和及二零一三年十月份颱風「菲特」帶來暴雨及嚴重水浸的影響，本集團依然保持中國亞麻紗出口行業的龍頭地位，連續第十一年蟬聯中國最大的亞麻紗出口商。本集團二零一三年亞麻紗出口量佔全國出口總量的29.3%為行業之冠。以往受原材料產量及生產技術原始等限制，亞麻紗的應用層面較窄，主要用於高端時裝及家紡上。而隨著亞麻紡織技術日益改進、新產品的推出和應用推廣等，亞麻面料在快速時裝上的應用日漸廣泛。許多大型快速時尚品牌已開始引入不同類型的含亞麻面料，如麻棉混紡、麻毛混紡等，因此帶動整體亞麻紗的需求。

二零一三年，本集團營業額較去年同比上升6.0%，達到人民幣761,915,000元（二零一二年：人民幣718,912,000元）。毛利同比下降1.2%至人民幣206,883,000元（二零一二年：人民幣209,300,000元）。本集團以龍頭地位享有較高議價能力，於年內按市場環境提昇平均售價，抵銷中國人工成本不斷攀升的影響，使毛利率維持穩定於27.2%（二零一二年：29.1%）。本集團母公司擁有人應佔溢利同比上升6.6%至人民幣100,438,000元（二零一二年：人民幣94,180,000元）。每股基本盈利為人民幣0.16元。為答謝股東長期以來的支持，董事會建議派發末期股息每股普通股7.5港仙（二零一二年：每股普通股7港仙）。

# Management Discussion and Analysis

## 管理層討論及分析

### Major Markets and Customers

With a sales network covering over 20 countries and regions around the world, the Group established a branch company in Italy and 5 brand agencies located in Turkey, Portugal, India and Korea. For the year ended 31 December 2013, domestic sales amounted to RMB283,393,000, representing a surge of 19% year-on-year, and accounted for approximately 37% of the Group's total turnover, while overseas sales accounted for 63% of the total turnover. In terms of export amount, the European Union remained the largest export market of the Group and accounted for 40% of the Group's total export sales, followed by Korea, Turkey and India, successively. Among these countries, emerging markets such as Korea and India demonstrated the most significant growth during the Year.

Sales of linen yarn to the Indian market jumped from RMB45,624,000 in 2012 to RMB66,353,000 in 2013, up by 45%. The demand for linen products in India has been rising in recent years due to the rapid growth of the Indian economy and consumption market as well as the tropical climate. It is expected that the demand for linen products from India will continue to surge. Meanwhile, demand from garment producers such as China, Turkey and Portugal will also keep growing due to the boom in fast fashion industry.

### Raw Material Procurement and Related Strategies

During the year ended 31 December 2013, prices of the Group's raw material, linen fiber, was largely stable. The Group mainly sources its linen fiber from well-established origins such as France, Belgium and the Netherlands. Being one of the largest buyers in these origins, the Group enjoys better bargaining power and has a cost advantage. Furthermore, the Group has implemented a timely procurement strategy in order to secure stable supply and prices of linen fiber.

The Group's raw material production base in Xinjiang mainly produces organic linen, with an annual production of 702 tonnes in 2013, and contributes approximately 4% of the Group's total raw material supply.

### 主要市場及客戶

本集團業務遍佈全球20多個國家與地區，並已經於意大利設立分公司及於土耳其、葡萄牙、印度及韓國共設立5個代理。截至二零一三年十二月三十一日止年度，國內市場的銷售約佔集團總營業額37%，達人民幣283,393,000元，同比躍升19%。而海外市場銷售總營業額為63%。若以出口金額計算，歐盟國仍然是集團最大的海外出口市場，佔總出口營業額40%。之後按順序依次為韓國、土耳其及印度；其中，新興市場如韓國和印度的年內銷售增幅最為顯著。

印度市場的亞麻紗銷售額從二零一二年的人民幣45,624,000元大幅攀升至二零一三年的人民幣66,353,000元，升幅達45%。受惠於印度經濟及消費市場增長迅速，以及炎熱氣候等因素影響，當地消費者對亞麻產品的需求不斷上升。預料印度對亞麻產品的需求將會持續增多。而服裝生產基地如中國、土耳其及葡萄牙等亦受快速時尚的蓬勃發展推動，需求持續擴大。

### 原材料採購及策略

截至二零一三年十二月三十一日止年度內，原材料亞麻纖維價格大致平穩。本集團的亞麻纖維主要從優質亞麻產地如法國、比利時和荷蘭等進口。由於本集團亦是該等產地最大的採購商之一，因而擁有較強議價能力及成本優勢。此外，本集團策略性選擇採購時機，確保原材料的供需及價格穩定。

而本集團在新疆原材料生產基地主要生產有機亞麻，二零一三年產量702噸，約佔本集團總原材料供應4%。

# Management Discussion and Analysis

## 管理層討論及分析

### Production Bases and Productivity

As at 31 December 2013, the Group had an aggregate annual production capacity of 13,000 tonnes, with two production bases located in Haiyan County, Zhejiang Province and Rugao City, Jiangsu Province. The Group's production line is now nearly saturated. In order to capture the opportunity brought by the growing demand in linen products, the Group has completed the construction of the third production base in Haiyan County, Zhejiang Province. As at the date of this announcement, the new plant has been put into fine tuning stage. Trial and formal production are scheduled to start in March and in the middle of the second quarter, respectively, of 2014. By then, the annual production capacity of the Group will increase significantly by 38% from 13,000 tonnes now to 18,000 tonnes. This new production base will be equipped with the latest technologies and facilities, including power equipment and energy management solutions provided by Siemens. Compared with the existing bases, the new production base will command higher production efficiency and save more energy and water, thereby helping the Group to reduce costs in the current operating environment against the ever rising energy and water prices.

### 生產基地及產能

截至二零一三年十二月三十一日，本集團擁有兩個生產基地，分別位於浙江省海鹽縣和江蘇省如皋市，年產能合共13,000噸。目前，本集團的生產線已接近飽和，為把握亞麻紗需求上升的機遇，本集團位於浙江省海鹽縣的第三個生產基地已建設完畢。於本公告日期，新廠房已進入設備調試階段，並計劃在二零一四年三月進行試生產，預計於第二季度中投產。屆時，本集團的年產能將從目前的13,000噸大幅提升38%至18,000噸。新生產基地引進了最新技術設備，並由西門子提供電力設備及能源管理解決方案等。與現時兩個基地相比，新生產基地生產效率更高，且更節省能源和用水，在目前能源和水價不斷上升的經營環境下能助本集團進一步節約成本。

Existing production bases	現有生產基地	Major products 主要產品	Annual production capacity 年產能 (tonnes) (噸)	Utilization rate 產能利用率
1st Phase of Haiyan County, Zhejiang Province	浙江省海鹽縣一期	Linen yarn/ dope-dyed fiber 亞麻紗/ 色紡紗	7,000	100%
Rugao City, Jiangsu Province	江蘇省如皋市	Linen yarn 亞麻紗	6,000	100%
2nd Phase of Haiyan County, Zhejiang Province (opening soon)	浙江省海鹽二廠(即將投產)	Linen yarn 亞麻紗	5,000	—
Total	合共		<u>18,000</u>	<u>—</u>

# Management Discussion and Analysis

## 管理層討論及分析

### Achievements and Awards in Research and Development

The Group is always committed to innovation on technology and technique as well as new product development. In 2013, the Company achieved various new technological breakthroughs and developed high-value added dope-dyed fiber, thereby further expanding the proportion of high-margin products. During the year ended 31 December 2013, the Group applied for a total of 10 patents, including 6 invention patents and 4 utility patents. As at 31 December 2013, the Group has obtained 39 patents.

In 2013, the Group received various awards which have proven its well-recognized leading position in the linen yarn market:

- Named as “Enterprise on Management Innovation” and “Model Enterprise on Technology & Facility Innovation” by the China Bast and Leaf Fibers Textile Association
- Granted with the “National Textile Industry Quality Award” by the China National Textile and Apparel Council
- Named as “Provincial Technology Center of Zhejiang” by the Zhejiang Province Economic and Information Commission
- The energy-saving project recognized as “Top Ten Most Influential Projects in 2012” by the Chinese Association of Automation

### FINANCIAL REVIEW

#### Turnover

For the year ended 31 December 2013, the Group’s turnover increased to RMB761,915,000, representing an increase of approximately 6.0% year-on-year (2012: RMB718,912,000). Despite the manufacturing capacity was closed to saturation and impact on the operations of the Group due to heavy rain and severe flooding brought by typhoon “Fitow” in October 2013, as well as the United State Dollars depreciated by approximately 3% against Chinese Yuan during the Year, where most of our sales were made in United State Dollars, the Group still recorded a positive growth in turnover.

### 研發成果和獎項

本集團一直致力於技術創新、工藝改造和新產品的研發。二零一三年，本公司各項技術有了新突破，成功開發了高附加值產品色紡紗，進一步提高了本集團高毛利產品的比例。截至二零一三年十二月三十一日止年度內，本集團共申報專利10項，其中發明專利6項及實用新型專利4項。截至二零一三年十二月三十一日，本集團已取得39項授權專利。

二零一三年，本集團獲得多項榮譽，證明了我們在亞麻紗市場無可爭議的龍頭地位：

- 中國麻紡行業協會授予「管理創新先進企業」及「技術設備創新先進樣板企業」的稱號
- 中國紡織工業聯合會授予「全國紡織行業質量獎」
- 浙江省經濟和信息化委員會授予「浙江省省級技術中心」的稱號
- 能源優化服務項目獲中國自動化學會評為「2012年度十大年度最具影響力工程項目」

### 財務回顧

#### 營業額

截至二零一三年十二月三十一日止年度，本集團之營業額上升至人民幣761,915,000元，同比上升約6.0%（二零一二年：人民幣718,912,000元）。雖然本集團之營運受制於現有產能接近飽和及二零一三年十月份颱風「菲特」帶來暴雨及嚴重水浸之影響，加上本集團大部分銷售的計值貨幣美元兌人民幣於年內貶值約3%，惟本集團營業額依然錄得正增長。



# Management Discussion and Analysis

## 管理層討論及分析

Breakdown of turnover by sales regions:

按銷售地區分佈之營業額：

Sales regions:	銷售地區：	For the year ended 31 December 截至 十二月三十一日止年度	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Mainland China	中國大陸	283,393	237,860
European Union	歐盟	192,051	246,520
Non-European Union	非歐盟	286,471	234,532
Total	總額	<u>761,915</u>	<u>718,912</u>

### Gross Profit and Gross Profit Margin

For the year ended 31 December 2013, in light of the increasing labour costs and stable but rising raw material prices, the Group's gross profit recorded a year-on-year decrease to RMB206,883,000 (for the year ended 31 December 2012: RMB209,300,000). Gross profit margin for the year ended 31 December 2013 slightly dropped to approximately 27.2% compared to 29.1% for the year ended 31 December 2012.

### 毛利及毛利率

截至二零一三年十二月三十一日止年度，勞工成本日增，加上原材料價格平穩上漲，本集團毛利同比下降至人民幣206,883,000元（截至二零一二年十二月三十一日止年度：人民幣209,300,000元）。截至二零一三年十二月三十一日止年度，毛利率輕微下降至約27.2%，而截至二零一二年十二月三十一日止年度毛利率則為29.1%。

### Other Income and Gains

For the year ended 31 December 2013, the Group recorded an insurance income of RMB16,985,000 (2012: Nil) for the compensation of damages due to heavy rain and severe flooding brought by typhoon "Fitow" in October 2013, and government grants of approximately RMB2,024,000 (for the year ended 31 December 2012: RMB6,023,000). There was also a non-cash fair value gain on derivative instruments – transactions not qualifying as hedges amounted to RMB7,819,000 during the Year (2012: RMB68,000).

### 其他收益及得益

截至二零一三年十二月三十一日止年度，本集團錄得就二零一三年十月份颱風「菲特」帶來暴雨及嚴重水浸之損失作出賠償之保險收入人民幣16,985,000元（二零一二年：無）及政府補助約人民幣2,024,000元（截至二零一二年十二月三十一日止年度：人民幣6,023,000元）。此外，本集團亦於年內錄得不合資格作對沖之衍生工具交易之非現金公允價值得益人民幣7,819,000元（二零一二年：人民幣68,000元）。

# Management Discussion and Analysis

## 管理層討論及分析

### Selling and Distribution Costs

For the year ended 31 December 2013, the Group's selling and distribution costs amounted to approximately RMB32,617,000 (for the year ended 31 December 2012: RMB34,358,000), which accounted for approximately 4.3% of its turnover (for the year ended 31 December 2012: 4.8%). The decrease in selling costs was mainly due to lower freight and transportation costs as there were more domestic sales in China and less sales to Europe during the year ended 31 December 2013 compared with 2012, as well as higher marketing expense to develop new markets in last year.

### Administrative Expenses

For the year ended 31 December 2013, the Group's administrative expenses amounted to approximately RMB41,042,000 (for the year ended 31 December 2012: RMB39,821,000), representing an increase of approximately 3.1% as compared to the corresponding period last year. Administrative expenses increased mainly due to the increase in human resources management consultation fee of RMB2,100,000.

### Other Expenses

Other expenses mainly represent the damages to the Group's assets by heavy rain and severe flooding caused by typhoon "Fitow" in October 2013.

### Finance Costs

For the year ended 31 December 2013, finance costs were approximately RMB9,551,000 (for the year ended 31 December 2012: RMB12,848,000), representing a decrease of approximately 26%. The decrease in finance costs was mainly due to lower average bank loans' balances as compared to last year.

### Share of Profits and Losses of an Associate

For the year ended 31 December 2013, share of profit of Huaning Flax Electronic Business (Zhejiang) Co., Ltd. (浙江華凝亞麻電子商務有限公司), an associate established on 28 December 2009 in China principally engaging in sale of linen raw material products and provision of transaction services, was approximately RMB99,000 (for the year ended 31 December 2012: share of losses RMB285,000).

### 銷售及分銷成本

截至二零一三年十二月三十一日止年度，本集團之銷售及分銷成本約為人民幣32,617,000元（截至二零一二年十二月三十一日止年度：人民幣34,358,000元），佔營業額約4.3%（截至二零一二年十二月三十一日止年度：4.8%）。銷售成本減少主要由於與二零一二年比較，截至二零一三年十二月三十一日止年度中國境內銷售額上升，歐洲銷售額則減少，令貨運及運輸成本下降，以及去年為開拓新市場而增加市場推廣開支所致。

### 行政開支

截至二零一三年十二月三十一日止年度，本集團之行政開支約為人民幣41,042,000元（截至二零一二年十二月三十一日止年度：人民幣39,821,000元），較去年同期增加約3.1%，主要由於人力資源管理諮詢費增加人民幣2,100,000元所致。

### 其他開支

其他開支主要指二零一三年十月份颱風「菲特」帶來暴雨及嚴重水浸對本集團資產所造成之損害。

### 財務成本

截至二零一三年十二月三十一日止年度，財務成本約為人民幣9,551,000元（截至二零一二年十二月三十一日止年度：人民幣12,848,000元），下降約26%。財務成本減少主要由於平均銀行貸款結餘相比去年下降所致。

### 應佔一間聯營公司溢利及虧損

截至二零一三年十二月三十一日止年度，應佔聯營公司浙江華凝亞麻電子商務有限公司溢利約為人民幣99,000元（截至二零一二年十二月三十一日止年度：應佔虧損人民幣285,000元）。該聯營公司於二零零九年十二月二十八日於中國成立，主要業務為銷售亞麻原料產品及提供交易服務。

# Management Discussion and Analysis

## 管理層討論及分析

### Profit Attributable to Owners of the Parent

For the year ended 31 December 2013, the Group recorded a profit attributable to owners of the parent of approximately RMB100,438,000 (for the year ended 31 December 2012: RMB94,180,000), representing an increase of 6.6% as compared with the corresponding period last year.

### Intangible Assets

As at 31 December 2013, the Group's intangible assets were sewage rights granted in 2012 for a term of 20 years, which amounted to RMB10,212,000 (31 December 2012: RMB10,818,000). Intangible assets are subject to amortization based on their useful lives. For the year ended 31 December 2013, amortization of intangible assets was approximately RMB606,000 (for the year ended 31 December 2012: RMB599,000).

### Trade and Notes Receivables

As at 31 December 2013, trade and notes receivables of the Group decreased by 25.4% to RMB162,753,000 (31 December 2012: RMB218,077,000). The significant decrease in trade receivable was due to a higher base in 2012, which was mainly attributable to the increase in sales in the fourth quarter of 2012, together with the tightening liquidity of domestic customers due to the slowdown of PRC economy, both trade and notes receivables of the Group were higher at the end of 2012.

### Trade and Notes Payables

As at 31 December 2013, trade and notes payables of the Group were approximately RMB115,902,000 (31 December 2012: RMB43,186,000), representing a significant increase of 168%. Such increase was mainly due to the Group's additional purchases of raw materials in the fourth quarter of 2013 to ensure stable supply, including those for the new manufacturing facility to be commenced operation in 2014.

### 母公司擁有人應佔溢利

截至二零一三年十二月三十一日止年度，本集團之母公司擁有人應佔溢利對比去年同期增長6.6%至約人民幣100,438,000元（截至二零一二年十二月三十一日止年度：人民幣94,180,000元）。

### 無形資產

於二零一三年十二月三十一日，本集團之無形資產為於二零一二年獲取為期20年之排污權，金額為人民幣10,212,000元（二零一二年十二月三十一日：人民幣10,818,000元）。無形資產按其可使用年期作攤銷。截至二零一三年十二月三十一日止年度，無形資產攤銷約為人民幣606,000元（截至二零一二年十二月三十一日止年度：人民幣599,000元）。

### 應收貿易賬款及應收票據

於二零一三年十二月三十一日，本集團之應收貿易賬款及應收票據減少25.4%至人民幣162,753,000元（二零一二年十二月三十一日：人民幣218,077,000元）。應收貿易賬款大幅減少主要是由於二零一二年第四季之銷售額有所上升，導致二零一二年基數較高，加上鑑於中國經濟增長放緩，國內客戶之資金流通量收緊，令本集團之應收貿易賬款及應收票據金額均於二零一二年底有所上升所致。

### 應付貿易賬款及應付票據

於二零一三年十二月三十一日，本集團之應付貿易賬款及應付票據大幅增加168%至約人民幣115,902,000元（二零一二年十二月三十一日：人民幣43,186,000元），主要因為本集團於二零一三年第四季度增加採購原材料，以確保製造設施（包括於二零一四年投產的新設施）獲得穩定供應。

# Management Discussion and Analysis

## 管理層討論及分析

### Interest-bearing Bank Loans

As at 31 December 2013, the Group's interest-bearing bank loans amounted to approximately RMB238,548,000 (31 December 2012: RMB215,684,000), representing an increase of 10.6%, mainly reflecting the Company's normal requirement for working capital.

### Liquidity and Financial Resources

As at 31 December 2013, the Group had net current assets of approximately RMB371,446,000 (31 December 2012: RMB385,792,000). The Group financed its operations with internally generated resources and bank loans during the year ended 31 December 2013. As at 31 December 2013, the Group had cash and bank deposits of approximately RMB201,698,000 (31 December 2012: RMB163,643,000). The liquidity ratio of the Group as at 31 December 2013 was approximately 201.0% (31 December 2012: 222.1%). Shareholders' fund of the Group as at 31 December 2013 was approximately RMB889,975,000 (31 December 2012: RMB822,879,000).

As at 31 December 2013, the Group had bank loans repayable within 12 months from the statement of financial position date of approximately RMB188,548,000 (31 December 2012: RMB215,684,000) and long-term loans of RMB50,000,000 (31 December 2012: Nil). Together they represented a gross debt gearing (i.e. total borrowings/shareholders' funds) of approximately 26.8% (31 December 2012: 26.2%).

### CAPITAL COMMITMENTS

As at 31 December 2013, outstanding contractual capital commitments of the Group in respect of purchase of property, plant and equipment not provided for in the annual financial statements amounted to approximately RMB79,505,000 (31 December 2012: RMB80,526,000).

### CONTINGENT LIABILITIES

As at 31 December 2013, the Group did not have any contingent liabilities.

### 計息銀行貸款

於二零一三年十二月三十一日，本集團之計息銀行貸款增加10.6%至約人民幣238,548,000元（二零一二年十二月三十一日：人民幣215,684,000元），主要反映本公司的正常營運資金所需。

### 流動資金及財務資源

於二零一三年十二月三十一日，本集團之流動資產淨值約為人民幣371,446,000元（二零一二年十二月三十一日：385,792,000元）。本集團於截至二零一三年十二月三十一日止年度透過內部資源及銀行貸款為其營運提供資金。於二零一三年十二月三十一日，本集團之現金及銀行存款約為人民幣201,698,000元（二零一二年十二月三十一日：人民幣163,643,000元）。本集團於二零一三年十二月三十一日之流動比率約為201.0%（二零一二年十二月三十一日：222.1%）。本集團於二零一三年十二月三十一日之股東資金約為人民幣889,975,000元（二零一二年十二月三十一日：人民幣822,879,000元）。

於二零一三年十二月三十一日，本集團須於結算日起計十二個月內償還之銀行貸款約為人民幣188,548,000元（二零一二年十二月三十一日：人民幣215,684,000元），長期貸款為人民幣50,000,000元（二零一二年十二月三十一日：無）。兩者反映之總資本負債比率（即總借貸／股東資金）約為26.8%（二零一二年十二月三十一日：26.2%）。

### 資本承擔

於二零一三年十二月三十一日，本集團未在全年財務報表內計提就購買物業、廠房及設備之未償還合約資本承擔約為人民幣79,505,000元（二零一二年十二月三十一日：人民幣80,526,000元）。

### 或有負債

於二零一三年十二月三十一日，本集團並無或有負債。

# Management Discussion and Analysis

## 管理層討論及分析

### CHARGE OF ASSETS

As at 31 December 2013, the interest-bearing bank loans were secured by certain property, plant and equipment, prepaid land lease payments, inventories and pledged deposits of the Group with carrying amounts of RMB59,072,000 (2012: RMB43,770,000), RMB27,324,000 (2012: RMB28,031,000), RMB72,799,000 (2012: RMB52,302,000) and RMB37,802,000 (2012: RMB35,900,000), respectively.

### FOREIGN CURRENCY RISK

The Group's transactions are mainly denominated in RMB, United States Dollars, Euro and Hong Kong Dollars. The exchange rate changes of such currencies were monitored regularly and managed appropriately. Currently, the Company also has certain foreign currency forward contracts entered into by utilizing its credit line, and derivative financial instruments of approximately RMB7,819,000 (31 December 2012: RMB68,000) was recognized by the Group as assets as at 31 December 2013.

### REMUNERATION POLICY AND SHARE OPTION SCHEME

As at 31 December 2013, the Group had a total of 2,032 employees (31 December 2012: 2,150 employees). Total staff costs incurred for the year ended 31 December 2013 amounted to RMB105,290,000 (for the year ended 31 December 2012: RMB102,195,000), representing an increase of 3.0%, which was mainly because of the rise in the Group's remuneration during the Year.

The Group offers comprehensive and competitive remuneration, retirement scheme and benefit packages to its employees. The Group is required to make contributions to a social security scheme in China. Moreover, the Group and its employees in China are each required to make contributions to fund pension insurance and unemployment insurance at rates specified in the relevant laws and regulations in China.

### 資產抵押

於二零一三年十二月三十一日，計息銀行貸款以本集團賬面金額分別人民幣59,072,000元（二零一二年：人民幣43,770,000元）、人民幣27,324,000元（二零一二年：人民幣28,031,000元）、人民幣72,799,000元（二零一二年：人民幣52,302,000元）及人民幣37,802,000元（二零一二年：人民幣35,900,000元）之若干物業、廠房及設備、土地租賃預付款項、存貨及已抵押存款作抵押。

### 外幣風險

本集團之交易主要以人民幣、美元、歐元及港元為單位。本集團定期監察該等貨幣之間的匯率變動，並作出妥善管理。目前，本公司亦運用信貸額訂立了部分外幣遠期合約，而於二零一三年十二月三十一日，本集團已確認之衍生金融工具資產約為人民幣7,819,000元（二零一二年十二月三十一日：人民幣68,000元）。

### 薪酬政策及購股權計劃

於二零一三年十二月三十一日，本集團合共聘有2,032名僱員（二零一二年十二月三十一日：2,150名僱員）。截至二零一三年十二月三十一日止年度產生之僱員總成本達人民幣105,290,000元（截至二零一二年十二月三十一日止年度：人民幣102,195,000元），上升3.0%，主要因為本集團年內薪酬上升。

本集團為其僱員提供全面及具吸引力之薪酬、退休計劃及福利。本集團須向中國社會保障計劃供款。此外，本集團及其中國僱員須各自按有關中國法例及法規訂明之水平向養老保險及失業保險作出供款。

## Management Discussion and Analysis 管理層討論及分析

The remuneration policy for the employees of the Group is formulated by the Board with reference to the employee's respective qualification, experience, responsibilities and contributions to the Group, as well as the prevailing market rate of remuneration for a similar position. The remunerations of the Directors are determined by the Board and the remuneration committee of the Company with the mandate given by the shareholders at the annual general meeting having regard to the Group's operating results, individual performance and comparable market statistics. The Group also provides both internal and external training programmes for its employees from time to time.

The Group has also adopted a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to the Directors, including independent non-executive Directors, and other employees of the Group who have contributed to the success of the Group's operations.

The Company granted 9,100,000 share options under the Scheme on 9 July 2010. The Group recognized a share option expense of HK\$325,000, equivalent to approximately RMB257,000 (2012: RMB771,000) during the year ended 31 December 2013. There were 3,640,000 share options exercised in 2012 resulted in the issue of 3,640,000 ordinary shares of the Company and new share capital of HK\$36,400 equivalent to approximately RMB29,000 and share premium of HK\$2,596,000 equivalent to approximately RMB2,180,000 in previous year.

During the Year, the remaining 5,460,000 share options outstanding under the Scheme were exercised in full. It resulted in the issue of 5,460,000 additional ordinary shares of the Company and additional share capital of HK\$54,600, equivalent to approximately RMB44,000, and share premium of HK\$3,893,000, equivalent to approximately RMB3,226,000.

本集團僱員之薪酬政策由董事會參照各僱員的資歷、經驗、所承擔責任、對本集團之貢獻及類似職位之現行市場薪酬水平而釐定。董事會及本公司薪酬委員會獲股東於股東週年大會上授權，根據本集團經營業績、董事個別表現及可比較市場數據而釐定董事薪酬。本集團亦不時為其僱員提供內部及外部培訓課程。

本集團亦設有購股權計劃（「計劃」），目的為向對本集團業務之成功作出貢獻之董事（包括獨立非執行董事）及本集團之其他僱員提供激勵及獎勵。

本公司於二零一零年七月九日根據計劃授出9,100,000份購股權。截至二零一三年十二月三十一日止年度，本集團已確認購股權開支325,000港元，相等於約人民幣257,000元（二零一二年：人民幣771,000元）。3,640,000份購股權於二零一二年獲行使，導致上一年度發行3,640,000股本公司普通股，並產生新股本36,400港元（相等於約人民幣29,000元）及股份溢價2,596,000港元（相等於約人民幣2,180,000元）。

年內，計劃項下餘下尚未行使之5,460,000份購股權已獲全數行使，導致發行5,460,000股本公司額外普通股，並產生額外股本54,600港元（相等於約人民幣44,000元）及股份溢價3,893,000港元（相等於約人民幣3,226,000元）。

# Management Discussion and Analysis

## 管理層討論及分析

### PROSPECTS

#### Outlook and plans

As the application of linen yarn in knitted fabrics are expanding and the use of blend fabrics has become more popular, market demand for linen yarn has been growing. In addition, the economies of traditional linen garment consumers, namely Europe and the United States, have been gradually reviving and the demand from the emerging markets has been rising. Given these trends, the Group is cautiously optimistic about the outlook for the market. In its blueprint for 2014, the Group will continue to enhance production capacity, launch new products and expand in overseas and domestic markets. It will spare no effort to foster the overall linen textile market and enlarge its own market share at the same time.

With the views to promote the use of linen yarn and enhance its overall profitability, the Group will continue to research, develop and introduce high-value added products. A new product, dope-dyed linen yarn, was launched in 2013 and is being marketed. In 2014, it will be rigorously promoted through the Group's overseas agency network and in industrial conferences. Furthermore, in view of the rising market demand for environmental-friendly, natural and organic products, the Group has taken the lead in establishing trial plantation of organic linen in Xinjiang for organic linen yarn products. The gross profit margin of these products is relatively high. In the coming year, the Group may enlarge the production of organic linen yarn depending on market demand so as to diversify its product portfolio and enhance its overall profitability.

The domestic linen yarn market is maturing. More and more domestic garment retail chains include garments made of linen fabrics in their collections. The market has shifted from processing and export to domestic consumption. The Group will further penetrate the domestic market in 2014. Leveraging on the Group's strategic location in China, the Group is ready to capture the enormous opportunity arise from the 1.3 billion population of the country. On the other hand, Japan exhibits a stable growth in demand for linen yarn and will rival the aforementioned overseas markets. The Group's sales in the Japanese market during the Year were satisfactory. Given its rise as an emerging market for linen products, Japan is expected to make a greater contribution to the Group's sales in the future. The Group will strengthen its ties with customers across the world by organizing industrial and technology exchange conferences in order to obtain first-hand market information, thereby enhancing its research and development capacity and techniques, bolstering its customer relations and securing business growth at home and abroad.

### 展望

#### 前景及計劃

隨著亞麻紗在針織面料上的廣泛應用，以及各式各樣混紡面料的普及，市場對亞麻紗的需求日益增加。加上歐美等傳統亞麻紡織品消費大國的經濟逐漸復甦，以及新興市場規模逐步形成，本集團對市場前景感到審慎樂觀。本集團將繼續透過提升產能、推出新產品及進一步開拓海、內外市場為二零一四年的發展藍圖，全力擴大亞麻紡織市場規模及提升本集團的市場份額。

為進一步推動亞麻紗的應用範圍及提升整體利潤水平，本集團將繼續研發及推出高附加值的產品。二零一三年推出的色紡紗目前正處於市場開發階段。本集團將於二零一四年繼續透過海外代理網絡及參與行業會議，加強推廣此項產品。除此以外，隨著市場對環保、天然的有機產品需求逐漸提高，本集團已率先在新疆試驗性種植有機亞麻以生產有機亞麻紗產品。此項產品的毛利率相對較高。未來一年，本集團將視乎市場需求增加生產有機亞麻紗，務求令產品更多元化，並提升整體利潤水平。

中國本土的亞麻紗市場漸趨成熟，越來越多國內大型連鎖服裝品牌開始採用亞麻面料，市場趨勢逐漸從加工外銷轉向內銷。本集團於二零一四年更會進一步深入開發國內市場，借助中國龐大的十三億人口及本集團扎根中國的地利優勢，國內市場的潛能預期可在未來數年釋放。除了上文提及的海外市場，日本市場對亞麻紗的需求亦正穩定增長。本集團於日本市場的年內銷售情況理想，隨著日本逐步成為亞麻產品的新興市場，於未來將可為集團帶來更大的銷售貢獻。本集團將透過舉辦行業及技術交流會議，加強與各地區客戶的溝通，以取得第一手市場資訊，藉此提升本集團的研發能力、技術及鞏固本集團跟客戶之關係，確保海內外市場業務雙線增長。







# Directors and Senior Management

## 董事及高級管理層

### DIRECTORS

#### Executive Directors

**Mr. Ren Wei Ming** (任維明), aged 54, is the chairman of the Group and an executive Director. Mr. Ren is responsible for the overall management of the Group and making decisions on the business development strategy of the Group. Mr. Ren has worked in the silk and textiles industry since 1979. He has been the chairman and general manager of Zhejiang Kingdom Creative Co., Ltd. ("Kingdom Creative"), a company which is owned as to 67.12% by Mr. Ren since 2000. Mr. Ren started to engage in the linen yarn manufacturing business through Haiyan Ziwei Flax Co., Ltd. ("Haiyan Ziwei") in December 2001 as its director. He joined the Group in March 2003 when the first operating member of the Group, Zhejiang Jinyuan Flax Co., Ltd. ("Zhejiang Jinyuan") was established. He obtained various awards including National Township Entrepreneur awarded by the Ministry of Agriculture of the PRC. Mr. Ren is currently the vice-president of China Bast and Leaf Fibers Textile Association, National Excellent Young Factory Manager, Zhejiang Provincial Excellent Entrepreneur, the vice-president of The Hong Kong General Chamber of Textiles Ltd. and Representative of the 9th and 10th National People's Congress of Zhejiang Province. He is also a director of Kingdom Investment Holdings Limited ("Kingdom Investment (BVI)"), a controlling shareholder of the Company with discloseable interests in the shares of the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "SFO"). For further details, please refer to pages 31 to 34 of this annual report. Mr. Ren is also a director of Huitong Financial Leasing (Shanghai) Co., Ltd. (滙通融資租賃(上海)有限公司) ("Huitong"), an associate of Kingdom Investment (BVI).

**Mr. Shen Yueming** (沈躍明), aged 52, is an executive Director. Mr. Shen is the director and general manager of Zhejiang Jinyuan, Jiangsu Jinyuan Flax Co., Ltd. ("Jiangsu Jinyuan") and a director of Haiyan Ziwei, all are wholly-owned subsidiaries of the Company. Mr. Shen is responsible for the day-to-day operations and management of the Group and also takes part in the decision making of the Group. He is a director of each of Kingdom Creative and Huitong. Mr. Shen joined the Group in March 2003.

**Mr. Zhang Hong Wen** (張鴻文), aged 47, is an executive Director. Mr. Zhang is the director and financial controller of Zhejiang Jinyuan and Jiangsu Jinyuan. He is also a director of each of Huitong and Mega East Investment Limited, an associate of Kingdom Investment (BVI). Before joining the Group in 2003, Mr. Zhang was the assistant to the general manager and the head of capital clearing division of Kingdom Creative from 2000 to 2002.

### 董事

#### 執行董事

**任維明先生**，現年五十四歲，本集團主席兼執行董事。任先生負責本集團一切管理事宜，並為本集團業務發展計劃的決策人。任先生自一九七九年起投身絲綢及紡織行業。彼自二零零零年起擔任浙江金達創業股份有限公司（「金達創業」，由任先生擁有67.12%權益的公司）主席兼總經理。藉擔任海鹽紫薇亞麻有限公司（「海鹽紫薇」）的董事，任先生於二零零一年十二月開始從事製造亞麻紗業務。彼於二零零三年三月（即本集團首間營運成員公司浙江金元亞麻有限公司（「浙江金元」）成立之時）加入本集團。彼曾獲得許多獎項，包括「中國農業部全國鄉鎮企業家」。任先生現為中國麻紡行業協會副會長、全國優秀青年廠長、浙江省優秀企業經營者、香港紡織商會副會長及浙江省第九屆、十屆人民代表大會代表。彼亦擔任本公司控股股東 Kingdom Investment Holdings Limited（「Kingdom Investment (BVI)」）的董事，該公司於本公司股份中擁有根據證券及期貨條例（「證券及期貨條例」）第XV部第2及第3分部條文須予披露的權益。更多詳情請參閱本年報第31頁至第34頁。任先生現時亦為滙通融資租賃（上海）有限公司（「滙通」，Kingdom Investment (BVI)的聯營公司）的董事。

**沈躍明先生**，現年五十二歲，執行董事。沈先生亦為浙江金元及江蘇金元亞麻有限公司（「江蘇金元」）的董事及總經理，並為海鹽紫薇的董事，該等公司全部均為本公司的全資附屬公司。沈先生負責本集團日常營運及管理事宜，亦參與本集團決策。彼現為金達創業及滙通的董事。沈先生於二零零三年三月加入本集團。

**張鴻文先生**，現年四十七歲，執行董事。張先生為浙江金元及江蘇金元的董事及財務總監。彼現時亦為滙通及誠東投資有限公司（Kingdom Investment (BVI)的聯營公司）的董事。於二零零三年加入本集團之前，張先生於二零零零年至二零零二年為金達創業的總經理助理兼資金結算部的主管。

## Directors and Senior Management 董事及高級管理層

### Non-executive Directors

**Mr. Ngan Kam Wai Albert** (顏金煒), aged 64, is a non-executive Director. Mr. Ngan is the chairman of Millionfull Company Limited, a company incorporated in Hong Kong engaged in the trading of linen and linen blend textiles. Mr. Ngan has been a member of the 9th and 10th Fujian Provincial People's Political Consultative Conference since 2003 and vice-chairman of Po Leung Kuk from April 2010 to March 2012. He was the president of The Hong Kong General Chamber of Textiles Ltd. from September 2009 to August 2011 and has been appointed permanent honorary chairman of The Hong Kong General Chamber of Textiles Ltd. in September 2011 and a director of HuaQiao University in 2002. On 22 November 2011, he became a member of the Election Committee of the Chief Executive Election of the Hong Kong Special Administrative Region. He joined the Group in September 2004. He is also chairman of the board of directors of Millionfull International Co., Ltd, a controlling shareholder of the Company which has disclosable interests in the shares of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO. For further details, please refer to pages 31 to 34 of this annual report.

**Mr. Tse Chau Shing Mark** (謝宙勝), aged 61, is a non-executive Director. Mr. Tse joined the Group in May 2009. He is currently an independent business consultant and investor. Mr. Tse was previously employed under various banking titles at The First National Bank of Chicago (now part of JP Morgan Chase, a company listed on the New York Stock Exchange) from 1975 to 1980, and subsequently as a director of Hill Samuel Merchant Bank (now part of Lloyds Bank plc, a company quoted on the London Stock Exchange) till 1987. He was appointed as the managing director of Tractebel Pacific Limited in 1987 and remained full time in this position until 1993. Since 1994, Mr. Tse has worked as an independent business consultant for over 20 multinational companies on different assignments. He has 20 years of experience in advising European and US companies on joint ventures in China and South East Asia. Among his various duties, Mr. Tse is also senior advisor of Caledonia Investments plc, a company listed on the London Stock Exchange. He obtained bachelor and master degrees in Engineering from University of Cambridge in the United Kingdom and a master degree in Business Administration from University of Chicago in the United States. Mr. Tse has disclosable personal interests in the shares of the Company under the provisions of Division 3 of Part XV of the SFO. For further details, please refer to page 31 to 32 of this annual report.

### 非執行董事

**顏金煒先生**，現年六十四歲，非執行董事。顏先生擔任億裕有限公司主席。該公司在香港註冊成立，從事亞麻及亞麻混合纖維紡織品買賣。顏先生自二零零三年起為中國人民政治協商會福建省第九屆及第十屆委員會成員及自二零一零年四月起至二零一二年三月為香港保良局副主席。彼於二零零九年九月至二零一一年八月期間出任香港紡織商會會長，並於二零一一年九月獲委任為香港紡織商會永遠榮譽會長及於二零零二年獲委任為華僑大學的理事。彼於二零一一年十一月二十二日當選為香港特別行政區行政長官選舉委員會委員。彼於二零零四年九月加入本集團。彼亦為本公司控股股東Millionfull International Co., Ltd的董事會主席，該公司於本公司股份中擁有根據證券及期貨條例第XV部第2及第3分部條文須予披露的權益。更多詳情請參閱本年報第31頁至第34頁。

**謝宙勝先生**，現年六十一歲，非執行董事。謝先生於二零零九年五月加入本集團。彼現為獨立商業顧問兼投資者。謝先生過往曾受聘出任多間銀行的不同職位。於一九七五年至一九八零年期間，彼於The First National Bank of Chicago (現為紐約證券交易所上市的公司JP Morgan Chase的分部)任職，其後，彼出任Hill Samuel Merchant Bank (現為倫敦證券交易所報價的公司Lloyds Bank plc的分部)的董事，直至一九八七年。於一九八七年，彼獲委任為Tractebel Pacific Limited的董事總經理，並全職擔任此職位直至一九九三年。自一九九四年起，謝先生已替超過20家跨國公司就不同項目擔任獨立商業顧問。謝先生擁有20年向歐洲及美國公司提供有關中國及東南亞合營企業意見的經驗。在眾多職位中，謝先生亦擔任Caledonia Investments plc (一間在倫敦證券交易所上市的公司)的高級顧問。謝先生取得英國劍橋大學工程學士學位及工程碩士學位，並取得美國芝加哥大學工商管理碩士學位。謝先生於本公司股份中擁有根據證券及期貨條例第XV部第3分部條文須予披露的個人權益。更多詳情請參閱本年報第31頁至第32頁。

## Directors and Senior Management 董事及高級管理層

### Independent non-executive Directors

**Mr. Yang Donghui** (楊東輝), aged 68, is an independent non-executive Director. Mr. Yang has been working in the China National Textile & Apparel Council (formerly known as the China Textile Industry Department and China Textile General Chambers) since 1977 and is currently the vice president of this organization. He has been the president of the National Association of Domestic Textile Products Industry since 1999 and a director of Environmental and Resources Conservation Promotion Committee since 2011. He has been an independent non-executive director of Luolai Home Textile Co., Ltd. (Stock Code: 002293), a company listed on the main board of the Shenzhen Stock Exchange ("SZSE"), since 7 July 2007, Hunan Mendale Hometextile Co., Ltd. (Stock Code: 002397), a company listed on the main board of the SZSE, since 5 March 2007 and Zhejiang Golden Eagle Co., Ltd. (Stock Code: 600232), a company listed on the main board of the Shanghai Stock Exchange, since June 2008. He has also been a non-executive director of Billion Industrial Holdings Limited (Stock Code: 2299), a company listed on main board of the Stock Exchange, since September 2012. Mr. Yang joined the Group in November 2006. He graduated from Department of Chemical Engineering of Tsinghua University in the PRC in 1970.

**Mr. Lau Ying Kit** (劉英傑), aged 40, is an independent non-executive Director. Mr. Lau is currently the chief financial officer and company secretary of Great Harvest Maeta Group Holdings Limited (Stock Code: 03683), a company listed on the Main Board of the Stock Exchange. Mr. Lau is also an independent non-executive director of Xiezhong International Holdings Limited (Stock Code: 3663), a company listed on the main board of the Stock Exchange and China Wood Optimization (Holding) Limited (Stock Code: 8099), a company listed on the Growth Enterprise Market of the Stock Exchange. He is also a director of Adex Mining Inc. (Stock Code: ade), a listed company listed on the TSX Venture Exchange in Canada. Mr. Lau is a fellow member of the Hong Kong Institute of Certified Public Accountants and holds a master's degree in finance from the City University of Hong Kong. He has extensive experience in financial and accounting in China and Hong Kong. He joined the Group in November 2006.

### 獨立非執行董事

**楊東輝先生**，現年六十八歲，獨立非執行董事。楊先生自一九七七年加入中國紡織工業協會（前為中國紡織工業部及中國紡織總會），現時為此組織的副會長。自一九九九年，彼擔任中國家用紡織品行業協會的會長，而自二零一一年起，亦擔任環境保護與資源節約促進委員會主任。彼自二零零七年七月七日起擔任羅萊家紡股份有限公司（股份代號：002293，一間在深圳證券交易所（「深交所」）主板上市的公司）的獨立非執行董事，自二零零七年三月五日起擔任湖南夢潔家紡股份有限公司（股份代號：002397，一間在深交所主板上市的公司）的獨立非執行董事，自二零零八年六月起擔任浙江金鷹股份有限公司（股份代號：600232，一間在上海證券交易所主板上市的公司）的獨立非執行董事。彼自二零一二年九月起擔任百宏實業控股有限公司（股份代號：2299，一間在聯交所主板上市的公司）的非執行董事。楊先生於二零零六年十一月加入本集團。彼於一九七零年畢業於中國清華大學工程化學系。

**劉英傑先生**，現年四十歲，獨立非執行董事。劉先生現為榮豐聯合控股有限公司（股份代號：03683，一間在聯交所主板上市的公司）的首席財務官兼公司秘書，亦為協眾國際控股有限公司（股份代號：3663，一間在聯交所主板上市的公司）及中國優材（控股）有限公司（股份代號：8099，一間在聯交所創業板上市的公司）的獨立非執行董事。彼同時也擔任Adex Mining Inc.（股份代號：ade，一間於加拿大多倫多創業交易所上市的公司）的董事。劉先生是香港會計師公會資深會員，並持有香港城市大學金融學碩士學位。彼於中國和香港擁有豐富金融及會計經驗。彼於二零零六年十一月加入本集團。

## Directors and Senior Management 董事及高級管理層

**Mr. Lo Kwong Shun Wilson** (羅廣信), aged 40, is an independent non-executive Director. Mr. Lo has more than 10 years of working experience in investment banking and advising on corporate finance. Mr. Lo is currently managing director of Guotai Junan Capital Limited. Mr. Lo is also an independent non-executive director of Raymond Industrial Limited (Stock Code: 229), Wuzhou International Holdings Limited (Stock Code: 1369) and Huiyin Household Appliances (Holdings) Co., Ltd (Stock Code: 1280), companies listed on the main board of the Stock Exchange. Mr. Lo also had three years of experience in the field of auditing and accounting. Mr. Lo is a member of the American Institute of CPA and a member of the Hong Kong Institute of Certified Public Accountants. He obtained his bachelor's degree in commerce from University of British Columbia in Canada in 1995. He joined the Group in May 2010.

### SENIOR MANAGEMENT

**Mr. Chan Yan Kwan Andy** (陳仁君), aged 45, is the chief financial officer and company secretary of the Company. Mr. Chan has over 20 years of experience in accounting and the financial sector. During July 2004 to January 2014, he was the group financial controller and company secretary of Natural Beauty Bio-Technology Limited (Stock Code: 157), a company listed on the main board of the Stock Exchange, responsible for financial planning and monitoring. Prior to July 2004, he worked in an international accounting firm and had served senior financial positions in a company listed on the NASDAQ Stock Market and a renowned German exhibition company. Mr. Chan is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants and a holder of Practitioner's Endorsement certificate issued by the Hong Kong Institute of Chartered Secretaries. He graduated from the University of Hull in the United Kingdom with a bachelor's degree in economics and accounting in 1992 and graduated from Ivey Business School with Western University (formerly Richard Ivey School of Business with University of Western Ontario), Canada with an Executive MBA in 2008. Mr. Chan joined the Group in January 2014.

**Ms. Shen Hong** (沈鴻), aged 47, is the internal audit controller of the Group. She completed her professional accounting studies at Zhejiang Long March Finance School in the PRC and has more than 16 years of experience in finance. Before joining the Group in March 2003, she worked in Kingdom Creative as the head of finance management department.

**羅廣信先生**，現年四十歲，獨立非執行董事。羅先生於投資銀行及企業融資顧問方面擁有超過10年經驗。羅先生現時為國泰君安融資有限公司之董事總經理。羅先生亦為利民實業有限公司（股份代號：229）、五洲國際控股有限公司（股份代號：1369）及滙銀家電（控股）有限公司（股份代號：1280）（上述公司均在聯交所主板上市）的獨立非執行董事。羅先生亦擁有三年核數及會計經驗。羅先生為美國會計師公會及香港會計師公會會員。彼於一九九五年獲取加拿大英屬哥倫比亞大學商科學士學位。彼於二零一零年五月加入本集團。

### 高級管理層

**陳仁君先生**，現年四十五歲，本公司之財務總監兼公司秘書。陳先生於會計及財務方面擁有逾20年的經驗。於二零零四年七月至二零一四年一月期間，彼為自然美生物科技有限公司（股份代號：157，一間在聯交所主板上市的公司）的集團財務總監兼公司秘書，負責財務規劃及監督。於二零零四年七月之前，彼曾任職於一間國際會計師行，亦曾於一間納斯達克證券市場上市公司及一間著名德國展覽公司擔任高級財務職位。陳先生為香港會計師公會及英國特許公認會計師公會資深會員，並持有由香港特許秘書公會頒發的從業者認可證書。彼於一九九二年畢業於英國赫爾大學，持有經濟及會計學學士學位，以及於二零零八年畢業於加拿大西部大學Ivey商學院（Ivey Business School）（前稱西安大略大學Richard Ivey商學院（Richard Ivey School of Business）），持有行政人員工商管理碩士學位。陳先生於二零一四年一月加入本集團。

**沈鴻女士**，現年四十七歲，本集團的內部核數總監。彼於中國浙江長征財經進修學院完成會計專業課程並擁有逾16年的財經經驗。於二零零三年三月加入本集團之前，彼在金達創業工作，任職財務管理部門主管。

# Report of the Directors

## 董事會報告

It is the Board's pleasure in presenting their annual report on the affairs of the Group together with the audited financial statements for the year ended 31 December 2013.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its principal subsidiaries are set out in note 18 to the financial statements.

### RESULTS

The results of the Group for the Year are set out in the consolidated statement of profit or loss on page 58.

### DIVIDEND

At a meeting of the Board held on 14 March 2014, the Board recommended the payment of a final dividend of HK7.5 cents per ordinary share of the Company for the year ended 31 December 2013. The proposed final dividend, if approved by the shareholders at the forthcoming annual general meeting of the Company, will be paid to the shareholders whose names appear on the register of members of the Company on 16 June 2014.

### RESERVES

Movements in the reserves of the Group during the Year are set out in the consolidated statement of changes in equity on page 62.

### DISTRIBUTABLE RESERVES

As at 31 December 2013, the Company's distributable reserves calculated under the Companies Law of the Cayman Islands amounted to RMB643,620,000 (31 December 2012: RMB640,394,000).

### DONATIONS

Charitable and other donations made by the Group during the year ended 31 December 2013 amounted to approximately RMB52,000 (31 December 2012: RMB754,300).

董事會欣然提呈本集團截至二零一三年十二月三十一日止年度有關其事務的年報連同經審核財務報表。

### 主要業務

本公司是一家投資控股公司，其主要附屬公司的業務載於財務報表附註18。

### 業績

本集團年內業績載於第58頁的合併損益表。

### 股息

於二零一四年三月十四日舉行之董事會會議上，董事會建議派發截至二零一三年十二月三十一日止年度末期股息每股本公司普通股7.5港仙。如股東於本公司應屆股東週年大會上批准，建議末期股息將向於二零一四年六月十六日名列本公司股東名冊之股東派付。

### 儲備

本集團於年內的儲備變動載於第62頁的合併權益變動表。

### 可分派儲備

於二零一三年十二月三十一日，本公司根據開曼群島公司法計算的可分派儲備達人民幣643,620,000元（二零一二年十二月三十一日：人民幣640,394,000元）。

### 捐款

本集團於截至二零一三年十二月三十一日止年度作出的慈善及其他捐款約為人民幣52,000元（二零一二年十二月三十一日：人民幣754,300元）。

## SHARE CAPITAL

Details of the movements in the share capital of the Group are set out in note 31 to the financial statements.

## FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 10.

## PROPERTY, PLANT AND EQUIPMENT

During the financial year ended 31 December 2013, the Group acquired property, plant and equipment of approximately RMB141,591,000. Details of the movements are set out in note 14 to the financial statements.

## DIRECTORS

During the year ended 31 December 2013 and up to the date of this report, the Directors were:

### Executive Directors

Mr. Ren Wei Ming (*Chairman*)  
Mr. Shen Yueming  
Mr. Zhang Hong Wen

### Non-executive Directors

Mr. Ngan Kam Wai Albert  
Mr. Tse Chau Shing Mark

### Independent non-executive Directors

Mr. Yang Donghui  
Mr. Lau Ying Kit  
Mr. Lo Kwong Shun Wilson

## 股本

本集團股本的變動詳情載於財務報表附註31。

## 財務摘要

本集團在過去五個財政年度的業績及資產和負債的概要載於第10頁。

## 物業、廠房及設備

截至二零一三年十二月三十一日止財政年度，本集團增加約人民幣141,591,000元的物業、廠房及設備，變動詳情載於財務報表附註14。

## 董事

於截至二零一三年十二月三十一日止年度內及直至本報告日期的董事如下：

### 執行董事

任維明先生 (*主席*)  
沈躍明先生  
張鴻文先生

### 非執行董事

顏金煒先生  
謝宙勝先生

### 獨立非執行董事

楊東輝先生  
劉英傑先生  
羅廣信先生

# Report of the Directors

## 董事會報告

Pursuant to article 87 of the articles of association of the Company (the "Articles"), one-third of the Directors for the time being (or, if their number is not a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation at each annual general meeting of the Company provided that every Director shall be subject to retirement at least once every three years and being eligible offer themselves for re-election. In accordance with article 87 of the Articles, Mr. Shen Yueming, Mr. Tse Chau Shing Mark and Mr. Yang Donghui shall retire from office by rotation at the forthcoming annual general meeting. The three retiring Directors, being eligible, will offer themselves for re-election as Directors at the forthcoming annual general meeting.

### DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed to be re-elected at the forthcoming annual general meeting has a service contract with the Group which is not determinable within one year without payment of compensation, other than statutory compensation.

### DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance in relation to the Group's business to which the Company or its subsidiaries was a party to and in which a Director had a material interest in, whether directly or indirectly, subsisted at the end of the Year or at any time during the year ended 31 December 2013 except as disclosed under the section headed "Connected Transactions" below and note 36 to the financial statements.

### INDEPENDENCE OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of its independent non-executive Directors, a confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing of the Stock Exchange (the "Listing Rules") and the Board considers all of the independent non-executive Directors are independent in accordance with Rule 3.13 of the Listing Rules.

### REMUNERATION POLICY

The Remuneration Committee considers and recommends to the Board the remuneration and other benefits paid by the Company to the Directors and senior management. The remuneration of all Directors and senior management is subject to regular monitoring by the Remuneration Committee to ensure that the levels of their remuneration and compensation are appropriate.

Details of Directors' remuneration are set out in note 8 to the financial statements.

根據本公司組織章程細則（「細則」）第87條，於本公司每屆股東週年大會上，當時在任之董事中三分之一（或倘彼等之數目並非三的倍數，則取最接近但不少於三分之一的數目）須輪席退任，惟每名董事須至少每三年退任一次，並可膺選連任。根據細則第87條，沈躍明先生、謝宙勝先生及楊東輝先生須於應屆股東週年大會上輪席退任。三名退任董事合資格並願意於應屆股東週年大會上膺選連任為董事。

### 董事的服務合約

擬於應屆股東週年大會上連任的董事概無與本集團訂立不可無須作出賠償（法定賠償除外）而於一年內終止的服務合約。

### 董事於重大合約的權益

於年末或於截至二零一三年十二月三十一日止年度任何時間，本公司或其附屬公司概無訂立有關本集團業務而董事直接或間接擁有重大權益的重大合約，惟根據以下「關連交易」一節及財務報表附註36所披露者除外。

### 獨立非執行董事的獨立性

本公司已獲各獨立非執行董事根據聯交所證券上市規則（「上市規則」）第3.13條確認其獨立性，董事會認為，根據上市規則第3.13條，全體獨立非執行董事均為獨立人士。

### 薪酬政策

薪酬委員會考慮及向董事會建議本公司支付予董事及高級管理層的薪酬及其他福利。薪酬委員會定期監察所有董事及高級管理層的薪酬，以確保彼等的薪酬及補償水平為合適。

董事酬金的詳情載於財務報表附註8。



# Report of the Directors 董事會報告

The remunerations of the senior management of the Company, during the year ended 31 December 2013 fall within the following bands:

於截至二零一三年十二月三十一日止年度，已付本公司高級管理層的薪酬介乎下列幅度：

	Number of senior management 高級管理層人數
	2013 二零一三年
RMB0 – RMB500,000                      人民幣0元至人民幣500,000元	<u>2</u>

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of the Directors and senior management are set out on pages 24 to 27.

## 董事及高級管理層的履歷詳情

董事及高級管理層履歷詳情載於第24頁至第27頁。

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2013, the Directors and their associates had the following interests in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the SFO, which were recorded or required to be recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules:

## 董事及主要行政人員於股份、相關股份及債券擁有的權益及淡倉

於二零一三年十二月三十一日，董事及彼等的聯繫人於本公司及其相聯法團（定義見證券及期貨條例）的股份、相關股份及債券中，擁有根據證券及期貨條例第352條已記入或須記入該條規定存置的登記冊或按照上市規則附錄十所載的上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益如下：

### Long positions in shares of the Company (the "Shares")

### 本公司股份（「股份」）的好倉

Name of Director	董事姓名	Ordinary shares of HK\$0.01 each 每股面值0.01港元普通股			Approximately percentage of issued share capital (%) 佔已發行股本概約百分比(%)
		Personal interests (Note 1) 個人權益 (附註1)	Corporate interests 集團權益	Total number of Shares held 所持股份總數	
Mr. Ren Wei Ming	任維明先生	12,072,000	279,200,000 (Note 2) (附註2)	291,272,000	46.12
Mr. Ngan Kam Wai Albert	顏金煒先生	–	67,000,000 (Note 3) (附註3)	67,000,000	10.61
Mr. Tse Chau Shing Mark	謝宙勝先生	17,550,000	–	17,550,000	2.78

# Report of the Directors

## 董事會報告

### Notes:

1. The Shares are registered under the names of the Directors who are the beneficial shareholders.
2. Mr. Ren Wei Ming holds approximately 76.38% of the issued share capital of Kingdom Investment (BVI) (as defined below). Mr. Ren therefore holds a controlling interest in Kingdom Investment (BVI) and is deemed under the SFO to be interested in the Shares held by Kingdom Investment (BVI).
3. Mr. Ngan Kam Wai Albert and Ms. Ngan Chan Kattie Sau Kat, the spouse of Mr. Ngan, holds approximately 51.00% and 23.00% of the issued share capital of Millionfull International (as defined below) and 50.22% and 22.33% of the issued share capital of Millionfull Company Limited, respectively. Mr. Ngan therefore holds controlling interests in both Millionfull International and Millionfull Company Limited and is deemed under the SFO to be interested in 64,800,000 Shares, i.e. 10.26%, held by Millionfull International and 2,200,000 Shares, i.e. 0.35%, held by Millionfull Company Limited.

### Share options

During the year ended 31 December 2013, no share options were granted to the Directors or any of their associates.

There were 5,460,000 options exercised and 5,460,000 new ordinary shares were issued during the year. There was no share option outstanding as of 31 December 2013.

Save as disclosed above, as at 31 December 2013, none of the Directors or their associates had or were deemed to have any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were recorded or required to be recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, at no time during the Year was the Company or any of its subsidiaries a party or parties to any arrangement to enable the Directors to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

### 附註：

1. 該等股份以作為實益股東的董事的名義登記。
2. Kingdom Investment (BVI) (定義見下文)由任維明先生持有約76.38%的已發行股本。因此，任先生對Kingdom Investment (BVI)持有控制權益。根據證券及期貨條例，任先生因而被視為於由Kingdom Investment (BVI)持有的股份中擁有權益。
3. Millionfull International (定義見下文)由顏金煒先生及Ngan Chan Kattie Sau Kat女士(顏先生的配偶)分別持有約51.00%及23.00%的已發行股本，而億裕有限公司則由彼等分別持有50.22%及22.33%的已發行股本。因此，顏先生對Millionfull International及億裕有限公司持有控制權益。根據證券及期貨條例，顏先生因而被視為於由Millionfull International持有的64,800,000股股份(即10.26%)及由億裕有限公司持有的2,200,000股股份(即0.35%)中擁有權益。

### 購股權

截至二零一三年十二月三十一日止年度，並無授出購股權予董事或彼等任何的聯繫人。

年內有5,460,000份購股權獲行使及5,460,000股新普通股獲發行。於二零一三年十二月三十一日並無任何未獲行使之購股權。

除以上所披露者外，於二零一三年十二月三十一日，概無董事或彼等的聯繫人於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中，擁有或被視為擁有根據證券及期貨條例第352條已記入或須記入該條規定存置的登記冊或按照標準守則須知會本公司及聯交所的任何權益或淡倉。

除以上所披露者外，本公司或其任何附屬公司於年內任何時候均無訂立任何安排，使董事以收購本公司或任何其他法人團體的股份或債券的方式獲得利益。

## INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

So far as is known to any Director, as at 31 December 2013, the following persons, other than a Director or chief executive of the Company, had interests or short positions in the shares or underlying shares of the Company which were recorded or required to be recorded in the register required to be kept under Section 336 of the SFO:

### Long positions in Shares

## 主要股東的權益及淡倉

就任何董事目前所知，於二零一三年十二月三十一日，以下人士（本公司董事或主要行政人員除外）於本公司股份或相關股份擁有根據證券及期貨條例第336條已記入或須記入該條規定存置的登記冊的權益或淡倉：

### 股份好倉

Name of Shareholder 股東名稱	Capacity 身份	Number of Shares 股份數目	Approximately percentage of issued share capital (%) 佔已發行股本概約百分比(%)
Kingdom Investment Holdings Limited ("Kingdom Investment (BVI)") (Note 1) Kingdom Investment Holdings Limited ("Kingdom Investment (BVI)") (附註1)	Beneficial owner 實益擁有人	279,200,000	44.21
Millionfull International Co., Ltd. ("Millionfull International") (Note 2) Millionfull International Co., Ltd. ("Millionfull International") (附註2)	Beneficial owner 實益擁有人	64,800,000	10.26
Asian Equity Special Opportunities Portfolio Master Fund Limited (Note 3) Asian Equity Special Opportunities Portfolio Master Fund Limited (附註3)	Beneficial owner 實益擁有人	33,857,000	5.36
RAYS Capital Partners Limited (Note 3) RAYS Capital Partners Limited (附註3)	Beneficial owner and interest of controlled company 實益擁有人及受控制公司權益	44,629,000	7.07
YIP, Yok Tak Amy (Note 3) 葉約德 (附註3)	Interest of controlled companies 受控制公司權益	44,629,000	7.07
Ruan, Ching Chi David (Note 3) 阮清旗 (附註3)	Interest of controlled companies 受控制公司權益	44,629,000	7.07

# Report of the Directors

## 董事會報告

### Notes:

1. Kingdom Investment (BVI) is owned as to 76.38% by Mr. Ren Wei Ming, an executive Director and substantial shareholder of the Company.
2. Millionfull International is owned as to 51.00% by Mr. Ngan Kam Wai Albert, a non-executive Director, and 23.00% by Ms. Ngan Chan Kattie Sau Kat, the spouse of Mr. Ngan.
3. Asian Equity Special Opportunities Portfolio Master Fund Limited is beneficially owned by RAYS Capital Partners Limited. RAYS Capital Partners Limited is 50% beneficially owned by YIP, Yok Tak Amy and 50% beneficially owned by Ruan, Ching Chi David.

Save as disclosed above, as at 31 December 2013, the Company had not been notified by any person, other than a Director or chief executive of the Company, who had interests or short positions in the shares or underlying shares of the Company which were recorded or required to be recorded in the register required to be kept by the Company under section 336 of the SFO.

### SHARE OPTION SCHEME

Pursuant to the written resolutions of the sole shareholder of the Company passed on 15 November 2006, the Company adopted a share option scheme (the "Scheme").

Subject to the terms of the Scheme, the Board may at its discretion grant options to: (i) any Director, employee, consultant, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company ("Affiliate"); or (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any Director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate; or (iii) a company beneficially owned by any Director, employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to the Group or an Affiliate.

### 附註:

1. 本公司執行董事兼主要股東任維明先生擁有 Kingdom Investment (BVI) 76.38%的權益。
2. 非執行董事顏金煒先生及Ngan Chan Kattie Sau Kat女士(顏先生的配偶)分別擁有Millionfull International 51.00%及23.00%的權益。
3. Asian Equity Special Opportunities Portfolio Master Fund Limited由RAYS Capital Partners Limited實益擁有。RAYS Capital Partners Limited由葉約德及阮清旗分別實益擁有50%權益。

除以上所披露者外,於二零一三年十二月三十一日,本公司並無獲任何人士(本公司董事或主要行政人員除外)知會,其於本公司的股份或相關股份中擁有任何根據證券及期貨條例第336條已記入或須記入該條規定由本公司存置的登記冊的權益或淡倉。

### 購股權計劃

根據本公司唯一股東於二零零六年十一月十五日通過的書面決議案,本公司採納購股權計劃(「計劃」)。

視乎計劃的條款,董事會可自行酌情向下列人士授出購股權:(i)本集團或本集團擁有權益的公司或該等公司的附屬公司(「關聯人士」)任何董事、僱員、顧問、客戶、供應商、代理、業務夥伴或諮詢人或承辦商;或(ii)以本集團或關聯人士任何董事、僱員、顧問、專業人士、客戶、供應商、代理、業務夥伴、諮詢人或承辦商為受益人或酌情對象的信託或酌情信託的受託人;或(iii)本集團或關聯人士任何董事、僱員、顧問、專業人士、客戶、供應商、代理、業務夥伴、諮詢人或承辦商實益擁有的公司。

The overall limit on the 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 schemes must not exceed 30% of the Shares in issue from time to time. Subject to the aforesaid limit, the total number of Shares available for issue under options which may be granted under the Scheme and any other schemes must not, in aggregate, exceed 60,000,000 Shares, being 10% of the issued share capital of the Company as at 12 December 2006, the date of listing of the Shares, unless separate shareholders' approval has been obtained.

The maximum entitlement for any one participant under the Scheme shall not in any 12-month period up to the date of grant exceed 1% of the issued share capital of the Company from time to time.

The period within which the options must be exercised will be specified by the Board at the time of the grant, and must expire no later than 10 years from the effective date of the Scheme.

The subscription price for any Share shall not be less than the highest of (i) the closing price of a share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant option, which must be a business day, (ii) an amount equivalent to the average closing price of a share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the relevant option and (iii) the nominal value of a share.

The Company granted 9,100,000 share options under the Scheme on 9 July 2010. 3,640,000 share options were exercised during the year ended 31 December 2012 and 5,460,000 share options were exercised during the year ended 31 December 2013. As at 31 December 2013 and the date of this report, there was no share option outstanding under the Scheme.

因行使根據計劃及任何其他計劃授出而尚未行使的所有購股權可發行的股份數目整體上限，合共不得超過不時的已發行股份30%。根據上述的上限，因行使根據計劃及任何其他計劃所授出購股權而可能發行的股份總數，合共不得超過60,000,000股股份（即本公司股份於二零零六年十二月十二日上市當日本公司已發行股本10%），惟獲得股東另行批准則除外。

計劃的任何一名參與者於直至授出日期止的十二個月期間的最高利益不得超過本公司不時已發行股本的1%。

購股權須行使的期間將由董事會於授出時指定，且不得遲於計劃生效日期起10年屆滿。

任何股份的認購價不得低於以下的最高者：(i)授出有關購股權日期聯交所每日報價表所列股份收市價，且該日必須為營業日；(ii)相等於緊接授出有關購股權日期前五個營業日聯交所每日報價表所列股份平均收市價的金額；及(iii)股份面值。

本公司於二零一零年七月九日根據計劃授出9,100,000份購股權。截至二零一二年十二月三十一日止年度內行使之購股權數目為3,640,000份，而截至二零一三年十二月三十一日止年度內行使之購股權數目則為5,460,000份。於二零一三年十二月三十一日及本報告日期，該計劃項下並無任何未獲行使之購股權。

### CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACT OF SIGNIFICANCE

No contracts of significance have been entered into between the Company or any of its subsidiaries and any controlling shareholder or any of its subsidiaries during the year ended 31 December 2013.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2013.

### MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2013, sales to the Group's five largest customers accounted for approximately 22.3% of the Group's total sales for the Year and sales to the Group's largest customer amounted to approximately 6.9%. Purchases from the Group's five largest suppliers accounted for approximately 70.5% of the total purchases for the Year and purchase from the Group's largest supplier amounted to approximately 19.8%.

None of the Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors own more than 5% of the Company's issued shares) had any interests in the Group's five largest customers or suppliers noted above.

### CONNECTED TRANSACTIONS

#### Continuing connected transactions

During the year ended 31 December 2013, the Group entered into the following continuing connected transactions with its connected persons. The transactions constituted "continuing connected transactions" for the Company under the Listing Rules.

### 控股股東於重大合約的權益

本公司或其任何附屬公司與任何控股股東或其任何附屬公司於截至二零一三年十二月三十一日止年度並無訂立任何重大合約。

### 管理層合約

於截至二零一三年十二月三十一日止年度，並未訂立或存在有關本公司業務全部或任何重大部分的管理及行政的合約。

### 主要客戶及供應商

於截至二零一三年十二月三十一日止年度，銷售予本集團五大客戶的銷售額佔本集團年內總銷售額約22.3%，而銷售予本集團最大客戶佔約6.9%。從本集團五大供應商處採購的金額佔本集團年內總採購額約70.5%，而從本集團最大供應商的採購額約佔19.8%。

概無董事、其聯繫人或本公司任何股東（就董事所知擁有本公司已發行股份5%以上）於上述本集團五大客戶或供應商中有任何權益。

### 關連交易

#### 持續關連交易

於截至二零一三年十二月三十一日止年度，本集團與關連人士訂立下列持續關連交易。根據上市規則，該等交易構成本公司的「持續關連交易」。

## Lease agreement

On 30 December 2011, a lease agreement was entered into by Zhejiang Jinyuan with Kingdom Creative pursuant to which Zhejiang Jinyuan has leased a property located at Building 13 to 16, Henggang Xing Heng Road, Haiyan County, Zhejiang Province, the PRC, from Kingdom Creative as one of the Group's office, for a term commencing from 1 January 2012 to 31 December 2014 at an annual rental of RMB200,000. Mr. Ren Wei Ming, has a controlling equity interest in Kingdom Creative. Rental and other terms for this lease arrangement was negotiated between the parties on arm's length basis with reference to the then prevailing market rates. As each of the percentage ratios for such lease agreement is less than 0.1%, the transaction under this lease agreement is exempted from all reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The independent non-executive Directors have reviewed the above continuing connected transaction and confirmed that the transactions has been entered into:

- (i) in the ordinary and usual course of the business of the Company;
- (ii) either (a) on normal commercial terms; or (b) where there is no available comparable terms, on terms no less favorable to the Company than terms available to or from independent third parties; and
- (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Save as disclosed in note 36 to the financial statements, there was no other transaction which needs to be disclosed as a connected transaction in accordance with the requirements of the Listing Rules during the year ended 31 December 2013.

## 租賃協議

於二零一一年十二月三十日，浙江金元與金達創業訂立租賃協議，據此，浙江金元向金達創業租用位於中國浙江省海鹽縣橫港興橫路13至16號樓的物業，作為本集團其中一個辦事處，年期由二零一二年一月一日開始至二零一四年十二月三十一日止，每年租金為人民幣200,000元。任維明先生擁有金達創業的控股權。該租賃安排的租金及其他條款乃按訂約各方參照當時現行的市場價格後公平磋商釐定。由於該租賃協議各個百分比率低於0.1%，故該租賃協議項下的交易獲豁免上市規則第14A章項下的所有申報、公告及獨立股東批准的規定。

獨立非執行董事已審閱上述持續關連交易，並確認交易乃按下列訂立：

- (i) 於本公司的一般及日常業務過程中進行；
- (ii) (a)按正常商業條款；或(b)如無可供比較的條款，按不遜於本公司向獨立第三方提供或從獨立第三方取得的條款進行；及
- (iii) 按照監管交易的有關協議，按公平合理及符合本公司股東的整體利益的條款進行。

除於財務報表附註36所披露者外，於截至二零一三年十二月三十一日止年度，並無其他交易須要根據上市規則之規定披露為關連交易。

# Report of the Directors

## 董事會報告

### BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Group as at 31 December 2013 are set out in note 30 to the financial statements.

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

The Company has not redeemed any of its listed shares during the year ended 31 December 2013. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed shares during the year ended 31 December 2013.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles and the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

### PENSION SCHEMES

Details of the Group's pension scheme are set out in note 2.4 and note 7 to the financial statements.

### SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 December 2013.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

Set out below is information disclosed pursuant to Rule 8.10(2) of the Listing Rules:

As at 31 December 2013, none of the Directors nor their respective associates had interests in businesses which compete or are likely to compete, either directly or indirectly, with the business of the Group pursuant to the Listing Rules, except for Mr. Ren Wei Ming ("Mr. Ren"), who holds directorships and/or interests respectively, either directly and/or through Kingdom Investment (BVI) (a controlling shareholder of the Company), in certain private companies (the "Private Companies").

### 銀行貸款及其他借貸

本集團截至二零一三年十二月三十一日的銀行貸款及其他借貸詳情載於財務報表附註30。

### 購買、出售或贖回本公司上市股份

本公司於截至二零一三年十二月三十一日止年度內並無贖回其任何上市股份。本公司或其任何附屬公司於截至二零一三年十二月三十一日止年度內亦無購買或出售本公司任何上市股份。

### 優先購買權

細則及開曼群島公司法第22章（一九六一年法例三，經合併及修訂）並無優先購買權的條文。

### 退休金計劃

本集團退休金計劃詳情載於財務報表附註2.4及附註7。

### 足夠公眾流通量

本公司於截至二零一三年十二月三十一日止整個年度內保持足夠公眾流通量。

### 董事於競爭業務中的權益

以下所載乃根據上市規則第8.10(2)條披露的資料：

於二零一三年十二月三十一日，概無董事或其各自的聯繫人於根據上市規則於與本集團業務直接或間接構成競爭或可能構成競爭的業務中擁有權益，惟直接及／或透過本公司的控股股東Kingdom Investment (BVI)分別於若干私人公司（「該等私人公司」）出任董事及／或持有權益的任維明先生（「任先生」）除外。



The Private Companies are engaged in the silk and/or silk products manufacturing and/or trading industry (the “Excluded Business”), which are fundamentally different from the products manufactured by the Group.

Mr. Ren undertakes, subject to the exceptions mentioned in the prospectus of the Company dated 30 November 2006 (the “Prospectus”), that he will not, and will procure that his associates will not (a) either on his own account or in conjunction with or on behalf of any person, firm or company, directly or indirectly be interested or involved or engaged in or acquire or hold an interest (in each case whether as a shareholder, partner, agent, consultant, employee or otherwise and whether for profit, reward or otherwise) in any business which is or is about to be engaged in any business which competes or is likely to compete directly or indirectly with the Group’s business, those other businesses of the Group as set out in the Prospectus, in Hong Kong, the PRC and any other country or jurisdiction to which the Group markets or sells its products and/or in which any member of the Group carries on business mentioned above from time to time (“Restricted Activity”), or (b) either on his own account or in conjunction with or on behalf of any person, firm or company, or as a principal, shareholder, partner, agent, consultant, employee or otherwise and whether for profit, reward or otherwise, directly or indirectly, solicit, interfere with or endeavour to entice away from any member in the Group any person, firm, company or organization who to its or his knowledge is now or has been a customer, supplier or employee of any member in the Group.

By reasons of the fact that the Excluded Business does not pose any direct or indirect actual competition with the Group’s business and that Mr. Ren has already given an undertaking as above referred to, the Group is therefore capable of carrying on its business independently of, and at arms’ length from, the Excluded Business as described above.

該等私人公司從事製造絲綢及／或絲質產品及／或貿易行業（「除外業務」），基本上與本集團製造的產品不同。

在本公司日期為二零零六年十一月三十日的招股章程（「招股章程」）所述的例外情況規限下，任先生承諾彼將不會並促使其聯繫人將不會(a)就其本身或聯同或代表任何人士、商號或公司直接或間接擁有或參與或從事或收購或持有任何業務之權益（於各情況下不論以股東、合夥人、代理、顧問、僱員或其他方式，亦不論為取得利益、回報或其他目的），而上述業務會或很可能會從事於香港、中國及本集團不時推銷或銷售其產品及／或本集團任何成員公司不時進行上述業務之任何其他國家或司法權區與本集團業務、招股章程所載的本集團其他業務直接或間接構成競爭或很可能構成競爭的任何業務（「受限制活動」），或(b)就其本身或聯同或代表任何人士、商號或公司或以主事人、股東、合夥人、代理、顧問、僱員或其他身份，亦不論為取得利益、回報或其他目的，直接或間接招攬、干預或設法誘使據其所知現時或曾經為本集團任何成員公司客戶、供應商或僱員之任何人士、商號、公司或組織離開本集團任何成員公司。

由於除外業務不會對本集團業務構成任何直接或間接實際競爭，及任先生已作出上述承諾，故本集團業務能夠從上述的除外業務中獨立出來及按公平協商原則進行業務。

# Report of the Directors

## 董事會報告

Presently, Mr. Ren has no plans to inject the aforesaid Excluded Business into the Group.

The Company has received from Kingdom Investment (BVI) and Mr. Ren an annual confirmation that it/he has fully complied with its/his obligations under the deed of non-competition in favour of the Company dated 27 November 2006 during the year ended 31 December 2013.

### CORPORATE GOVERNANCE

The Group's principal corporate governance practices are set out on pages 44 to 53.

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 15 May 2014 to 19 May 2014, both days inclusive, during which period no transfer of shares will be effected. In order to determine who are entitled to attend and vote at the forthcoming annual general meeting of the Company, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong (which will be located to Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong with effect from 31 March 2014) for registrations not later than 4:30 p.m. on 14 May 2014.

The register of members of the Company will be closed from 12 June 2014 to 16 June 2014, both days inclusive, during which period no transfer of shares will be effected. In order to determine who are entitled to the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at above address for registration not later than 4:30 p.m. on 11 June 2014. The proposed final dividend, subject to shareholders' approval at the forthcoming annual general meeting, will be paid to shareholders on or before 25 June 2014 whose names appear on the register of members of the Company at the close of business on 16 June 2014.

目前任先生並無計劃將上述除外業務注入本集團。

截至二零一三年十二月三十一日止年度，本公司已收到Kingdom Investment (BVI)及任先生的年度確認書，其已全面遵從有利於本公司日期為二零零六年十一月二十七日的不競爭契諾所載的義務。

### 企業管治

本集團的主要企業管治常規載於第44頁至第53頁。

### 暫停股份過戶登記手續

本公司將於二零一四年五月十五日至二零一四年五月十九日（包括首尾兩日）暫停辦理股份過戶登記手續，於該期間將不會辦理股份過戶登記手續。為釐定出席本公司應屆股東週年大會並於會上投票之權利，所有過戶文件連同相關股票必須不遲於二零一四年五月十四日下午四時三十分交回本公司之香港股份過戶登記分處卓佳證券登記有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26樓（將由二零一四年三月三十一日起遷至香港皇后大道東183號合和中心22樓），以辦理登記手續。

本公司將於二零一四年六月十二日至二零一四年六月十六日（包括首尾兩日）暫停辦理股份過戶登記手續，於該期間將不會辦理股份過戶登記手續。為釐定享有建議末期股息之權利，所有過戶文件連同相關股票必須不遲於二零一四年六月十一日下午四時三十分交回本公司之香港股份過戶登記分處卓佳證券登記有限公司（地址如上），以辦理登記手續。待股東於應屆股東週年大會上批准後，建議末期股息將於二零一四年六月二十五日或之前向於二零一四年六月十六日營業時間結束時名列本公司股東名冊之股東派付。

## AUDITORS

Ernst & Young will retire and a resolution for their re-appointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

**Ren Wei Ming**

*Chairman*

Haiyan County, PRC, 14 March 2014

## 核數師

安永會計師事務所將於應屆股東週年大會上退任，而會上將提呈續聘安永會計師事務所為本公司核數師的決議案。

代表董事會

*主席*

**任維明**

中國海鹽縣，二零一四年三月十四日





# Corporate Governance Report 企業管治報告

## COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE OF THE LISTING RULES

The Company is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organization which is open and accountable to the Company's shareholders. The Directors believe that good corporate governance practices are increasingly important for maintaining and promoting investor confidence. In the past, the Board and the management of the Company have been continually reviewing and enhancing its corporate governance practices. The Group's corporate governance principles emphasize the importance of a quality Board, effective internal controls and accountability to all the shareholders of the Company. The Company has applied the principles as set out in the Corporate Governance Code (the "Code") and Corporate Governance Report contained in Appendix 14 of the Listing Rules. In the opinion of the Directors, save as disclosed below, the Company has complied with the code provisions as set out in the Code for the year ended 31 December 2013.

### Code Provision A.2.1

Under Code Provision A.2.1 of the Code, the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not have any officer with the title of "chief executive officer". Mr. Ren Wei Ming, who acts as the chairman of the Company, is also responsible for overseeing the general operations of the Group. The Board will meet regularly to consider major matters affecting the operations of the Company. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company and is conducive to strong and consistent leadership, enabling the Company to operate efficiently.

## MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code. Having made specific enquiries with all Directors, all the Directors have confirmed that they have complied with the provisions of the Model Code and the Company's code of conduct regarding Directors' securities transactions for the year ended 31 December 2013 and up to the date of the Company's announcement of annual results for the year ended 31 December 2013.

## 遵守上市規則企業管治守則

本公司致力建立良好企業管治常規及程序，以成為具透明度及負責任之組織，並對本公司股東公開及負責。董事相信，良好企業管治常規對維持及提升投資者信心日益重要。董事會及本公司管理層過往一直持續檢討及加強企業管治常規。本集團之企業管治原則着重優質董事會、有效內部監控及對本公司全體股東問責之重要性。本公司已應用上市規則附錄十四所載企業管治守則（「守則」）及企業管治報告內之原則。董事認為，除下文所披露者外，本公司於截至二零一三年十二月三十一日止年度一直遵守守則內之守則條文。

### 守則條文第A.2.1條

根據守則之守則條文第A.2.1條，主席及行政總裁應有清晰之職責分工，兩職不應由同一人士擔任。本公司目前並無任何高級職員擁有「行政總裁」職銜。任維明先生為本公司主席，亦負責監察本集團一般營運。董事會將定期舉行會議，以考慮影響本公司營運之主要事宜。董事會認為此架構將不會損害董事會與本公司管理層之間的權力及職權平衡，且有助於建立有力而穩定之領導層，使本公司能有效營運。

## 董事進行證券交易的標準守則

本公司已就董事進行證券交易採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」），其條款不遜於標準守則所載之規定標準。經向全體董事作出特定查詢後，所有董事已確認於截至二零一三年十二月三十一日止年度及直至本公司截至二零一三年十二月三十一日止年度全年業績公佈日期，彼等一直遵守標準守則之條文及本公司有關董事進行證券交易之行為守則。

## THE BOARD

The Board consists of eight Directors, three of whom are executive Directors, two of whom are non-executive Directors and three of whom are independent non-executive Directors. The functions and duties conferred on the Board include: convening shareholders' meetings and reporting on the work of the Board to the shareholders at shareholders' meetings as may be required by the applicable laws, implementing resolutions passed at shareholders' meetings, determining the Company's business plans and investment plans, formulating the Company's annual budget and final accounts, formulating the Company's proposals for dividend and bonus distributions as well as exercising other powers, functions and duties as conferred on it by the Articles and the applicable laws. The senior management is delegated the authority and responsibilities by the Board for the day-to-day management and operations of the Group.

The Board meets regularly to review the financial and operating performance of the Company, and considers and approves the overall strategies and policies of the Company.

The composition of the Board and attendance of individual Directors at meetings of the Board, Remuneration Committee, Audit Committee and Nomination Committee during the Period under Review, was as follows:

## 董事會

董事會成員包括八名董事，其中三名為執行董事、兩名為非執行董事及三名為獨立非執行董事。董事會的職能及職責包括：召開股東大會及按適用法例要求於股東大會上向股東匯報董事會的工作、執行於股東大會通過的決議案、釐定本公司的業務計劃及投資計劃、制定本公司的年度預算及期末賬目、制定本公司股息和分紅的建議以及行使細則及適用法律所賦予的其他權力、職能及職責。高級管理層獲董事會授予權力及責任以處理本集團日常管理及營運。

董事會定期舉行會議審閱本公司的財務及營運表現，並考慮及批准本公司整體策略及政策。

於回顧期內，董事會組成成員及個別董事出席董事會、薪酬委員會、審核委員會及提名委員會會議的情況如下：

		Meetings Attended/Held 出席／舉行會議			
		Board 董事會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會	Nomination Committee 提名委員會
<b>Directors</b>	<b>董事</b>				
<b>Executive Directors</b>	<b>執行董事</b>				
Mr. Ren Wei Ming (Chairman of the Board)	任維明先生 (董事會主席)	4/4			
Mr. Shen Yueming	沈躍明先生	4/4			1/1
Mr. Zhang Hong Wen	張鴻文先生	4/4	1/1		
<b>Non-executive Directors</b>	<b>非執行董事</b>				
Mr. Ngan Kam Wai Albert	顏金煒先生	4/4			
Mr. Tse Chau Shing Mark	謝宙勝先生	4/4			
<b>Independent non-executive Directors</b>	<b>獨立非執行董事</b>				
Mr. Yang Donghui (Chairman of the Remuneration Committee)	楊東輝先生 (薪酬委員會主席)	4/4	1/1	2/2	
Mr. Lau Ying Kit (Chairman of the Audit Committee)	劉英傑先生 (審核委員會主席)	4/4		2/2	1/1
Mr. Lo Kwong Shun Wilson (Chairman of the Nomination Committee)	羅廣信先生 (提名委員會主席)	4/4	1/1	2/2	1/1

# Corporate Governance Report

## 企業管治報告

The biographical details of the current Board members are set out under the section headed “Directors and Senior Management” on pages 24 to 27 of this annual report.

The list of Directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time. The independent non-executive Directors are expressly identified in all corporate communications pursuant to the Listing Rules.

During the year ended 31 December 2013, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise, and the independent non-executive directors represented over one-third of the Board.

The Company has received from each of its independent non-executive Directors, a confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and the Board considers all of the independent non-executive Directors are independent in accordance with Rule 3.13 of the Listing Rules.

All Board members have separate and independent access to the Company’s senior management to fulfil their duties and, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company’s expense. All Directors also have access to the company secretary who is responsible for ensuring that the Board procedures, and all applicable rules and regulations, are followed. An agenda and accompanying Board/committee papers are distributed to the Directors/Board committee members with reasonable notice in advance of the meetings. Minutes of Board meetings and meetings of Board committees, which records in sufficient detail the matters considered by the Board and decisions reached, including any concerns raised by Directors or dissenting views expressed, are kept by the company secretary and are available for inspection by the Directors.

Pursuant to article 87 of the Articles, one-third of the Directors for the time being (or, if their number is not a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation at each annual general meeting of the Company provided that every Director shall be subject to retirement at least once every three years and being eligible for re-election.

董事會現時成員之履歷詳情載於本年報第24頁至第27頁之「董事及高級管理層」一節。

董事名單(按分類表示)亦於本公司根據上市規則不時刊發之所有公司通訊內披露。獨立非執行董事亦根據上市規則在所有公司通訊中有明確識別。

上市規則規定須委任至少三名獨立非執行董事，其中至少一名獨立非執行董事必須具備適當專業資格，或具備適當會計或相關財務管理專長，且獨立非執行董事必須佔董事會成員人數至少三分之一。於截至二零一三年十二月三十一日止年度，董事會於任何時候均符合此項規定。

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之獨立性確認書，而董事會認為按照上市規則第3.13條，全體獨立非執行董事均為獨立人士。

所有董事會成員有個別及獨立接觸本公司高級管理層的機會，以履行他們的職責，及在適當的情況下根據合理的要求尋求獨立專業的意見，費用由本公司承擔。所有董事亦可接觸公司秘書，彼負責確保董事會程序及所有適用規則及法規皆獲遵守。議程及隨附的董事會／董事委員會文件會在會議舉行前的合理時間內通知發送董事／委員會成員。記錄了董事會考慮及達成決策的事宜詳情(包括任何董事提出的關注問題或反對意見)的董事會會議及董事委員會會議的會議記錄，由公司秘書保存及可由董事查閱。

根據細則第87條，於本公司每屆股東週年大會上，當時在任之董事中三分之一(或倘彼等之數目並非三的倍數，則取最接近但不少於三分之一的數目)須輪席退任，惟每名董事須最少每三年退任一次，並可膺選連任。



## DIRECTORS' RESPONSIBILITY

The following statement, which sets out the responsibilities of the Directors in relation to the financial statements, should be read in conjunction with, but be distinguished from, the Independent Auditors' Report on pages 56 to 57 which states the reporting responsibilities of the Group's auditors.

### Annual Report and Accounts

The Directors acknowledge their responsibilities to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the Group.

### Accounting Policies

The Directors consider that in preparing the financial statements, the Group has used appropriate accounting policies that are consistently applied, and that all applicable accounting standards have been followed.

### Accounting Records

The Directors are responsible for ensuring that the Group keeps accounting records which disclose with reasonable accuracy the financial position of the Group and which enable the preparation of financial statements in accordance with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable accounting standards.

### Safeguarding Assets

The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

## CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under code provision A.2.1 of the Code, the roles of the chairman and chief executive officer should be separated and should not be performed by the same individual.

The Company does not have any officer with the title of "chief executive officer". Mr. Ren Wei Ming, who acts as the Chairman of the Company, is also responsible for overseeing the general operations of the Group. The Board will meet regularly to consider major matters affecting the operations of the Company. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company and is conducive to strong and consistent leadership, enabling the Company to operate efficiently.

## 董事職責

以下聲明列出董事對財務報表的責任，它必須連同第56頁至第57頁的獨立核數師報告一起閱讀，但兩者又必須區別開來。獨立核數師報告列明本集團核數師之報告責任。

### 年報及賬目

董事確認其有責任於每個財政年度編製真實而公允地反映本集團財務狀況的財務報表。

### 會計政策

董事認為在編製財務報表時，本集團持續採用適當的會計政策，並遵從所有適用之會計準則。

### 會計記錄

董事負責確保本集團保存之會計記錄能合理準確地披露本集團的財務狀況，從而根據香港《公司條例》的披露規定及適用之會計準則來編製財務報表。

### 保障資產

董事負責採取一切合理及所需的步驟以保障本集團的資產，並防止及查察欺詐及其他不當行為。

## 主席及行政總裁

根據守則之守則條文第A.2.1條，主席及行政總裁應有清晰之職責分工，兩職不應由同一人士擔任。

本公司目前並無任何高級職員擁有「行政總裁」職銜。任維明先生為本公司主席，亦負責監察本集團一般營運。董事會將定期舉行會議，以考慮影響本公司營運之主要事宜。董事會認為此架構將不會損害董事會與本公司管理層之間的權力及職權平衡，且有助於建立有力而穩定之領導層，使本公司能有效營運。

## NON-EXECUTIVE DIRECTORS

Each of the non-executive Directors has entered into a service agreement with the Company for an initial term of three years commencing from 1 January 2013, whereas each of the independent non-executive Directors has entered into a letter of appointment with the Company and is appointed for an initial term of three years commencing from 1 January 2013.

## DIRECTORS' CONTINUOUS TRAINING AND DEVELOPMENT

During the year ended 31 December 2013, the Directors are provided with regular updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties. In addition, all Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company updates the Directors on the latest development regarding the Listing Rules and other applicable regulatory requirements from time to time, to ensure compliance and enhance their awareness of good corporate governance practices. All Directors confirmed that they had attended seminars or received various briefings covering the topics of directors' responsibilities, corporate governance practices and disclosure requirements under the Listing Rules and the SFO outside the Company during the year ended 31 December 2013.

## DIRECTORS' AND OFFICERS' LIABILITY INSURANCE AND INDEMNITY

The Company has arranged liability insurance to indemnify its Directors and officers in respect of legal actions against the Directors. During the year ended 31 December 2013, no claim had been made against the Directors and officers of the Company.

## COMPANY SECRETARY

During the year ended 31 December 2013, Ms. Chan Ching Yi, the Company Secretary during the Year attended relevant professional training for not less than 15 hours.

## REMUNERATION COMMITTEE

The Remuneration Committee considers and recommends to the Board the remuneration and other benefits paid by the Company to the Directors and senior management. The remuneration of all Directors and senior management is subject to regular monitoring by the Remuneration Committee to ensure that the levels of their remuneration and compensation are appropriate. The Remuneration Committee comprises one executive Director and two independent non-executive Directors, namely Mr. Zhang Hong Wen, Mr. Yang Donghui (chairman of the Remuneration Committee) and Mr. Lo Kwong Shun Wilson.

## 非執行董事

各非執行董事已與本公司訂立服務協議，任期由二零一三年一月一日開始，初步為期三年，而各獨立非執行董事已與本公司訂立委任函件，而任期由二零一三年一月一日開始，初步為期三年。

## 董事持續培訓及發展

於截至二零一三年十二月三十一日止年度，董事定期獲知會本公司的最近期表現、狀況及前景，使董事會整體及各董事能履行彼等的職責。此外，本集團鼓勵全體董事參與持續專業發展，發展及增進知識及技能。本公司不時為董事提供有關上市規則及其他適用監管規定之最新發展，確保彼等遵守及知悉良好的企業管治常規。全體董事確認，於截至二零一三年十二月三十一日止年度內，彼等已出席外部研討會或獲得簡介，主題涵蓋上市規則及證券及期貨條例下之董事責任、企業管治常規及披露規定。

## 董事及高級職員之責任保險及彌償保險

本公司已安排責任保險，以就針對董事的法律訴訟向董事及高級職員作出彌償。於截至二零一三年十二月三十一日止年度，並無任何人士向本公司董事及高級職員提出索償。

## 公司秘書

於截至二零一三年十二月三十一日止年度，公司秘書陳靜儀女士年內已出席不少於15小時之相關專業培訓。

## 薪酬委員會

薪酬委員會考慮及向董事會建議本公司支付予董事及高級管理層的薪酬及其他福利。薪酬委員會定期監察所有董事及高級管理層的薪酬，以確保彼等的薪酬及補償水平為適合。薪酬委員會成員包括執行董事張鴻文先生以及兩名獨立非執行董事楊東輝先生（薪酬委員會主席）及羅廣信先生。

# Corporate Governance Report 企業管治報告

The Remuneration Committee shall meet at least once every year to review the remuneration policy and structure and determination of the annual remuneration packages of the executive Directors and the senior executives and other related matters. The Remuneration Committee shall make recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration.

One meeting was held during the year ended 31 December 2013. At the meeting, the Remuneration Committee reviewed the remuneration policies of the Directors and the senior management.

## NOMINATION COMMITTEE

The Nomination Committee was established by the Board on 16 March 2012 with written terms of reference in compliance with the Code with effect from 16 March 2012. The primary functions of the Nomination Committee are to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, based on skills, knowledge and experience, to complement the Company's corporate strategy. The Nomination Committee comprises one executive Director and two independent non-executive Directors, namely Mr. Shen Yueming, Mr. Lau Ying Kit and Mr. Lo Kwong Shun Wilson (chairman of the Nomination Committee).

One meeting was held during the year ended 31 December 2013. At the meeting, the Nomination Committee reviewed the structure, size and composition of the Board and the Board diversity policy. The Nomination Committee also determined the policy for the nomination of Directors and the nomination procedures and the process and criteria adopted by the Nomination Committee to select and recommend candidates for directorship during the Year.

## AUDITORS' REMUNERATION

During the year ended 31 December 2013, the remuneration paid to the Company's external auditors, Ernst & Young, is set out as follows:

### Services rendered

### 提供的服務

**Fee paid**  
已付費用  
RMB'000  
人民幣千元

Audit services

審核服務

1,600

The responsibilities of the external auditors with respect to the 2013 financial statements are set out in the section headed "Independent Auditors' Report" on pages 56 to 57. Save as disclosed above and in the section headed "Independent Auditors' Report", the Company did not engage Ernst & Young for any non-audit services during the Year.

薪酬委員會須最少每年舉行一次會議，審閱薪酬政策及架構，並釐定執行董事及高級行政人員的年度薪酬組合及其他有關事宜。薪酬委員會應就本公司全體董事及高級管理層的薪酬政策及架構向董事會提供建議。

於截至二零一三年十二月三十一日止年度舉行了一次會議。於會議上，薪酬委員會審閱董事及高級管理層的薪酬政策。

## 提名委員會

董事會已於二零一二年三月十六日成立提名委員會，並訂出符合守則之書面職權範圍，由二零一二年三月十六日起生效。提名委員會之主要職能為配合本公司之公司策略而根據董事之技能、知識及經驗，就委任或續任董事及董事繼任計劃向董事會提供推薦建議。提名委員會包括執行董事沈躍明先生以及兩名獨立非執行董事劉英傑先生及羅廣信先生（提名委員會主席）。

於截至二零一三年十二月三十一日止年度舉行了一次會議。於會議上，提名委員會檢討董事會的架構、規模及成員以及董事會多元性政策。年內，提名委員會已制定董事提名政策及提名程序，亦已採納甄選及建議董事人選的程序及準則。

## 核數師薪酬

於截至二零一三年十二月三十一日止年度，支付予本公司外部核數師安永會計師事務所的薪酬載列如下：

外部核數師就二零一三年財務報表的責任載於第56頁至第57頁的「獨立核數師報告」一節。除以上及「獨立核數師報告」一節所披露者外，本公司於年內並無委聘安永會計師事務所作任何其他非審核服務。

# Corporate Governance Report

## 企業管治報告

### AUDIT COMMITTEE

The Audit Committee was established in compliance with Rules 3.21 and 3.22 of the Listing Rules and with written terms of reference in compliance with the Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control systems of the Group and to provide advice and comments to the Board.

The Audit Committee is responsible for determining the policy for the corporate governance of the Company performing the corporate governance duties as below:

- to develop and review the Group's policies and practices on corporate governance and make recommendations;
- to review and monitor the training and continuous professional development of the directors and senior management;
- to review and monitor the Group's policies and practices on compliance with all legal and regulatory requirements (where applicable);
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors of the Group; and
- to review the Group's compliance with the CG Code and disclosure requirements in the Corporate Governance Report.

The Audit Committee consists of three members, namely Mr. Lau Ying Kit, Mr. Yang Donghui and Mr. Lo Kwong Shun Wilson, of which are all independent non-executive Directors. Mr. Lau Ying Kit, who has appropriate professional qualifications and experience in accounting matters, was appointed as the Chairman of the Audit Committee.

During the year ended 31 December 2013, the Audit Committee held two meetings. At the meetings, the Audit Committee reviewed the final results of 2012 and interim results of 2013 with the external auditors and also the effectiveness of the Group's internal control functions. The Audit Committee also reviewed the Company's progress in implementing the corporate governance requirements as set out in the Code.

### 審核委員會

審核委員會遵照上市規則第3.21及3.22條成立，並遵照守則訂出書面職權範圍。審核委員會的主要職責為審閱及監察本集團財務申報程序及內部監控制度，並向董事會提供意見及評議。

審核委員會負責釐定本公司之企業管治政策，並履行下列企業管治職責：

- 制訂及檢討本集團有關企業管治之政策及常規，並提出推薦建議；
- 檢討及監察董事及高級管理層之培訓及持續專業發展；
- 檢討及監察本集團遵守所有法律及監管規定（如適用）之政策及常規；
- 制訂、檢討及監察適用於本集團僱員及董事之行為守則及遵例手冊（如有）；及
- 檢討本集團於企業管治報告內遵守企業管治守則及披露規定之情況。

審核委員會由均為獨立非執行董事的劉英傑先生、楊東輝先生及羅廣信先生三名成員組成，而於會計事宜擁有適當專業資格及經驗的劉英傑先生獲委任為審核委員會主席。

於截至二零一三年十二月三十一日止年度，審核委員會共舉行兩次會議。於會議上，審核委員會與外部核數師共同審閱二零一二年的全年業績及二零一三年的中期業績，以及本集團的內部監控能力的成效。審核委員會亦審閱本公司根據守則執行企業管治規定的進度。

The Directors are collectively responsible for preparing the consolidated financial statements of the Group which have been prepared on a going concern basis, and complies with the requirements of the Listing Rules. There has been no disagreement between the Directors and the Audit Committee regarding the selection and appointment of the external auditors.

## INTERNAL CONTROL

The Company has in place sound and effective internal controls to safeguard shareholders' investment and assets of the Company and its subsidiaries. The Board is responsible for monitoring the effectiveness of the Company's internal control and risk management systems on a regular basis so as to ensure that the internal control and risk management systems in place are adequate.

The Company has established written policies and procedures applicable to all operating units to ensure the effectiveness of internal controls. The Company also has a process for identifying, evaluating, and managing the significant risks to the achievement of its operational objective. This process is subject to continuous improvement and was in place throughout 2013 and up to the date of this report. The day-to-day operation is entrusted to the individual department, which is accountable for its own conduct and performance, and is required to strictly adhere to the policies set by the Board. The Company carries out reviews on the effectiveness of the internal control systems from time to time in order to ensure that they are able to meet and deal with the dynamic and ever changing business environment.

The Board has conducted a review and assessment of the effectiveness of the Company's internal control systems including financial, operational and compliance controls and risk management during the year ended 31 December 2013. The assessment was made after discussions with the management of the Company, its internal auditors, and its internal control adviser and a review performed by the Audit Committee. The Board is of the view that the existing internal control system is adequate and effective.

董事共同負責按持續經營基準，並遵照上市規則的規定編製本集團的合併財務報表。就遴選及委任外部核數師一事，董事及審核委員會之間並無分歧。

## 內部監控

本公司採納良好及有效的內部監控，保障股東投資以及本公司及其附屬公司的資產。董事會負責定期監察本公司內部監控及風險管理系統的成效，從而確保施行足夠的內部監控及風險管理系統。

本公司已制定適用於所有營運單位的書面政策及程序，確保內部監控的成效。本公司亦有識別、評估及管理重大風險的程序以達成其營運目標。該程序須不斷改善，並在二零一三年整個年度及直至本報告日期仍然採用。日常營運則委託個別部門，對其本身部門的行為及表現進行問責，並須嚴格遵守董事會制定的政策。本公司不時檢討內部監控系統成效，確保其能夠符合及應對靈活及不時轉變的經營環境。

於截至二零一三年十二月三十一日止年度，董事會對本公司的內部監控系統成效進行審閱及評估，包括財務、經營、合規監控及風險管理。評估乃於董事會與本公司管理層、內部核數師以及內部監控顧問討論，以及考慮審核委員會進行的審閱後達成。董事會認為現時之內部監控系統為足夠及有效。

### SHAREHOLDERS' RIGHTS

#### (i) Procedures for shareholders to convene an extraordinary general meeting (the "EGM") (including making proposals/moving a resolution at the EGM to be called by the Board)

- Any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company (the "Eligible Shareholder(s)") shall at all times have the right, by written requisition to the Board or the company secretary of the Company (the "Company Secretary"), to require an EGM to be called by the Board for the transaction of any business specified in such requisition, including putting forward proposals or moving a resolution at the EGM.
- Eligible Shareholders who wish to require an EGM to be called by the Board for the purpose of making proposals or moving a resolution at the EGM must deposit a written requisition (the "Requisition") signed by the Eligible Shareholder(s) concerned to the principal place of business of the Company in Hong Kong at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for the attention of the Company Secretary.
- The Requisition must state clearly the name of the Eligible Shareholder(s) concerned, his/her/their shareholding in the Company, the reason(s) to convene an EGM, the agenda of the EGM including the details of the business(es) proposed to be transacted at the EGM, signed by the Eligible Shareholder(s) concerned.
- The Company will check the Requisition and the identity and the shareholding of the Eligible Shareholder will be verified with the Company's branch share registrar. If the Requisition is found to be proper and in order, the Company Secretary will ask the Board to convene an EGM within 2 months and/or include the proposal or the resolution proposed by the Eligible Shareholder at the EGM after the deposit of the Requisition. On the contrary, if the Requisition has been verified as not in order, the Eligible Shareholder(s) concerned will be advised of this outcome and accordingly, the Board will not convene an EGM and/or include the proposal or the resolution proposed by the Eligible Shareholder at the EGM.
- If within 21 days of the deposit of the Requisition, the Board has not advised the Eligible Shareholders of any outcome to the contrary and fails to proceed to convene such EGM, the Eligible Shareholder(s) himself/herself/themselves may do so in accordance with the M&A, and all reasonable expenses incurred by the Eligible Shareholder(s) concerned as a result of the failure of the Board shall be reimbursed to the Eligible Shareholder(s) concerned by the Company.

### 股東權利

#### (i) 股東召開股東特別大會(「股東特別大會」)的程序(包括於董事會召開的股東特別大會提呈建議/動議決議案)

- 任何一位或以上於遞呈要求日期持有不少於本公司實繳股本(賦有本公司股東大會上投票權)十分之一的股東(「合資格股東」)於任何時候有權透過向本公司董事會或公司秘書(「公司秘書」)發出書面要求,要求董事會召開股東特別大會,以處理有關要求中指明的任何事項,包括於股東特別大會上提呈建議或動議決議案。
- 有意要求董事會召開股東特別大會以於會上提呈建議或動議決議案的合資格股東,必須將經由合資格股東簽署的書面要求(「要求」)遞呈至本公司的香港主要營業地點香港皇后大道東183號合和中心54樓,收件人應註明為公司秘書。
- 要求必須清楚列明合資格股東的姓名、其於本公司的股權、召開股東特別大會的理由、股東特別大會的議程(包括建議於股東特別大會上處理的事項詳情),並經由合資格股東簽署。
- 本公司將檢視要求,並向本公司的股份過戶登記分處驗證合資格股東的身份及股權。倘要求被認為恰當及完整,則公司秘書將要求董事會於遞呈要求後2個月內召開股東特別大會及/或於股東特別大會中載列合資格股東提呈的建議或決議案。與之相反,倘要求被驗證為不完整,則合資格股東將獲告知有關結論,而董事會據此不會召開股東特別大會及/或於股東特別大會中載列合資格股東提呈的建議或決議案。
- 倘遞呈要求後21日內,董事會未有將任何否定的結論告知合資格股東,亦未有召開股東特別大會,則合資格股東可自行根據組織章程大綱及細則召開股東特別大會,而有關合資格股東因董事會未有召開大會而合理產生的所有開支應由本公司向有關合資格股東作出償付。

## (ii) Procedures for sending enquiries to the board

Shareholders of the Company may send their enquiries and concerns to the Board by addressing them to the principal place of business of the Company in Hong Kong at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong by post or email to kingdom@kingdom-china.com for the attention of the investors relation department of the Company.

## INVESTOR RELATIONS

The Group firmly believes the importance of communicating with the investment community and the shareholders in attaining a high level of transparency. Since its listing, the Group has maintained various communication channels with analysts and fund managers such as one-to-one meetings, telephone communications, and press releases. The general meetings of the Company provide a platform for communication between the shareholders and the Board. The Chairman of the Board as well as Chairmen of the Remuneration Committee, Nomination Committee and Audit Committee or if, in their absence, other members of the respective committees, and where applicable, the independent board committee, are available to answer questions at the shareholders' meetings. The Company endeavours to provide timely and accurate information to the investors to enhance the understanding of the investors about the linen industry, as well as the business development strategy and direction of the Group.

The Group will continue to maintain a close relationship with investors and develop greater understanding about the Group for international investors, to enhance investors' confidence in the Group.

There is no change in the Articles during the year ended 31 December 2013.

## DISCLAIMER

The contents of the section headed "Shareholders' Rights" are for reference and disclosure compliance purposes only. The information does not represent and should not be regarded as legal or other professional advice from the Company to the shareholders. Shareholders should seek their own independent legal or other professional advice as to their rights as shareholders of the Company. The Company disclaims all liabilities and losses incurred by its shareholders in reliance on any contents of this section headed "Shareholders' Rights".

## (ii) 向董事會提問的程序

本公司股東可將向董事會作出的提問及疑問以郵遞方式遞呈至本公司的香港主要營業地點香港皇后大道東183號合和中心54樓，收件人應註明為董事會，或電郵至 kingdom@kingdom-china.com，收件人應註明為本公司投資者關係部。

## 投資者關係

本集團深信與投資者及股東保持有效的溝通，有助於保持本集團高度透明。本集團自上市以來，以多種渠道與分析員及基金經理聯繫，如透過一對一會議、電話交流及發放新聞稿。本公司的股東大會提供一個股東與董事會之間溝通的平台。董事會主席、薪酬委員會主席、提名委員會主席及審核委員會主席，或（如上述人士未克出席）各相關委員會的其他成員，以及獨立董事委員會（如適用）的成員，將可於股東大會上回答問題。本公司致力為投資者提供準確、及時訊息，以進一步提升投資者對亞麻行業、本集團業務發展策略和動向的了解。

本集團將繼續維持與投資者緊密的關係，及加強國際投資者對本集團的認識，以增強投資者對本集團之信心。

細則於截至二零一三年十二月三十一日止年度並無任何變動。

## 免責聲明

「股東權利」一節所載內容僅供參考，並僅為遵守披露規定而提供。有關資料並不表示且不應被視為本公司給予股東之法律或其他專業意見。股東務請就彼等作為本公司股東享有之權利尋求獨立法律或其他專業意見。本公司概不就其股東因倚賴本節「股東權利」任何內容而產生之任何責任及損失承擔責任。



BENJAMIN ANTONY MONN





# Independent Auditors' Report

## 獨立核數師報告

**To the shareholders of Kingdom Holdings Limited**  
(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Kingdom Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 58 to 168, which comprise the consolidated and company statements of financial position as at 31 December 2013, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board 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.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

**致金達控股有限公司股東**  
(於開曼群島註冊成立的有限公司)

我們已審核列載於第58頁至第168頁金達控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的合併財務報表,該等合併財務報表包括於二零一三年十二月三十一日的合併和公司財務狀況表與截至該日止年度的合併損益表、合併全面收益表、合併權益變動表和合併現金流量表,以及主要會計政策概要及其他詮釋資料。

### 董事就合併財務報表須承擔的責任

貴公司董事須負責根據國際會計準則委員會頒佈的《國際財務報告準則》規定和香港《公司條例》的披露規定編製真實且公允地反映情況的合併財務報表,以及就董事釐訂所須的內部監控負責,以使編製的合併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核對該等合併財務報表發表意見。我們僅向整體股東報告,除此之外,我們的報告不可作其他用途。我們概不就本報告的內容對任何其他人士負責或承擔法律責任。

我們是按照香港會計師公會頒佈的《香港核數準則》進行審核工作。這些準則要求我們遵守相關道德規範,並規劃及執行審核,以合理確定該等合併財務報表是否不存有任何重大錯誤陳述。

# Independent Auditors' Report 獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' 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 auditors consider 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 2013, and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

**Ernst & Young**  
*Certified Public Accountants*  
22/F, CITIC Tower  
1 Tim Mei Avenue  
Central, Hong Kong

14 March 2014

審核涉及執行程序以獲取有關合併財務報表所載金額及披露資料的審核證據。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該等合併財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製真實且公允地反映情況的合併財務報表相關的內部監控，以設計適當的審核程序，但並非為對公司的內部監控的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價合併財務報表的整體呈列方式。

我們相信，我們所獲得的審核證據是充分適當的，已為我們的審核意見建立基礎。

## 意見

我們認為，該等合併財務報表已按照《國際財務報告準則》真實且公允地反映了貴公司及貴集團於二零一三年十二月三十一日的財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》的披露規定適當編製。

**安永會計師事務所**  
執業會計師  
香港中環  
添美道1號  
中信大廈22樓

二零一四年三月十四日

# Consolidated Statement of Profit or Loss

## 合併損益表

Year ended 31 December 2013 截至二零一三年十二月三十一日止年度

		Note	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
		附註		
REVENUE	收入	5	761,915	718,912
Cost of sales	銷售成本		(555,032)	(509,612)
Gross profit	毛利		206,883	209,300
Other income and gains	其他收益及得益	5	32,056	8,320
Selling and distribution expenses	銷售及分銷開支		(32,617)	(34,358)
Administrative expenses	行政開支		(41,042)	(39,821)
Other expenses	其他開支		(14,587)	(3,544)
Finance costs	財務成本	6	(9,551)	(12,848)
Share of profits and losses of an associate	應佔一間聯營公司溢利及虧損	19	99	(285)
PROFIT BEFORE TAX	除稅前溢利	7	141,241	126,764
Income tax expense	所得稅開支	10	(40,803)	(32,584)
PROFIT FOR THE YEAR	年內溢利		100,438	94,180
Attributable to:	應佔：			
Owners of the parent	母公司擁有人	11	100,438	94,180
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通股權益持有人應佔每股盈利			
Basic	基本	13	人民幣RMB0.16元	人民幣RMB0.15元
Diluted	攤薄	13	人民幣RMB0.16元	人民幣RMB0.15元

Details of the dividends payable and proposed for the year are disclosed in note 12 to the financial statements.

年內應付及擬派股息詳情於財務報表附註12披露。

# Consolidated Statement of Comprehensive Income

## 合併全面收益表

Year ended 31 December 2013 截至二零一三年十二月三十一日止年度

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
PROFIT FOR THE YEAR	年內溢利	<u>100,438</u>	<u>94,180</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods:	將於往後期間重新分類至損益的其他全面收益：		
Exchange differences on translation of foreign operations	海外業務換算的匯兌差額	<u>210</u>	210
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	年內全面收益總額	<u>100,648</u>	<u>94,390</u>
Attributable to:	應佔：		
Owners of the parent	母公司擁有人	<u>100,648</u>	<u>94,390</u>

# Consolidated Statement of Financial Position

## 合併財務狀況表

As at 31 December 2013 於二零一三年十二月三十一日

			<b>31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元</b>	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
NON-CURRENT ASSETS	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	14	455,091	366,033
Investment property	投資物業	15	3,754	–
Prepaid land lease payments	土地租賃預付款項	16	54,654	56,579
Intangible asset	無形資產	17	10,212	10,818
Investment in an associate	於一間聯營公司的投資	19	5,883	5,784
Prepayments for equipment	設備預付款項		40,125	–
Deferred tax assets	遞延稅項資產	20	5,920	8,322
Total non-current assets	非流動資產總值		<b>575,639</b>	447,536
CURRENT ASSETS	<b>流動資產</b>			
Inventories	存貨	21	264,344	240,570
Trade and notes receivables	應收貿易賬款及應收票據	22	162,753	218,077
Prepayments, deposits and other receivables	預付款、押金及其他應收款項	23	33,916	43,393
Derivative financial instruments	衍生金融工具	26	7,819	68
Pledged deposits	已抵押存款	27	68,625	35,900
Cash and cash equivalents	現金及現金等價物	27	201,698	163,643
Total current assets	流動資產總值		<b>739,155</b>	701,651
CURRENT LIABILITIES	<b>流動負債</b>			
Trade and notes payables	應付貿易賬款及應付票據	28	115,902	43,186
Other payables and accruals	其他應付款項及預提費用	29	37,402	43,506
Interest-bearing bank borrowings	計息銀行借貸	30	188,548	215,684
Dividend payable	應付股息		167	–
Amount due to an associate	應付一間聯營公司款項	24	–	55
Tax payable	應付稅項		25,690	13,428
Total current liabilities	流動負債總值		<b>367,709</b>	315,859
NET CURRENT ASSETS	<b>流動資產淨值</b>		<b>371,446</b>	385,792
TOTAL ASSETS LESS CURRENT LIABILITIES	<b>資產總值減流動負債</b>		<b>947,085</b>	833,328

# Consolidated Statement of Financial Position

## 合併財務狀況表

As at 31 December 2013 於二零一三年十二月三十一日

			31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		<b>947,085</b>	833,328
NON-CURRENT LIABILITIES	非流動負債			
Deferred tax liabilities	遞延稅項負債	20	7,110	10,449
Interest-bearing bank borrowings	計息銀行借貸	30	50,000	–
Total non-current liabilities	非流動負債總值		<b>57,110</b>	10,449
Net assets	資產淨值		<b>889,975</b>	822,879
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Issued capital	已發行股本	31	6,345	6,301
Reserves	儲備	33	846,388	781,041
Proposed final dividend	建議末期股息	12	37,242	35,537
Total equity	權益總額		<b>889,975</b>	822,879

**Ren Wei Ming**  
任維明  
Director  
董事

**Shen Yueming**  
沈躍明  
Director  
董事

# Consolidated Statement of Changes in Equity

## 合併權益變動表

Year ended 31 December 2013 截至二零一三年十二月三十一日止年度

		Attributable to owners of the parent 母公司擁有人應佔								
		Issued capital	Share premium	Merger reserve	Statutory reserve	Share option reserve	Exchange reserve	Proposed final dividend 建議	Retained profits	Total
		已發行股本	股份溢價	合併儲備	法定儲備	購股權儲備	匯兌儲備	末期股息	保留溢利	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(note 31)	(note 33)	(note 33)	(note 33)	(note 33)	(note 33)	(note 33)	(note 33)	(note 33)
		(附註31)	(附註33)	(附註33)	(附註33)	(附註33)	(附註33)	(附註33)	(附註33)	(附註33)
At 1 January 2012	於二零一二年一月一日	6,272	268,001*	196,816*	59,016*	1,542*	(1,941)*	35,326	196,831*	761,863
Profit for the year	年內溢利	-	-	-	-	-	-	-	94,180	94,180
Exchange differences on translation of foreign operations	海外業務換算的匯兌差額	-	-	-	-	-	210	-	-	210
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	210	-	94,180	94,390
Issue of share capital	發行股本	29	2,180	-	-	(1,028)	-	-	-	1,181
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	-	-	-	-
Final 2011 dividend declared	已宣派二零一一年末期股息	-	-	-	-	-	-	(35,326)	-	(35,326)
Proposed final 2012 dividend	建議二零一二年末期股息	-	-	-	-	-	-	35,537	(35,537)	-
Transfer from retained profits	轉撥自保留溢利	-	-	-	12,242	-	-	-	(12,242)	-
Equity-settled share option arrangement	以權益結算購股權安排	-	-	-	-	771	-	-	-	771
At 31 December 2012 and 1 January 2013	於二零一二年十二月三十一日 及二零一三年一月一日	<u>6,301</u>	<u>270,181*</u>	<u>196,816*</u>	<u>71,258*</u>	<u>1,285*</u>	<u>(1,731)*</u>	<u>35,537</u>	<u>243,232*</u>	<u>822,879</u>
Profit for the year	年內溢利	-	-	-	-	-	-	-	100,438	100,438
Exchange differences on translation of foreign operations	海外業務換算的匯兌差額	-	-	-	-	-	210	-	-	210
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	210	-	100,438	100,648
Issue of share capital	發行股本	44	3,226	-	-	(1,542)	-	-	-	1,728
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	-	-	-	-
Final 2012 dividend declared	已宣派二零一二年末期股息	-	-	-	-	-	-	(35,537)	-	(35,537)
Proposed final 2013 dividend	建議二零一三年末期股息	-	-	-	-	-	-	37,242	(37,242)	-
Transfer from retained profits	轉撥自保留溢利	-	-	-	8,669	-	-	-	(8,669)	-
Equity-settled share option arrangement	以權益結算購股權安排	-	-	-	-	257	-	-	-	257
At 31 December 2013	於二零一三年十二月三十一日	<u>6,345</u>	<u>273,407*</u>	<u>196,816*</u>	<u>79,927*</u>	<u>-*</u>	<u>(1,521)*</u>	<u>37,242</u>	<u>297,759*</u>	<u>889,975</u>

\* These reserve accounts comprise the consolidated reserves of RMB846,388,000 (2012: RMB781,041,000) in the consolidated statement of financial position.

\* 該等儲備賬包括合併財務狀況表的合併儲備人民幣846,388,000元(二零一二年: 人民幣781,041,000)。



# Consolidated Statement of Cash Flows

## 合併現金流量表

Year ended 31 December 2013 截至二零一三年十二月三十一日止年度

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動的現金流量		
Profit before tax	除稅前溢利	141,241	126,764
Adjustments for:	調整項目：		
Share of profits and losses of an associate	應佔一間聯營公司溢利及虧損	(99)	285
Fair value gains on derivative instruments – transactions not qualifying as hedges	不合資格作對沖之衍生工具交易之公允價值得益	(7,819)	(68)
Equity-settled share option expense	以權益結算購股權開支	257	771
Depreciation	折舊	50,681	49,644
Amortisation of prepaid land lease payments	土地租賃預付款項攤銷	1,392	859
Amortisation of an intangible asset	無形資產攤銷	606	599
Provision for/(reversal of) impairment of inventories	存貨減值撥備／(存貨減值撥備轉回)	863	(178)
(Gain)/loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目(得益)／虧損	(496)	33
(Reversal of)/provision for impairment of doubtful debts	(呆賬減值撥備轉回)／呆賬減值撥備	(134)	26
Finance costs	財務成本	9,551	12,848
Bank interest income	銀行利息收入	(1,437)	(1,546)
		<b>194,606</b>	<b>190,037</b>
Increase in inventories	存貨增加	(24,637)	(4,397)
Decrease/(increase) in trade and notes receivables	應收貿易賬款及應收票據減少／(增加)	55,458	(68,765)
Decrease/(increase) in prepayments, deposits and other receivables	預付款、押金及其他應收款項減少／(增加)	10,010	(21,421)
Decrease in derivative financial instruments	衍生金融工具減少	68	1,033
Increase/(decrease) in trade and notes payables	應付貿易賬款及應付票據增加／(減少)	72,716	(15,163)
(Decrease)/increase in other payables and accruals	其他應付款項及預提費用(減少)／增加	(6,104)	12,559
(Decrease)/increase in an amount due to an associate	應付一間聯營公司款項(減少)／增加	(55)	55
Cash generated from operations	經營活動產生的現金	<b>302,062</b>	<b>93,938</b>
Interest received	已收利息	1,437	1,546
Income tax paid	已付所得稅	(29,478)	(40,860)
Net cash flows from operating activities	經營活動的現金流量淨額	<b>274,021</b>	<b>54,624</b>

# Consolidated Statement of Cash Flows

## 合併現金流量表

Year ended 31 December 2013 截至二零一三年十二月三十一日止年度

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動的現金流量		
Purchases of items of property, plant and equipment	購置物業、廠房及設備項目	(139,489)	(37,314)
Prepayments for equipment	設備預付款項	(40,125)	–
Purchase of an intangible asset	購置無形資產	–	(94)
Purchase of an investment property	購置投資物業	(3,855)	–
Purchases of prepaid land leases	購置土地租賃預付款項	–	(23,398)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項	2,454	494
Proceeds from pledged deposit	已抵押存款所得款項	35,900	37,600
New pledged deposit	新造已抵押存款	(68,625)	(35,900)
Net cash flows used in investing activities	投資活動所用的現金流量淨額	<u>(213,740)</u>	<u>(58,612)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動的現金流量		
Proceeds from issue of shares	發行股份所得款項	1,728	1,181
New bank loans	新造銀行貸款	259,085	330,916
Repayment of bank loans	償還銀行貸款	(236,221)	(279,332)
Interest paid	已付利息	(11,653)	(13,512)
Dividends paid	已付股息	(35,370)	(35,326)
Net cash flows (used in)/generated from financing activities	融資活動(所用)/產生的現金流量淨額	<u>(22,431)</u>	<u>3,927</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加/(減少)淨額	37,850	(61)
Cash and cash equivalents at beginning of year	年初現金及現金等價物	163,643	163,502
Effect of foreign exchange rate changes, net	匯率變動影響淨額	205	202
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末現金及現金等價物	<u>201,698</u>	<u>163,643</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析		
Cash and bank balances	現金及銀行結餘	201,698	163,643
Cash and cash equivalents as stated in the statement of financial position	財務狀況表所列的現金及現金等價物	<u>201,698</u>	<u>163,643</u>

# Statement of Financial Position 財務狀況表

As at 31 December 2013 於二零一三年十二月三十一日

			31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產			
Investments in subsidiaries	於附屬公司的投資	18	372,791	372,534
Total non-current assets	非流動資產總值		<u>372,791</u>	<u>372,534</u>
CURRENT ASSETS	流動資產			
Amounts due from subsidiaries	應收附屬公司款項	25	283,450	283,153
Cash and cash equivalents	現金及現金等價物	27	2,467	2,064
Total current assets	流動資產總值		<u>285,917</u>	<u>285,217</u>
CURRENT LIABILITIES	流動負債			
Other payables	其他應付款項	29	482	–
Dividend payables	應付股息		167	–
Amount due to a subsidiary	應付一間附屬公司款項	25	4,967	6,716
Total current liabilities	流動負債總值		<u>5,616</u>	<u>6,716</u>
NET CURRENT ASSETS	流動資產淨值		<u>280,301</u>	<u>278,501</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		<u>653,092</u>	<u>651,035</u>
Net assets	資產淨值		<u>653,092</u>	<u>651,035</u>
EQUITY	權益			
Issued capital	已發行股本	31	6,345	6,301
Reserves	儲備	33	609,505	609,197
Proposed final dividend	建議末期股息	12	37,242	35,537
Total equity	權益總額		<u>653,092</u>	<u>651,035</u>

**Ren Wei Ming**  
任維明  
Director  
董事

**Shen Yueming**  
沈躍明  
Director  
董事

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 1. CORPORATE INFORMATION

Kingdom Holdings Limited was incorporated in the Cayman Islands as an exempted company with limited liability on 21 July 2006. The Company's shares were listed on the Stock Exchange of Hong Kong (the "Stock Exchange") on 12 December 2006.

The Group is principally engaged in the manufacture and sale of linen yarns.

The Company's registered office address is Cricket Square, Hutchins Drive, P.O. Box 2681 GT, Grand Cayman KY1-1111, Cayman Islands; and the principal place of business is located at Level 28, Three Pacific Place, 1 Queen's Road East, Hong Kong.

### 2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations) issued by the International Accounting Standards Board and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for derivative financial instruments which have been measured at fair value. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000), except when otherwise indicated.

### 1. 公司資料

金達控股有限公司於二零零六年七月二十一日在開曼群島註冊成立為獲豁免有限公司。本公司股份於二零零六年十二月十二日在香港聯合交易所（「聯交所」）上市。

本集團主要從事生產及銷售亞麻紗。

本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681 GT, Grand Cayman KY1-1111, Cayman Islands，而其主要營業地點則位於香港皇后大道東1號太古廣場三座28樓。

### 2.1 編製基準

該等財務報表乃按照國際會計準則委員會頒佈的《國際財務報告準則》（「《國際財務報告準則》」）（包括所有《國際財務報告準則》、《國際會計準則》（「《國際會計準則》」）及詮釋）及香港《公司條例》的披露規定編製。除衍生金融工具採用公允價值計量外，財務報表乃根據歷史成本慣例編製。除非另有標明，否則該等財務報表以人民幣（「人民幣」）呈列，而所有價值已調整至最接近的千位數（人民幣千元）。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.1 BASIS OF PREPARATION (continued)

#### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2013. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

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

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries below. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

### 2.1 編製基準 (續)

#### 合併基準

合併財務報表包括本公司及其附屬公司（統稱為「本集團」）截至二零一三年十二月三十一日止年度的財務報表。附屬公司與本公司的財務報表的報告期間相同，並採用一致會計政策編製。附屬公司的業績由本集團取得控制權的日期起合併入賬，並繼續合併入賬直至該等控制權終止日期為止。

所有公司間資產及負債、權益、收入、開支及與本集團成員公司間交易有關的現金流量均於合併賬目時全數抵銷。

倘有事實或情況顯示下文有關附屬公司的會計政策中所述的三項控制權元素其中一項或多項出現改變，則本集團會重新評估其是否控制接受投資實體。附屬公司擁有權權益的變動（並無失去控制權）按權益交易入賬。

倘本集團失去對附屬公司的控制權，需終止確認(i)該附屬公司的資產（包括商譽）及負債、(ii)任何非控制性權益的賬面值及(iii)於權益內記錄的累計換算差額；及確認(i)所收代價的公允價值、(ii)任何保留投資的公允價值及(iii)損益中任何因此產生的盈餘或虧損。過往於其他全面收益內確認的本集團應佔部分按與猶如本集團直接出售有關資產或負債時規定者相同的基準重新分類至損益或保留溢利（如適用）。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised IFRSs for the first time for the current year's financial statements.

IFRS1 Amendments	Amendments to IFRS 1 <i>First-time Adoption of International Financial Reporting Standards – Government Loans</i>
IFRS 7 Amendments	Amendments to IFRS 7 <i>Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities</i>
IFRS 10	<i>Consolidated Financial Statements</i>
IFRS 11	<i>Joint Arrangements</i>
IFRS 12	<i>Disclosure of Interests in Other Entities</i>
IFRS 10, IFRS 11 and IFRS 12 Amendments	Amendments to IFRS 10, IFRS 11 and IFRS 12 – <i>Transition Guidance</i>
IFRS 13	<i>Fair Value Measurement</i>
IAS 1 Amendments	Amendments to IAS 1 <i>Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income</i>
IAS 19 (2011)	<i>Employee Benefits</i>
IAS 27 (2011)	<i>Separate Financial Statements</i>
IAS 28 (2011)	<i>Investments in Associates and Joint Ventures</i>

### 2.2 會計政策及披露的變動

本集團已就本年度的財務報表首次採納下列新訂及經修訂《國際財務報告準則》。

《國際財務報告準則》第1號的修訂本	《國際財務報告準則》第1號的修訂本首次採納《國際財務報告準則》—政府貸款
《國際財務報告準則》第7號的修訂本	《國際財務報告準則》第7號的修訂本金融工具：披露—對銷金融資產及金融負債
《國際財務報告準則》第10號	合併財務報表
《國際財務報告準則》第11號	聯合安排
《國際財務報告準則》第12號	披露於其他實體的權益
《國際財務報告準則》第10號、《國際財務報告準則》第11號及《國際財務報告準則》第12號的修訂本	《國際財務報告準則》第10號、《國際財務報告準則》第11號及《國際財務報告準則》第12號的修訂本—過渡指引
《國際財務報告準則》第13號	公允價值計量
《國際會計準則》第1號的修訂本	《國際會計準則》第1號的修訂本呈列財務報表—呈列其他全面收益項目
《國際會計準則》第19號 (二零一一年)	僱員福利
《國際會計準則》第27號 (二零一一年)	獨立財務報表
《國際會計準則》第28號 (二零一一年)	於聯營公司及合營公司的投資

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

IAS 36 Amendments	Amendments to IAS 36 <i>Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets</i> (early adopted)
IFRIC 20	<i>Stripping Costs in the Production Phase of a Surface Mine</i>
Annual Improvements 2009-2011 Cycle	Amendments to a number of IFRSs issued in June 2012

Other than as further explained below regarding the impact of IFRS 10, IFRS 11, IFRS 12, IFRS 13, IAS 19 (2011), amendments to IFRS 10, IFRS 11, IFRS 12, IAS 1 and IAS 36, and certain amendments included in Annual Improvements 2009-2011 Cycle, the adoption of the new and revised IFRSs has had no effect on these financial statements.

The principal effects of adopting these new and revised IFRSs are as follows:

- (a) IFRS 10 replaces the portion of IAS 27 *Consolidated and Separate Financial Statements* that addresses the accounting for consolidated financial statements and addresses the issues in SIC-Int 12 *Consolidation – Special Purpose Entities*. It establishes a single control model used for determining which entities are consolidated. To meet the definition of control in IFRS 10, an investor must have (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. The changes introduced by IFRS 10 require management of the Group to exercise significant judgement to determine which entities are controlled.

## 2.2 會計政策及披露的變動(續)

《國際會計準則》第36號的修訂本	《國際會計準則》第36號的修訂本資產減值－非金融資產的可收回金額披露(已提早採納)
國際財務報告詮釋委員會第20號年度改進二零零九年至二零一一年週期	露天礦場生產階段的剝採成本於二零一二年六月頒佈的多項《國際財務報告準則》的修訂本

除於下文就《國際財務報告準則》第10號、《國際財務報告準則》第11號、《國際財務報告準則》第12號、《國際財務報告準則》第13號、《國際會計準則》第19號(二零一一年)及《國際財務報告準則》第10號、《國際財務報告準則》第11號、《國際財務報告準則》第12號、《國際會計準則》第1號及《國際會計準則》第36號的修訂本以及年度改進二零零九年至二零一一年週期中若干修訂本的影響所進一步說明外，採納新訂及經修訂《國際財務報告準則》對該等財務報表並無影響。

採納該等新訂及經修訂《國際財務報告準則》的主要影響如下：

- (a) 《國際財務報告準則》第10號取代《國際會計準則》第27號「合併及獨立財務報表」有關合併財務報表的會計處理部分，以及針對常務詮釋委員會－詮釋第12號「合併－特殊目的實體」的事宜，同時制定用以釐定將何等實體合併入賬的單一控制模型。為符合《國際財務報告準則》第10號中控制權的定義，投資者必須擁有：(a)對投資對象的權力；(b)來自參與投資對象的可變回報或獲得有關回報的權利；及(c)對投資對象使用其權力影響投資者回報金額的能力。《國際財務報告準則》第10號引入的變更要求本集團管理層行使重大判斷力，以釐定對何等實體有控制權。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The principal effects of adopting these new and revised IFRSs are as follows: (continued)

- (a) (continued)
- The application of IFRS 10 does not change any of the consolidation conclusions of the Group in respect of its involvement with investees as at 1 January 2013.
- (b) IFRS 11 replaces IAS 31 *Interests in Joint Ventures* and SIC-Int 13 *Jointly Controlled Entities – Non-Monetary Contributions by Venturers*. It describes the accounting for joint arrangements with joint control. It addresses only two forms of joint arrangements, i.e., joint operations and joint ventures, and removes the option to account for joint ventures using proportionate consolidation. The classification of joint arrangements under IFRS 11 depends on the parties' rights and obligations arising from the arrangements. A joint operation is a joint arrangement whereby the joint operators have rights to the assets and obligations for the liabilities of the arrangement and is accounted for on a line-by-line basis to the extent of the joint operators' rights and obligations in the joint operation. A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement and is required to be accounted for using the equity method in accordance with IAS 28.

As the Group does not have any joint arrangement, the adoption of the revised standard has had no effect on the financial position or performance of the Group.

### 2.2 會計政策及披露的變動 (續)

採納該等新訂及經修訂《國際財務報告準則》的主要影響如下：(續)

- (a) (續)
- 應用《國際財務報告準則》第10號並無改變本集團於二零一三年一月一日有關參與投資對象業務的任何合併結論。
- (b) 《國際財務報告準則》第11號取代《國際會計準則》第31號「於合營公司的權益」及常務詮釋委員會－詮釋第13號「共同控制實體－合營方的非貨幣注資」。該準則闡述具共同控制權的聯合安排的會計處理方法。該準則僅處理兩種聯合安排，即合營業務及合營公司，並移除以比例合併法將合營公司入賬的選擇權。《國際財務報告準則》第11號下聯合安排的分類視乎訂約方因安排而起的權利及義務而定。合營業務是合營經營方就安排享有資產權利及承擔負債義務的聯合安排，以合營經營方在合營業務中的權利及義務為限按項目入賬。合營公司為合營方就安排享有淨資產權利的聯合安排，須根據《國際會計準則》第28號使用權益法入賬。

由於本集團並無任何聯合安排，故採納經修訂準則對本集團的財務狀況或表現並無影響。



# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The principal effects of adopting these new and revised IFRSs are as follows: (continued)

- (c) IFRS 12 sets out the disclosure requirements for subsidiaries, joint arrangements, associates and structured entities previously included in IAS 27 *Consolidated and Separate Financial Statements*, IAS 31 *Interests in Joint Ventures* and IAS 28 *Investments in Associates*. It also introduces a number of new disclosure requirements for these entities. Details of the disclosures for subsidiaries and an associate are included in note 18 and 19 to the financial statements.
- (d) IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The standard does not change the circumstances in which the Group is required to use fair value, but rather provides guidance on how fair value should be applied where its use is already required or permitted under other IFRSs. IFRS 13 is applied prospectively and the adoption has had no material impact on the Group's fair value measurements. As a result of the guidance in IFRS 13, the policies for measuring fair value have been amended. Additional disclosures required by IFRS 13 for the fair value measurements of investment properties and financial instruments are included in notes 15 and 26 to the financial statements.

## 2.2 會計政策及披露的變動 (續)

採納該等新訂及經修訂《國際財務報告準則》的主要影響如下：(續)

- (c) 《國際財務報告準則》第12號載有關於附屬公司、聯合安排、聯營公司及結構性實體的披露規定，該等規定先前包括在《國際會計準則》第27號「合併及獨立財務報表」、《國際會計準則》第31號「於合營公司的權益」及《國際會計準則》第28號「於聯營公司的投資」內。該準則亦就該等實體引入多項新披露規定。有關附屬公司及聯營公司的披露資料詳情載於財務報表附註18及19。
- (d) 《國際財務報告準則》第13號提供公允價值的準確定義以及公允價值計量及披露規定的單一來源，適用於所有《國際財務報告準則》。該準則並無改變本集團須使用公允價值的情況，惟提供在其他《國際財務報告準則》規定或允許使用公允價值的情況下，應如何應用公允價值的指引。《國際財務報告準則》第13號在未來適用，其採納不會對本集團的公允價值計量造成重大影響。基於《國際財務報告準則》第13號的指引，計量公允價值的政策已作出修訂。《國際財務報告準則》第13號所規定有關投資物業及金融工具公允價值計量的額外披露事項載於財務報表附註15及26。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The principal effects of adopting these new and revised IFRSs are as follows: (continued)

- (e) IAS 19 includes a number of amendments that range from fundamental changes to simple clarifications and re-wording. The revised standard introduces significant changes in the accounting for defined benefit pension plans including removing the choice to defer the recognition of actuarial gains and losses. Other changes include modifications to the timing of recognition for termination benefits, the classification of short-term employee benefits and disclosures of defined benefit plans. As the Group does not have any defined benefit plan or employee termination plan and the Group does not have any significant employee benefits that are expected to be settled for more than twelve months after the reporting period, the adoption of the revised standard has had no effect on the financial position or performance of the Group.
- (f) The IFRS 10, IFRS 11 and IFRS 12 Amendments clarify the transition guidance in IFRS 10 and provide further relief from full retrospective application of these standards, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. The amendments clarify that retrospective adjustments are only required if the consolidation conclusion as to which entities are controlled by the Group is different between IFRS 10 and IAS 27 or SIC-Int 12 at the beginning of the annual period in which IFRS 10 is applied for the first time.

### 2.2 會計政策及披露的變動 (續)

採納該等新訂及經修訂《國際財務報告準則》的主要影響如下：(續)

- (e) 《國際會計準則》第19號包括從基本改變以至簡單闡明及更改措辭的多項修訂本。經修訂的準則就界定福利退休金計劃的會計處理引入重大變動，包括取消遞延確認精算收益及虧損的選擇。其他變動包括修改離職福利的確認時間、短期僱員福利的分類及界定福利計劃的披露。由於本集團並無任何界定福利計劃或僱員離職計劃，亦無任何預期於報告期後超過十二個月清償的任何重大僱員福利，故採納經修訂準則對本集團的財務狀況或表現並無影響。
- (f) 《國際財務報告準則》第10號、《國際財務報告準則》第11號及《國際財務報告準則》第12號修訂本釐清《國際財務報告準則》第10號的過渡指引，並提供進一步寬免，免除該等準則的完全追溯應用，以及限定僅就前一個比較期間提供經調整比較資料。該等修訂本釐清，倘於首次應用《國際財務報告準則》第10號的年度期間開始時，《國際財務報告準則》第10號與《國際會計準則》第27號或常務詮釋委員會一詮釋第12號有關本集團所控制實體的合併結論有所不同，方須作出追溯調整。

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The principal effects of adopting these new and revised IFRSs are as follows: (continued)

- (g) The IAS 1 Amendments change the grouping of items presented in other comprehensive income (“OCI”). Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) are presented separately from items which will never be reclassified (for example, the revaluation of land and buildings). The amendments have affected the presentation only and have had no impact on the financial position or performance of the Group. The consolidated statement of comprehensive income has been restated to reflect the changes. In addition, the Group has chosen to use the new title “statement of profit or loss” as introduced by the amendments in these financial statements.
- (h) The IAS 36 Amendments remove the unintended disclosure requirement made by IFRS 13 on the recoverable amount of a cash-generating unit which is not impaired. In addition, the amendments require the disclosure of the recoverable amounts for the assets or cash-generating units for which an impairment loss has been recognised or reversed during the reporting period, and expand the disclosure requirements regarding the fair value measurement for these assets or units if their recoverable amounts are based on fair value less costs of disposal. The amendments are effective retrospectively for annual periods beginning on or after 1 January 2014 with earlier application permitted, provided IFRS 13 is also applied. The Group has early adopted the amendments in these financial statements. The amendments have had no impact on the financial position or performance of the Group.

## 2.2 會計政策及披露的變動 (續)

採納該等新訂及經修訂《國際財務報告準則》的主要影響如下：(續)

- (g) 《國際會計準則》第1號修訂本改變在其他全面收益呈列的項目的分組。可於未來某個時間重新分類(或重新使用)至損益的項目(例如海外業務換算的匯兌差額、現金流量對沖變動淨額及可供出售金融資產虧損或收益淨額)會與永不重新分類的項目(例如土地及樓宇重估)分開呈列。該等修訂本僅影響呈列方式，而不會對本集團的財務狀況或表現產生影響。合併全面收益表已重列，以反映該等變動。此外，本集團已選擇於該等財務報表中使用该等修訂本引入的新「損益表」名稱。
- (h) 《國際會計準則》第36號修訂本取消《國際財務報告準則》第13號對並無減值現金產生單位的可收回金額所作計劃以外的披露規定。此外，該等修訂本規定須披露已於報告期內確認或撥回減值虧損的資產或現金產生單位的可收回金額，並擴大該等資產或單位(倘其可收回金額乃基於公允價值減出售成本計算)的公允價值計量的披露規定。該等修訂本於二零一四年一月一日或之後開始的年度期間追溯生效，並可提早應用，惟同時亦須應用《國際財務報告準則》第13號。本集團已於該等財務報表內提早採納該等修訂本。該等修訂本對本集團的財務狀況或表現並無影響。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The principal effects of adopting these new and revised IFRSs are as follows: (continued)

(i) *Annual Improvements 2009-2011 Cycle* issued in June 2012 sets out amendments to a number of standards. There are separate transitional provisions for each standard. While the adoption of some of the amendments may result in changes in accounting policies, none of these amendments have had a significant financial impact on the Group. Details of the key amendments most applicable to the Group are as follows:

- *IAS 1 Presentation of Financial Statements*: Clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative period is the previous period. An entity must include comparative information in the related notes to the financial statements when it voluntarily provides comparative information beyond the previous period. The additional comparative information does not need to contain a complete set of financial statements.

In addition, the amendment clarifies that the opening statement of financial position as at the beginning of the preceding period must be presented when an entity changes its accounting policies; makes retrospective restatements or makes reclassifications, and that change has a material effect on the statement of financial position. However, the related notes to the opening statement of financial position as at the beginning of the preceding period are not required to be presented.

### 2.2 會計政策及披露的變動 (續)

採納該等新訂及經修訂《國際財務報告準則》的主要影響如下：(續)

(i) 於二零一二年六月頒佈的「年度改進二零零九年至二零一一年週期」載有多項準則的修訂本。每項準則均有獨立過渡條文。儘管採納部分修訂可能導致會計政策改變，惟該等修訂本對本集團並無重大財務影響。最適用於本集團的主要修訂本的詳情如下：

- 《國際會計準則》第1號「呈列財務報表」：釐清自願披露的額外比較資料與最低要求的比較資料的區別。最低要求的比較期間一般是前一期間。當實體自願披露的比較資料超出前一期間時，必須於財務報表相關附註中載入有關比較資料。額外的比較資料無需包含一套完整的財務報表。

另外，該項修訂本闡明當實體改變其會計政策、作出追溯重列或重新分類，而該變動對財務狀況表有重大影響時，必須呈列前一期間初的期初財務狀況表。然而，與前一期間初的期初財務狀況表有關的附註毋須呈列。

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The principal effects of adopting these new and revised IFRSs are as follows: (continued)

(i) (continued)

- IAS 32 *Financial Instruments: Presentation*: Clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with IAS 12 *Income Taxes*. The amendment removes existing income tax requirements from IAS 32 and requires entities to apply the requirements in IAS 12 to any income tax arising from distributions to equity holders.

## 2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements.

IFRS 9	<i>Financial Instruments</i> <sup>3</sup>
IFRS 9, IFRS 7 and IAS 39 Amendments	<i>Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39</i> <sup>3</sup>
IFRS 10, IFRS 12 and IAS 27 (2011) Amendments	Amendments to IFRS 10, IFRS 12 and IAS 27 (2011) – <i>Investment Entities</i> <sup>1</sup>
IFRS 14	Regulatory Deferral Accounts <sup>4</sup>
IAS 19 Amendments	Amendments to IAS 19 <i>Employee Benefits – Defined Benefit Plans: Employee Contributions</i> <sup>2</sup>

## 2.2 會計政策及披露的變動 (續)

採納該等新訂及經修訂《國際財務報告準則》的主要影響如下：(續)

(i) (續)

- 《國際會計準則》第32號「金融工具：呈列」：釐清向權益持有人作出分派所產生的所得稅須按《國際會計準則》第12號「所得稅」入賬。該項修訂本移除《國際會計準則》第32號的現行所得稅規定，並要求實體就向權益持有人作出分派所產生的任何所得稅應用《國際會計準則》第12號的規定。

## 2.3 已頒佈但尚未生效的《國際財務報告準則》

本集團並無於該等財務報表應用以下已頒佈但尚未生效的新訂及經修訂《國際財務報告準則》。

《國際財務報告準則》第9號	金融工具 <sup>3</sup>
《國際財務報告準則》第9號、《國際財務報告準則》第7號及《國際會計準則》第39號的修訂本	對沖會計法及《國際財務報告準則》第9號、《國際財務報告準則》第7號及《國際會計準則》第39號的修訂本 <sup>3</sup>
《國際財務報告準則》第10號、《國際財務報告準則》第12號及《國際會計準則》第27號(二零一一年)的修訂本	《國際財務報告準則》第10號、《國際財務報告準則》第12號及《國際會計準則》第27號(二零一一年)的修訂本 – 投資實體 <sup>1</sup>
《國際財務報告準則》第14號	監管遞延賬戶 <sup>4</sup>
《國際會計準則》第19號的修訂本	《國際會計準則》第19號的修訂本 僱員福利 – 界定福利計劃：僱員供款 <sup>2</sup>

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

IAS 32 Amendments	Amendments to IAS 32 <i>Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities</i> <sup>1</sup>
IAS 36 Amendments	Amendments to IAS 36 <i>Impairment of Assets: Recoverable Amount Disclosures for Non-Financial Assets</i> <sup>1</sup>
IAS 39 Amendments	Amendments to IAS 39 <i>Financial Instruments: Recognition And Measurement – Novation of Derivatives and Continuation of Hedge Accounting</i> <sup>1</sup>
IFRIC 21	<i>Levies</i> <sup>1</sup>
Annual Improvements Project	Annual Improvements to IFRSs 2010-2012 Cycle <sup>2</sup>
Annual Improvements Project	Annual Improvements to IFRSs 2011-2013 Cycle <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2014

<sup>2</sup> Effective for annual periods beginning on or after 1 July 2014

<sup>3</sup> No mandatory effective date yet determined but is available for adoption

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2016

The Group is in the process of making an assessment of the impact of these new and revised IFRSs upon initial application. So far, the Group considers that these new and revised IFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

### 2.3 已頒佈但尚未生效的《國際財務報告準則》(續)

《國際會計準則》第32號的修訂本	《國際會計準則》第32號的修訂本金融工具：呈列－對銷金融資產及金融負債 <sup>1</sup>
《國際會計準則》第36號的修訂本	《國際會計準則》第36號的修訂本資產減值：非金融資產的可收回金額披露 <sup>1</sup>
《國際會計準則》第39號的修訂本	《國際會計準則》第39號的修訂本金融工具：確認及計量－衍生工具更替及對沖會計法的延續 <sup>1</sup>
國際財務報告詮釋委員會第21號	徵費 <sup>1</sup>
年度改進項目	《國際財務報告準則》二零一零年至二零一二年週期的年度改進 <sup>2</sup>
年度改進項目	《國際財務報告準則》二零一一年至二零一三年週期的年度改進 <sup>2</sup>

<sup>1</sup> 於二零一四年一月一日或之後開始的年度期間生效

<sup>2</sup> 於二零一四年七月一日或之後開始的年度期間生效

<sup>3</sup> 未釐定強制生效日期，惟可供採納

<sup>4</sup> 於二零一六年一月一日或之後開始的年度期間生效

本集團正評估首次應用該等新訂及經修訂《國際財務報告準則》的影響。至今，本集團認為該等新訂及經修訂《國際財務報告準則》不大可能對本集團經營業績及財務狀況造成重大影響。

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Subsidiaries

A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The results of subsidiaries are included in the Company's statement of profit or loss to the extent of dividends received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

### Investments in associates

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

## 2.4 主要會計政策概要

### 附屬公司

附屬公司為本公司可直接或間接控制的實體（包括結構性實體）。當本集團參與投資對象業務可獲得或有權獲得可變回報以及能透過對投資對象行使其權力（即本集團獲賦予現有以主導投資對象相關活動的既存權利）影響該等回報，即代表本集團取得控制權。

倘本公司直接或間接擁有少於投資對象大多數表決權或類似權利的權利，則本集團於評估其是否擁有對投資對象的權力時會考慮一切相關事實及情況，包括：

- (a) 與投資對象其他投票持有人的合約安排；
- (b) 其他合約安排所產生的權利；及
- (c) 本集團的表決權及潛在表決權。

附屬公司的業績以已收及應收股息為限計入本公司損益表內。本公司於附屬公司的投資按成本減任何減值虧損入賬。

### 於聯營公司的投資

聯營公司為本集團一般持有其不少於20%股權表決權的長期權益的實體，並可對其施以重大影響力。重大影響力乃指有權參與投資對象的財務及營運政策決定，而非控制或共同控制該等政策。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Investments in associates (continued)

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of associates is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associates is included as part of the Group's investments in associates.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

### 2.4 主要會計政策概要 (續)

#### 於聯營公司的投資 (續)

本集團於聯營公司的投資乃按權益會計法，在本集團的合併財務狀況表中，按本集團應佔的資產淨值扣除減值虧損呈列。倘會計政策存在任何不一致，則會作出相應調整。

本集團應佔聯營公司收購後業績及其他全面收益份額分別計入合併損益表及合併全面收益中。此外，倘於聯營公司的權益內直接確認一項變動，則本集團會於合併權益變動表內確認其於任何有關變動的應佔份額（倘適用）。本集團與聯營公司交易所產生的未變現盈虧，均按本集團於聯營公司的投資為限進行抵銷，除非未變現虧損顯示已轉讓資產出現減值則除外。收購聯營公司所產生的商譽計入本集團於聯營公司的投資內作為其中一部分。

倘於聯營公司的投資變成於合營公司的投資（或相反情況），則不會重新計量保留權益。取而代之，該投資繼續按權益法入賬。在所有其他情況下，於失去對聯營公司的重大影響力或對合營公司的共同控制權後，本集團按其公允價值計量及確認任何保留投資。於失去重大影響力或共同控制權後聯營公司或合營公司的賬面值與保留投資的公允價值及出售所得款項之間的任何差額於損益內確認。



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## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Investments in associates (continued)

The results of associates are included in the Company's statement of profit or loss to the extent of dividends received and receivable. The Company's investments in associates are treated as non-current assets and are stated at cost less any impairment losses.

When an investment in an associate is classified as held for sale, it is accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

### Fair value measurement

The Group measures its derivative financial instruments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

## 2.4 主要會計政策概要 (續)

### 於聯營公司的投資 (續)

聯營公司的業績以已收及應收股息為限計入本公司損益表內。本公司於聯營公司的投資作為非流動資產處理，按成本扣除減值虧損列賬。

當於聯營公司的投資分類為持作出售時，則根據《國際財務報告準則》第5號「持作出售非流動資產及終止經營業務」入賬。

### 公允價值計量

本集團於每個報告期末按公允價值計量其衍生金融工具。所謂公允價值，乃指市場參與者之間於計量日期進行的有序交易中，就出售資產所收取或轉讓負債所支付的價格。公允價值計量乃基於假設出售資產或轉讓負債的交易於資產或負債的主要市場或（在未有主要市場的情況下）於資產或負債的最有利市場進行。主要或最有利市場須為本集團可參與的市場。資產或負債的公允價值乃使用市場參與者為資產或負債定價所用的假設計量（假設市場參與者按彼等的最佳經濟利益行事）。

非金融資產的公允價值計量計及市場參與者可從使用該資產得到最高及最佳效用，或把該資產售予另一名可從使用該資產得到最高及最佳效用的市場參與者中產生經濟利益的能力。

本集團使用適用於不同情況且具備充分數據計量公允價值的估值技巧，以盡量利用相關可觀察輸入值及盡量減少使用不可觀察輸入值。

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## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

### 2.4 主要會計政策概要 (續)

#### 公允價值計量 (續)

所有於財務報表計量或披露公允價值的資產及負債，均按就公允價值計量整體而言屬重要的最低層輸入值在下述的公允價值等級架構進行分類：

- 第一層 – 按同等資產或負債於活躍市場上的報價 (未經調整) 計算
- 第二層 – 按估值技巧計算，而該等估值技巧中就公允價值計量而言屬重要的最低層輸入值為可直接或間接觀察的數據
- 第三層 – 按估值技巧計算，而該等估值技巧中就公允價值計量而言屬重要的最低層輸入值為不可觀察的數據

就按經常性基準於財務報表確認的資產及負債而言，本集團於每個報告期末藉由重新評估分類 (基於就公允價值計量整體而言屬重要的最低層輸入值) 以決定等級架構內各層之間是否出現轉移。

#### 非金融資產減值

倘若一項資產 (存貨、遞延稅項資產及金融資產除外) 存在減值跡象，或需要進行年度減值測試，則估計資產的可收回金額。一項資產的可收回金額是指資產或現金產出單元的使用價值與其公允價值扣除出售成本兩者之中的較高者。除非該資產因主要依附於其他資產或一組資產產生現金流入而按該資產所屬現金產出單元釐定可收回金額，否則可收回金額以個別資產釐定。

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Impairment of non-financial assets (continued)

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

## 2.4 主要會計政策概要 (續)

### 非金融資產減值 (續)

僅當資產的賬面值超過其可收回金額時，才確認減值虧損。對使用價值進行評估時，預期未來現金流量以反映當前市場評定的貨幣時間價值以及資產特有風險的稅前折現率折現至現值。減值虧損於產生期內自損益表與減值資產職能一致的開支類別扣除。

在每個報告期末需評估是否有跡象表明以往確認的減值虧損可能不復存在或有所減少。若有此跡象存在，則估計可收回金額。僅當釐定該項資產的可收回金額的估計有所改變時，以往就該項資產（除商譽外）已確認的減值虧損才可轉回，惟轉回後的數額不能高於該項資產以前年度沒有確認減值虧損時的賬面值（減去折舊／攤銷後）。該等減值虧損轉回應於產生期內計入損益表，除非該項資產是以重估值入賬，則該等減值虧損轉回應按重估資產的相關會計政策入賬。

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As at 31 December 2013 於二零一三年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Related parties

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

- (a) the party is a person or a close member of 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

- (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 entity 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).

### 2.4 主要會計政策概要 (續)

#### 關連方

在下列情況下，一方將被視為與本集團有關：

- (a) 該方或其直系親屬：(i)控制或共同控制本集團；(ii)可對本集團發揮重大影響力；或(iii)為本集團或其母公司的主要管理層成員；

或

- (b) 該方為符合下列任何一項條件的實體：
  - (i) 該實體與本集團為同一集團的成員；
  - (ii) 某一實體為另一實體（或其母公司、附屬公司或同系附屬公司）的聯營公司或合營公司；
  - (iii) 該實體與本集團為同一名第三方的合營公司；
  - (iv) 某一實體為一名第三方的合營公司，而另一實體為該名第三方的聯營公司；
  - (v) 該實體乃為本集團或與其有關連的任何實體的僱員福利而設的離職後福利計劃；
  - (vi) 該實體受(a)項所指人士控制或共同控制；及
  - (vii) (a)(i)項所指人士可對該實體發揮重大影響力或為該實體（或該實體的母公司）的主要管理層成員。

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As at 31 December 2013 於二零一三年十二月三十一日

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with IFRS 5. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Plant and buildings	4.5%
Machinery	9.0%
Office equipment	18.0%
Motor vehicles	22.5%
Leasehold improvements	Over the lease terms

## 2.4 主要會計政策概要 (續)

### 物業、廠房及設備及折舊

物業、廠房及設備（在建工程除外）乃以成本減累計折舊及任何減值虧損列示。當一項物業、廠房及設備分類為持作出售或當其為組成分類為持作出售的處置組合一部分時，無須折舊並根據《國際財務報告準則》第5號入賬。一項物業、廠房及設備的成本包括其購買價格及將資產運抵指定地點並使其達到預定可使用狀態的任何直接可歸屬成本。

物業、廠房及設備項目投入運作後產生的支出，如維修保養等，一般於產生期間的損益表中扣除。如符合確認條件，則主要檢查開支作為重置項目於資產賬面值資本化。當物業、廠房及設備的重大部分每隔一段期間需要替換時，本集團確認該部分為有個別可使用年期的個別資產並將之折舊。

折舊乃按物業、廠房及設備各項目的估計可使用年期以直線法計算，將其成本撇銷至其剩餘價值。用作此用途的主要年折舊率如下：

廠房及樓宇	4.5%
機器	9.0%
辦公室設備	18.0%
汽車	22.5%
租賃物業裝修	租賃期內

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As at 31 December 2013 於二零一三年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Property, plant and equipment and depreciation (continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

#### Investment property

Investment property is interests in buildings held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business.

The Group's investment property is accounted for using the cost model. The initial recognition and subsequent measurement of land and buildings that are leased out are accounted for using the same measurement and depreciation methods as those of plant and buildings.

### 2.4 主要會計政策概要 (續)

#### 物業、廠房及設備及折舊 (續)

倘物業、廠房及設備項目的不同部分的可使用年期有別，該項目的成本乃按合理基準分配至不同部分且個別進行折舊。至少須於各財政年度結束時檢討及調整（如適用）剩餘價值、可使用年期及折舊方法。

物業、廠房及設備項目包括初始確認的任何重大部分，於出售時或預期於日後使用或出售該項目將不會產生任何經濟利益時終止確認。於資產終止確認的年度，因出售或報銷而於損益表確認的任何盈虧，乃有關資產的出售所得款項淨額與賬面值之間的差額。

在建工程指興建中的樓宇，並以成本值減任何減值虧損列賬，且不予折舊。成本包括建築期間的直接建築成本。在建工程於竣工及可投入使用時重新分類為合適的物業、廠房及設備類別。

#### 投資物業

投資物業乃為賺取租金收入及／或資本增值，而非為了生產或供應產品或服務或行政用途或在日常業務過程中出售而持有的樓宇的權益。

本集團的投資物業使用成本模型入賬。已租出的土地及樓宇的初始確認及後續計量使用與廠房及樓宇所用者相同的計量及折舊方法入賬。

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## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Intangible asset

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. The useful life of the intangible asset of the Group is 20 years.

### Research and development costs

All research costs are charged to the statement of profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding five to seven years, commencing from the date when the products are put into commercial production.

## 2.4 主要會計政策概要 (續)

### 無形資產

單獨購買的無形資產初始確認時按成本計量。無形資產的可使用年期評估為有限或無限。年期有限的無形資產隨後於可使用經濟年期內攤銷，並於有跡象顯示無形資產出現減值時進行減值評估。可使用年期有限的無形資產的攤銷年期及攤銷方法至少於各財政年度結束時檢討一次。本集團無形資產的可使用年期為20年。

### 研發成本

所有研究成本均於產生時在損益表內扣除。

開發新產品項目所產生的開支只會在下列情況下資本化並作遞延處理：本集團可顯示完成該項無形資產以作使用或出售用途在技術上為可行；本集團有意完成該項無形資產，並能夠使用或出售該項資產；該項資產日後將如何產生經濟利益；完成該項目的可用資源量及是否有能力可靠地計量在開發過程中所需開支。不符合此等標準的產品開發開支在產生時支銷。

遞延開發成本以成本減任何減值虧損列賬，並以直線法在相關產品的商業年期（自其投入商業生產日期起計，不超過五至七年）內攤銷。

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As at 31 December 2013 於二零一三年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments and finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the statement of profit or loss so as to provide a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases net of any incentive received from the lessor are charged to the statement of profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

### 2.4 主要會計政策概要 (續)

#### 租賃

凡資產擁有權的絕大部分回報及風險(不包括法定所有權)轉歸本集團所有的租賃,均列作融資租賃。於融資租賃開始時,租賃資產的成本乃按最低租賃付款的現值撥充資本,並連同債務(不包括利息部分)一併入賬,藉以反映購買與融資情況。根據已資本化的融資租賃持有的資產(包括土地租賃預付款項及融資租賃)納入物業、廠房及設備內,並按租賃期或資產的估計可使用年期兩者中的較短者折舊。有關租賃的融資成本乃於損益表扣除,從而提供租賃期內的固定週期支出比率。

透過融資性質租購合約所獲得的資產入賬為融資租賃,惟按其估計可使用年期折舊。

資產擁有權絕大部分回報及風險仍然由出租人擁有的租賃列為經營租賃。倘本集團為出租人,由本集團按經營租賃租出的資產包括在非流動資產內,而根據經營租賃應予收取的租金於租賃期按直線法計入損益表。倘本集團為承租人,根據經營租賃應予支付的租金扣除從出租人收取的任何優惠於租賃期按直線法於損益表扣除。

經營租賃所涉及的土地租賃預付款項初步按成本列賬,其後於租賃期內按直線基準確認。



# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Investments and other financial assets

#### Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

#### Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

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

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39.

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產

#### 初始確認及計量

金融資產在初始確認時乃歸類為按公允價值計入損益的金融資產、貸款及應收款項及可供出售金融投資，或指定為於有效對沖作對沖工具的衍生工具（如適用）。金融資產初始確認時，乃按公允價值另加收購金融資產應佔的交易成本計量，惟按公允價值計入損益的金融資產除外。

所有以一般方式購買及出售的金融資產於交易日（即本集團承諾購買或出售資產當日）予以確認入賬。一般方式購買及出售為須在市場規例或慣例一般規定的期間內將資產交付的金融資產購買或出售。

#### 後續計量

金融資產視乎其分類進行後續計量如下：

#### *按公允價值計入損益的金融資產*

按公允價值計入損益的金融資產包括持作買賣金融資產及於初始確認時指定按公允價值計入損益的金融資產。倘金融資產收購作短期出售用途，該等金融資產乃歸類為持作買賣。衍生工具（包括獨立的內含衍生工具）亦被歸類為持作買賣，除非根據《國際會計準則》第39條的定義被指定為實際對沖工具則除外。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Investments and other financial assets (continued)

Subsequent measurement (continued)

*Financial assets at fair value through profit or loss (continued)*

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with positive net changes in fair value presented as other income and gains and negative net changes in fair value presents as finance costs in the statement of profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition" below.

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in IAS 39 are satisfied.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated as at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in the statement of profit or loss. The loss arising from impairment is recognised in the statement of profit or loss in finance costs for loans or administrative expenses for receivables.

### 2.4 主要會計政策概要 (續)

#### 投資及其他金融資產 (續)

後續計量 (續)

*按公允價值計入損益的金融資產 (續)*

按公允價值計入損益的金融資產於財務狀況表按公允價值入賬，淨公允價值正數變動則於損益表內呈列為其他收益及得益，而淨公允價值負數變動則呈列為財務成本。淨公允價值變動不包括該等金融資產賺取的任何股息或利息，該等股息或利息根據下文「收益確認」所載的政策確認。

金融資產只會於符合《國際會計準則》第39號的條件時於初始確認當日指定為於初始確認時指定按公允價值計入損益的金融資產。

倘主合約的內含衍生工具的經濟特徵及風險與主合約所述者並無密切關係，而主合約並非持作買賣用途或指定按公允價值計入損益，則衍生工具以個別衍生工具入賬並按公允價值記錄。此等內含衍生工具按公允價值計量，而其公允價值變動於損益表內確認。倘合約條款變動大幅改變原有現金流量或對按公允價值計入損益類別的金融資產進行重新分類，方會作出重新評估。

#### 貸款及應收款項

貸款及應收款項乃具有固定或可釐定付款額及並非於活躍市場報價的非衍生金融資產。於初始計量後，有關資產其後以實際利率法按攤銷成本減任何減值撥備計量。攤銷成本的計算乃計及任何收購折讓或溢價，並包括構成實際利率整體一部分的費用或成本。實際利率攤銷列入損益表的其他收益及得益。減值產生的虧損於損益表確認為貸款的財務成本或應收款項的行政開支。

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired;
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

### Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

## 2.4 主要會計政策概要 (續)

### 終止確認金融資產

一項金融資產 (或 (如適用) 一項金融資產的一部分或一組類似金融資產的一部分) 主要在以下情形被終止確認 (即從本集團的合併財務狀況表移除) :

- 從資產取得現金流量的權利已過期;
- 本集團已轉移其從資產取得現金流量的權利或已根據「轉付」安排承擔將取得的現金流量全部向第三方支付義務, 且不得有重大延誤; 及 (a) 本集團已轉移該資產的絕大部分風險及回報, 或 (b) 本集團既沒有轉移也沒有保留該資產的絕大部分風險及回報, 但是已轉移該資產的控制權。

倘本集團已轉移其從資產取得現金流量的權利或已訂立轉付安排, 則會評估保留資產擁有權風險與回報的情況。倘沒有轉移也沒有保留資產的絕大部分風險與回報, 也沒有轉移資產的控制權, 則本集團按其於被轉移資產的持續參與程度確認該資產。在此情況下, 本集團亦確認相關債務。被轉移資產及相關債務乃基於反映本集團保留的權利與義務的基礎計量。

### 金融資產減值

本集團於每個報告期末評估是否有客觀跡象顯示一項金融資產或一組金融資產已減值。倘自資產初始確認後發生的一項或多項事件對該項金融資產或該組金融資產的估計未來現金流量產生影響, 而有關影響能可靠地估計, 則存在減值。減值跡象可以包括一名債務人或一組債務人正經歷嚴重財務困難、利息或本金款項違約或被拖欠的跡象、彼等可能將進入破產或其他財務重組及可見數據表示估計未來現金流量出現一個可計量的減少, 比如與拖欠相關聯的未付款項或經濟狀況的變化。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Impairment of financial assets (continued)

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assessed them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in collective assessment of impairment.

The amount of any impairment loss identified 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). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

### 2.4 主要會計政策概要 (續)

#### 金融資產減值

按攤銷成本列賬的金融資產

就按攤銷成本列賬的金融資產而言，本集團首先單獨評估每項個別重大的金融資產或合併評估個別不重大的金融資產是否存在減值。倘本集團確認一項單獨評估的金融資產沒有減值的客觀跡象出現，則不論重大與否，均會連同一組有類似信貸風險特徵的金融資產合併評估減值。被單獨評估減值且減值虧損已被確認或持續被確認的資產不包括於減值合併評估。

任何已識別減值虧損金額乃按資產的賬面值及估計現金流量（不包括未產生的未來信貸虧損）現值兩者之間的差額計量。估計未來現金流量現值按金融資產原本實際利率（即於初始確認時計算的實際利率）折現。

資產賬面值透過使用撥備賬扣減，虧損金額在損益表內確認。利息收入繼續按已減少的賬面值累計，所用利率為就計量減值虧損對未來現金流量進行折現的利率。貸款及應收款項及任何相關撥備於實際上不大可能於日後收回，而全部抵押品均已變現或轉移至本集團時撇銷。

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Impairment of financial assets (continued)

Financial assets carried at amortised cost (continued)

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to other expenses in the statement of profit or loss.

### Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include interest-bearing bank loans, trade and notes payables, an amount due to an associate, other payables and dividend payable.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

#### *Loans and borrowings*

After initial recognition, interest-bearing bank loans are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

## 2.4 主要會計政策概要 (續)

### 金融資產減值 (續)

按攤銷成本列賬的金融資產 (續)

倘於後續期間，減值虧損的估計數額增加或減少，而增加或減少的原因乃與減值確認後發生的事件相關，則先前確認的減值虧損會通過調整撥備賬予以增加或減少。倘一項未來的撇銷於後來收回，則該收回於損益表計入其他開支。

### 金融負債

初始確認及計量

金融負債在初始確認時乃歸類為按公允價值計入損益的金融負債、貸款及借貸，或指定為於有效對沖作對沖工具的衍生工具（如適用）。

所有金融負債初始時均按公允價值確認，如屬貸款與借貸，則減去直接應佔交易成本。

本集團的金融負債包括計息銀行貸款、應付貿易賬款及應付票據、應付一間聯營公司款項、其他應付款項及應付股息。

後續計量

金融負債視乎其分類進行後續計量如下：

#### *貸款及借貸*

初始確認後，計息銀行貸款其後使用實際利率法按攤銷成本計量，惟倘折現的影響不重要，則按成本列賬。當終止確認負債及於使用實際利率法進行攤銷時，於損益表確認盈虧。

攤銷成本的計算已考慮任何收購折讓或溢價，及構成實際利率整體一部分的費用或成本。實際利率攤銷列入損益表的財務成本。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When 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 a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

#### Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risk. These derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

### 2.4 主要會計政策概要 (續)

#### 終止確認金融負債

當金融負債的責任被解除或取消或屆滿時，金融負債將被終止確認。

倘現有金融負債由同一放債人以條款極為不同的負債所取代，或現有負債的條款作出重大修訂，該等交換或修訂乃視為終止確認原負債及確認新負債處理，有關賬面值的差額於損益表確認。

#### 對銷金融工具

僅在有現行可強制執行的法律權利對銷已確認的數額且有意向以淨值為基礎結算，或變賣資產與解除負債同時進行的情況下，金融資產與金融負債方會相互對銷，而淨值列入財務狀況表。

#### 衍生金融工具

初始確認及後續計量

本集團使用衍生金融工具（如遠期貨幣合約）對沖其外幣風險。該等衍生金融工具於初始時按訂立衍生合約當日的公允價值確認，其後再按公允價值重新計量。衍生工具在公允價值為正數時以資產列賬，而於公允價值為負數時則按負債列賬。

衍生工具公允價值變動產生的任何盈虧乃直接計入損益表，惟現金流量對沖的實際部分於其他全面收益中確認，其後如對沖項目影響損益，則重新分類至損益。

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

### Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

### Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

## 2.4 主要會計政策概要 (續)

### 存貨

存貨以其成本與可變現淨值兩者中的較低者列賬。成本按加權平均計算法釐定，而在製品及製成品則包括直接物料、直接勞工及適當比例的間接成本。可變現淨值按估計售價減去估計完工及出售將予產生的成本釐定。

### 現金及現金等價物

就合併現金流量表而言，現金及現金等價物包括手頭現金、活期存款及可隨時轉換為已知數額現金並於購入後一般在三個月內到期，且沒有重大價值變動風險的短期高流通量投資，再扣除在催繳時須償還及構成本集團現金管理整體一部分的銀行透支。

就財務狀況表而言，現金及現金等價物包括手頭及銀行現金（包括定期存款），以及近似現金性質而其用途不受限制的資產。

### 所得稅

所得稅包括即期及遞延稅項。有關於損益外確認的項目的所得稅於損益以外的其他全面收益或直接於權益確認。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Income tax (continued)

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and an associate, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

### 2.4 主要會計政策概要 (續)

#### 所得稅 (續)

本期間及過往期間的即期稅項資產及負債乃於計及本集團經營所在國家的當前詮釋及慣例後，根據於報告期末已頒佈或實質上已頒佈的稅率（及稅務法例），按預期可向稅務機關收回或支付予稅務機關數額計算。

遞延稅項就於報告期末資產及負債的稅項基準及其於財務報告中的賬面值的所有暫時性差額以負債法撥備。

所有應課稅暫時性差額均被確認為遞延稅項負債，惟下列情況除外：

- 倘若遞延稅項負債的起因，是由於在一宗非屬業務合併的交易中初始確認商譽或資產或負債，而且在交易時，對會計溢利或應課稅溢利或虧損均無影響；及
- 就於附屬公司及聯營公司的投資的應課稅暫時性差額而言，倘若撥回暫時性差額的時間可以控制，以及暫時性差額不大可能在可見將來撥回。



# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and an associate, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

### 2.4 主要會計政策概要 (續)

#### 所得稅 (續)

對於所有可扣減暫時性差額、結轉的未動用稅項抵免及未動用稅項虧損，若日後有可能出現應課稅溢利，可用以抵扣該等可扣減暫時性差額、結轉的未動用稅項抵免及未動用稅項虧損，則遞延稅項資產一律確認入賬，惟下列情況除外：

- 倘若有關可扣減暫時性差額的遞延稅項資產的起因，是由於在一宗非屬業務合併的交易中初始確認資產或負債，而且在交易時，對會計溢利或應課稅溢利或虧損均無影響；及
- 就於附屬公司及聯營公司的投資的可扣減暫時性差額而言，只有在暫時性差額有可能在可見將來撥回，而且日後有可能出現應課稅溢利，可用以抵扣該等暫時性差額時，方會確認遞延稅項資產。

遞延稅項資產的賬面值在每個報告期末予以檢討。若不再可能有足夠應課稅溢利用以抵扣全部或部分遞延稅項資產，則扣減遞延稅項資產賬面值。過往未確認的遞延稅項資產於每個報告期末重新評估，並於有充足應課稅溢利有可能用以抵扣將收回的全部或部分遞延稅項資產時確認。

遞延稅項資產及負債乃根據於報告期末已頒佈或實質上已頒佈的稅率（及稅務法例），以資產被變現或負債被清還期間預期的適用稅率計算。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Income tax (continued)

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

#### Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) rental income, on a time proportion basis over the lease terms; and
- (c) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts over the expected life of the financial instrument to the net carrying amount of the financial asset.

### 2.4 主要會計政策概要 (續)

#### 所得稅 (續)

倘存在可合法強制執行權利，可以即期稅項資產抵銷即期稅項負債，及倘遞延稅項與同一課稅實體及同一稅務機關有關，則遞延稅項資產及遞延稅項負債可互相對銷。

#### 政府補助

如能就收取政府補助及將可符合該補助所有附帶條件作出合理保證，該補助乃按公允價值予以確認。若有關補助涉及某一開支項目，則須按有系統方式於其擬補償的成本支銷期間確認為收入。

若有關補助與某一資產有關，則公允價值計入遞延收入賬，並在有關資產的預計可使用年內逐年按等額分期撥入損益表，或自資產的賬面值扣減並以扣減折舊開支的方式撥入損益表。

#### 收入確認

當經濟利益極有可能歸本集團所有及收益數額能可靠地計算時，收入方被確認，其基準如下：

- (a) 貨品銷售在附於擁有權的主要風險及回報已轉移至買方，且本集團並無保留通常視為與擁有權相關程度的管理權或已售貨品的有效控制權時確認；
- (b) 租金收入於租賃期內按時間比例基準確；及
- (c) 利息收入按應計基準以實際利率法使用可在金融工具預計年期將估計未來現金收入折現至金融資產賬面淨值的利率確認。

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial tree model, further details of which are given in note 32 to the financial statements.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefit expense. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

No expense is recognized for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The Company grants the share options to its subsidiaries' employees to exchange for their services provided to the subsidiaries. Accordingly, in the Company's statement of financial position, the equity-settled share option expense, which is recognized in the consolidated financial statements, is treated as part of the "investments in subsidiaries".

## 2.4 主要會計政策概要 (續)

### 以股份付款

本公司設有一項購股權計劃，為所有對本集團業務成功作出貢獻的合資格參與人提供激勵及獎賞。本集團的僱員（包括董事）會以股份付款形式收取酬金，而僱員會提供服務作為權益工具的代價（「以權益結算交易」）。

與僱員進行以權益結算交易的成本，乃參照授出日期的公允價值計量。公允價值乃由外聘估值師以二項式樹狀模型釐定，有關進一步詳情載於財務報表附註32。

以權益結算交易的成本連同權益相應增加部分在表現及／或服務條件獲履行的期間於僱員福利開支內確認。在歸屬日期前的每個報告期末就以權益結算交易所確認的累計開支，乃反映歸屬期屆滿之程度及本集團對將最終歸屬的權益工具數目的最佳估計。某一期間內在損益表內的扣除或進賬，乃反映已確認累計開支於該期初與該期終時的變動。

對於最終未歸屬的獎勵，不會確認任何開支，惟視乎市場或非歸屬條件而決定歸屬與否的以權益結算交易則除外，只要所有其他表現及／或服務條件已獲達成，則不論市場或非歸屬條件是否獲達成，均會被視為已歸屬。

本公司向其附屬公司僱員授予購股權以換取其向附屬公司提供的服務。據此，於合併財務報表確認的以權益結算購股權開支於本公司財務狀況表確認為「於附屬公司的投資」一部分。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Share-based payments (continued)

Where the terms of an equity-settled award are modified, as a minimum an expense is recognized as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognized for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

#### Retirement benefits

Pursuant to the relevant regulations, the Group has participated in a local municipal government retirement benefit scheme (the "Scheme"), whereby the Group is required to contribute a certain percentage of the basic salaries of its employees to the Scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefit obligations of all existing and future retired employees of the Group. The only obligation of the Group with respect to the Scheme is to pay the ongoing required contributions under the Scheme mentioned above. Contributions under the Scheme are charged to the statements of profit or loss as incurred. There are no provisions under the Scheme whereby forfeited contributions may be used to reduce future contributions.

### 2.4 主要會計政策概要 (續)

#### 以股份付款 (續)

倘以權益結算的獎勵的條款有所變更，惟已符合獎勵的原先條款，則所確認的開支最少須達到猶如條款並無任何變更的水平。此外，倘按變更日期的計量，任何變更導致以股份支付的款項的總公允價值有所增加，或對僱員帶來其他利益，則應就該等變更確認開支。

倘以權益結算的獎勵被註銷，應被視為已於註銷日期歸屬，而任何尚未確認的獎勵開支會立刻確認。此包括未符合屬本集團或僱員控制範圍內的非歸屬條件的任何獎勵。然而，若新獎勵代替已註銷的獎勵，並於授出日期指定為替代獎勵，則已註銷的獎勵及新獎勵均應被視為原獎勵的變更，一如前段所述。

未行使購股權的攤薄影響已於計算每股盈利時反映為額外股份攤薄。

#### 退休福利

根據有關規例，本集團已參與地方市政府的退休福利計劃（「計劃」），為撥支提供僱員的退休福利，本集團須將僱員的基本薪金的若干百分比作為計劃供款。地方政府承擔本集團現在及未來全部退休僱員的退休福利責任。如上所述，根據計劃，本集團唯一責任為持續作出所需供款。計劃供款於產生時自損益表扣除。計劃並無規定沒收供款可用作減少未來供款。

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As at 31 December 2013 於二零一三年十二月三十一日

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the statement of financial position, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

### Foreign currencies

These financial statements are presented in RMB, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

## 2.4 主要會計政策概要 (續)

### 借貸成本

如借貸成本直接歸屬於收購、興建或生產合資格資產（即須經一段相當長時間作準備方可作擬定用途或銷售的資產），則撥充資本作為該等資產成本的一部分。當有關資產大致可作擬定用途或銷售時，即終止將該等借貸成本撥充資本。將待用於合資格資產開支的指定借貸進行臨時投資所賺取的投資收入，則從資本化借貸成本中扣除。所有其他借貸成本均於其產生期間支銷。借貸成本包括利息及與公司因借取資金而產生的其他成本。

### 股息

於財務狀況表內的權益項下，董事建議派付的末期股息被分類為保留溢利的獨立分配，直至建議末期股息於股東大會上獲股東批准為止。當該等股息獲股東批准及宣派後，將會被確認為一項負債。

### 外幣

此等財務報表以人民幣呈列，即本公司的功能及呈列貨幣。本集團內的實體各自決定其功能貨幣，各實體的財務報表項目均以所定功能貨幣計量。本集團內的實體的外幣交易初始按有關功能貨幣於交易當日的匯率換算入賬。以外幣計值的貨幣資產及負債，按有關功能貨幣於報告期末的匯率重新換算。因結算或換算貨幣項目而產生的差額於損益表內確認。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Foreign currencies (continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on retranslation of a non-monetary item is treated in line with the recognition of the gain or loss on change in fair value of the item measured at fair value (i.e., translation differences on the items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of certain overseas subsidiaries are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Group at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

### 2.4 主要會計政策概要 (續)

#### 外幣 (續)

按歷史成本列賬、以外幣計量的非貨幣項目，採用初始交易日期的匯率換算。按公允價值列賬、以外幣計量的非貨幣項目，採用計量公允價值日期的匯率換算。重新換算非貨幣項目所產生的盈虧的處理方法與確認按公允價值計量的項目公允價值變動的盈虧者一致（換言之，於其他全面收益或損益確認公允價值盈虧的項目的匯兌差額，亦分別於其他全面收益或損益確認）。

若干海外附屬公司使用人民幣以外貨幣作為功能貨幣。於報告期末，該等實體的資產與負債按報告期末的匯率換算為本集團的呈列貨幣，其損益表則按年內的加權平均匯率換算為人民幣。

因此而產生的匯兌差額於其他全面收益確認並於匯兌波動儲備累計。出售海外業務時，有關該項海外業務的其他全面收益部分在損益表內確認。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

#### Judgements

There is no significant effect on the amounts recognised in the financial statements arising from the judgements, apart from those involving estimations, made by management in the process of applying the Group's accounting policies.

#### Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

- (a) Impairment of non-financial assets (other than goodwill)
- The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

### 3. 重大會計判斷及估計

管理層在編製本集團財務報表時須作出判斷、估計及假設，而有關判斷、估計及假設會對收入、開支、資產及負債所申報的金額及其隨附披露以及對或然負債的披露造成影響。該等假設及估計的不確定性或引致須對在未來受影響的資產及負債的賬面值進行重大調整。

#### 判斷

除涉及估計的判斷外，管理層於應用本集團的會計政策的過程中所作出的判斷對財務報表所確認的金額並無重大影響。

#### 估計不確定性

於報告期末，存在對下一個財政年度資產及負債的賬面值作出重大調整的重大風險且關於未來的主要假設及估計不確定性的其他主要來源如下。

- (a) 非金融資產（商譽除外）減值
- 本集團於每個報告期末評估所有非金融資產是否有任何減值跡象。於有跡象顯示未必可收回賬面值時，非金融資產會接受減值測試。於資產或現金產生單位的賬面值超過其可收回金額（指其公允價值扣除出售成本與其使用價值兩者之中的較高者）時，即存在減值。公允價值扣除出售成本乃根據類似資產的具約束力公平磋商銷售交易所得的數據或可觀察市場價格減出售資產的遞增成本計算。於計算使用價值時，管理層須估計預期該項資產或現金產生單位的未來現金流量，並選擇合適折現率計算該等現金流量的現值。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

#### Estimation uncertainty (continued)

##### (b) Deferred tax assets

Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period, and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The Group's management determines the deferred tax assets based on the enacted or substantively enacted tax rates and laws and best knowledge of profit projections of the Group for coming years during which the deferred tax assets are expected to be utilised. Management will revise the assumptions and profit projections at the end of the reporting period. The carrying value of deferred tax assets at 31 December 2013 was RMB5,920,000 (2012: RMB8,322,000). Further details are contained in note 20 to the financial statements.

##### (c) Write-down of inventories

The Group's inventories are stated at the lower of cost and net realisable value. The Group writes down its inventories based on estimates of the realisable value with reference to the age and conditions of the inventories, together with the economic circumstances on the marketability of such inventories. Inventories will be reviewed annually for write-down, if appropriate. The carrying amount of inventories at 31 December 2013 was RMB264,344,000 (2012: RMB240,570,000). Further details are contained in note 21 to the financial statements.

### 3. 重大會計判斷及估計 (續)

#### 估計不確定性 (續)

##### (b) 遞延稅項資產

遞延稅項採用於報告期末已頒佈或實質上已頒佈，並預期於變現相關遞延稅項資產或清還遞延稅項負債時應用的稅率（及稅務法例）釐定。遞延稅項資產會於未來有可能出現應課稅溢利可用以抵扣暫時性差額時，方會獲得確認。

本集團管理層根據已頒佈或實質上已頒佈的稅率及稅務法例，以及本集團就預期動用遞延稅項資產的未來年度的溢利預測的最佳認識釐定遞延稅項資產。管理層將於報告期末修訂該等假設及溢利預測。於二零一三年十二月三十一日，遞延稅項資產的賬面值為人民幣5,920,000元（二零一二年：人民幣8,322,000元）。其他詳情載於財務報表附註20。

##### (c) 存貨撇減

本集團的存貨以其成本與可變現淨值兩者中的較低者列賬。本集團經參考存貨貨齡及存貨狀況以及考慮影響有關存貨銷路的經濟情況後按所估計的可變現價值撇減其存貨。存貨將每年進行檢討，並於適當情況下予以撇減。於二零一三年十二月三十一日，存貨的賬面值為人民幣264,344,000元（二零一二年：人民幣240,570,000元）。其他詳情載於財務報表附註21。



# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

#### Estimation uncertainty (continued)

- (d) Impairment of trade and notes receivables
- Impairment of trade and notes receivables is made based on assessment of the recoverability of trade and notes receivables. The identification of bad and doubtful receivables requires management judgement and estimates. Provision is made when there is objective evidence that the Group will not be able to collect the debts. Where the actual outcome or expectation in future is different from the original estimate, the differences will impact the carrying value of the receivables and related asset impairment charge or write-back in the period in which the estimate has been changed. The carrying amount of trade and notes receivables at 31 December 2013 was RMB162,753,000 (2012: RMB218,077,000). Further details are contained in note 22 to the financial statements.
- (e) Useful lives of property, plant and equipment
- The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives or management will write off or write down technically obsolete or non-strategic assets that have been abandoned. The carrying amount of property, plant and equipment at 31 December 2013 was RMB455,091,000 (2012: RMB366,033,000). Further details are contained in note 14 to the financial statements.

### 3. 重大會計判斷及估計 (續)

#### 估計不確定性 (續)

- (d) 應收貿易賬款及應收票據減值
- 應收貿易賬款及應收票據減值按對應收貿易賬款及應收票據的可收回程度的評估釐定。識別應收款項呆壞賬需要管理層作出判斷及估計。倘有客觀證據顯示本集團將不能收回債務時則進行撥備。倘實際結果或未來的預算與原定估計不同，則有關差異將影響應收款項的賬面值及有關資產減值開支，或於該估計已變更期間內的撥回。於二零一三年十二月三十一日，應收貿易賬款及應收票據的賬面值為人民幣162,753,000元（二零一二年：人民幣218,077,000元）。其他詳情載於財務報表附註22。
- (e) 物業、廠房及設備的可使用年期
- 本集團管理層釐定其物業、廠房及設備的估計可使用年期及相關折舊費用。該項估計乃根據類似性質及功能的物業、廠房及設備的實際可使用年期的過往經驗而釐定，並可能因技術創新及競爭者對嚴峻行業週期的反應而有重大改變。當可使用年期較之前估計年期短，管理層將增加折舊費用，或將撇銷或撇減技術上過時或非策略性的已報廢資產。於二零一三年十二月三十一日，物業、廠房及設備的賬面值為人民幣455,091,000元（二零一二年：人民幣366,033,000元）。其他詳情載於財務報表附註14。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into one single business unit that includes primarily the manufacture and sale of linen yarns. Management reviews the consolidated results when making decisions about allocating resources and assessing the performance of the Group. Accordingly, no segment analysis is presented.

#### Geographical information

##### (a) Revenue from external customers

An analysis of the Group's geographical information on revenue attributed to the region on the basis of the customer's location for the year ended 31 December 2013 is set out in the following table:

Mainland China	中國大陸
European Union	歐盟國
Non-European Union	非歐盟國
Total	總額

##### (b) Non-current assets

Since the principal non-current assets, other than deferred tax assets, employed by the Group are located in Mainland China, no geographical information for non-current assets is presented.

#### Information about a major customer

No revenue amounting to 10 percent or more of the Group's total revenue was derived from sales to a single customer for the year ended 31 December 2013 (2012: Nil).

### 4. 經營分部資料

為方便管理，本集團被識定為一項單一業務單位，主要包括生產及銷售亞麻紗。管理層就分配本集團資源及評估本集團表現作出決定時會審閱合併業績。因此，本集團不會呈列分部分析。

#### 地理資料

##### (a) 來自外部客戶收入

下表載列本集團於截至二零一三年十二月三十一日止年度按客戶所在地劃分的地區應佔收入的地理資料：

Revenue from external customers	
來自外部客戶收入	
2013	2012
二零一三年	二零一二年
RMB'000	RMB'000
人民幣千元	人民幣千元
283,393	237,860
192,051	246,520
286,471	234,532
<b>761,915</b>	<b>718,912</b>

##### (b) 非流動資產

由於本集團使用的主要非流動資產（遞延稅項資產除外）位於中國大陸，故並無呈列非流動資產的地理資料。

#### 有關主要客戶的資料

於截至二零一三年十二月三十一日止年度，並無向單一客戶進行的銷售佔本集團總收入10%或以上（二零一二年：無）。

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the sales value of linen yarns, net of sales tax and deduction of any sales discounts and returns.

An analysis of revenue, other income and gains is as follows:

<b>Revenue</b>	<b>收入</b>
Sale of linen yarns	銷售亞麻紗
<b>Other income</b>	<b>其他收益</b>
Bank interest income	銀行利息收入
Government grants	政府補助
Compensation income	賠償收入
Exchange gain	外匯得益
Insurance income (note (a))	保險收入(附註(a))
Others	其他
<b>Gains</b>	<b>得益</b>
Fair value gains on derivative instruments – transactions not qualifying as hedges	不合資格作對沖的衍生工具交易的 公允價值得益

Note (a): The amount represents the compensation received from the insurance company, which covered the damages to the Group's assets caused by heavy rain and severe flooding in October 2013.

## 6. FINANCE COSTS

Interest on bank loans, wholly repayable within five years	須於五年內全數償還的 銀行貸款的利息
Less: interest capitalised	減: 資本化利息

## 5. 收入、其他收益及得益

收入(亦即本集團營業額)指亞麻紗的銷售價值,經扣除銷售稅及扣減任何銷售折扣及退還。

收入、其他收益及得益分析如下:

2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
<b>761,915</b>	718,912
<b>1,437</b>	1,546
<b>2,024</b>	6,023
<b>2,560</b>	–
<b>315</b>	50
<b>16,985</b>	–
<b>916</b>	633
<b>24,237</b>	8,252
<b>7,819</b>	68
<b>32,056</b>	8,320

附註(a): 該金額指就二零一三年十月暴雨及嚴重水浸對本集團資產造成的損害而從保險公司收取的賠償。

## 6. 財務成本

2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
<b>11,653</b>	13,512
<b>(2,102)</b>	(664)
<b>9,551</b>	12,848

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/ (crediting):

### 7. 除稅前溢利

本集團除稅前溢利於扣除／(計入)下列各項後得出：

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Cost of inventories sold	出售存貨成本	555,032	509,612
Depreciation	折舊	50,681	49,644
Amortisation of prepaid land lease payments	土地租賃預付款項攤銷	1,392	859
Amortisation of an intangible asset	無形資產攤銷	606	599
Research and development ("R&D") expenses	研究及開發(「研發」)開支	3,672	5,512
Minimum lease payments under operating leases:	經營租賃項下的最低租賃款項：		
Land and buildings	土地及樓宇	942	1,065
Auditors' remuneration	核數師酬金	1,600	1,500
Employee benefit expense (including directors' and chief executive's remuneration):	僱員福利開支(包括董事及主要行政人員酬金)：		
Wages, salaries and other benefits	薪金、工資及其他福利	98,951	95,382
Pension scheme contributions	退休金計劃供款	6,082	6,042
Equity-settled share option expense	以權益結算購股權開支	257	771
		<b>105,290</b>	<b>102,195</b>
Foreign exchange differences, net	外匯差額淨額	(315)	(50)
Fair value gains on derivative instruments – transactions not qualifying as hedges	不合資格作對沖的衍生工具交易的公允價值得益	(7,819)	(68)
(Gain)/loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目(得益)／虧損	(496)	33
Write-down of inventories/(reversal of the write-down of inventories) to net realisable value	撇減存貨至可變現淨值／(存貨撇減轉回)	863	(178)
(Reversal of)/provision for impairment of doubtful debts	(撥回呆賬減值撥備)／呆賬減值撥備	(134)	26
Finance costs	財務成本	9,551	12,848
Bank interest income	銀行利息收入	(1,437)	(1,546)

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, is as follows:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Fees	袍金	499	504
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	2,862	2,862
Pension scheme contributions	退休金計劃供款	78	66
		<u>3,439</u>	<u>3,432</u>

(a) Independent non-executive directors  
The fees paid to independent non-executive directors during the year were as follows:

Mr. Yang Donghui	楊東輝先生
Mr. Lau Ying Kit	劉英傑先生
Mr. Lo Kwong Shun Wilson	羅廣信先生

There were no other emoluments payable to the independent non-executive directors during the year (2012: Nil).

### 8. 董事及主要行政人員酬金

年內，根據上市規則及香港《公司條例》第161條披露的董事及主要行政人員酬金如下：

	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Fees	499	504
Other emoluments:		
Salaries, allowances and benefits in kind	2,862	2,862
Pension scheme contributions	78	66
	<u>3,439</u>	<u>3,432</u>

(a) 獨立非執行董事  
年內向獨立非執行董事支付的袍金如下：

	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Mr. Yang Donghui	96	96
Mr. Lau Ying Kit	115	117
Mr. Lo Kwong Shun Wilson	96	97
	<u>307</u>	<u>310</u>

年內並無應付獨立非執行董事的其他酬金（二零一二年：無）。



# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

(b) Executive directors, and non-executive directors and chief executive (continued)

		Fees	Salaries	Pension scheme contributions 退休金計劃 供款	Total remuneration 酬金總額
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
2012	二零一二年				
Executive directors	執行董事				
Mr. Ren Weiming*	任維明先生*	–	1,350	22	1,372
Mr. Shen Yueming	沈躍明先生	–	810	22	832
Mr. Zhang Hongwen	張鴻文先生	–	702	22	724
		–	2,862	66	2,928
Non-executive directors	非執行董事				
Mr. Ngan Kam Wai Albert	顏金煒先生	97	–	–	97
Mr. Tse Chau Shing Mark	謝宙勝先生	97	–	–	97
		194	–	–	194
		194	2,862	66	3,122

\* Mr. Ren Weiming who acts as an executive director of the Company is also the chief executive officer of the Company.

## 8. 董事及主要行政人員酬金 (續)

(b) 執行董事、非執行董事及主要行政人員 (續)

\* 身為本公司執行董事的任維明先生，亦兼任本公司行政總裁。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three (2012: three) directors and the chief executive, details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining two (2012: two), highest paid employees who are neither a director nor chief executive of the Company are as follows:

Salaries	薪金
Pension scheme contributions	退休金計劃供款
Equity-settled share option expense	以權益結算購股權開支

The number of non-director and non-chief executive, highest paid employees whose remuneration fell within the following band is as follows:

Nil to HK\$1,000,000	零港元至1,000,000港元
----------------------	-----------------

During the year ended 31 December 2013, no directors and chief executive, or any of the non-director and non-chief executive, highest paid employees waived or agreed to waive any remuneration (2012: None). None of the directors and chief executive, or any of the non-director and non-chief executive, highest paid employees was paid by the Group as an inducement to join or upon joining the Group or as compensation for loss of office (2012: None).

### 9. 五名最高薪酬僱員

年內，五名最高薪酬僱員包括三名（二零一二年：三名）董事及主要行政人員，其酬金詳情載於上文附註8。年內，餘下兩名（二零一二年：兩名）非本公司董事或主要行政人員的最高薪酬僱員的酬金詳情如下：

2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
594	646
20	62
8	25
<b>622</b>	<b>733</b>

酬金處於以下範圍的最高薪酬非董事及非主要行政人員的僱員人數如下：

Number of employees 僱員數目	
2013 二零一三年	2012 二零一二年
<b>2</b>	<b>2</b>

於截至二零一三年十二月三十一日止年度，概無董事及主要行政人員或任何最高薪酬非董事及非主要行政人員的僱員放棄或同意放棄任何酬金（二零一二年：無）。本集團並無向董事及主要行政人員或任何最高薪酬非董事及非主要行政人員的僱員支付酬金以吸引其加入本集團或於加入本集團時作為獎勵或作為離職補償（二零一二年：無）。



# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 9. FIVE HIGHEST PAID EMPLOYEES (continued)

In prior years, share options were granted to a non-director and non-chief executive highest paid employee in respect of his services to the Group, further details of which are included in the disclosures in note 32 to the financial statements. The fair value of these options, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

## 10. INCOME TAX EXPENSE

Major components of the Group's income tax expense for the year are as follows:

Current – Mainland China	即期－中國大陸
– Charge for the year	一年內支出
– Under provision in respect of prior years	－過往年度撥備不足
Current – Hong Kong	即期－香港
– Charge for the year	一年內支出
– Under provision in respect of prior years	－過往年度撥備不足
Current – Italy	即期－意大利
Deferred (note 20)	遞延(附註20)
Total tax charge for the year	年內稅項支出總額

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands or the British Virgin Islands.
- (ii) The provision for Mainland China income tax is based on the respective corporate income tax rates applicable to the subsidiaries located in Mainland China as determined in accordance with the relevant income tax rules and regulations of the People's Republic of China ("the PRC").

## 9. 五名最高薪酬僱員(續)

於過往年度，一名非董事及非主要行政人員的最高薪酬僱員因其對本集團所提供的服務而獲授購股權，進一步詳情載於財務報表附註32的披露資料內。該等購股權的公允價值已於歸屬期內在損益表確認，公允價值乃於購股權授出日期釐定，而計入本年度財務報表內的金額已計入上述非董事及非主要行政人員的最高薪酬僱員的酬金披露資料內。

## 10. 所得稅開支

本集團於年內的所得稅開支主要項目如下：

2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
39,716	30,486
–	824
757	28
113	–
1,154	535
(937)	711
<b>40,803</b>	<b>32,584</b>

- (i) 根據開曼群島及英屬處女群島規則及法規，本集團毋須繳納開曼群島或英屬處女群島所得稅。
- (ii) 中國大陸所得稅撥備是根據位於中國大陸的附屬公司所適用，按中華人民共和國(「中國」)有關所得稅規則及法規所釐定的各企業所得稅率而作出。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 10. INCOME TAX EXPENSE (continued)

(ii) (continued)

Pursuant to the income tax rules and regulations of the PRC ("FEIT Law"), the subsidiary located in Mainland China ("Mainland China subsidiaries") named Jiangsu Ziwei Flax Co., Ltd. ("Jiangsu Ziwei") is entitled to a tax holiday for two years from their first profit-making years of operations and thereafter, it is subject to PRC enterprise income tax at 50% of the applicable income tax rate for the following three years ("Tax Holidays"). The year of 2008 was the first profit-making years for Jiangsu Ziwei.

During the Fifth Session of the Tenth National People's Congress, which was concluded on 16 March 2007, the PRC Corporate Income Tax Law (the "Corporate Income Tax Law") was approved and became effective on 1 January 2008. According to the Corporate Income Tax Law, the applicable tax rates of the Group's subsidiaries in Mainland China are unified at 25% with effect from 1 January 2008 except Zhaosu Jindi Flax Co., Ltd. ("Zhaosu Jindi") which is engaged in the preliminary processing of agriculture products and is exempted from PRC income tax. Pursuant to the transitional arrangement under the Corporate Income Tax Law, Jiangsu Ziwei continued to enjoy a 50% reduction on the applicable income tax rate under the Corporate Income Tax Law until the expiry of the Tax Holidays previously granted under the FEIT Law as at 31 December 2012, and thereafter Jiangsu Ziwei is subject to the unified rate of 25%.

(iii) Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the year.

(iv) Pursuant to the rules and regulations of Italy, the Group is subject to an income tax rate at 31.4%, which comprises Italy Corporate Income Tax at 27.5% and Italy Regional Income Tax at 3.9%.

### 10. 所得稅開支 (續)

(ii) (續)

根據中國的所得稅規則和法規（「外商稅法」）規定，位於中國大陸的附屬公司（「中國大陸附屬公司」，即江蘇紫薇亞麻有限公司（「江蘇紫薇」））可享有由其經營的首個獲利年度起兩年稅收優惠期，而其後三年按適用所得稅稅率的50%繳納中國企業所得稅（「稅收優惠期」）。江蘇紫薇的首個獲利年度為二零零八年。

第十屆全國人民代表大會第五次會議已於二零零七年三月十六日結束，當中通過了《中國企業所得稅法》（「企業所得稅法」），並於二零零八年一月一日生效。根據企業所得稅法規定，自二零零八年一月一日起，本集團中國大陸附屬公司的適用稅率將統一為25%，惟昭蘇金地亞麻有限公司（「昭蘇金地」）除外，該公司從事農產品的初加工業務，獲豁免繳付中國所得稅。根據企業所得稅法的過渡安排，江蘇紫薇根據企業所得稅法繼續享有適用所得稅率減半優惠，直至之前根據外商稅法獲授的稅收優惠期於二零一二年十二月三十一日期滿為止，其後江蘇紫薇則按統一稅率25%繳稅。

(iii) 香港利得稅按年內於香港產生的估計應課稅溢利以16.5%稅率計提撥備。

(iv) 根據意大利規則及法規，本集團須按31.4%稅率繳納所得稅，當中包括按27.5%稅率計算的意大利企業所得稅及按3.9%稅率計算的意大利地區所得稅。

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 10. INCOME TAX EXPENSE (continued)

(iv) (continued)

A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the jurisdiction in which the Company and its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

Profit before tax	除稅前溢利
Tax at an applicable tax rate of 25%	按適用的25%稅率計算的稅項
Effect of different tax rates	稅率差異影響
Under provision in respect of prior years	過往年度撥備不足
Share of profits and losses of an associate	應佔一間聯營公司的溢利及虧損
Income not subject to tax	不需課稅的收入
Expenses not deductible for tax	不可扣稅的開支
Tax credit arising from additional deduction of R&D expenditures of a PRC subsidiary	中國大陸附屬公司研發開支加計扣除產生的稅項抵免
Deferred tax liability on withholding tax	預扣稅產生的遞延稅項負債
Total charge for the year	年內支出總額

## 10. 所得稅開支(續)

(iv) (續)

按本公司及其附屬公司位處的司法管轄權區的法定稅率計算適用於除稅前溢利的稅項開支，與按實際稅率計算的稅項開支的調節如下：

2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
<b>141,241</b>	126,764
<b>35,310</b>	31,691
<b>(581)</b>	(5,279)
<b>113</b>	824
<b>(25)</b>	71
<b>(104)</b>	(31)
<b>778</b>	479
<b>(373)</b>	(403)
<b>5,685</b>	5,232
<b>40,803</b>	32,584

## 11. PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

The consolidated profit attributable to owners of the parent for the year ended 31 December 2013 includes a loss of RMB1,583,000 (2012: loss of RMB2,007,000) which has been dealt with in the financial statements of the Company (note 33(b)). The loss excluded dividends from subsidiaries attributable to previous years' profits.

## 11. 母公司擁有人應佔溢利

截至二零一三年十二月三十一日止年度，母公司擁有人應佔合併溢利包括已於本公司財務報表列賬的虧損人民幣1,583,000元（二零一二年：虧損人民幣2,007,000元）（附註33(b)）。該項虧損並無包括源自附屬公司應佔過往年度溢利的股息。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 12. DIVIDEND

Proposed final – HK7.5 cents  
(2012: HK7 cents) per ordinary share

建議末期股息—每股普通股7.5港仙  
(二零一二年：7港仙)

At a meeting of the board of directors held on 14 March 2014, the payment of a final dividend of HK7.5 cents per ordinary share totalling approximately RMB37,242,000 was recommended, for the year ended 31 December 2013, which is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

### 13. BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic earnings per share is based on the profit for the year attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares of 627,353,000 (2012: 623,107,000) in issue during the year, as adjusted to reflect the rights issue during the year.

The calculation of diluted earnings per share is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

### 12. 股息

2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
37,242	35,537
<b>37,242</b>	<b>35,537</b>

於二零一四年三月十四日舉行的董事會會議上，董事會建議派發截至二零一三年十二月三十一日止年度末期股息每股普通股7.5港仙，合共約人民幣37,242,000元，須待本公司股東於應屆股東週年大會上批准，方可作實。

### 13. 母公司普通股權益持有人應佔每股基本及攤薄盈利

每股基本盈利乃根據母公司普通股權益持有人應佔年內溢利及年內已發行普通股加權平均數627,353,000股（二零一二年：623,107,000股）計算，並就年內進行的供股作出調整。

每股攤薄盈利乃根據母公司普通股權益持有人應佔年內溢利計算。計算使用的普通股加權平均數乃年內已發行普通股數目（與計算每股基本盈利所使用者相同），以及假設全部攤薄潛在普通股被視為獲行使或兌換為普通股後無償發行的普通股加權平均數。



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## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 14. PROPERTY, PLANT AND EQUIPMENT

### 14. 物業、廠房及設備

		Plant and buildings 廠房及建築物 RMB'000 人民幣千元	Machinery 機器 RMB'000 人民幣千元	Office equipment 辦公室設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Leasehold improvements 租賃物業裝修 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
31 December 2013	二零一三年十二月三十一日							
At 31 December 2012 and at 1 January 2013:	於二零一二年十二月三十一日及二零一三年一月一日:							
Cost	成本	173,149	435,877	19,179	7,632	10,935	16,085	662,857
Accumulated depreciation	累計折舊	(51,566)	(226,147)	(11,517)	(4,383)	(3,211)	-	(296,824)
Net carrying amount	賬面淨值	<u>121,583</u>	<u>209,730</u>	<u>7,662</u>	<u>3,249</u>	<u>7,724</u>	<u>16,085</u>	<u>366,033</u>
At 1 January 2013, net of accumulated depreciation	於二零一三年一月一日，扣除累計折舊	121,583	209,730	7,662	3,249	7,724	16,085	366,033
Additions	添置	149	2,302	6,127	1,221	364	131,428	141,591
Depreciation provided during the year	年內折舊撥備	(8,233)	(37,158)	(2,964)	(1,015)	(1,210)	-	(50,580)
Transfers	轉撥	-	7,477	2,682	-	275	(10,434)	-
Disposals	出售	-	(1,947)	(11)	-	-	-	(1,958)
Exchange realignment	匯兌調整	-	1	1	-	3	-	5
At 31 December 2013, net of accumulated depreciation	於二零一三年十二月三十一日，扣除累計折舊	<u>113,499</u>	<u>180,405</u>	<u>13,497</u>	<u>3,455</u>	<u>7,156</u>	<u>137,079</u>	<u>455,091</u>
At 31 December 2013:	於二零一三年十二月三十一日:							
Cost	成本	173,298	441,475	27,888	8,853	11,577	137,079	800,170
Accumulated depreciation	累計折舊	(59,799)	(261,070)	(14,391)	(5,398)	(4,421)	-	(345,079)
Net carrying amount	賬面淨值	<u>113,499</u>	<u>180,405</u>	<u>13,497</u>	<u>3,455</u>	<u>7,156</u>	<u>137,079</u>	<u>455,091</u>

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 14. PROPERTY, PLANT AND EQUIPMENT (continued)

### 14. 物業、廠房及設備 (續)

		Plant and buildings 廠房及 建築物 RMB'000 人民幣千元	Machinery 機器 RMB'000 人民幣千元	Office equipment 辦公室設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Leasehold improvements 租賃物業 裝修 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
31 December 2012	二零一二年 十二月三十一日							
At 31 December 2011 and at 1 January 2012:	於二零一一年 十二月三十一日及 二零一二年一月一日:							
Cost	成本	170,698	412,856	16,471	7,768	8,307	10,817	626,917
Accumulated depreciation	累計折舊	(42,554)	(190,715)	(9,940)	(3,311)	(2,171)	-	(248,691)
Net carrying amount	賬面淨值	<u>128,144</u>	<u>222,141</u>	<u>6,531</u>	<u>4,457</u>	<u>6,136</u>	<u>10,817</u>	<u>378,226</u>
At 1 January 2012, net of accumulated depreciation	於二零一二年一月一日， 扣除累計折舊	128,144	222,141	6,531	4,457	6,136	10,817	378,226
Additions	添置	2,450	5,229	2,723	171	1,947	25,450	37,970
Depreciation provided during the year	年內折舊撥備	(9,011)	(36,791)	(1,585)	(1,220)	(1,037)	-	(49,644)
Transfers	轉撥	-	19,161	344	-	677	(20,182)	-
Disposals	出售	-	(12)	(353)	(159)	(3)	-	(527)
Exchange realignment	匯兌調整	-	2	2	-	4	-	8
At 31 December 2012, net of accumulated depreciation	於二零一二年 十二月三十一日， 扣除累計折舊	<u>121,583</u>	<u>209,730</u>	<u>7,662</u>	<u>3,249</u>	<u>7,724</u>	<u>16,085</u>	<u>366,033</u>
At 31 December 2012:	於二零一二年 十二月三十一日:							
Cost	成本	173,149	435,877	19,179	7,632	10,935	16,085	662,857
Accumulated depreciation	累計折舊	(51,566)	(226,147)	(11,517)	(4,383)	(3,211)	-	(296,824)
Net carrying amount	賬面淨值	<u>121,583</u>	<u>209,730</u>	<u>7,662</u>	<u>3,249</u>	<u>7,724</u>	<u>16,085</u>	<u>366,033</u>

As at 31 December 2013, the Group's property, plant and equipment with a net carrying amount of approximately RMB44,532,000 (2012: RMB43,770,000) were pledged to secure bank loans granted to the Group as set out in note 30(i).

如附註30(i)所載，於二零一三年十二月三十一日，本集團賬面淨值約人民幣44,532,000元（二零一二年：人民幣43,770,000元）的物業、廠房及設備已予抵押，作為本集團獲授銀行貸款的擔保。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 15. INVESTMENT PROPERTY

### 15. 投資物業

		31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日的賬面值	-	-
Additions	添置	3,855	-
Depreciation provided during the year	年內折舊撥備	(101)	-
Carrying amount at 31 December	於十二月三十一日的賬面值	<u>3,754</u>	<u>-</u>

The Group's investment property is situated in Shanghai, the PRC and is held under the following lease term:

本集團的投資物業位於中國上海，並按以下租賃期持有：

		RMB'000 人民幣千元
Short term lease	短期租賃	<u>3,754</u>

The Group's investment property is a commercial property in Shanghai, the PRC. The directors of the Company have determined that the investment property consist of one class of asset, i.e., commercial, based on the nature, characteristics and risks of the property. The Group's investment property was revalued on 31 December 2013 based on valuations performed by Jiaying Dongxing Property Evaluating Office, independent professionally qualified valuers, at RMB3,904,000. Each year, the Group's property manager and the chief financial officer decide, after approval from the audit committee, to appoint which external valuer to be responsible for the external valuations of the Group's investment property. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's property manager and the chief financial officer have discussions with the valuer on the valuation assumptions and valuation results twice a year when the valuation is performed for interim and annual financial reporting.

本集團的投資物業乃位於中國上海的商用物業。本公司董事根據投資物業的性質、特性及風險，確定投資物業由一類資產組成，即商用類別。於二零一三年十二月三十一日，本集團根據獨立專業合資格估值師嘉興東信資產評估事務所所進行的估值工作，將本集團的投資物業重新估值為人民幣3,904,000元。每年，本集團的物業經理及財務總監在取得審核委員會的批准後，選定並委任一名外聘估值師負責對本集團的投資物業進行外部估值。甄選標準包括市場知識、聲譽、獨立性及是否維持專業水準。本集團的物業經理及財務總監每年兩次就中期及全年財務呈報進行估值時，會跟估值師就估值假設及估值結果進行討論。



# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 15. INVESTMENT PROPERTY (continued)

The investment property is leased to third parties under operating leases, further summary details of which are included in note 34(a) to the consolidated financial statements.

### Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment property:

## 15. 投資物業 (續)

本集團按經營租賃將投資物業出租予第三方，其進一步詳情於合併財務報表附註34(a)概述。

### 公允價值等級架構

下表顯示本集團投資物業的公允價值計量等級架構：

Fair value measurement as at 31 December 2013 using 採用以下項目於二零一三年十二月三十一日 進行的公允價值計量			
Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一層) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二層) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三層) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
-	-	3,904	3,904

Recurring fair value measurement for: 經常性公允價值計量：  
Commercial property 商用物業

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

Below is a summary of the valuation techniques used and the key inputs to the valuation of investment property:

年內，公允價值計量在第一層及第二層之間概無轉移，亦無轉入或自第三層轉出。

以下為投資物業估值所用的估值方法及主要輸入值的概要：

	Valuation techniques 估值方法	Significant unobservable inputs 重大不可觀察輸入值	Range (weighted average) 範圍(加權平均數)
Commercial properties 商用物業	Discounted cash flow method 現金流量折現法	Estimated rental value (per sq.m. and per month) 估計租賃價值(每平方米及每月) Rent growth (p.a.) 租金增長(每年) Long term vacancy rate 長期空置率 Discount rate 折現率	RMB169 人民幣169元 5% 5% Nil 無 5.5% 5.5%

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## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 15. INVESTMENT PROPERTY (continued)

Under the discounted cash flow method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a property interest. A market-derived discount rate is applied to the projected cash flow in order to establish the present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related reletting, redevelopment or refurbishment. The appropriate duration is driven by market behaviour that is a characteristic of the class of property. The periodic cash flow is estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance costs, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

A significant increase (decrease) in the estimated rental value and the market rent growth rate per annum in isolation would result in a significant increase (decrease) in the fair value of the investment property. A significant increase (decrease) in the long term vacancy rate and the discount rate in isolation would result in a significant decrease (increase) in the fair value of the investment property. Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and the discount rate and an opposite change in the long term vacancy rate.

### 15. 投資物業(續)

根據現金流量折現法，公允價值乃採用資產的壽命期內有關擁有權的利益及負債（包括退出價值或終端價值）的假設進行估計。該方法涉及對物業權益的一連串現金流量的預測。市場衍生的折現率應用於預測現金流量以便確立與資產有關的收益流的現值。退出收益通常是單獨決定且不同於折現率。

現金流量的持續時間及流入額和流出額的具體時間乃由諸如租金檢討、租約續租及相關轉租、重建或翻新等事件決定。適當的持續時間受市場行為（視乎物業類別的特性）影響。定期現金流量按總收益扣除空置、不可收回開支、收賬損失、租賃獎勵、維修費用、代理和佣金費用及其他經營和管理費用估算。該一連串定期經營收益淨額，連同預計於預測期終結時的終端價值估計金額，折現至現值。

估計租賃價值及市場租金年增長率單獨大幅增加（減少）將導致投資物業的公允價值大幅增加（減少）。長期空置率及折現率單獨大幅增加（減少）將導致投資物業的公允價值大幅減少（增加）。就估計租賃價值作出的假設的變動一般與租金年增長及折現率出現類似方向變動及長期空置率出現反向變化相連。

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 16. PREPAID LAND LEASE PAYMENTS

## 16. 土地租賃預付款項

		<b>31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元</b>	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
Cost:	成本：		
At beginning of year	年初	<b>63,806</b>	40,408
Additions	新增	–	23,398
At end of year	年末	<b>63,806</b>	63,806
Accumulated amortisation:	累計攤銷：		
At beginning of year	年初	<b>(6,368)</b>	(5,509)
Charge for the year	年內攤銷	<b>(1,392)</b>	(859)
At end of year	年末	<b>(7,760)</b>	(6,368)
Carrying amount at end of year	年末賬面值	<b>56,046</b>	57,438
Current portion included in prepayments, deposits and other receivables	計入預付款、押金及其他應收 款項的流動部分	<b>(1,392)</b>	(859)
Non-current portion	非流動部分	<b>54,654</b>	56,579

As at 31 December 2013, the Group's prepaid land lease payments with a net carrying amount of approximately RMB27,324,000 (2012: RMB28,031,000) were pledged to secure bank loans granted to the Group as set out in note 30(i).

如附註30(i)所載，於二零一三年十二月三十一日，本集團賬面淨值約人民幣27,324,000元（二零一二年：人民幣28,031,000元）的土地租賃預付款項已予抵押，作為本集團獲授銀行貸款的擔保。

Lease prepayments represent costs paid to the PRC land bureau for obtaining land use rights in respect of land located in Mainland China with a lease period of 50 years when granted.

租賃預付款項指向中國土地管理局支付以取得位於中國大陸的土地的土地使用權的成本，獲授時的租賃期為50年。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 17. INTANGIBLE ASSET

### 17. 無形資產

		Certified emission rights 認證排放權 RMB'000 人民幣千元
At 1 January 2013, net of accumulated amortisation	於二零一三年一月一日， 扣除累計攤銷	10,818
Additions	新增	-
Amortisation provided during the year	年內攤銷撥備	(606)
At 31 December 2013, net of accumulated amortisation	於二零一三年十二月三十一日， 扣除累計攤銷	<u>10,212</u>
At 31 December 2013:	於二零一三年十二月三十一日：	
Cost	成本	12,013
Accumulated amortisation	累計攤銷	(1,801)
Net carrying amount	賬面淨值	<u>10,212</u>

### 18. INVESTMENTS IN SUBSIDIARIES Company

### 18. 於附屬公司的投資 本公司

		31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
Unlisted shares, at cost	非上市股份，按成本	370,221	370,221
Capital contribution in respect of employee share-based compensation	有關僱員以股份付款補償的 出資	2,570	2,313
		<u>372,791</u>	<u>372,534</u>

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 18. INVESTMENTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries as at 31 December 2013 are as follows:

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊成立／成立地點及日期	Nominal value of issued ordinary/ registered share capital 已發行普通股 面值／註冊股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Overseas Kingdom Limited	British Virgin Islands ("BVI") 26 July 2006	HK\$0.01/HK\$500	100%	–	Investment holding
Overseas Kingdom Limited	英屬處女群島 ("BVI") 二零零六年七月二十六日	0.01港元／500港元	100%	–	投資控股
Kingdom Group Holdings Limited ("Hong Kong Kingdom") 金達集團控股有限公司 ("香港金達")	Hong Kong, China 10 September 2004 中國香港 二零零四年九月十日	HK\$1,250,000 1,250,000港元	–	100%	Investment holding and trading 投資控股及貿易
Asia Harvest Enterprises Limited 遠豐企業有限公司	Hong Kong, China 10 November 2005 中國香港 二零零五年十一月十日	HK\$1/HK\$10,000 1港元／10,000港元	–	100%	Trading 貿易
Zhejiang Jinyuan Flax Co., Ltd. 浙江金元亞麻有限公司	PRC 18 March 2003 中國 二零零三年三月十八日	US\$43,820,000 43,820,000美元	–	100%	Manufacture and sale of linen yarns 生產及銷售亞麻紗
Jiangsu Jinyuan Flax Co., Ltd. 江蘇金元亞麻有限公司	PRC 17 October 2003 中國 二零零三年十月十七日	US\$18,500,000 18,500,000美元	–	100%	Manufacture and sale of linen yarns 生產及銷售亞麻紗
Jiangsu Ziwei Flax Co., Ltd. 江蘇紫薇亞麻有限公司	PRC 26 October 2006 中國 二零零六年十月二十六日	US\$10,000,000 10,000,000美元	–	100%	Manufacture and sale of linen yarns 生產及銷售亞麻紗
Zhejiang Jinda Flax Co., Ltd. 浙江金達亞麻有限公司	PRC 28 May 2012 中國 二零一二年五月二十八日	RMB100,000,000 人民幣100,000,000元	–	100%	Manufacture and sale of linen yarns 生產及銷售亞麻紗
Zhejiang Jinlainuo Fiber Co., Ltd. 浙江金萊諾纖維有限公司	PRC 28 February 2012 中國 二零一二年二月二十八日	RMB10,000,000 人民幣10,000,000元	–	100%	Manufacture and sale of linen fiber 生產及銷售亞麻纖維
Zhaosu Jindi Flax Co., Ltd. 昭蘇金地亞麻有限公司	PRC 23 May 2007 中國 二零零七年五月二十三日	RMB30,000,000 人民幣30,000,000元	–	100%	Processing of agriculture products 農產品加工
Kingdom Europe S.R.L. Kingdom Europe S.R.L.	Italy 7 September 2007 意大利 二零零七年九月七日	EUR502,646 502,646歐元	–	100%	Trading 貿易

### 18. 於附屬公司的投資 (續)

於二零一三年十二月三十一日的主要附屬公司詳情如下：

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 19. INVESTMENT IN AN ASSOCIATE

Share of net assets

應佔資產淨值

The Group holds an 18% equity interest in an associate, namely Huaning Flax Electronic Business (Zhejiang) Co., Ltd. ("Huaning Flax"), which was established on 28 December 2009 in the PRC with registered capital of RMB30,000,000. The principal business of the associate is the sale of linen yarn products and the provision of transaction services. Although the Group holds less than 20% of the voting power of the associate, the Group exercises significant influence as the Group is able to appoint certain number of its directors.

Particulars of the principal associate are as follows:

Name	Particulars of issued shares held	Place of establishment	Percentage of ownership interest attributable to the Group 本集團應佔擁有權益百分比	Principal activities
名稱	所持已發行股份詳情	成立地點		主要業務
Huaning Flax	RMB30,000,000	PRC	18%	Sale of linen yarn products and provision of transaction services
華凝亞麻	人民幣 30,000,000元	中國	18%	銷售亞麻紗產品及提供交易服務

The financial statements of Huaning Flax for the year ended 31 December 2013 were not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

### 19. 於一間聯營公司的投資

31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
<b>5,883</b>	<b>5,784</b>

本集團持有聯營公司浙江華凝亞麻電子商務有限公司(「華凝亞麻」)18%的股權，該聯營公司於二零零九年十二月二十八日在中國成立，註冊資本為人民幣30,000,000元。該聯營公司的主要業務為銷售亞麻紗產品及提供交易服務。儘管本集團持有該聯營公司的投票權不足20%，惟本集團可委任其若干數目的董事，故可對該聯營公司行使重大影響力。

該主要聯營公司的詳情如下：

華凝亞麻截至二零一三年十二月三十一日止年度的財務報表並非由香港安永會計師事務所或安永全球網絡其他成員公司審核。

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 19. INVESTMENT IN AN ASSOCIATE (continued)

The following table illustrates the summarised financial information of Huaning Flax adjusted for any differences in accounting policies, and reconciled to the carrying amount in the consolidated financial statements:

## 19. 於一間聯營公司的投資(續)

下表顯示華凝亞麻的財務資料概要，其已就會計政策差異作出調整，並已與合併財務報表所載賬面值對賬：

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Current assets	流動資產	33,327	30,046
Non-current assets	非流動資產	1,705	2,481
Current liabilities	流動負債	(2,349)	(394)
Non-current liabilities	非流動負債	—	—
Net assets	資產淨值	<u>32,683</u>	<u>32,133</u>
Proportion of the Group's ownership	本集團擁有權所佔比例	18%	18%
Carrying amount of the investment	投資賬面值	<u>5,883</u>	<u>5,784</u>
Revenue	收入	22,583	357
Profit	溢利	<u>550</u>	<u>(1,584)</u>

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 20. DEFERRED TAX

The movements in deferred tax assets and liabilities of the Group during the year are as follows:

#### Deferred tax assets:

		Accruals	Allowance for doubtful debts	Provision for inventories	Elimination of unrealised profits	Depreciation in excess of related depreciation allowance	Total
		預提費用 RMB'000 人民幣千元	呆賬撥備 RMB'000 人民幣千元	存貨撥備 RMB'000 人民幣千元	抵銷未變現溢利 RMB'000 人民幣千元	折舊超出有關折舊撥備的金額 RMB'000 人民幣千元	合計 RMB'000 人民幣千元
At 1 January 2012	於二零一二年一月一日	3,493	498	1,017	1,524	730	7,262
Deferred tax credited/(charged) to the statement of profit or loss during the year (note 10)	年內計入損益表/ (自損益表扣除)的遞延稅項 (附註10)	405	(153)	186	450	189	1,077
At 31 December 2012 and 1 January 2013	於二零一二年十二月三十一日及 二零一三年一月一日	<u>3,898</u>	<u>345</u>	<u>1,203</u>	<u>1,974</u>	<u>919</u>	<u>8,339</u>
Deferred tax credited/(charged) to the statement of profit or loss during the year (note 10)	年內計入損益表/ (自損益表扣除)的遞延稅項 (附註10)	105	(27)	64	(1,027)	421	(464)
At 31 December 2013	於二零一三年十二月三十一日	<u>4,003</u>	<u>318</u>	<u>1,267</u>	<u>947</u>	<u>1,340</u>	<u>7,875</u>

### 20. 遞延稅項

本集團遞延稅項資產及負債於年內的變動如下：

#### 遞延稅項資產：



# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 20. DEFERRED TAX (continued)

#### Deferred tax liabilities:

### 20. 遞延稅項 (續)

#### 遞延稅項負債：

		Withholding tax on undistributed profits of the Mainland China subsidiaries 中國大陸 附屬公司 未分派溢利 的預扣稅 RMB'000 人民幣千元	Fair value gains on derivative financial instruments 衍生 金融工具 公允價值 得益 RMB'000 人民幣千元	Depreciation allowance in excess of related depreciation 折舊撥備 超出 有關折舊的 金額 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2012	於二零一二年一月一日	7,877	258	543	8,678
Deferred tax charged/(credited) to the statement of profit or loss during the year (note 10)	年內自損益表扣除/ (計入損益表)的 遞延稅項(附註10)	1,898	(241)	131	1,788
At 31 December 2012 and 1 January 2013	於二零一二年 十二月三十一日及 二零一三年一月一日	9,775	17	674	10,466
Deferred tax charged/ (credited) to the statement of profit or loss during the year (note 10)	年內自損益表扣除/ (計入損益表)的 遞延稅項(附註10)	(2,872)	1,938	(467)	(1,401)
At 31 December 2013	於二零一三年 十二月三十一日	6,903	1,955	207	9,065

Pursuant to the Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings generated after 31 December 2007.

根據企業所得稅法，在中國大陸境內成立的外商投資企業宣派予外國投資者的股息須徵收10%的預扣稅。該規定自二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後產生的盈利。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 20. DEFERRED TAX (continued)

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

Deferred tax of the Group as at 31 December 2013 and 2012 relates to the following:

Deferred tax assets arising from:

- Allowance for doubtful debts
- Provision against inventories
- Elimination of unrealised profits
- Accruals
- Depreciation in excess of related depreciation allowance

下列各項產生的遞延稅項資產：

- 呆賬撥備
- 存貨撥備
- 抵銷未變現溢利
- 預提費用
- 折舊超出有關折舊撥備的金額

### 20. 遞延稅項 (續)

為作呈列之用，若干遞延稅項資產及負債已於財務狀況表內對銷。為作財務呈報之用，本集團的遞延稅項結餘分析如下：

本集團於二零一三年及二零一二年十二月三十一日的遞延稅項與下列各項有關：

<b>31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元</b>	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
<b>318</b>	345
<b>1,267</b>	1,203
<b>947</b>	1,974
<b>4,003</b>	3,898
<b>1,340</b>	919
<b>7,875</b>	8,339

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 20. DEFERRED TAX (continued)

## 20. 遞延稅項 (續)

		31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
Deferred tax liabilities arising from:	下列各項產生的遞延稅項負債：		
– Withholding tax on undistributed profits of Mainland China subsidiaries	– 中國大陸附屬公司未分派溢利的預扣稅	(6,903)	(9,775)
– Depreciation allowance in excess of related depreciation	– 折舊撥備超出有關折舊的金額	(207)	(674)
– Fair value gains on derivative financial instruments	– 衍生金融工具的公允價值得益	(1,955)	(17)
		<u>(9,065)</u>	<u>(10,466)</u>
Deferred tax, net	遞延稅項淨額	<u>(1,190)</u>	<u>(2,127)</u>
Reflected in the consolidated statement of financial position:	於合併財務狀況表內反映：		
– Deferred tax assets	– 遞延稅項資產	5,920	8,322
– Deferred tax liabilities	– 遞延稅項負債	(7,110)	(10,449)

As at 31 December 2013, other than the amount recognised in the consolidated financial statements, deferred tax has not been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the directors, it is not probable that these subsidiaries will distribute such unremitted earnings in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately RMB193,008,000 at 31 December 2013 (2012: RMB163,889,000).

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

於二零一三年十二月三十一日，除合併財務報表內已確認的金額外，並無就本集團在中國大陸成立的附屬公司須繳納預扣稅的未匯出盈利所應付的預扣稅確認遞延稅項。董事認為，該等附屬公司於可預見將來不大可能分派該等未匯出盈利。於二零一三年十二月三十一日，與於中國大陸附屬公司的投資有關而並無就此確認遞延稅項負債的暫時差額總值合共約為人民幣193,008,000元（二零一二年：人民幣163,889,000元）。

本公司向其股東派付股息並無附帶所得稅稅務後果。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 21. INVENTORIES

Raw materials	原材料
Work in progress	在製品
Finished goods	製成品

As at 31 December 2013, inventories with a carrying amount of RMB72,799,000 (2012: RMB52,302,000) were pledged to secure bank loans granted to the Group as set out in note 30(i).

### 22. TRADE AND NOTES RECEIVABLES

Trade receivables	應收貿易賬款
Notes receivable	應收票據
Impairment	減值

### 21. 存貨

31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
186,699	120,760
17,737	14,413
59,908	105,397
<b>264,344</b>	<b>240,570</b>

如附註30(i)所載，於二零一三年十二月三十一日，賬面值為人民幣72,799,000元（二零一二年：人民幣52,302,000元）的存貨已予抵押，作為本集團獲授銀行貸款的擔保。

### 22. 應收貿易賬款及應收票據

31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
115,469	145,896
48,299	73,561
(1,015)	(1,380)
<b>162,753</b>	<b>218,077</b>

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 22. TRADE AND NOTES RECEIVABLES (continued)

Customers are normally granted credit terms ranging from 30 days to 150 days depending on the creditworthiness of the individual customers. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

The Group's notes receivables were all aged within six months and were neither past due nor impaired.

An aged analysis of the Group's trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

Within 1 month	一個月內
1 to 2 months	一個月至兩個月
2 to 3 months	兩個月至三個月
Over 3 months	三個月以上

## 22. 應收貿易賬款及應收票據 (續)

客戶一般獲授予信貸期30天至150天，視乎個別客戶的信譽而定。本集團一直嚴格控制未收回應收款項，並設有信貸控制部以將信貸風險減至最低。高級管理層定期審閱逾期結餘。應收貿易賬款並不計息。

本集團的應收票據賬齡均為六個月內，並無逾期亦無減值。

於報告期末，本集團的應收貿易賬款按發票日分類並扣減撥備的賬齡分析如下：

31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
64,239	81,511
13,981	30,565
10,155	16,871
26,079	15,569
<b>114,454</b>	<b>144,516</b>

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 22. TRADE AND NOTES RECEIVABLES (continued)

The movements in the provision for impairment of trade receivables are as follows:

At 1 January	於一月一日
Impairment losses recognised	確認減值虧損
Amount written off as uncollectible	不可收回款項轉銷額
Impairment losses reversed	減值虧損轉回

Included in the above provision for impairment of trade receivables is a provision for individually impaired trade receivables of RMB1,015,000 (2012: RMB1,380,000) with a carrying amount before provision of RMB6,357,000 (2012: RMB2,951,000).

The impaired trade receivables relate to customers that were in financial difficulties and only a portion of the receivables is expected to be recovered.

The aged analysis of the trade receivables that are not individually nor collectively considered to be impaired is as follows:

Within 1 month	一個月內
1 to 2 months	一個月至兩個月
2 to 3 months	兩個月至三個月
Over 3 months	三個月以上

### 22. 應收貿易賬款及應收票據(續)

應收貿易賬款減值撥備變動如下:

31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
1,380	1,614
-	31
(231)	(260)
(134)	(5)
<b>1,015</b>	<b>1,380</b>

上述應收貿易賬款減值撥備包括個別減值的應收貿易賬款撥備人民幣1,015,000元(二零一二年:人民幣1,380,000元),撥備前賬面值為人民幣6,357,000元(二零一二年:人民幣2,951,000元)。

已減值應收貿易賬款與陷入財務困難的客戶有關,預計僅可收回部分應收款項。

並非個別或集體視為減值的應收貿易賬款的賬齡分析如下:

31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
99,496	133,884
2,164	5,406
5,821	2,272
1,631	1,383
<b>109,112</b>	<b>142,945</b>

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 22. TRADE AND NOTES RECEIVABLES (continued)

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

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment 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 carrying amount of the trade and notes receivables approximates to their fair value due to their short term maturity.

#### Notes receivable that are not derecognised in their entirety

At 31 December 2013, the Group endorsed certain notes receivable accepted by banks in the PRC (the "Endorsed Notes") with a carrying amount of RMB19,592,000 (31 December 2012: RMB10,996,000) to certain of its suppliers in order to settle the trade payables due to such suppliers (the "Endorsement"). In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to these Endorsed Notes, and accordingly, it continued to recognise the full carrying amounts of the Endorsed Notes and the associated trade payables settled. Subsequent to the Endorsement, the Group does not retain any rights on the use of the Endorsed Notes, including sale, transfer or pledge of the Endorsed Notes to any other third parties. The aggregate carrying amount of the trade payables settled by the Endorsed Notes to which the suppliers have recourse is RMB19,592,000 (31 December 2012: RMB10,996,000) as at 31 December 2013.

### 22. 應收貿易賬款及應收票據 (續)

既未逾期也未減值的應收款項與數目眾多的多元化客戶有關，該等客戶近期沒有違約歷史。

已逾期但未減值的應收款項與多名獨立客戶有關，該等客戶與本集團有良好的過往記錄。根據以往經驗，本公司董事認為無需對該等結餘作減值撥備，因為信貸質素無顯著變化且該等結餘仍被認為可以全部收回。

由於到期日短，故應收貿易賬款及應收票據的賬面值與其公允價值相若。

#### 並無全數終止確認的應收票據

於二零一三年十二月三十一日，本集團向其若干供應商背書若干由中國的銀行接納的應收票據（「經背書票據」），賬面值為人民幣19,592,000元（二零一二年十二月三十一日：人民幣10,996,000元），以結清應付該等供應商的應付貿易賬款（「背書」）。董事認為，本集團仍保留重大風險及回報，包括有關該等經背書票據的違約風險，故本集團繼續確認經背書票據及相關已結清應付貿易賬款的全部賬面值。於背書後，本集團並無保留任何使用經背書票據的權利，包括向任何其他第三方出售、轉讓或質押經背書票據。以供應商具有追索權的經背書票據結清的應付貿易賬款於二零一三年十二月三十一日的賬面總值為人民幣19,592,000元（二零一二年十二月三十一日：人民幣10,996,000元）。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 22. TRADE AND NOTES RECEIVABLES (continued)

#### Notes receivable that are derecognised in their entirety

At 31 December 2013, the Group endorsed certain notes receivable accepted by banks in the PRC (the "Derecognised Notes") to certain of its suppliers in order to settle the trade payables due to such suppliers with a carrying amount in aggregate of RMB49,790,000 (31 December 2012: RMB13,540,000). The Derecognised Notes had a maturity from one to six months at the end of the reporting period. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Notes have a right of recourse against the Group if the PRC banks default (the "Continuing Involvement"). In the opinion of the directors, the Group has transferred substantially all risks and rewards relating to the Derecognised Notes. Accordingly, it has derecognised the full carrying amounts of the Derecognised Notes and the associated trade payables. The maximum exposure to loss from the Group's Continuing Involvement in the Derecognised Notes and the undiscounted cash flows to repurchase these Derecognised Notes equal to their carrying amounts. In the opinion of the directors, the fair values of the Group's Continuing Involvement in the Derecognised Notes are not significant.

The Group has not recognised any gain or loss on the date of transfer of the Derecognised Notes in 2013 (2012: Nil). No gains or losses were recognised from the Continuing Involvement, both during the year or cumulatively. The Endorsement has been made evenly throughout the year.

### 22. 應收貿易賬款及應收票據 (續)

#### 全數終止確認的應收票據

於二零一三年十二月三十一日，本集團向其若干供應商背書若干由中國的銀行接納的應收票據（「終止確認票據」），賬面總值為人民幣49,790,000元（二零一二年十二月三十一日：人民幣13,540,000元），以結清應付該等供應商的應付貿易賬款。終止確認票據由報告期末起計一至六個月內到期。根據中國票據法，終止確認票據的持有人有權於中國的銀行違約時提出追索（「持續參與」）。董事認為，本集團已轉移有關終止確認票據的絕大部分風險及回報。因此，本集團已終止確認終止確認票據及相關應付貿易賬款的全部賬面值。本集團持續參與終止確認票據及購回該等終止確認票據的未折現現金流量的最高損失風險相等於有關賬面值。董事認為，本集團持續參與終止確認票據的公允價值並不重大。

於二零一三年，本集團並未於終止確認票據當日確認任何收益或虧損（二零一二年：無）。本集團於年內或累計並無確認持續參與的任何收益或虧損。背書乃於年內平均作出。



# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 23. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Prepayments	預付款
Prepaid land lease payment due within one year	於一年內到期的 土地租賃預付款項
Deposits and other receivables	押金及其他應收款項

The above balances are unsecured and non-interest-bearing and have no fixed terms of repayment.

None of the above assets is either past due or impaired. The financial assets included in the above balances related to receivables for which there was no recent history of default.

The carrying amount of prepayments, deposits and other receivables approximates to their fair value due to their short term maturity.

## 24. AMOUNT DUE TO AN ASSOCIATE

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## 23. 預付款、押金及其他應收款項

31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
5,464	25,577
1,392	859
27,060	16,957
<b>33,916</b>	<b>43,393</b>

上述結餘為無抵押、不計息及無固定還款期。

上述資產既未逾期亦無減值。計入上述結餘的金融資產與近期並無拖欠記錄的應收款項有關。

由於到期日短，故預付款、押金及其他應收款項的賬面值與其公允價值相若。

## 24. 應付一間聯營公司款項

31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
-	55

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 25. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

The balances with subsidiaries as at each year end are non-trade in nature, unsecured, repayable on demand and interest-free, and their carrying amount approximates to their fair value.

### 26. DERIVATIVE FINANCIAL INSTRUMENTS

Assets:

Foreign exchange forward  
contracts – current

資產：

外匯遠期合約  
— 即期

The Group uses forward currency contracts to manage some of its transaction exposures. These currency forward contracts are not designated as cash flow, fair value or net investment hedges and are entered into for periods consistent with currency transaction exposures, generally from one to twelve months. These contracts will mature within 2014.

The derivatives are measured at fair value as at 31 December 2013.

### 25. 應收／（應付）附屬公司款項

於各年末，與附屬公司的結餘屬非貿易性質，為無抵押、按要求償還及免息，且其賬面值與其公允價值相若。

### 26. 衍生金融工具

31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
<b>7,819</b>	<b>68</b>

本集團使用遠期貨幣合約管理其部分交易風險。該等貨幣遠期合約未指定為現金流量、公允價值或淨投資對沖，而訂立的期間與貨幣交易風險一致（一般為一至十二個月）。該等合約將於二零一四年內到期。

於二零一三年十二月三十一日，衍生工具按公允價值計量。

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 27. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

## 27. 現金及現金等價物以及已抵押存款

		Group 本集團		Company 本公司	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Cash and bank balances	現金及銀行結餘	270,323	199,543	2,467	2,064
Time deposits	定期存款	-	-	-	-
		<b>270,323</b>	199,543	<b>2,467</b>	2,064
Less: Pledged deposits for bank loans	減：已就銀行貸款 抵押的存款	(37,802)	(35,900)	-	-
Pledged deposits for notes payable	已就應付票據 抵押的存款	(30,823)	-	-	-
Cash and cash equivalents	現金及現金等價物	<b>201,698</b>	163,643	<b>2,467</b>	2,064

At 31 December 2013, the Group's pledged deposits with a net carrying amount of approximately RMB37,802,000 (2012: RMB35,900,000) were pledged to secure bank loans granted to the Group as set out in note 30(i), and the rest of RMB30,823,000 (2012: Nil) were pledged to secure notes payable.

如附註30(i)所載，於二零一三年十二月三十一日，本集團賬面淨值約人民幣37,802,000元（二零一二年：人民幣35,900,000元）的已抵押存款已予抵押，作為本集團獲授銀行貸款的擔保，其餘人民幣30,823,000元（二零一二年：無）亦已予抵押，作為應付票據的擔保。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 28. TRADE AND NOTES PAYABLES

An aged analysis of the trade and notes payables as at 31 December 2013, based on the payment due date, is as follows:

Due within 1 month or on demand	一個月內到期或於要求時償還
Due after 1 month but within 3 months	一個月以後但三個月內到期
Due after 3 months but within 6 months	三個月以後但六個月內到期
Due after 6 months but within 12 months	六個月以後但十二個月內到期

The above balances are unsecured and non-interest-bearing. The carrying amount of trade and notes payables at the end of each reporting period approximates to their fair value due to their short term maturity.

### 29. OTHER PAYABLES AND ACCRUALS

Advances from customers	客戶墊款
Accruals	預提費用
Other payables	其他應付款項

### 28. 應付貿易賬款及應付票據

於二零一三年十二月三十一日，按付款到期日分類的應付貿易賬款及應付票據賬齡分析如下：

31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
89,852	30,001
25,618	10,597
249	2,588
183	–
<b>115,902</b>	<b>43,186</b>

上述結餘為無抵押及不計息。於各報告期末，由於到期日短，故應付貿易賬款及應付票據的賬面值與其公允價值相若。

### 29. 其他應付款項及預提費用

Group 本集團		31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
		10,457	5,027
		3,217	2,274
		23,728	36,205
		<b>37,402</b>	<b>43,506</b>

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 29. OTHER PAYABLES AND ACCRUALS (continued)

## 29. 其他應付款項及預提費用 (續)

		Company 本公司	
		31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
Other payables	其他應付款項	<b>482</b>	-

The above balances are unsecured and non-interest-bearing. The carrying amount of other payables and accruals at the end of each reporting period approximates to their fair value due to their short term maturity.

上述結餘為無抵押及不計息。於各報告期末，由於到期日短，故其他應付款項及預提費用的賬面值與其公允價值相若。

## 30. INTEREST-BEARING BANK BORROWINGS

## 30. 計息銀行借貸

		Group 本集團					
		2013 二零一三年			2012 二零一二年		
		Effective interest rate (%) 實際利率 (%)	Maturity 到期	RMB'000 人民幣千元	Effective interest rate (%) 實際利率 (%)	Maturity 到期	RMB'000 人民幣千元
<b>Current</b>	<b>即期</b>						
Secured bank loans	有抵押銀行貸款	6.00	2014	176,200	6.00 – 6.72	2013	199,100
Unsecured bank loans	無抵押銀行貸款	4.67 – 4.69	2014	12,348	2.50 – 3.82	2013	16,584
<b>Subtotal</b>	<b>小計</b>			<b>188,548</b>			<b>215,684</b>
<b>Non-current</b>	<b>非即期</b>						
Secured bank loans	有抵押銀行貸款	7.36	2018	50,000			-
<b>Total</b>	<b>總計</b>			<b>238,548</b>			<b>215,684</b>

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 30. INTEREST-BEARING BANK BORROWINGS

(continued)

### 30. 計息銀行借貸(續)

		Group 本集團	
		31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
Analysed into:	分析:		
Bank loans repayable:	應償還銀行貸款:		
Within one year	一年內	188,548	215,684
In the second year	第二年	-	-
In the third to fifth years, inclusive	第三至第五年(包括首尾兩年)	-	-
Beyond five years	五年以上	50,000	-
		<b>238,548</b>	<b>215,684</b>

Note:

- (i) As at 31 December 2013, the current interest-bearing bank borrowings with carrying amount of RMB176,200,000 were secured by certain property, plant and equipment, prepaid land lease payments, inventories and pledged deposits of the Group with carrying amounts of RMB44,532,000 (2012: RMB43,770,000), RMB27,324,000 (2012: RMB28,031,000), RMB72,799,000 (2012: RMB52,302,000) and RMB37,802,000 (2012: RMB35,900,000), respectively.
- (ii) As at 31 December 2013, the non-current interest-bearing bank borrowings with carrying amount of RMB50,000,000 were secured by certain property, plant and equipment with carrying amounts of RMB14,540,000 (2012: Nil).

附註:

- (i) 於二零一三年十二月三十一日，賬面值為人民幣176,200,000元的即期計息銀行借貸以本集團賬面值分別為人民幣44,532,000元(二零一二年:人民幣43,770,000元)、人民幣27,324,000元(二零一二年:人民幣28,031,000元)、人民幣72,799,000元(二零一二年:人民幣52,302,000元)及人民幣37,802,000元(二零一二年:人民幣35,900,000元)的若干物業、廠房及設備、土地租賃預付款項、存貨及已抵押存款作抵押。
- (ii) 於二零一三年十二月三十一日，賬面值為人民幣50,000,000元的非即期計息銀行借貸以賬面值為人民幣14,540,000元(二零一二年:無)的若干物業、廠房及設備作抵押。

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 30. INTEREST-BEARING BANK BORROWINGS

(continued)

The carrying amount of the current interest-bearing bank loans of the Group approximates to their fair value due to their short term maturity.

The fair values of the non-current interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing bank borrowings as at 31 December 2013 was assessed to be insignificant. Management has assessed that the carrying amount of the non-current interest-bearing bank loans of the Group approximates to the fair value due to its floating interest rate.

## 31. ISSUED CAPITAL Group and Company

Authorised:

Ordinary shares of HK\$0.01 each

每股面值0.01港元的普通股

## 30. 計息銀行借貸 (續)

由於到期日短，故本集團即期計息銀行貸款的賬面值與其公允價值相若。

非即期計息銀行借貸的公允價值按適用於具有類似條款、信貸風險及剩餘年期的工具的現行利率折現預期未來現金流量計算。於二零一三年十二月三十一日，本集團本身對計息銀行借貸的不履約風險被評定為並不重大。按管理層的評估，本集團的非即期計息銀行貸款由於按浮動利率計息，故其賬面值與其公允價值相若。

## 31. 已發行股本 本集團及本公司

法定：

### The Group and the Company 本集團及本公司

2013 二零一三年		2012 二零一二年	
Number of shares 股份數目	Amount HK\$'000 金額 千港元	Number of shares 股份數目	Amount HK\$'000 金額 千港元
3,000,000,000	30,000	3,000,000,000	30,000

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 31. ISSUED CAPITAL (continued) Group and Company (continued)

Issued and fully paid:

At 1 January and 31 December 於一月一日及十二月三十一日

Number of shares 股份數目	2013 二零一三年		Number of shares 股份數目	2012 二零一二年	
	Amount 金額			Amount 金額	
	HK\$'000	RMB'000 equivalent		HK\$'000	RMB'000 equivalent
	千港元	人民幣千元 (等值)		千港元	人民幣千元 (等值)
631,600,000	6,316	6,345	626,140,000	6,261	6,301

The 5,460,000 share options exercised at a subscription price of HK\$0.40 per share during the year resulted in the issue of 5,460,000 ordinary shares of the Company and new share capital of HK\$54,600 equivalent to RMB44,000, and share premium of HK\$3,893,000, equivalent to RMB3,226,000 (before issue expenses), as further detailed in note 32 to the financial statements.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

### 32. 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. Eligible participants of the Scheme include the Company's directors, including independent non-executive directors, and other employees of the Group in the Company's subsidiaries. The Scheme became effective on 15 November 2006 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

### 31. 已發行股本 (續) 本集團及本公司 (續)

已發行及繳足:

年內，5,460,000份購股權以每股0.40港元的認購價獲行使，導致發行5,460,000股本公司普通股，並產生新股本54,600港元（相等於人民幣44,000元）及股份溢價3,893,000港元（相等於人民幣3,226,000元）（未計發行開支），進一步詳情載於財務報表附註32。

普通股持有人有權收取不時宣派的股息及有權於本公司股東大會上按每股一票的比例投票。所有普通股於本公司剩餘資產方面享有同等地位。

### 32. 購股權計劃

本公司設有一項購股權計劃（「計劃」），乃為對本集團業務成功作出貢獻的合資格參與人提供激勵及獎賞而設。計劃的合資格參與人包括本公司董事（包括獨立非執行董事）及隸屬於本公司附屬公司的本集團其他僱員。計劃自二零零六年十一月十五日起生效，除非被取消或修訂，否則將自該日起計十年有效。



# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 32. SHARE OPTION SCHEME (continued)

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors.

The offer of a grant of share options may be accepted within 21 days from the date of offer, upon payment of a nominal consideration of HK\$0.01 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a vesting period of one to three years and ends on a date which is not later than five years from the date of offer of the share options or the expiry date of the Scheme, if earlier.

The exercise price of share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of offer of the share options; and (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of offer; and (iii) the nominal value of the share.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

## 32. 購股權計劃 (續)

根據計劃現時獲准授出的未行使購股權的最高數目，數額於行使時相等於本公司於任何時間已發行股份的10%。根據計劃內每名合資格參與人獲授的購股權而可予發行的最高股份數目，於任何十二個月期間內不可超過本公司於任何時間已發行股份的1%。授出超過此限的購股權須經股東於股東大會上批准。

授予本公司董事、主要行政人員或主要股東或彼等任何聯繫人的購股權須經獨立非執行董事事先批准。

授出購股權的要約可於提呈日期起計21日內由承授人支付名義代價合共0.01港元接納。授出的購股權的行使期由董事決定，並於一至三年歸屬期後開始，且於不遲於提呈購股權日期起五年內任何日子或計劃屆滿日期終止（以較早者為準）。

購股權行使價由董事釐定，惟不能低於下列各項的最高者：(i)於提呈購股權日期本公司股份於聯交所的收市價；及(ii)緊接提呈日期前五個交易日本公司股份於聯交所的平均收市價；及(iii)股份面值。

購股權並無賦予持有人收取股息或於股東大會上投票的權利。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 32. SHARE OPTION SCHEME (continued)

The following share options were outstanding under the Scheme during the year:

At 1 January	於一月一日
Exercised during the year	年內行使
At 31 December	於十二月三十一日

The weighted average share price at the date of exercise for share options exercised during the year was HK\$1.34 per share (2012: HK\$0.750).

As of 31 December 2013, all share option were exercised.

2012

<b>Number of options</b>
購股權數目
'000
千份
5,460
<hr/>
<u>5,460</u>

<b>Exercise price</b>
行使價
HK\$ per share
每股港元
0.400

**Exercise period**  
行使期

9 July 2013 to 8 July 2015  
二零一三年七月九日至二零一五年七月八日

### 32. 購股權計劃(續)

年內，計劃項下尚未行使的購股權如下：

2013 二零一三年		2012 二零一二年	
Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
加權平均行使價	購股權數目	加權平均行使價	購股權數目
HK\$ per share	'000	HK\$ per share	'000
每股港元	千份	每股港元	千份
0.400	5,460	0.400	9,100
0.400	(5,460)	0.400	(3,640)
0.400	-	0.400	5,460

年內已行使購股權於行使日期的加權平均股價為每股1.34港元(二零一二年：0.750港元)。

於二零一三年十二月三十一日，購股權已悉數獲行使。

二零一二年

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 32. SHARE OPTION SCHEME (continued)

No share options were granted during the year (2012: Nil). The Group recognised a share option expense of HK\$325,000, equivalent to RMB257,000 (2012: RMB771,000) during the year ended 31 December 2013.

The fair value of equity-settled share options granted was estimated as at the date of grant, using a binomial tree model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

	Share options granted on 17 August 2010
Dividend yield (%)	2.1
Spot stock price (HK\$ per share)	0.57
Historical volatility (%)	69.32
Risk-free interest rate (%)	1.01
Exercise multiple	2.5
Weighted average share price (HK\$ per share)	0.400

No other feature of the options granted was incorporated into the measurement of fair value.

The 5,460,000 share options exercised during the year resulted in the issue of 5,460,000 ordinary shares of the Company and new share capital of HK\$54,600 equivalent to RMB44,000, and share premium of HK\$3,893,000, equivalent to RMB3,226,000 (before issue expenses), as further detailed in notes 31 and 33 to the financial statements.

At the end of the reporting period and at the date of approval of these financial statements, the Company had no share options outstanding under the Scheme.

## 32. 購股權計劃 (續)

年內並無授出任何購股權 (二零一二年：無)。截至二零一三年十二月三十一日止年度，本集團已確認購股權開支325,000港元，相等於人民幣257,000元 (二零一二年：人民幣771,000元)。

已授出的以權益結算購股權的公允價值乃於授出日期利用二項式樹狀模型估計，當中已考慮授出購股權的條款及條件。下表列出所用模型的輸入值：

	於二零一零年 八月十七日 授出的購股權
股息率 (%)	2.1
現貨股價 (每股港元)	0.57
歷史波幅 (%)	69.32
無風險利率 (%)	1.01
行使倍數	2.5
加權平均股價 (每股港元)	0.400

於計算公允價值時並無計及已授出購股權的其他特性。

5,460,000份購股權於年內獲行使，導致發行5,460,000股本公司普通股，並產生新股本54,600港元 (相等於人民幣44,000元) 及股份溢價3,893,000港元 (相等於人民幣3,226,000元) (未計發行開支)，進一步詳情載於財務報表附註31及33。

於報告期末及於該等財務報表獲批准日期，本公司並無尚未根據計劃行使的購股權。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 33. RESERVES

#### (a) Group

The changes in the reserves of the Group during the year have been disclosed in the consolidated statement of changes in equity of the Group.

#### Merger reserve

Merger reserve represents the difference between the shareholders' total capital contributions to Hong Kong Kingdom over the nominal value of the shares issued by the Company in exchange thereof as at the date of a reorganisation (the "Reorganisation") of the Group to rationalise the group structure in preparation for the listing of the Company's shares on the Stock Exchange. Details of the Reorganisation are set out in the prospectus of the Company dated 30 November 2006.

#### PRC statutory reserve

#### General reserve fund

The subsidiaries in Mainland China are required to transfer at least 10% of their profit after taxation, as determined under the PRC accounting regulations, to the general reserve fund until the reserve balance reaches 50% of their respective registered capital. The transfer to this reserve must be made before the distribution of dividends to shareholders.

The general reserve fund can be used to make good losses and convert into share capital by the issue of new shares to shareholders in proportion to their existing equity holdings.

#### Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of overseas subsidiaries.

#### Share option reserve

Details of the Company's share option scheme and the share options issued under the Scheme are included in note 32 to the financial statements.

### 33. 儲備

#### (a) 本集團

年內本集團儲備變動已於本集團合併權益變動表內披露。

#### 合併儲備

合併儲備指為籌備本公司股份於聯交所上市，本集團進行重組（「重組」）以精簡集團架構當日，香港金達的股東出資總額與本公司為交換而發行的股份面值的差額。重組詳情載於本公司日期為二零零六年十一月三十日的招股章程內。

#### 中國法定儲備

#### 一般儲備金

中國大陸的附屬公司須提撥其按中國會計規章釐定的除稅後溢利最少10%至一般儲備金，直至儲備結餘達到其各自註冊資本的50%為止。提撥此儲備須於分派股息予股東前進行。

一般儲備金可用作補償虧損及以按股東現有持股比例向其發行新股份的方式轉換為股本。

#### 匯兌儲備

匯兌儲備包括換算海外附屬公司財務報表所產生的所有匯兌差額。

#### 購股權儲備

本公司購股權計劃及根據計劃發行的購股權的詳情載於財務報表附註32。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 33. RESERVES (continued)

#### (a) Group (continued)

##### Share premium

The application of the share premium account is governed by the Companies Law of the Cayman Islands. Under the Companies Law of the Cayman Islands, the funds in share premium account are distributable to shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay its debts as they fall due in the ordinary course of business.

#### (b) Company

### 33. 儲備 (續)

#### (a) 本集團 (續)

##### 股份溢價

股份溢價賬的應用受開曼群島公司法監管。根據開曼群島公司法，倘緊隨建議分派股息日期後，本公司能夠於日常業務過程中清還到期債務，則股份溢價賬中的基金可分派予本公司股東。

#### (b) 本公司

		Share premium	Contributed surplus	Share option reserve	(Accumulated losses)/ retained profits (累計虧損)/	Total
		股份溢價 RMB'000 人民幣千元	繳入盈餘 RMB'000 人民幣千元	購股權儲備 RMB'000 人民幣千元	保留溢利 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2012	於二零一二年一月一日	268,001	370,213	1,542	(34,070)	605,686
Issue of share capital	發行股本	2,180	-	(1,028)	-	1,152
Profit for the year	年內溢利	-	-	-	37,125	37,125
Equity-settled share option arrangements	以權益結算購股權安排	-	-	771	-	771
Proposed final 2012 dividend	建議二零一二年末期股息	-	-	-	(35,537)	(35,537)
At 31 December 2012 and 1 January 2013	於二零一二年十二月三十一日及二零一三年一月一日	270,181	370,213	1,285	(32,482)	609,197
Issue of share capital	發行股本	3,226	-	(1,542)	-	1,684
Profit for the year	年內溢利	-	-	-	35,609	35,609
Equity-settled share option arrangements	以權益結算購股權安排	-	-	257	-	257
Proposed final 2013 dividend	建議二零一三年末期股息	-	-	-	(37,242)	(37,242)
At 31 December 2013	於二零一三年十二月三十一日	273,407	370,213	-	(34,115)	609,505

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 33. RESERVES (continued)

#### (b) Company (continued)

Contributed surplus

Contributed surplus represents the excess of the fair value of the shares of Kingdom Group Holdings Limited at the date of the Reorganisation over the nominal value of the shares issued by the Company in exchange thereof.

### 34. OPERATING LEASE COMMITMENTS

#### (a) As lessor

The Group leases its investment property (note 15 to the financial statements) under operating lease arrangements, with leases negotiated for terms of ten months. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 31 December 2013, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

Less than one year	一年內
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### 33. 儲備 (續)

#### (b) 本公司 (續)

繳入盈餘

繳入盈餘指於重組日期金達集團控股有限公司股份的公允價值超出本公司為交換而發行的股份面值的數額。

### 34. 經營租賃承擔

#### (a) 作為出租人

本集團根據經營租賃安排租賃其投資物業 (財務報表附註15)，該等租賃經磋商的年期為十個月。此等租賃的條款一般亦規定租戶支付保證金及訂明可根據當時的市況定期對租金作出調整。

於二零一三年十二月三十一日，本集團根據與租戶訂立的不可撤銷經營租賃有以下年期內的未來最低租賃應收款項總額：

31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
<b>34</b>	—
<b>34</b>	—

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 34. OPERATING LEASE COMMITMENTS (continued)

### (b) As lessee

The Group leases certain of its office properties and warehouse properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from three to five years, and those for office equipment are for terms ranging between two and five years.

Non-cancellable operating lease rentals were payable as follows:

Less than one year	一年內
Between one and five years	一年後但五年內

The Group leases certain properties located in Mainland China and Italy as the Group's offices. The leases run for an initial period of three to five years.

## 34. 經營租賃承擔(續)

### (b) 作為承租人

本集團根據經營租賃安排租用其若干辦公室物業及倉庫物業。該等物業的租賃經磋商的年期介乎三年至五年，而辦公室設備的租賃期則介乎兩年至五年。

不可撤銷經營租賃租金於以下年期應付：

31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
2,312	1,981
3,458	200
<b>5,770</b>	<b>2,181</b>

本集團在中國大陸及意大利租用若干物業作為本集團的辦公室，初始租賃期為三至五年。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 35. CAPITAL COMMITMENTS

Capital commitments in respect of the purchase of items of property, plant and equipment outstanding as at 31 December but not provided for in the financial statements were as follows:

Contracted for	已訂約
Authorised but not contracted for	已授權但未訂約

### 35. 資本承擔

有關購置物業、廠房及設備項目於十二月三十一日尚未支付但並未在財務報表內提撥準備的資本承擔如下：

31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
79,505	80,526
-	-
<b>79,505</b>	<b>80,526</b>

### 36. RELATED PARTY TRANSACTIONS

#### (a) Transactions with the company controlled by one of the Company's directors and an associate of the Group

- During the year ended 31 December 2013, the Group leased an office located in Mainland China from Zhejiang Kingdom Creative Co., Ltd. ("Kingdom Creative") and incurred operating lease charges of RMB200,000 (2012: RMB200,000). Mr. Ren Wei Ming, has a controlling equity interest in Kingdom Creative.
- During the year ended 31 December 2013, the Group paid commission expenses to Huaning Flax totalling RMB Nil (2012: RMB16,000) and a warehouse rental fee of RMB144,000 (2012: RMB55,000). Huaning Flax is an associate of the Group.

The lease and commission expenses were made according to published prices and conditions offered by the lessor, the service provider or to the major customers of the Group.

### 36. 關連方交易

#### (a) 與由本公司一名董事控制的公司以及與本集團一間聯營公司進行的交易

- 於截至二零一三年十二月三十一日止年度，本集團向浙江金達創業股份有限公司（「金達創業」）租用一個位於中國大陸的辦公室，所產生的經營租賃費用為人民幣200,000元（二零一二年：人民幣200,000元）。任維明先生擁有金達創業的控股權。
- 於截至二零一三年十二月三十一日止年度，本集團向華凝亞麻支付佣金費用合共人民幣零元（二零一二年：人民幣16,000元）及倉庫租金費用人民幣144,000元（二零一二年：人民幣55,000元）。華凝亞麻為本集團的聯營公司。

租賃及佣金費用根據由出租人及服務供應商提供或向本集團主要客戶提供的已公佈價格及條件作出。



# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 36. RELATED PARTY TRANSACTIONS (continued)

### (b) Compensation of key management personnel of the Group

Short term employee benefits	短期僱員福利
Post-employment benefits	離職後福利
Equity-settled share option expense	以權益結算購股權開支

Further details of directors' and the chief executive's emoluments are included in note 8 to the financial statements.

The related party transactions in respect of note (a) above also constitute connected transactions as defined in Chapter 14A of the Listing Rules.

As disclosed in the consolidated statements of financial position, the Group had no outstanding balance with an associate (2012: RMB55,000) as at the end of the reporting period. The balance due to an associate as at 31 December 2012 was unsecured, interest-free and repayable on demand.

## 36. 關連方交易 (續)

### (b) 本集團主要管理人員的補償

2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
3,370	3,397
105	90
17	51
<b>3,492</b>	<b>3,538</b>

董事及主要行政人員酬金的進一步詳情載於財務報表附註8。

上文附註(a)涉及的關連方交易亦構成關連交易(定義見上市規則第14A章)。

如合併財務狀況表所披露,於報告期末,本集團並無尚未償還一間聯營公司的結餘(二零一二年:人民幣55,000元)。於二零一二年十二月三十一日,應付一間聯營公司的結餘為無抵押、免息及按要求償還。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 37. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2013

#### Financial assets

#### 金融資產

Trade and notes receivables	應收貿易賬款及應收票據
Financial assets included in prepayments, deposits and other receivables	金融資產(計入預付款、押金及其他應收款項)
Cash and cash equivalents	現金及現金等價物
Pledged deposits	已抵押存款
Financial assets at fair value through profit/(loss)	按公允價值計入溢利/(虧損)的金融資產

#### Financial liabilities

#### 金融負債

Interest-bearing bank loans	計息銀行貸款
Trade and notes payables	應付貿易賬款及應付票據
Dividend payable	應付股息
Financial liabilities included in other payables and accruals	金融負債 (計入其他應付款項及預提費用)

### 37. 按類別分類的金融工具

於報告期末，各類別金融工具的賬面值如下：

二零一三年

Loans and receivables	Group 本集團 Financial assets at fair value through profit or loss 按公允價值 計入損益的 金融資產 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
162,753	-	162,753
27,060	-	27,060
201,698	-	201,698
68,625	-	68,625
-	7,819	7,819
<b>460,136</b>	<b>7,819</b>	<b>467,955</b>

#### Group 本集團 Financial liabilities at amortised cost 按攤銷成本入賬 的金融負債 RMB'000 人民幣千元

238,548
115,902
167
<b>26,945</b>
<b>381,562</b>

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 37. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

(continued)

2012

Financial assets

金融資產

Trade and notes receivables  
Financial assets included in  
prepayments, deposits and  
other receivables  
Cash and cash equivalents  
Pledged deposits  
Financial assets at fair value  
through profit or loss

應收貿易賬款及應收票據  
金融資產(計入預付款、  
押金及其他應收款項)  
現金及現金等價物  
已抵押存款  
按公允價值計入損益的  
金融資產

		Group 本集團		Total 總計 RMB'000 人民幣千元
		Loans and receivables 貸款及 應收款項 RMB'000 人民幣千元	Financial assets at fair value through profit or loss 按公允價值 計入損益的 金融資產 RMB'000 人民幣千元	
		218,077	–	218,077
		16,957	–	16,957
		163,643	–	163,643
		35,900	–	35,900
		–	68	68
		<u>434,577</u>	<u>68</u>	<u>434,645</u>

Financial liabilities

金融負債

Interest-bearing bank loans  
Trade and notes payables  
Amount due to an associate  
Financial liabilities included in  
other payables and accruals

計息銀行貸款  
應付貿易賬款及應付票據  
應付一間聯營公司款項  
金融負債  
(計入其他應付款項及預提費用)

		Group 本集團
		Financial liabilities at amortized cost 按攤銷成本入賬 的金融負債 RMB'000 人民幣千元
		215,684
		43,186
		55
		<u>38,479</u>
		<u>297,404</u>

## 37. 按類別分類的金融工具(續)

於報告期末，各類別金融工具的賬面值如下：(續)

二零一二年

Group  
本集團

Financial assets  
at fair value  
through profit  
or loss

按公允價值  
計入損益的  
金融資產

RMB'000  
人民幣千元

Total  
總計  
RMB'000  
人民幣千元

218,077

–

218,077

16,957

–

16,957

163,643

–

163,643

35,900

–

35,900

–

68

68

434,577

68

434,645

Group  
本集團

Financial liabilities  
at amortized cost  
按攤銷成本入賬  
的金融負債  
RMB'000  
人民幣千元

215,684

43,186

55

38,479

297,404

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 37. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

(continued)

2013

#### Financial assets

Amounts due from subsidiaries  
Cash and cash equivalents

#### 金融資產

應收附屬公司款項  
現金及現金等價物

#### Financial liabilities

Other payables  
Dividend payables  
Amount due to a subsidiary

#### 金融負債

其他應付款項  
應付股息  
應付一間附屬公司款項

### 37. 按類別分類的金融工具 (續)

於報告期末，各類別金融工具的賬面值如下：(續)

二零一三年

Company 本公司	
Loans and receivables 貸款及應收款項	
RMB'000 人民幣千元	
	283,450
	2,467
	<u>285,917</u>

Company 本公司	
Financial liabilities at amortised cost 按攤銷成本入賬 的金融負債	
RMB'000 人民幣千元	
	482
	167
	4,967
	<u>5,616</u>

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 37. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

(continued)

2012

Financial assets

金融資產

Amounts due from subsidiaries

Cash and cash equivalents

Financial liabilities

Amount due to a subsidiary

### 37. 按類別分類的金融工具 (續)

於報告期末，各類別金融工具的賬面值如下：(續)

二零一二年

Company

本公司

Loans and

receivables

貸款及應收款項

RMB'000

人民幣千元

283,153

2,064

285,217

Company

本公司

Financial liabilities

at amortised cost

按攤銷成本入賬

的金融負債

RMB'000

人民幣千元

6,716

6,716

應收附屬公司款項

現金及現金等價物

金融負債

應付一間附屬公司款項

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

#### Group

#### Financial assets

Derivative financial instruments

#### 金融資產

衍生金融工具

### 38. 金融工具的公允價值及公允價值等級架構

本集團金融工具的賬面值及公允價值（其賬面值與公允價值合理相若者除外）如下：

#### 本集團

Carrying amounts 賬面值		Fair values 公允價值	
2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
<b>7,819</b>	68	<b>7,819</b>	68

Management has assessed that the fair values of cash and cash equivalents, trade and notes receivables, financial assets included in prepayments, deposits and other receivables, pledged deposits, current interest-bearing bank loans, trade and notes payables, amount due to an associate, dividend payable, financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments. The carrying amount of the non-current interest-bearing bank loans of the Group approximates to their fair value because the loans have a floating interest rate.

按管理層的評估，現金及現金等價物、應收貿易賬款及應收票據、金融資產（計入預付款、押金及其他應收款項）、已抵押存款、即期計息銀行貸款、應付貿易賬款及應付票據、應付一間聯營公司款項、應付股息、金融負債（計入其他應付款項及預提費用）的公允價值與其賬面值相若，主要由於該等工具的到期日短。本集團的非即期計息銀行貸款由於按浮動利率計息，故其賬面值與其公允價值相若。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The Group's corporate finance team headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the chief financial officer and the audit committee. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with AAA credit ratings. Derivative financial instruments, including forward currency contracts, are measured using valuation techniques similar to forward pricing and swap models, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves. The carrying amounts of forward currency contracts are the same as their fair values.

As at 31 December 2013, the marked to market value of the derivative asset position is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the financial instruments recognised at fair value.

### 38. 金融工具的公允價值及公允價值等級架構 (續)

以本集團財務經理為首的企業融資團隊負責釐定金融工具公允價值計量的政策及程序。企業融資團隊直接向財務總監及審核委員會匯報。於各報告日期，企業融資團隊分析金融工具的價值變動並釐定估值所採用的主要輸入值。估值由財務總監審閱及批准。估值過程及結果會與審核委員會每年討論兩次以進行中期及年度財務呈報。

金融資產及負債的公允價值按當前交易中雙方自願交換工具的金額入賬，惟強制或清算出售除外。

本集團與多個對手方（主要為具AAA信貸評級的金融機構）訂立衍生金融工具。衍生金融工具（包括遠期貨幣合約）乃採用與遠期定價及掉期模型類似的估值技巧計量（採用現值計算）。該等模型納入了多項不同的市場可觀察輸入值，包括對手方的信貸素質、外匯即期及遠期匯率與利率曲線。遠期貨幣合約的賬面值與其公允價值相同。

於二零一三年十二月三十一日，按市值標價的衍生資產狀況乃扣除涉及衍生工具對手方違約風險應佔的信貸評估調整。對手方信貸風險的變動對按公允價值確認的金融工具並無重大影響。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

#### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

#### Assets measured at fair value:

#### Group

Non-current interest-bearing bank borrowings	非即期計息銀行借貸
Financial assets at fair value through profit or loss – foreign exchange forward contracts	按公允價值計入損益的金融資產 — 外匯遠期合約

### 38. 金融工具的公允價值及公允價值等級架構 (續)

#### 公允價值等級架構

下表顯示本集團金融工具的公允價值計量等級架構：

#### 按公允價值計量的資產：

#### 本集團

#### Fair value measurement using 採用以下項目進行的公允價值計量

	Quoted prices In active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3
31 December 2013 二零一三年 十二月 三十一日 RMB'000 人民幣千元	於活躍市場 的報價 第一層 RMB'000 人民幣千元	重大可觀察 輸入值 第二層 RMB'000 人民幣千元	重大不可觀察 輸入值 第三層 RMB'000 人民幣千元
	50,000	–	50,000
	7,819	–	7,819
	<b>57,819</b>	<b>–</b>	<b>57,819</b>



# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

### Fair value hierarchy (continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments: (continued)

#### Assets measured at fair value: (continued)

#### Group (continued)

Financial assets at fair value through profit or loss – foreign exchange forward contracts	按公允價值計入損益的金融資產 —外匯遠期合約
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During the year ended 31 December 2013, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities other than derivatives comprise interest-bearing bank loans, trade and notes payables, dividend payable, an amount due to an associate and other payables. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as trade and notes receivables, prepayments, deposits and other receivables, pledged deposits and cash and cash equivalents that arise directly from its operations.

## 38. 金融工具的公允價值及公允價值等級架構 (續)

### 公允價值等級架構 (續)

下表顯示本集團金融工具的公允價值計量等級架構：(續)

#### 按公允價值計量的資產：(續)

#### 本集團 (續)

	Fair value measurement using 採用以下項目進行的公允價值計量		
	Quoted prices In active markets Level 1 於活躍市場 的報價 第一層 RMB'000 人民幣千元	Significant observable inputs Level 2 重大可觀察 輸入值 第二層 RMB'000 人民幣千元	Significant unobservable inputs Level 3 重大不可觀察 輸入值 第三層 RMB'000 人民幣千元
31 December 2012 二零一二年 十二月 三十一日 RMB'000 人民幣千元	68	-	68
	-	68	-

於截至二零一三年十二月三十一日止年度，公允價值計量在第一層及第二層之間概無轉移，亦無轉入第三層或自第三層轉出。

## 39. 財務風險管理目標及政策

本集團的主要金融負債(衍生工具除外)包括計息銀行貸款、應付貿易賬款及應付票據、應付股息、應付一間聯營公司款項及其他應付款項。該等金融負債主要目的是為本集團提供經營業務所需資金。本集團擁有多種不同的金融資產，如應收貿易賬款及應收票據、預付款、押金及其他應收款項、已抵押存款以及現金及現金等價物，乃直接因經營業務而產生。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

The Group also enters into derivative transactions, including principally forward currency contracts. The purpose is to manage the currency risks arising from the Group's operations and its sources of finance.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks which are summarised below. The Group's accounting policies in relation to derivatives are set out in note 2.4 to the financial statements.

#### Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing bank loans with floating interest rates. The Group does not use derivative financial instruments to hedge its interest rate risk.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax for the year (through the impact on the floating rate borrowings). The change in interest rates has no impact on the Group's and Company's equity excluding retained profits.

2013	二零一三年
RMB	人民幣
RMB	人民幣
2012	二零一二年
RMB	人民幣
RMB	人民幣

### 39. 財務風險管理目標及政策 (續)

本集團亦進行衍生工具交易，主要包括遠期貨幣合約，旨在管理本集團營運及其融資來源產生的貨幣風險。

本集團的金融工具產生的主要風險為利率風險、外幣風險、信貸風險及流動性風險。董事會檢討並協定下文概述管理各風險的政策。本集團有關衍生工具的會計政策載於財務報表附註2.4。

#### 利率風險

本集團的市場利率變動風險主要與本集團按浮動利率計息的銀行貸款有關。本集團並無使用衍生金融工具對沖其利率風險。

下表顯示當所有其他變數不變，本集團年內除稅前溢利對利率合理可能變動的敏感度（透過對浮動利率借貸的影響）。利率變動對本集團及本公司的權益（不包括保留溢利）並無影響。

Increase/ (decrease) in interest rate 利率 上升/(下跌)	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) RMB'000 人民幣千元
(1%)	96
1%	(96)
(1%)	84
1%	(84)

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has foreign currency sales and purchases and certain trade receivables, payables and bank balances that are denominated in US\$, Euros and HK\$, which are currencies other than the functional currency of the Group, and expose the Group to foreign currency risk.

The Group manages its foreign currency risk by entering into foreign currency forward contracts to hedge its exposure to fluctuations on the translation into RMB of its foreign operations of sales in US\$ and Euros, as described in note 26. It is the Group's policy to ensure that the net exposure is kept to an acceptable level by buying or selling foreign currencies at a fixed rate where necessary to address short term imbalances. The management will continue to monitor foreign exchange exposure and will continue to consider hedging significant foreign currency exposure by using financial instruments such as foreign currency forward contracts.

## 39. 財務風險管理目標及政策 (續)

### 外幣風險

外幣風險為因外幣匯率變動而導致金融工具的公允價值或未來現金流量波動的風險。本集團的外幣買賣、若干應收貿易賬款、應付款項及銀行結餘並非以本集團的功能貨幣列值，而以美元、歐元及港元列值，使本集團面對外幣風險。

如附註26所述，本集團透過訂立外匯遠期合約對沖其將海外業務以美元及歐元列值的銷售換算為人民幣時波動的風險，從而管理其外幣風險。本集團的政策為於有需要時透過按固定匯率買入或賣出外幣解決短期失衡，以確保風險淨額保持於可接受水平。管理層將繼續監控外匯風險，並繼續考慮透過使用金融工具（如外匯遠期合約）對沖重大外幣風險。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Foreign currency risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in the US\$, Euro and HK\$ exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives). The change in foreign currency exchange rate has no impact on the equity excluding retained profits.

Year ended 31 December 2013

If RMB weakens against US\$  
If RMB strengthens against US\$

截至二零一三年  
十二月三十一日止年度  
如人民幣兌美元轉弱  
如人民幣兌美元轉強

Year ended 31 December 2012

If RMB weakens against US\$  
If RMB strengthens against US\$

截至二零一二年  
十二月三十一日止年度  
如人民幣兌美元轉弱  
如人民幣兌美元轉強

### 39. 財務風險管理目標及政策 (續)

#### 外幣風險 (續)

下表顯示當所有其他變數不變，本集團除稅前溢利對美元、歐元及港元匯率合理可能變動的敏感度（由於貨幣資產及負債（包括外幣衍生工具）的公允價值變動）。外幣匯率變動對權益（不包括保留溢利）並無影響。

Increase/ (decrease) in foreign currency rate 外幣匯率 上升／(下跌) %	Increase/ (decrease) in profit before tax 除稅前溢利 增加／(減少) RMB'000 人民幣千元
5	6,982
(5)	(6,982)

Increase/ (decrease) in foreign currency rate 外幣匯率 上升／(下跌) %	Increase/ (decrease) in profit before tax 除稅前溢利 增加／(減少) RMB'000 人民幣千元
5	5,596
(5)	(5,596)

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### Foreign currency risk (continued)

## 39. 財務風險管理目標及政策 (續)

### 外幣風險 (續)

		Increase/ (decrease) in foreign currency rate 外幣匯率 上升/(下跌) %	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) RMB'000 人民幣千元
Year ended 31 December 2013	截至二零一三年 十二月三十一日止年度		
If RMB weakens against EUR	如人民幣兌歐元轉弱	5	4,007
If RMB strengthens against EUR	如人民幣兌歐元轉強	(5)	(4,007)
		<u>5</u>	<u>4,007</u>
		Increase/ (decrease) in foreign currency rate 外幣匯率 上升/(下跌) %	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) RMB'000 人民幣千元
Year ended 31 December 2012	截至二零一二年 十二月三十一日止年度		
If RMB weakens against EUR	如人民幣兌歐元轉弱	5	1,497
If RMB strengthens against EUR	如人民幣兌歐元轉強	(5)	(1,497)
		<u>5</u>	<u>1,497</u>

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Foreign currency risk (continued)

Year ended 31 December 2013

If RMB weakens against HK\$

If RMB strengthens against HK\$

截至二零一三年

十二月三十一日止年度

如人民幣兌港元轉弱

如人民幣兌港元轉強

### 39. 財務風險管理目標及政策 (續)

#### 外幣風險 (續)

Increase/ (decrease) in foreign currency rate 外幣匯率 上升/(下跌) %	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) RMB'000 人民幣千元
5	252
(5)	(252)

Increase/ (decrease) in foreign currency rate 外幣匯率 上升/(下跌) %	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) RMB'000 人民幣千元
5	129
(5)	(129)

Year ended 31 December 2012

If RMB weakens against HK\$

If RMB strengthens against HK\$

截至二零一二年

十二月三十一日止年度

如人民幣兌港元轉弱

如人民幣兌港元轉強

# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's credit risk is primarily attributable to trade and notes receivables and deposits and other receivables. Management has a credit policy in place and the exposures to credit risks are monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

Customer credit risk is managed subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed through credit verification procedures.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, pledged deposits with a maximum exposure equal to the carrying amounts of these instruments.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty. There are no significant concentrations of credit risk within the Group as the customers of the Group are widely dispersed.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade and notes receivables are disclosed in note 22 to the financial statements.

## 39. 財務風險管理目標及政策 (續)

### 信貸風險

信貸風險乃指因對手方將未能履行其於金融工具或客戶合約項下的責任而導致財務損失的風險。本集團的信貸風險主要來自應收貿易賬款及應收票據以及押金及其他應收款項。管理層已制訂信貸政策，並持續監控信貸風險。本集團對要求信貸高於若干金額的所有客戶進行信貸評估。

客戶信貸風險按本集團有關客戶信貸風險管理的既定政策、程序及監控進行管理。客戶的信貸質素透過信用核實程序進行評估。

本集團其他金融資產（包括現金及現金等價物、已抵押存款）最高的信貸風險相等於該等工具的賬面值。

由於本集團僅與獲認可且信譽良好的第三方進行交易，因此毋須收取抵押品。信貸集中風險乃按客戶／對手方管理。由於本集團的客戶廣泛分散，故本集團並無重大信貸集中風險。

有關本集團來自應收貿易賬款及應收票據的信貸風險的進一步量化數據於財務報表附註22披露。





# Notes to Consolidated Financial Statements 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### Liquidity risk (continued)

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on contractual undiscounted payments, was as follows: (continued)

#### Company

Other payables 其他應付款項  
Dividend payables 應付股息  
Amount due to a subsidiary 應付一間附屬公司款項

	As at 31 December 2013 於二零一三年十二月三十一日					Total 合計
	Less than 3 months 少於三個月	3 to 12 months 三至十二個月	1 to 5 years 一至五年	More than 5 years 多於五年		
On demand 按要求	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
	482	-	-	-	-	482
	167	-	-	-	-	167
	4,967	-	-	-	-	4,967
	<u>5,616</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,616</u>

Amount due to a subsidiary 應付一間附屬公司款項

	As at 31 December 2012 於二零一二年十二月三十一日					Total 合計
	Less than 3 months 少於三個月	3 to 12 months 三至十二個月	1 to 5 years 一至五年	More than 5 years 多於五年		
On demand 按要求	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
	6,716	-	-	-	-	6,716
	<u>6,716</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,716</u>

### Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustment to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the Group's objectives, policies or processes for managing capital during the years ended 31 December 2013 and 31 December 2012.

## 39. 財務風險管理目標及政策 (續)

### 流動性風險 (續)

下列為本集團於報告期末的金融負債到期情況 (按合約未折現付款) : (續)

#### 本公司

### 資本管理

本集團資本管理的首要目標為保障本集團持續經營的能力，並維持穩健的資本比率，以支持其業務及為股東爭取最大價值。

本集團管理其資本架構，並視乎經濟狀況的變動作出調整。為維持或調整資本架構，本集團可調整向股東派付的股息、向股東退還資本或發行新股份。於截至二零一三年十二月三十一日及二零一二年十二月三十一日止年度，本集團並無對資本管理的目標、政策或程序作出改變。

# Notes to Consolidated Financial Statements

## 合併財務報表附註

As at 31 December 2013 於二零一三年十二月三十一日

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Capital management (continued)

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt includes interest-bearing bank loans, trade and notes payables and other payables and accruals less cash and cash equivalents. Capital includes equity attributable to the owners of the parent. The gearing ratios as at the end of the reporting periods was as follows:

Interest-bearing bank loans	計息銀行貸款
Trade and notes payables	應付貿易賬款及應付票據
Amount due to an associate	應付一間聯營公司款項
Other payables and accruals	其他應付款項及預提費用
Less: Cash and cash equivalents	減：現金及現金等價物
Net debt	債務淨額
Total equity	權益總額
Capital and net debt	資本及債務淨額
Gearing ratio	負債比率

### 39. 財務風險管理目標及政策 (續)

#### 資本管理 (續)

本集團使用負債比率監控資本，負債比率界定為債務淨額除以資本總額加債務淨額。債務淨額包括計息銀行貸款、應付貿易賬款及應付票據以及其他應付款項及預提費用，減去現金及現金等價物。資本包括母公司擁有人應佔權益。於報告期末的負債比率如下：

31 December 2013 二零一三年 十二月三十一日 RMB'000 人民幣千元	31 December 2012 二零一二年 十二月三十一日 RMB'000 人民幣千元
238,548	215,684
115,902	43,186
-	55
37,402	43,506
(201,698)	(163,643)
190,154	138,788
889,975	822,879
1,080,129	961,667
18%	14%

### 40. EVENTS AFTER THE REPORTING PERIOD

On 14 March 2014, the board of directors of the Company proposed a final dividend of HK7.5 cents per ordinary share totalling approximately RMB37,242,000 for the year ended 31 December 2013, which is subject to the approval of the Company's shareholders at the forthcoming annual general meeting (note 12).

### 41. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 14 March 2014.

### 40. 報告期後事項

於二零一四年三月十四日，本公司董事會建議就截至二零一三年十二月三十一日止年度派發每股普通股7.5港仙的末期股息，合共約人民幣37,242,000元。股息須經本公司股東於應屆股東週年大會上批准（附註12）。

### 41. 批准合併財務報表

董事會已於二零一四年三月十四日批准及授權刊發本合併財務報表。



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