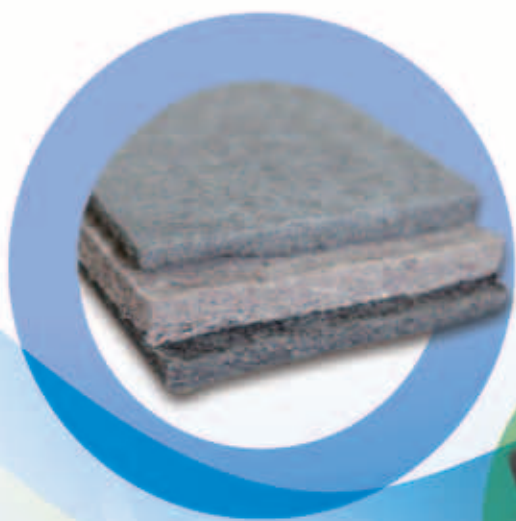




China Automotive Interior Decoration Holdings Limited 中國汽車內飾集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

GEM stock code: 8321
創業板股份代號 : 8321



2013
年報
Annual Report

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors of China Automotive Interior Decoration Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (“GEM Listing Rules”) for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)的特色

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

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

香港交易及結算所有限公司及聯交所對本公告的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本公告全部或任何部分內容而產生或因依賴該等內容而引致的任何損失承擔任何責任。

本公告的資料乃遵照香港聯合交易所有限公司創業板證券上市規則(「創業板上市規則」)而刊載，旨在提供有關中國汽車內飾集團有限公司(「本公司」)的資料；本公司的董事(「董事」)願就本公告的資料共同及個別地承擔全部責任。各董事在作出一切合理查詢後，確認就其所知及所信，本公告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成分，且並無遺漏任何其他事項，足以令致本公告或其所載任何陳述產生誤導。

CONTENTS

目錄



3	Corporate Information	公司資料
5	Chairman's Statement & Management Discussion and Analysis	主席報告及管理層討論及分析
13	Biographical Information of Directors and Senior Management	董事及高級管理層的履歷資料
17	Corporate Governance Report	企業管治報告
28	Directors' Report	董事會報告
37	Independent Auditors' Report	獨立核數師報告
39	Consolidated Statement of Profit or Loss and Other Comprehensive Income	綜合損益及其他全面收益表
41	Consolidated Statement of Financial Position	綜合財務狀況表
43	Statement of Financial Position	財務狀況表
44	Consolidated Statement of Changes in Equity	綜合權益變動表
45	Consolidated Statement of Cash Flows	綜合現金流量表
47	Notes to the Consolidated Financial Statements	綜合財務報表附註
132	Summary of Financial Information	財務資料概要

CORPORATE INFORMATION

公司資料

Executive Directors

Mr. Zhuang Yuejin (*Chairman*)
Mr. Pak Ping
Mr. Wong Ho Yin
Ms. Ruan Bixia (*retired on 20 May 2013*)
Mr. Ni Bin (*appointed on 31 May 2013 and resigned on 21 November 2013*)

Independent Non-Executive Directors

Mr. Mak Wai Ho
Mr. Feng Xueben
Ms. Sung Kwan Wun (*appointed on 19 August 2013*)
Dr. Tang Yanfei (*retired on 20 May 2013*)

Audit Committee

Mr. Mak Wai Ho (*Chairman*)
Mr. Feng Xueben
Ms. Sung Kwan Wun (*appointed on 19 August 2013*)
Dr. Tang Yanfei (*retired on 20 May 2013*)

Remuneration Committee

Mr. Mak Wai Ho (*Chairman*)
Mr. Zhuang Yuejin
Ms. Sung Kwan Wun (*appointed on 19 August 2013*)
Dr. Tang Yanfei (*retired on 20 May 2013*)

Nomination Committee

Mr. Zhuang Yuejin (*Chairman*)
Mr. Mak Wai Ho
Mr. Feng Xueben

Compliance Officer

Mr. Wong Ho Yin

Company Secretary

Mr. Wong Ho Yin

Authorised Representatives

Mr. Zhuang Yuejin
Mr. Wong Ho Yin

Auditors

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Registered Office

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

執行董事

莊躍進先生(*主席*)
白平先生
黃浩然先生
阮碧霞女士(*於二零一三年五月二十日退任*)
倪斌先生(*於二零一三年五月三十一日獲委任，並於二零一三年十一月二十一日辭任*)

獨立非執行董事

麥偉豪先生
馮學本先生
宋君媛女士(*於二零一三年八月十九日獲委任*)
湯炎非博士(*於二零一三年五月二十日退任*)

審核委員會

麥偉豪先生(*主席*)
馮學本先生
宋君媛女士(*於二零一三年八月十九日獲委任*)
湯炎非博士(*於二零一三年五月二十日退任*)

薪酬委員會

麥偉豪先生(*主席*)
莊躍進先生
宋君媛女士(*於二零一三年八月十九日獲委任*)
湯炎非博士(*於二零一三年五月二十日退任*)

提名委員會

莊躍進先生(*主席*)
麥偉豪先生
馮學本先生

監察主任

黃浩然先生

公司秘書

黃浩然先生

授權代表

莊躍進先生
黃浩然先生

核數師

國衛會計師事務所有限公司
香港執業會計師

註冊辦事處

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

CORPORATE INFORMATION (Continued)

公司資料(續)

Headquarter and Principal Place of Business in Hong Kong

Workshop Nos. 22-23,
6/F, Corporation Park,
11 On Lai Street, Shatin,
New Territories, Hong Kong

Principal Place of Business in the PRC

No. 28 Xinfeng Road, Xinfeng Industrial Park,
Fangqian Town New District,
Wuxi City, Jiangsu Province, the PRC

Cayman Islands Share Registrar and Transfer Office

Codan Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
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

Principal Banker

Industrial and Commercial Bank of China
Wuxi Xi Shan Sub-branch
Ying Bin North Road
Dong Ting Town
Xi Shan District
Wuxi City, the PRC

Company Website

www.joystar.com.hk

Stock Code

8321

總辦事處及香港主要營業地點

香港新界
沙田安麗街11號
企業中心6樓
22-23室

中國主要營業地點

中國江蘇省無錫市
新區坊前鎮
新豐工業園新風路28號

開曼群島股份過戶登記處

Codan Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

股份過戶登記處香港分處

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

主要往來銀行

中國工商銀行
無錫錫山支行
中國無錫市
錫山區
東亭鎮
迎賓北路

公司網站

www.joystar.com.hk

股份代號

8321

CHAIRMAN'S STATEMENT & MANAGEMENT DISCUSSION AND ANALYSIS

主席報告及管理層討論與分析

Dear Shareholders,

On behalf of the board of Directors (the "Board") of China Automotive Interior Decoration Holdings Limited (the "Company"), I am pleased to present the audited annual results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2013.

FINAL DIVIDEND

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2013.

BUSINESS REVIEW

The Group is principally engaged in the manufacture and sale of nonwoven fabric products used in automotive interior decoration parts and other parts, trading of rubber, garment accessories and food products.

Manufacture and sale of nonwoven fabric products

Manufacture and sale of nonwoven fabric products is the core business of the Group. The Group manufactures its products with single layer or multiple layers of nonwoven fabric in accordance with specific requirements and standards of different customers. Most of the customers of nonwoven fabric products are primary manufacturers and suppliers of automotive parts in the PRC. The majority of the Group's products are further processed by these customers in order to make different automotive parts such as floor, head lining, seat cover, parcel tray, trunk, luggage-side trim, hubcap and car-mat, which are of different characteristics and are to be applied for different usages in passenger vehicles.

According to the statistics released from China Association of Automobile Manufacturers ("CAAM"), the production and sales of passenger vehicles in the PRC were approximately 18,085,000 units and 17,928,000 units respectively during 2013, representing an increase of approximately 16.5% and 15.7%. These favorable growth in passenger vehicles market resulted in a stable demand for automotive interior decoration materials of the Group during 2013.

In addition, the Group's committed efforts in research and development in the use of new materials and improvement of production technologies yielded successful results in late 2012. Such efforts were carried on in the manufacturing process of the Group in 2013 and reduced some production cost during the year under review.

各位股東：

本人謹代表中國汽車內飾集團有限公司(「本公司」)董事會(「董事會」)欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一三年十二月三十一日止年度之經審核全年業績。

末期股息

董事不建議就截至二零一三年十二月三十一日止年度派付末期股息。

業務回顧

本集團主要從事製造及銷售用於汽車內飾件及其他部分的無紡布產品、買賣橡膠、成衣配件及食品。

製造及銷售無紡布產品

製造及銷售無紡布產品是本集團的主要業務。本集團根據不同客戶的特定要求及標準製造一層或多層無紡布產品。大部分無紡布產品的客戶為在中國的汽車配件主要製造商及供應商。本集團大部分產品均由該等客戶作進一步加工，以成為不同的汽車配件，如汽車主地毯面料、頂蓬面料、座椅面料、衣帽架面料、行李箱蓋毯面料、行李箱側毯面料、輪罩面料及汽車腳踏墊面料，各具不同特點，可應用於乘用車的不同用途。

根據中國汽車工業協會(「中國汽車工業協會」)公佈的數據，二零一三年期間中國乘用車的製造及銷售分別約為18,085,000台及17,928,000台，相當於約16.5%及15.7%的增長。該等於乘用車市場的有利增長於二零一三年期間為本集團的汽車內飾產品帶來穩定需求。

此外，本集團致力研發使用新材料以及提高生產技術，並於二零一二年底取得驕人的成果。該等努力亦延伸至本集團於二零一三年的製造過程，並減低回顧年度內部分生產成本。

Trading of rubber

The Group commenced its business of rubber trading since last quarter of 2012 and expanded the operation after the acquisition of entire business of synthetic and nature rubber trading on 26 March 2013. Operationally, the Group imported raw rubber and sold to customers and traders in the PRC. To manage the risk, the Group mainly carried out that business in back-to-back model. With solid business track records, the Group was already granted new banking facility to enhance the capital resources for the business growth of trading of rubber.

Diversification of business

It is the Group's objective to pursue its existing business and at the same time, to actively seek opportunities to diversify its existing business in order to reduce business risk. Since the second quarter of 2013, the Group has diversified into the business of trading of garment accessories, such as polyester tape and polyester string. Operationally, the Group mainly accepted sale orders in Hong Kong and acquired the garments accessories in the PRC.

The Group also diversified into the business of trading of food products but it still could not contribute positively to the financial result of the Group. After careful evaluation of that business, the Group downsized the operation in the fourth quarter of 2013.

FINANCIAL REVIEW

Revenue

The Group's revenue for the years ended 31 December 2013 and 2012 was illustrated as follows:

Nonwoven fabric for use in automobiles
 — Sales of automotive floor carpets
 — Sales of other automotive parts
 Sales of rubber
 Sales of garment accessories
 Sales of food products

用於汽車的無紡布
 — 汽車地毯的銷售
 — 其他汽車配件的銷售
 橡膠的銷售
 成衣配件的銷售
 食品的銷售

Year ended 31 December	
截至十二月三十一日止年度	
2013	2012
RMB'000	RMB'000
人民幣千元	人民幣千元
108,117	90,234
80,610	69,999
332,668	6,673
20,923	—
1,059	—
543,377	166,906

買賣橡膠

本集團自二零一二年最後一季起開始買賣橡膠業務，並於二零一三年三月二十六日收購合成及天然橡膠買賣的全部業務後擴展業務。在運作上，本集團入口生橡膠並向中國客戶及貿易商出售。為管理風險，本集團主要以背對背模式經營該業務。憑藉穩固的業務往績，本集團已獲授出新銀行融資額度，以提高用作買賣橡膠業務增長的資金資源。

多元化擴展業務

本集團旨在致力於其現有業務，同時積極尋求機會以多元化其現有業務，從而減低業務風險。自二零一三年第二季起，本集團已將其業務多元化，涉獵滌綸帶及滌綸繩等成衣配件買賣業務。在運作上，本集團主要於香港接受銷售訂單及於中國收購成衣配件。

本集團亦多元化業務以涉獵食品買賣業務惟其仍未能為本集團的財務業績帶來正面影響。於審慎評估該業務後，本集團於二零一三年第四季期間縮減該業務。

財務回顧

收入

截至二零一三年及二零一二年十二月三十一日止年度，本集團的收入顯示如下：

CHAIRMAN'S STATEMENT & MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

主席報告及管理層討論與分析(續)

For the year ended 31 December 2013, the Group's revenue increased to approximately RMB543.4 million, compared to approximately RMB166.9 million in 2012, representing an increase of approximately 225.6%. The increase in the Group's revenue was mainly attributable to the increase in demand of the Group's nonwoven products under the stable growth of production and sales of passenger vehicles in the PRC, the expansion of business of sales of rubber and the new contribution from the business of trading of garment accessories.

Gross profit

The gross profit of the Group increased by approximately RMB22.4 million from approximately RMB28.4 million in 2012 to approximately RMB50.8 million in 2013. The increase was mainly attributable to the growth of revenue of the Group and decrease in average cost of production of the business of manufacturing. The gross profit margin of business of trading is generally lower than the business of manufacturing. During the year under review, the gross profit margin of rubber trading was approximately 1%. Therefore the gross profit margin of the Group for the year ended 31 December 2013 decreased to approximately 9%.

Other income

The Group's other income increased by approximately RMB20.6 million from approximately RMB4.8 million for the year ended 31 December 2012 to approximately RMB25.4 million for the year ended 31 December 2013. The increase was mainly due to the unrealised gain on held-for-trading investments of approximately RMB20.1 million. Since 2012, the Group deployed financial resource to securities investment to achieve earnings in the form of capital appreciation and income from dividends. At 31 December 2013, the held-for-trading investments of approximately RMB27.1 million only comprised of securities from companies listed on the Stock Exchange of Hong Kong.

Selling and distribution costs

As the expansion of business of the Group, the selling and distribution costs increased by approximately RMB1.7 million from approximately RMB7.3 million in 2012 to approximately RMB9 million for the year ended 31 December 2013.

截至二零一三年十二月三十一日止年度，本集團的收入增至約人民幣543.4百萬元，二零一二年則為約人民幣166.9百萬元，相當於約225.6%的增長。本集團收入增加主要由於在中國乘用車的生產及銷售穩定增長致使本集團無紡布產品的需求增加、買賣橡膠業務擴展及成衣配件買賣業務所帶來的貢獻所致。

毛利

本集團的毛利由二零一二年約人民幣28.4百萬元增加約人民幣22.4百萬元至二零一三年約人民幣50.8百萬元。增加主要由於本集團收入增加及製造業務的平均生產成本下降所致。買賣業務的毛利率普遍低於製造業務。於回顧年度內，買賣橡膠的毛利率約為1%。因此，本集團截至二零一三年十二月三十一日止年度的毛利率減少至約9%。

其他收入

本集團的其他收入由截至二零一二年十二月三十一日止年度約人民幣4.8百萬元增加約人民幣20.6百萬元至截至二零一三年十二月三十一日止年度約人民幣25.4百萬元。增加是主要由於持作買賣投資的未變現收益約人民幣20.1百萬元所致。自二零一二年起，本集團將財務資源投放於證券投資，以藉資本升值及股息收入取得盈利。於二零一三年十二月三十一日，持作買賣投資約人民幣27,100,000元僅包括於香港聯交所上市的公司的證券。

銷售及分銷成本

因本集團的業務擴展，銷售及分銷成本由二零一二年約人民幣7.3百萬元增加約人民幣1.7百萬元至截至二零一三年十二月三十一日止年度約人民幣9百萬元。

Share of loss of an associate

On 17 October 2012, the Group entered into a joint venture agreement with a sizeable Korean company to setup a joint venture company for the purposes of production and sale of polyester fibers used in automobiles in the PRC. During the year ended 31 December 2013, the share of loss of an associate of approximately RMB1.4 million was mainly the preliminary expenses incurred for the establishment of the joint venture company. The joint venture company already began production testing since the third quarter of 2013 and the Group expected it will secure raw materials supply and accelerate the production expansion plan of the Group horizontally.

Administrative expenses

The administrative expenses increased by approximately RMB3.7 million from approximately RMB11.8 million in 2012 to approximately RMB15.5 million for the year ended 31 December 2013. The increase was principally attributable to the expansion of business of the Group, and the increase in the Group's professional fee in relation to the application of transfer of listing of the Company during the first quarter of 2013.

Finance costs

The finance costs increased by approximately RMB0.9 million from approximately RMB1.7 million for the year ended 31 December 2012 to approximately RMB2.6 million for the year ended 31 December 2013. The increase was mainly due to the recognition of interest expenses of approximately RMB0.8 million on promissory note issued on 27 May 2013 for the acquisition of business of trading of garment accessories.

Profit attributable to the owners of the Company

The profit attributable to the owners of the Company was approximately RMB43 million for the year of 2013 compared with approximately RMB10.8 million for the corresponding period of 2012. The increase was mainly due to the increase in demand of automotive interior decoration materials of the Group's core business under the continuous growth in automotive industry in the PRC and the increase in unrealised gain on held-for-trading investments of the Group.

應佔聯營公司虧損

於二零一二年十月十七日，本集團與一間具規模的韓國公司訂立合營協議，以成立合營公司，在中國從事生產及銷售用於汽車的聚酯短纖維。於截至二零一三年十二月三十一日止年度，應佔聯營公司虧損約人民幣1.4百萬元乃主要為成立合營公司所產生的初步開支。聯營公司於二零一三年第三季已展開生產測試，本集團預期將縱向確保原料供應及加快本集團的生產擴展計劃。

行政開支

行政開支由二零一二年約人民幣11.8百萬元增加約人民幣3.7百萬元至截至二零一三年十二月三十一日止年度約人民幣15.5百萬元。增加主要由於本集團業務擴展以及本集團於二零一三年第一季內有關本公司轉版申請的專業費用所致。

融資成本

融資成本由截至二零一二年十二月三十一日止年度約人民幣1.7百萬元增加約人民幣0.9百萬元至截至二零一三年十二月三十一日止年度約人民幣2.6百萬元。增加主要由於確認就收購成衣配件買賣業務而於二零一三年五月二十七日發行的承付票據的利息開支約人民幣0.8百萬元所致。

本公司擁有人應佔溢利

本公司擁有人應佔溢利於二零一三年約為人民幣43百萬元，而二零一二年同期則約為人民幣10.8百萬元。增加主要由於本集團的核心業務的汽車內飾物料在中國汽車行業持續增長下需求增加，以及本集團的持作買賣投資的未變現收益增加所致。

OUTLOOK

CAAM expects the sale of automotives in the PRC will increase by 8% to 10% in 2014. As the Group's nonwoven fabric products are ultimately used in the passenger vehicles, the Board expects the prospect of the business is still promising. To keep a steady pace of development, the Group will continuously deploy its resources on:

- (1) upgrading the production lines in order to improve the production efficiency;
- (2) installing new machineries to suit the customers' varying requirements and demands on high-end products;
- (3) conducting research and development to keep up with the latest technological trends in relation to product specifications;
- (4) accelerating the launch of new products to capture extra market share and expand the market coverage in the PRC; and
- (5) strengthening the quality control systems to retain customer loyalty and reinforce the Group's reputation in the nonwoven fabric industry in the PRC.

Trading of rubber yielded stable return with a lower risk level. The Group considered that the PRC's market is still a major driver for rubber trading of the Group. Supported by a highly professional and experienced team on rubber trading, the Group has quickly built up strategic alignment with both upstream and downstream partners, and started to establish the market reputation steadily. Therefore, the Board expects the future income stream of trading of rubber will be strengthened and secured. On the other hand, the Group has just restructured the operations of the business of trading of garment accessories, the Board expects it will continuously contribute a stable return to the Group.

Going forward, with a view to achieving better return and enhancing the expansion of the Group, the Group will look for potential investment opportunities to diversify its business scope.

前景

中國汽車工業協會預期，中國汽車銷售於二零一四年將增加8%至10%。由於本集團的無紡布產品最終用於乘用車，董事會預期業務前景仍見光明。為保持穩步發展，本集團將不斷投放資源於：

- (1) 將生產線升級，以改善生產效率；
- (2) 安裝新機器，以迎合客戶對高端產品不停轉變的需要及需求；
- (3) 進行研發，以在有關產品規格的最新技術趨勢上與時並進；
- (4) 加快推出新產品，以擴大市場佔有率及擴闊於中國的市場覆蓋率；及
- (5) 加強質量監控系統，以確保顧客繼續支持及鞏固本集團於中國無紡布行業的口碑。

橡膠買賣於較低的風險水平下實現穩定回報。本集團認為中國市場仍為本集團橡膠買賣的主要動力。在專業及經驗豐富的橡膠買賣團隊支持下，本集團已迅速與上游及下游夥伴建立戰略聯盟，並開始穩定建立市場信譽。因此，董事會預期將加強及確保橡膠買賣業務的未來收入流。此外，本集團剛重整成衣配件買賣業務營運，董事會預期，此業務將持續為本集團帶來穩定回報。

展望未來，為實現更豐厚回報及加強本集團的擴充，本集團將物色有潛力的投資商機，務求多元化發展其業務範圍。

LIQUIDITY AND FINANCIAL RESOURCES

流動性及財務資源

		As at 31 December	
		於十二月三十一日	
		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
Current assets	流動資產	221,725	196,757
Current liabilities	流動負債	87,930	52,862
Current ratio	流動比率	2.52	3.72

The current ratio of the Group at 31 December 2013 was 2.52 times as compared to that of 3.72 times at 31 December 2012. It was mainly resulted from the issue of promissory note during the year.

本集團於二零一三年十二月三十一日的流動比率為2.52倍，而於二零一二年十二月三十一日則為3.72倍，乃主要由於年內發行承付票據所致。

At 31 December 2013, the Group's gearing ratio (represented by totals of bank borrowings, bank overdrafts and promissory note divided by summation of total bank borrowings, bank overdrafts, promissory note and equity) amounted to approximately 16.5% (2012: 13.6%).

於二零一三年十二月三十一日，本集團的資本負債比率(即銀行借款、銀行透支及承付票據之總額除以銀行借款總額、銀行透支、承付票據及權益之總和)約為16.5%(二零一二年：13.6%)。

TREASURY POLICY

庫務政策

The Group generally financed its operations by internal cash resources and bank financing. On 27 May 2013, the Company issued 72,000,000 shares of HK\$0.1 each in the principal amount of HK\$14.4 million and a promissory note in the principal amount of HK\$20 million for the acquisition of the business of trading of garment accessories.

本集團一般透過內部現金資源及銀行融資撥付其營運。於二零一三年五月二十七日，本公司為收購買賣成衣配件業務發行本金額為14,400,000港元的72,000,000股每股面值0.1港元的股份，以及本金額20,000,000港元的承付票據。

At 31 December 2013, cash and bank balances of the Group amounted to approximately RMB51.5 million (2012: RMB82.1 million), and approximately RMB35.5 million (2012: RMB71.6 million) of which are denominated in Hong Kong dollars and United States dollars. Taking into account the Group's cash reserves and recurring cash flows from its operations, the Group's financial position is stable and healthy.

於二零一三年十二月三十一日，本集團現金及銀行結餘約為人民幣51.5百萬元(二零一二年：人民幣82.1百萬元)，其中約人民幣35.5百萬元(二零一二年：人民幣71.6百萬元)以港元及美元列值。經考慮本集團現金儲備及其營運的經常性現金流量後，本集團的財務狀況屬穩健。

CAPITAL STRUCTURE

Except 72,000,000 shares of the Company were issued and allotted on 27 May 2013, there has been no material change in the capital structure of the Group since 31 December 2012.

FOREIGN EXCHANGE EXPOSURE

Majority of the assets and liabilities of the Group were denominated in Renminbi, United States dollars and Hong Kong dollars. At 31 December 2013, the Group had no significant exposure under foreign exchange contracts, interest, currency swaps or other financial derivatives.

SIGNIFICANT INVESTMENTS

At 31 December 2013, there was no significant investment held by the Group (2012: Nil).

MATERIAL ACQUISITIONS OR DISPOSALS

On 26 March 2013, the Group entered into a sale and purchase agreement pursuant to which the Group acquired the entire business of trading of synthetic rubber at a consideration of HK\$28 million. The acquisition was completed on 21 May 2013.

On 15 May 2013, the Group acquired the entire business of trading of garment accessories at a consideration of HK\$42 million. The acquisition was completed on 27 May 2013, and 72,000,000 shares of the Company in the principal amount of HK\$14.4 million and the promissory note in the principal amount of HK\$20 million were issued to the vendor, and the cash consideration as to HK\$7.6 million also paid to the vendor as payment of the consideration for the acquisition pursuant to the sale and purchase agreement.

Except as disclosed above, there was no material acquisitions or disposal of subsidiaries and affiliated companies by the Group for the year ended 31 December 2013.

PLEDGE ON ASSETS

At 31 December 2013, the Group's buildings with a carrying amounts of approximately RMB11.7 million (2012: RMB7.5 million), prepaid land lease payments with a carrying amounts of approximately RMB2.9 million (2012: RMB3 million) and bank deposits with a carrying amounts of approximately RMB6.1 million (2012: Nil) were pledged to banks for bank borrowings and bank overdrafts.

資本結構

除72,000,000股本公司股份已於二零一三年五月二十七日發行及配發外，自二零一二年十二月三十一日起本集團之資本結構概無重大變動。

外匯風險

本集團大部分資產及負債以人民幣、美元及港元列值。於二零一三年十二月三十一日，本集團概無因外匯合約、利息、貨幣掉期或其他金融衍生工具而面臨任何重大風險。

重大投資

於二零一三年十二月三十一日，本集團並無持有重大投資(二零一二年：無)。

重大收購或出售

於二零一三年三月二十六日，本集團訂立買賣協議，據此，本集團以代價28,000,000港元收購全部買賣合成橡膠業務。收購事項已於二零一三年五月二十一日完成。

於二零一三年五月十五日，本集團以代價42,000,000港元收購全部成衣配件買賣業務。收購事項已於二零一三年五月二十七日完成，根據買賣協議，本集團已向賣方發行72,000,000股本公司股份，本金額為14,400,000港元，以及本金額20,000,000港元的承付票據，現金代價7,600,000港元亦已支付予賣方，作為收購事項的代價。

除上文所披露者外，於截至二零一三年十二月三十一日止年度，本集團概無就附屬公司及聯營公司進行重大收購或出售。

抵押資產

於二零一三年十二月三十一日，本集團賬面值約人民幣11.7百萬元(二零一二年：人民幣7.5百萬元)的樓宇、賬面值約人民幣2.9百萬元(二零一二年：人民幣3百萬元)的預付土地租賃款項及賬面值約人民幣6.1百萬元(二零一二年：無)的銀行存款已抵押予銀行作為銀行借款及銀行透支之擔保。

EMPLOYEES AND REMUNERATION POLICY

At 31 December 2013, the Group employed a total of 173 employees (2012: 184). The emolument policy of the employees of the Group was set up by the Board on the basis of their experience, qualifications and competence. Other employees' benefits include contributions to statutory mandatory provident funds, and social insurance together with housing provident funds to its employees in Hong Kong and the PRC respectively.

A remuneration committee was set up for, inter alia, reviewing the Group's emolument policy and structure for all directors and senior management of the Group.

APPRECIATION

On behalf of the Group, I would like to take this opportunity to express my sincere gratitude to all of our customers, business partners and investors for their support and trust towards the Group. Further, I would like to express my sincere thanks to our Directors and employees for their dedications and contributions to the Group.

By order of the Board

Zhuang Yuejin

Chairman and Chief Executive Officer

Hong Kong, 21 February 2014

僱員及薪酬政策

於二零一三年十二月三十一日，本集團共聘用173名僱員(二零一二年：184名)。本集團的僱員薪酬政策乃由董事會根據彼等的經驗、資歷及工作能力而制定。其他僱員福利分別包括香港及中國僱員的法定強制性公積金供款、社會保險以及住房公積金。

薪酬委員會已告成立，旨在(其中包括)檢討本集團所有董事及高級管理層的薪酬政策及結構。

鳴謝

本人謹代表本集團，藉此機會向本集團之所有客戶、業務夥伴及投資者對本集團的支持和信任致以衷心的謝意。此外，本人亦衷心感謝我們的董事及僱員對本集團作出的努力和貢獻。

承董事會命

莊躍進

主席兼行政總裁

香港，二零一四年二月二十一日

BIOGRAPHICAL INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層的履歷資料

EXECUTIVE DIRECTORS

Mr. Zhuang Yuejin, aged 51, is the Chairman of the Board, Chief Executive Officer of the Company and one of the founders of the Group. He was appointed as an executive Director on 12 April 2010. He has over 11 years of experience in the nonwoven textile industry. He is responsible for formulating the Group's corporate strategy, overseeing its production operations and the overall steering of the Group's strategic development.

Mr. Zhuang graduated from Xiamen Fisheries College in 1981 and was approved as a qualified engineer by the Intermediate Level Adjudication Committee of Xiamen City Marine Engineering Department in 1990. From 1997 to 2001, Mr. Zhuang was the director and the general manager of Xiamen Marine Industries (Group) Co., Limited, a PRC incorporated company and was previously listed on the Shenzhen Stock Exchange. Mr. Zhuang is the spouse of Ms. Ruan Bixia, a manager of Joystar (Wuxi) Automotive Interior Decoration Co., Ltd. ("Joystar Wuxi"), the Company's wholly-owned subsidiary.

Mr. Pak Ping, aged 54, was appointed as an executive Director on 12 April 2010. Mr. Pak has over 17 years of experience in the nonwoven material and carpet industry. He is primarily responsible for coordinating the marketing activities and formulating product development strategies for the Group.

With extensive experience and profound knowledge on the nonwoven product industry, Mr. Pak co-founded the Group with Mr. Zhuang Yuejin in 2003.

Mr. Wong Ho Yin, aged 44, was appointed as an executive Director and company secretary on 30 June 2011. He graduated from Hong Kong Polytechnic University with a Master of Corporate Governance Degree and a Bachelor of Arts Degree in Accountancy. He is a member of the Hong Kong Institute of Certified Public Accountants and a member of both the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries.

Prior to joining the Group, Mr. Wong was the financial controller and company secretary of a company listed on the Main Board of the Stock Exchange, namely Ching Hing (Holdings) Limited (currently known as China Household Holdings Limited) (Stock Code: 692), from September 2006 to October 2010. He has extensive experience in accounting and corporate compliance.

執行董事

莊躍進先生，51歲，為董事會主席、本公司行政總裁及本集團創辦人之一。彼於二零一零年四月十二日獲委任為執行董事。彼於非織造行業積累逾十一年經驗。彼負責制定本集團的公司策略、監管生產經營及本集團策略發展的整體方向。

莊先生於一九八一年畢業於廈門市水產大專班，並於一九九零年獲廈門市水產工程技術中級職務評審委員會批准為合資格工程師。一九九七年至二零零一年間，莊先生於一間在中國註冊成立的公司廈門海洋實業(集團)股份有限公司擔任董事兼總經理，該公司之前於深圳證券交易所上市。莊先生為本公司的全資附屬公司怡星(無錫)汽車內飾件有限公司(「怡星(無錫)」)的經理阮碧霞女士的配偶。

白平先生，54歲，於二零一零年四月十二日獲委任為執行董事。白先生於無紡布物料及地毯行業積累逾十七年經驗。彼主要負責協調市場推廣活動及制定本集團的產品開發策略。

透過於無紡布產品行業的廣泛經驗及深入認識，白先生與莊躍進先生於二零零三年共同創辦本集團。

黃浩然先生，44歲，於二零一一年六月三十日獲委任為執行董事及公司秘書。彼畢業於香港理工大學，持有企業管治碩士學位及會計學文學士學位。彼為香港會計師公會會員，亦為特許秘書及行政人員公會及香港特許秘書公會的會員。

於加入本集團前，黃先生於二零零六年九月至二零一零年十月間在聯交所主板上市公司正興(控股)有限公司(現稱中國家居控股有限公司，股份代號：692)擔任財務總監及公司秘書。彼於會計及公司遵例方面擁有豐富經驗。

BIOGRAPHICAL INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

董事及高級管理層的履歷資料(續)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Mak Wai Ho, aged 41, was appointed as an independent non-executive Director on 9 September 2011. He was graduated from the Hong Kong University of Science and Technology with a Bachelor degree in Business Administration in Finance. He is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and a practising member of the Hong Kong Institute of Certified Public Accountants. He is a practising certified public accountant and has more than 16 years of experience in finance, accounting and auditing.

Mr. Mak is currently an independent non-executive director of Xinhua Winshare Publishing and Media Co., Ltd., (Stock code: 811) and was the company secretary and financial controller of Kong Sun Holdings Limited (Stock Code: 295) from September 2005 to November 2009.

Mr. Feng Xueben, aged 66, was appointed as an independent non-executive Director on 12 April 2010. Mr. Feng was approved as a qualified engineer specialising in textile machinery design by the Textile Industry Department of the People's Republic of China in 1989. Since 2003, Mr. Feng has been the chief engineer of Wuxi Jiayuan Nonwovens Technology Research Institute.

Mr. Feng was an independent director of Fujian Nanfang Textile Co., Ltd (Stock Code: 600483), a company listed on the Shanghai Stock Exchange, from June 2002 to May 2008. He was the deputy director of Nonwoven Textile Machinery Professional Committee of China Textile Machinery Association from 2007 to 2009. Since February 2010, Mr. Feng has also been an independent non-executive director of Costin New Materials Group Limited (Stock Code: 2228), a company listed on the Main Board of the Stock Exchange.

Ms. Sung Kwan Wun, aged 48, was appointed as an independent non-executive Director on 19 August 2013. Ms. Sung engaged in import and export industry for more than 25 years. She held management positions in several trading companies and was responsible for regional marketing strategy and internal staff training. Ms. Sung has extensive knowledge in corporate operation management, and in marketing in the PRC and Europe. Moreover, she is experienced in investing in real estate and commodity futures.

獨立非執行董事

麥偉豪先生，41歲，於二零一一年九月九日獲委任為獨立非執行董事。彼畢業於香港科技大學，持有工商管理學(財務)學士學位。彼為英國特許公認會計師公會的資深會員及香港會計師公會的執業會員。彼為執業會計師，於金融、會計及核數範疇積累逾十六年經驗。

麥先生目前為新華文軒出版傳媒股份有限公司(股份代號：811)之獨立非執行董事，並於二零零五年九月至二零零九年十一月擔任江山控股有限公司(股份代號：295)之公司秘書兼財務總監。

馮學本先生，66歲，於二零一零年四月十二日獲委任為獨立非執行董事。馮先生於一九八九年獲中華人民共和國紡織工業部核准為合資格紡織設計工程師。自二零零三年起，馮先生於無錫嘉元非織造技術研究所擔任總工程師。

於二零零二年六月至二零零八年五月期間，馮先生於上海證券交易所上市公司福建南紡股份有限公司(股份代號：600483)擔任獨立董事。彼於二零零七年至二零零九年擔任中國紡織機械器材工業協會非織造布機械專業委員會的副主任。自二零一零年二月起，馮先生亦擔任聯交所主板上市公司海東青新材料集團有限公司(股份代號：2228)的獨立非執行董事。

宋君媛女士，48歲，於二零一三年八月十九日獲委任為獨立非執行董事。宋女士從事進出口行業逾二十五年。彼於多間貿易公司從事管理職務，負責地區性市場推廣策略及內部員工培訓。宋女士具備豐富之企業營運管理及中國及歐洲的市場推廣知識。此外，彼擁有投資於房地產及商品期貨的經驗。

BIOGRAPHICAL INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

董事及高級管理層的履歷資料(續)

SENIOR MANAGEMENT

Ms. Wang Haiying, aged 44, has been the deputy general manager of Joystar Wuxi since 2007 and is responsible for overseeing the production process and quality control of the Group.

Ms. Wang graduated from Wuhan Institute of Textile Engineering (currently known as Wuhan Textile University) in 1994, specialising in textile engineering. She has extensive experience in the industrial use textile industry and joined the Group as the head of quality control department of Joystar Wuxi in 2004.

Mr. Han Zhiqing, aged 49, has been the deputy general manager of Joystar Wuxi since 2004 and is responsible for coordinating the technological development and mechanical support for the Group.

Mr. Han graduated from Shanghai Wool and Jute Textile Company Workers' University in 1982, specialising in woolen textile. Mr. Han has over 10 years of extensive experience in the industrial use textile industry.

Ms. Ruan Bixia, aged 49, is a manager of Joystar Wuxi. She was the Director of the Company from 12 April 2010 to 20 May 2013. She has over 11 years of experience in the nonwoven textile industry. She is primarily responsible for supervising the delivery of customer service and the Group's expansion within the PRC.

Ms. Ruan graduated from Fujian Chemical Industry School in July 1989. Ms. Ruan is the spouse of Mr. Zhuang Yuejin, an executive Director.

Ms. Wu Danping, aged 39, is the manager of the accounting department of Joystar Wuxi. Ms. Wu is responsible for the financial reporting and the management of the accounting and finance department of Joystar Wuxi.

Ms. Wu obtained the Certificate of Accounting Professional issued by the Jiangsu Province Department of Finance and the Qualification Certificate of Specialty and Technology with specialty in accountancy conferred by the Ministry of Finance of the PRC in 1997 and 2006 respectively.

In 2008, Ms. Wu completed an online diploma programme in accountancy from China Agricultural University. She has 16 years of experience in financial accounting and reporting.

高級管理層

王海英女士，44歲，自二零零七年起為怡星(無錫)的副總經理，負責監管本集團的生產過程及品質監控。

王女士於一九九四年畢業於武漢紡織工學院(現稱為武漢紡織大學)的紡織工程專業。彼於工業用紡織行業擁有豐富經驗並於二零零四年加入本集團擔任怡星(無錫)的品管部主管。

韓志清先生，49歲，自二零零四年起一直為怡星(無錫)的副總經理，負責協調本集團的技術發展及機器支援。

韓先生於一九八二年畢業於上海市毛麻公司職工大學的毛紡專業。韓先生於工業用紡織行業積累逾十年的豐富經驗。

阮碧霞女士，49歲，為怡星(無錫)的經理。彼於二零一零年四月十二日至二零一三年五月二十日曾任本公司董事。彼於無紡布行業積逾十一年經驗。彼主要負責監察所提供的客戶服務及本集團於中國的拓展。

阮女士於一九八九年七月畢業於福建化工學校。阮女士為執行董事莊躍進先生的配偶。

吳丹萍女士，39歲，為怡星(無錫)的會計部經理。吳女士負責財務報告及管理怡星(無錫)會計及財務部。

吳女士分別於一九九七年及二零零六年取得江蘇省財政廳頒發的會計從業資格證書及中國財政部授予的專業技術資格證書(會計專業)。

於二零零八年，吳女士完成中國農業大學的一個網上會計文憑課程。彼在財務會計及申報領域擁有十六年經驗。

BIOGRAPHICAL INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

董事及高級管理層的履歷資料(續)

Mr. Wu Ganghua, aged 43, is the manager of the sales and marketing department of Joystar Wuxi. He is responsible for the sales and marketing operation of Joystar Wuxi.

In 1990, Mr. Wu graduated from Jiangsu Province Wuxi City College of Mechanical Manufacturing (currently known as Wuxi Institute of Technology). He was qualified as an assistant engineer in mechanical manufacturing by Wuxi City Professional Title Reform Committee in 1996. Mr. Wu further obtained a graduation certificate from Nanjing Normal University in 1999. Mr. Wu joined Joystar Wuxi in 2004.

吳剛華先生，43歲，為怡星(無錫)的銷售及推廣部經理。彼負責怡星(無錫)的銷售及市場推廣運作。

於一九九零年，吳先生畢業於江蘇省無錫市機械製造學校(現稱無錫職業技術學院)。彼於一九九六年獲無錫市職稱改革工作領導小組認可為機械製造助理工程師。於一九九九年，吳先生進一步取得南京師範大學的畢業證書。吳先生於二零零四年加盟怡星(無錫)。

CORPORATE GOVERNANCE REPORT

企業管治報告

Pursuant to the Rule 18.44 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the "GEM Listing Rules"), the Board is pleased to present the corporate governance report for the year ended 31 December 2013. This report highlights the key corporate governance practices of the Company.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to protect the interests of the shareholders of the Company. The Company's corporate governance practices are based on principles and code provisions as set out in the Corporate Governance Code ("Code") in Appendix 15 to the GEM Listing Rules. Except for the deviation from Code provision A.2.1 and A.6.7, the Company complied with the Code for the year ended 31 December 2013.

Code provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Zhuang Yuejin is the Chairman and the Chief Executive Officer of the Company. Such deviation from Code provision A.2.1 is deemed appropriate as it is considered to be more efficient to have one single person as the Chairman of the Company as well as to discharge the executive functions of a chief executive officer, and it provides the Group with strong and consistent leadership in the development and execution of long term business strategies. The Board believes that the balance of power and authority is adequately ensured by the operations of the Board which comprises highly experienced individuals. There are three independent non-executive Directors on the Board. All of them possess adequate independence and therefore the Board considers the Company has achieved balance and provided sufficient protection of its interests.

Code provision A.6.7 stipulates that independent non-executive Directors should attend general meetings of the Company. Owing to overseas engagements, two independent non-executive Directors, Mr. Feng Xueben and Dr. Tang Yanfei, were unable to attend the general meetings of the Company held on 20 May 2013.

根據聯交所創業板證券上市規則(「創業板上市規則」)第18.44條，董事會欣然呈列截至二零一三年十二月三十一日止年度之企業管治報告。本報告強調本公司的主要企業管治常規。

企業管治常規

本公司致力保持高水平的企業管治，以保障本公司股東的利益。本公司的企業管治常規乃基於創業板上市規則附錄15的企業管治守則(「守則」)所載的原則及守則條文。除對守則條文第A.2.1及第A.6.7條偏離外，本公司於截至二零一三年十二月三十一日止年度已遵守守則。

守則條文第A.2.1條規定主席與行政總裁的角色應予區分，並不應由一人同時兼任。莊躍進先生為本公司主席及行政總裁。守則條文第A.2.1條的有關偏離情況被視為恰當，原因是董事會認為一人同時兼任本公司主席並履行行政總裁的執行職務更具效率，並為本集團提供穩固且貫徹的領導，方便發展及推行長遠的業務策略。董事會深信，基於董事經驗豐富，董事會的運作能充分確保權力及權限得到制衡。董事會有三位獨立非執行董事。由於彼等的獨立性均屬足夠，故此董事會認為本公司已取得平衡及充分保障其利益。

守則條文第A.6.7條規定獨立非執行董事應出席本公司的股東大會。由於另有海外事務，兩位獨立非執行董事馮學本先生及湯炎非博士未能出席本公司於二零一三年五月二十日舉行的股東大會。

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry with all Directors, the Company confirmed that all Directors have complied with the code of conduct and the required standard of dealings concerning securities transactions by the Directors for the year ended 31 December 2013.

BOARD OF DIRECTORS

At 31 December 2013, the Board comprises three executive Directors and three independent non-executive Directors as follows:

Executive Directors

Mr. Zhuang Yuejin (*Chairman*)
Mr. Pak Ping
Mr. Wong Ho Yin

Independent non-executive Directors

Mr. Mak Wai Ho
Mr. Feng Xueben
Ms. Sung Kwan Wun

The composition of the Board is well balanced with each Director having sound industry knowledge, extensive corporate and strategic planning experience and/or expertise relevant to the business of the Group. The biographical details of the Directors and the relationship among the members of the Board are set out in the "Biographical Information of Directors and Senior Management" on pages 13 to 16 of this report.

Generally, the responsibilities of the Board include:

- Formulation of overall strategic development of the Group;
- Monitoring the financial performance and internal control of the Group's business operations;
- Material acquisitions, investments, disposal of assets or any significant capital expenditure;
- Appointment, removal or reappointment of Board members and auditors;
- Remuneration of Directors;

有關董事進行證券交易的行為守則

本公司已採納有關董事進行證券交易的行為守則，其條款並不比創業板上市規則第5.48條至第5.67條所載之交易準則規定寬鬆。經向全體董事作出特定查詢後，本公司確認全體董事於截至二零一三年十二月三十一日止年度均一直遵守行為守則及有關董事進行證券交易的交易準則規定。

董事會

於二零一三年十二月三十一日，董事會由下列三名執行董事及三名獨立非執行董事組成：

執行董事

莊躍進先生(*主席*)
白平先生
黃浩然先生

獨立非執行董事

麥偉豪先生
馮學本先生
宋君媛女士

董事會的結構平衡，每名董事均具備充分的行業知識、廣泛的企業及策略規劃經驗及／或與本集團業務有關的專門技術。董事的履歷詳情及董事會成員之間的關係載於本報告第13頁至第16頁的「董事及高級管理層的履歷資料」。

一般而言，董事會的職責包括：

- 制定本集團的整體策略發展；
- 監察本集團業務經營的財務表現及內部監控；
- 重大收購、投資、出售資產或任何重大資本開支；
- 委任、罷免或重新委任董事會成員及核數師；
- 董事酬金；

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

- Communications with key stakeholders;
- Recommendation and declaration of any interim and final dividends

Executive Directors are responsible for running the Group and executing the strategies adopted by the Board. The Board delegates day-to-day activities to the management with department heads responsible for different aspects of the business. The non-executive Directors serve the relevant function of bringing independent judgment on the development, performance and risk management of the Group through their contributions in board meetings. They are also serving on remuneration committee, nomination committee and audit committee.

During the year, the Board complies with the requirement of the GEM Listing Rules relating to the appointment of at least three independent non-executive Directors and at least one of them has appropriate professional qualifications or accounting or related financial management expertise. The Company has received from each independent non-executive Director an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules and the Company considers all the independent non-executive Directors to be independent.

The Board normally has four regular meetings a year at quarterly interval and meets as and when required to discuss the overall business, development strategy, operations and financial reporting of the Company. The Directors can attend meetings in person or through other means of electronic communication in accordance with the Company's articles of association. During the year ended 31 December 2013, sixteen Board meetings and one general meeting were held. The following table shows the attendance of individual Directors at the meetings held during the year:

Members	No. of Attendance		成員	出席次數	
	General meetings	Board meetings		股東大會	董事會會議
<i>Executive Directors</i>			<i>執行董事</i>		
Mr. Zhuang Yuejin	1/1	10/16	莊躍進先生	1/1	10/16
Mr. Pak Ping	1/1	14/16	白平先生	1/1	14/16
Mr. Wong Ho Yin	1/1	16/16	黃浩然先生	1/1	16/16
Ms. Ruan Bixia (retired on 20 May 2013)	0/1	5/6	阮碧霞女士(於二零一三年五月二十日退任)	0/1	5/6
Mr. Ni Bin (appointed on 31 May 2013 and resigned on 21 November 2013)	0/1	4/6	倪斌先生(於二零一三年五月三十一日獲委任，並於二零一三年十一月二十一日辭任)	0/1	4/6
<i>Independent Non-executive Directors</i>			<i>獨立非執行董事</i>		
Mr. Mak Wai Ho	1/1	8/16	麥偉豪先生	1/1	8/16
Mr. Feng Xueben	0/1	9/16	馮學本先生	0/1	9/16
Ms. Sung Kwan Wun (appointed on 19 August 2013)	0/0	1/4	宋君媛女士(於二零一三年八月十九日獲委任)	0/0	1/4
Dr. Tang Yanfei (retired on 20 May 2013)	0/1	5/6	湯炎非博士(於二零一三年五月二十日退任)	0/1	5/6

- 與主要權益擁有人溝通；
- 建議及宣派任何中期及末期股息

執行董事負責經營本集團及執行董事會所採納之策略。董事會將日常活動指派予管理層，其中各部門主管負責不同範疇的業務。非執行董事透過參與董事會會議，履行對本集團的發展、表現及風險管理作出獨立判斷的有關職能。彼等亦為薪酬委員會、提名委員會及審核委員會成員。

於年內，董事會遵守創業板上市規則之規定，委任至少三名獨立非執行董事及當中至少一名擁有適當專業資格，或擁有會計或相關財務管理的專長。本公司已根據創業板上市規則第5.09條接獲各獨立非執行董事就其獨立性作出之年度確認。本公司認為，全體獨立非執行董事均屬獨立人士。

董事會通常每年召開四次例會，每季舉行一次，及於有需要時會晤，以討論本公司的整體業務、發展策略、營運及財務申報事宜。董事可親身或透過本公司組織章程細則所容許之其他電子通訊方式出席會議。於截至二零一三年十二月三十一日止年度，舉行了十六次董事會會議及一次股東大會。下表載列個別董事年內出席有關會議之情況：

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

The Directors will receive details of agenda and minutes of committee meetings in advance of and after each Board meeting respectively. The company secretary will distribute relevant documents to the Directors in a timely manner to enable the Directors to make informed decisions on matters to be raised at the Board meetings. All Directors have access to the advice and services of the company secretary who is responsible for ensuring the procedures of the Board meetings are complied with, and in consultation with the compliance officer of the Company, advising the Board on compliance matters.

In addition, the Company has maintained a procedure for the Directors to seek independent professional advice, in appropriate circumstances, at the Company's expense in discharging their duties to the Company. Moreover, the company secretary prepares minutes of the Board meetings and keeps records of matters discussed and decisions resolved at all Board meetings. The company secretary also keeps the minutes of the Board meetings, which are open for inspection at any reasonable time on reasonable notice by any Director.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. Zhuang Yuejin is the Chairman and the Chief Executive Officer of the Company. Such deviation from Code provision A.2.1 is deemed appropriate as it is considered to be more efficient to have one single person as the Chairman of the Company as well as to discharge the executive functions of a chief executive officer, and it provides the Group with strong and consistent leadership in the development and execution of long term business strategies. The Board believes that the balance of power and authority is adequately ensured by the operations of the Board which comprises highly experienced individuals. There are three independent non-executive Directors on the Board. All of them possess adequate independence and therefore the Board considers the Company has achieved balance and provided sufficient protection of its interests.

APPOINTMENT, RE-ELECTION AND REMOVAL

According to the Company's articles of association, one-third of the Directors are required to retire from office at each annual general meeting, provided that every Director shall be subject to retirement by rotation at least once in every three years. A Director appointed since the most recent annual general meeting shall hold office only until the next annual general meeting and shall then be eligible for re-election. The independent non-executive Directors were appointed at specific terms for one year.

董事分別於每次董事會會議舉行前後收到詳細之議程和委員會會議之記錄。公司秘書將適時向董事分發有關文件，以使董事能就將於董事會會議提出之事宜作出知情決定。全體董事可獲得公司秘書的意見及服務，而公司秘書負責確保董事會程序已獲遵守，並向本公司監察主任作出諮詢，從而就合規事宜向董事會提出建議。

此外，本公司已訂立一套程序，讓董事在合適情況下，於履行其對本公司之職責時，尋求獨立專業意見，而開支由本公司支付。另外，公司秘書亦會就於所有董事會會議上討論之事宜及議決之決定，編製會議記錄並保存有關記錄。公司秘書亦保存董事會會議記錄，並可於任何董事作出合理通知後，在任何合理時間供索閱。

主席及行政總裁

根據守則條文第A.2.1條，主席與行政總裁的角色應有區分，不應由一人同時兼任。

莊耀進先生為本公司主席兼行政總裁。有關偏離守則條文第A.2.1條的情況被視為恰當，此乃由於由一人擔任本公司主席並履行行政總裁的行政職能相信更具效率，且為本集團提供強大及一致的領導，方便發展及推行長遠的業務策略。董事會深信，董事會由經驗豐富的人士組成，故董事會的運作能充分確保權力得到制衡。董事會有三名獨立非執行董事。由於彼等均具充分的獨立性，故此董事會認為，本公司已取得平衡，並能充分保障本公司的利益。

委任、重選及退任

根據本公司之組織章程細則，於每屆股東週年大會上，當時三分之一的董事須退任，惟每名董事須至少每三年輪值退任一次。獲委任的董事任期由最近期股東週年大會起至下屆股東週年大會為止，並符合資格重選連任。獨立非執行董事按特定任期獲委任一年。

CONTINUOUS PROFESSIONAL DEVELOPMENT

Pursuant to Code provision A.6.5, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. All the Directors also understand the importance of continuous professional development and are committed to participate any suitable training or read relevant materials in order to develop and refresh their knowledge and skills. The Company has received from each Director a confirmation of their participation in continuous professional development by the following means:

Members	Types of training
<i>Executive Directors</i>	
Mr. Zhuang Yuejin	A, B, C
Mr. Pak Ping	C
Mr. Wong Ho Yin	A, C
Ms. Ruan Bixia (retired on 20 May 2013)	C
Mr. Ni Bin (appointed on 31 May 2013 and resigned on 21 November 2013)	C
<i>Independent Non-executive Directors</i>	
Mr. Mak Wai Ho	A, C
Mr. Feng Xueben	B, C
Ms. Sung Kwan Wun (appointed on 19 August 2013)	C
Dr. Tang Yanfei (retired on 20 May 2013)	B, C

Note:

A: attending training courses or seminars
 B: giving talks at seminars, conferences or forums
 C: reading newspapers, journals and relevant materials

BOARD DIVERSITY POLICY

During the year, the Board adopted a board diversity policy setting out the approach to achieve diversity on the Board. The Company considered diversity of board members can be achieved through consideration of a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

持續專業發展

根據守則條文第A.6.5條，全體董事均須參與持續專業發展，以發展及更新彼等的知識及技能，以確保彼等繼續向董事會作出知情及相關的貢獻。全體董事亦明白持續專業發展的重要性，並承諾參與任何適合的培訓或閱讀有關材料，以發展及更新彼等的知識及技能。本公司已接獲各董事的確認書，確認彼等均有透過以下方式參與持續專業發展：

成員	培訓類型
<i>執行董事</i>	
莊躍進先生	A, B, C
白平先生	C
黃浩然先生	A, C
阮碧霞女士(於二零一三年五月二十日 退任)	C
倪斌先生(於二零一三年五月三十一日 獲委任，並於二零一三年十一月 二十一日辭任)	C
<i>獨立非執行董事</i>	
麥偉豪先生	A, C
馮學本先生	B, C
宋君媛女士(於二零一三年八月十九日 獲委任)	C
湯炎非博士(於二零一三年五月二十日 退任)	B, C

附註：

A: 出席培訓課程或研討會
 B: 於研討會、會議或論壇上演講
 C: 閱讀報章、期刊及相關資料

董事會成員多元化政策

年內，董事會已採納董事會成員多元化政策，其中載有實現董事會成員多元化之方式。本公司認為可透過多方面考慮實現董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識。董事會所有委任將用人唯才，並在考慮候選人時以客觀準則充分顧及董事會成員多元化的裨益。

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

REMUNERATION COMMITTEE

The Company established a remuneration committee on 13 September 2010 with written terms of reference in compliance with the Code. The primary duties of the remuneration committee include making recommendations to the Board on the policy and structure for all Directors and senior management, reviewing the terms of remuneration packages, determining the award of bonuses and considering the grant of options under the share option scheme of the Company. At 31 December 2013, the remuneration committee comprises one executive Director, namely, Mr. Zhuang Yuejin and two independent non-executive Directors, namely Mr. Mak Wai Ho (chairman of the remuneration committee) and Ms. Sung Kwan Wun.

During the year, two meetings was held by the remuneration committee to discuss, among other things, the remuneration policy of the Group and determine the remuneration of the Directors. The following table shows the attendance of individual members at the meetings held during the year:

Members	No. of Attendance	成員	出席次數
<i>Executive Director</i>		<i>執行董事</i>	
Mr. Zhuang Yuejin	2/2	莊躍進先生	2/2
<i>Independent non-executive Directors</i>		<i>獨立非執行董事</i>	
Mr. Mak Wai Ho	2/2	麥偉豪先生	2/2
Ms. Sung Kwan Wun (appointed on 19 August 2013)	1/1	宋君媛女士(於二零一三年八月十九日獲委任)	1/1
Dr. Tang Yanfei (retired on 20 May 2013)	0/0	湯炎非博士(於二零一三年五月二十日退任)	0/0

甄選候選人將基於一系列多元化觀點，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識。最終決定將按所選候選人的優點及其將為董事會帶來的貢獻而作出。

薪酬委員會

本公司於二零一零年九月十三日成立薪酬委員會，並以書面列明符合守則的職權範圍。薪酬委員會主要職責包括就全體董事及高級管理人員的政策及架構向董事會提出建議、審閱薪酬待遇條款、釐定花紅獎勵及考慮根據本公司購股權計劃授出購股權。於二零一三年十二月三十一日，薪酬委員會由一名執行董事莊躍進先生，以及兩名獨立非執行董事麥偉豪先生(薪酬委員會主席)及宋君媛女士組成。

於年內，薪酬委員會舉行兩次會議討論(其中包括)本集團之薪酬政策及釐定董事薪酬。下表載列年內各成員於會議之出席率：

NOMINATION COMMITTEE

The Company established a nomination committee on 13 September 2010 with written terms of reference in compliance with the Code. The primary duties of the nomination committee include reviewing the structure, size and composition of the Board, making recommendations to the Board regarding candidates to fill vacancies on the Board, assessing the independence of independent non-executive Directors and making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors. The nomination committee comprises one executive Director, namely Mr. Zhuang Yuejin (chairman of the nomination committee), and two independent non-executive Directors, namely Mr. Mak Wai Ho and Mr. Feng Xueben.

During the year, three meetings was held by the nomination committee to, among other things, review the structure, size and composition of the board, assess the independence of each of the independent non-executive Directors, formulate the board diversity policy and recommend to the board for approval. The nomination committee reviewed the board diversity policy to ensure its effectiveness and considered the Group achieved the policy since its adoption. The following table shows the attendance of individual members at the meeting held during the year:

Members	No. of Attendance	成員	出席次數
<i>Executive Director</i>		<i>執行董事</i>	
Mr. Zhuang Yuejin	3/3	莊躍進先生	3/3
<i>Independent non-executive Directors</i>		<i>獨立非執行董事</i>	
Mr. Mak Wai Ho	3/3	麥偉豪先生	3/3
Mr. Feng Xueben	1/3	馮學本先生	1/3

AUDIT COMMITTEE

The Company established an audit committee on 13 September 2010 in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. Written terms of reference in compliance with Code provision C.3.3 have been adopted. The primary duties of the audit committee are, among other things, to review and supervise the financial reporting process and internal control system of the Group. At 31 December 2013, the audit committee comprises three independent non-executive Directors, namely Mr. Mak Wai Ho (chairman of the audit committee), Mr. Feng Xueben and Ms. Sung Kwan Wun.

提名委員會

本公司於二零一零年九月十三日成立提名委員會，並以書面列明符合守則的職權範圍。提名委員會的主要職責包括檢討董事會的架構、人數及組成、就填補董事會空缺的候選人向董事會提出建議、評核獨立非執行董事的獨立性及就委任或重新委任董事及董事繼任計劃向董事會提出建議。提名委員會目前由一名執行董事莊躍進先生(提名委員會主席)，以及兩名獨立非執行董事麥偉豪先生及馮學本先生組成。

於年內，提名委員會舉行三次會議以(其中包括)檢討董事會的架構、人數及組成、評估各獨立非執行董事的獨立性、制訂董事會成員多元化政策，以及向董事會提出建議以供批准。提名委員會檢討董事會成員多元化政策，以確保成效及考慮本集團自其採納達成該政策之情況。下表載列年內各成員於會議之出席率：

審核委員會

本公司根據創業板上市規則第5.28至5.33條於二零一零年九月十三日成立審核委員會，符合守則條文第C.3.3條的書面職權範圍已獲採納。審核委員會的主要職責為(其中包括)檢討及監察本集團的財務申報程序及內部監控系統。於二零一三年十二月三十一日，審核委員會由三名獨立非執行董事麥偉豪先生(審核委員會主席)、馮學本先生及宋君媛女士組成。

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

During the year, five meetings were held by the audit committee, two of which was with the attendance of external auditors. The following table shows the attendance of individual members at the meetings held during the year:

於年內，審核委員會舉行五次會議，外聘核數師已出席其中兩次會議。下表為年內各成員於會議之出席率：

Members	No. of Attendance	成員	出席次數
<i>Independent non-executive Directors</i>		<i>獨立非執行董事</i>	
Mr. Mak Wai Ho	5/5	麥偉豪先生	5/5
Mr. Feng Xueben	5/5	馮學本先生	5/5
Ms. Sung Kwan Wun (appointed on 19 August 2013)	1/1	宋君媛女士(於二零一三年八月十九日獲委任)	1/1
Dr. Tang Yanfei (retired on 20 May 2013)	3/3	湯炎非博士(於二零一三年五月二十日退任)	3/3

During the year, the audit committee, among other things, reviewed the quarterly, interim and annual reports as well as result announcements before submission to the Board. The audit committee focuses not only on the impact of the changes in accounting policies and practices but also on the compliance with accounting standards, the GEM Listing Rules and the legal requirements in review of the Company's quarterly, interim and annual reports as well as result announcements. The audit committee also reviewed the Company's financial controls, internal control and risk management systems and make recommendation to the Board on the re-appointment of the external auditors.

年內，審核委員會於季度、中期、年度報告以及業績公告提呈董事會前(其中包括)審閱該等報告。審核委員會不僅注視會計政策及常規變動的影響，於審閱本公司季度、中期、年度報告以及業績公告時亦會關注是否符合會計準則、創業板上市規則及法律規定。審核委員會亦檢討本公司的財務監控、內部監控及風險管理系統，並就續聘外聘核數師向董事會提出建議。

CORPORATE GOVERNANCE FUNCTIONS

企業管治職能

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

董事會負責履行守則條文第D.3.1條所載職能。

The Board reviewed the Company's corporate governance policies and practices, continuous professional development of Directors, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the GEM Listing Rules, and the Company's compliance with the Code and disclosure in this Corporate Governance Report.

董事會已檢討本公司的企業管治政策及常規、董事的持續專業發展、本公司在遵守法律及監管規定方面的政策及常規、遵守創業板上市規則的情況，以及本公司遵守守則的情況及在本企業管治報告內的披露事項。

AUDITORS' REMUNERATION

The audit committee is responsible for considering the appointment of the external auditors and also reviews any non-audit functions performed by the external auditors for the Group, including whether such non-audit functions could lead to any potential material adverse effect on the Group. During the year, the auditors performed the work of statutory audit for the year of 2013. For the year ended 31 December 2013, the remuneration payable and paid to the auditors, HLB Hodgson Impey Cheng Limited were as follows:

Audit services	審核服務
Non-audit services	非審核服務

核數師薪酬

審核委員會負責考慮委任外聘核數師及檢討外聘核數師為本集團所執行的任何非核數職能，包括該等非核數職能會否對本集團構成任何潛在重大不利影響。年內，核數師已執行二零一三年年度的法定審核。截至二零一三年十二月三十一日止年度，應付及已付予核數師國衛會計師事務所有限公司的酬金如下：

	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
	1,000	580
	—	787

INTERNAL CONTROL

The Board recognises the importance of maintaining an adequate and effective internal control system to safeguard the Company's assets against unauthorised use or disposition, and to protect the interests of shareholders of the Company.

The audit committee assumes the overall responsibility for reviewing the adequacy and integrity of the Group's internal control system.

During the year, the Board has discussed and reviewed the relevant proposals made by senior management in order to ensure an adequate and effective system of internal control. The Board, through the audit committee, has conducted a review of the effectiveness of the internal control system of the Company and its subsidiaries for the year ended 31 December 2013, which covers all material controls, including financial, operational and compliance controls functions.

COMPANY SECRETARY

The company secretary of the Company assists the Board by ensuring good information flow within the Board and that Board policy and procedures are followed. The company secretary is also responsible for advising the Board on governance matters. As an employee of the Company, Mr. Wong Ho Yin, the company secretary of the Company, has undertaken not less than 15 hours of relevant professional training to update his skills and knowledge in 2013.

內部監控

董事會認同維持充分及有效內部監控系統甚為重要，此能防止本公司的資產在未經授權情況下遭動用或出售，並保障本公司股東權益。

審核委員會檢討本集團內部監控系統的充足及可靠性，並對此負上全部責任。

年內，董事會已討論及檢討高級管理層提出的相關建議方案，以確保內部監控系統充足及有效。董事會已透過審核委員會就本公司及其附屬公司於截至二零一三年十二月三十一日止年度之內部監控制度成效進行檢討，內容涵蓋所有重要監控，包括財務、營運、及合規監控功能。

公司秘書

本公司之公司秘書確保董事會成員間有效交流資訊及遵照董事會政策及程序，以協助董事會。公司秘書亦負責就管治事宜向董事會提出建議。作為本公司僱員，本公司之公司秘書黃浩然先生已於二零一三年接受不少於15小時之相關專業培訓，以更新其技能及知識。

SHAREHOLDERS' RIGHTS

Procedure for nominating a new Director

Pursuant to Article 83(2) of the articles and association of the Company (the "Articles"), subject to the Articles and the Companies Law of the Cayman Islands, the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy on the Board, or as an addition to the existing Board.

Procedure for convening an extraordinary general meeting

Pursuant to Article 58 of the Articles, any one or more shareholder holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition and such meeting shall be held within 2 months from the date of deposit of the requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Procedure for sending enquires to the Board

Shareholders may send written enquiries or requests in respect of their rights to the principal place of business of the Company in Hong Kong and for the attention of the Company Secretary.

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Company has established a range of communication channels between itself and its shareholders, and investors. These include the publication of annual, interim and quarterly reports, notices, announcements, circulars and constitutional documents, the Company's website at www.joystar.com.hk and meetings with investors and analysts.

The Company encourages all shareholders to attend the annual general meetings to stay informed of the Group's strategy and goals. It provides an opportunity for direct communication between the Board and its shareholders. The chairman of the meeting explains the detailed procedures for conducting a poll and then answers any questions from shareholders. The poll results are published on the websites of the Company and the Stock Exchange.

股東的權利

提名一名新董事的程序

根據本公司組織章程細則(「細則」)細則第83(2)條，在細則及開曼群島公司法規限下，本公司可透過普通決議案選出任何人士出任董事，以填補董事會臨時空缺或出任現任董事會新增成員。

召開股東特別大會的程序

根據細則的細則第58條，任何一位或以上於提請要求當日持有不少於本公司繳足股本(賦予權利在本公司股東大會投票)十分之一的股東，可隨時向本公司董事會發出書面要求，要求董事會召開股東特別大會，以處理有關要求所指明的事項，且有關大會須於提請該要求起計兩個月內舉行。倘提請後二十一(21)日內董事會未有召開大會，則提請要求的人士可自行以相同方式召開大會，而本公司須向提請要求的人士補償因董事會未有召開大會而產生的所有合理開支。

向董事會發送查詢的程序

股東可將有關彼等權利的書面查詢或要求發送至本公司香港主要營業地點，收件人為公司秘書。

投資者關係及與股東之溝通

本公司已於其與股東及投資者之間設立多種溝通渠道。當中包括刊發年度、中期及季度報告、通告、公告、通函及憲章文件，本公司網站 www.joystar.com.hk 及與投資者及分析員會晤。

本公司鼓勵所有股東出席股東週年大會，了解本集團之最新策略及目標。股東週年大會提供機會讓董事會與其股東直接溝通。大會主席會解釋以投票方式進行表決的詳細程序，然後回答股東的任何提問。投票結果刊登於本公司及聯交所之網站。



CONSTITUTIONAL DOCUMENTS

The Board does not aware of any changes in the Company's constitutional documents during the year.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledged their responsibility for the preparation of the financial statements for the year ended 31 December 2013, which give a true and fair view of the financial position of the Group. The auditors of the Company is responsible to form an independent opinion based on the audit, on the financial statements prepared by the Directors and report the opinion solely to the shareholders of the Company.

憲章文件

董事會並不知悉年內本公司的憲章文件出現任何變動。

董事就財務報表須承擔的責任

董事確認彼等須負責編製的截至二零一三年十二月三十一日止年度的財務報表，有關報表應真實而公平地反映本集團的財務狀況。本公司核數師負責根據其審核工作的結果，就董事編製的財務報表作出獨立意見，並僅向本公司股東匯報其意見。

DIRECTORS' REPORT

董事會報告



The Directors have pleasure in presenting their report and the audited consolidated financial statements of the Group for the year ended 31 December 2013.

PRINCIPAL ACTIVITIES

The Group is principally engaged in the manufacture and trading of nonwoven fabric products used in automotive interior decoration parts and other parts, trading of rubber, garment accessories and food products.

RESULTS AND FINANCIAL POSITION

The Group's results for the year ended 31 December 2013 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 39 and 40.

The state of affairs of the Group and of the Company at 31 December 2013 are set out in the consolidated statement of financial position and the statement of financial position on pages 41 to 43 respectively.

SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in Note 29 to the consolidated financial statements.

SUBSIDIARIES

Particulars of the Company's subsidiaries are set out in Note 20 to the consolidated financial statements.

SUMMARY OF FINANCIAL INFORMATION

A summary of financial results and of the assets and liabilities of the Group are set out in the section headed "Summary of Financial Information" on page 132 in this report.

RESERVES

The movements in the reserves of the Group during the year ended 31 December 2013 are set out in the consolidated statement of changes in equity. The movements in the reserves of the Company during the year ended 31 December 2013 are set out in Note 31 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

At 31 December 2013, the Company's reserve available for distribution to owners of the Company comprising share premium account amounted to approximately RMB6,631,000 (2012: RMB4,215,000).

董事會欣然呈列其報告及本集團截至二零一三年十二月三十一日止年度的經審核綜合財務報表。

主要業務

本集團主要從事製造及銷售用於汽車內飾件及其他部份的無紡布產品，以及買賣橡膠、成衣配件及食品。

業績及財務狀況

本集團於截至二零一三年十二月三十一日止年度的業績載於第39頁及第40頁之綜合損益及其他全面收益表。

本集團及本公司於二零一三年十二月三十一日的業務狀況分別載於第41頁至第43頁之綜合財務狀況表及財務狀況表。

股本

本公司的股本變動詳情載於綜合財務報表附註29。

附屬公司

有關本公司附屬公司之詳情載於綜合財務報表附註20。

財務資料概要

本集團之財務業績及資產和負債概要載於本報告第132頁之「財務資料概要」一節。

儲備

本集團於截至二零一三年十二月三十一日止年度的儲備變動載於綜合權益變動表。本公司於截至二零一三年十二月三十一日止年度的儲備變動載於綜合財務報表附註31。

可供分派儲備

於二零一三年十二月三十一日，本公司可供分派予本公司擁有人的儲備包括股份溢價賬約人民幣6,631,000元(二零一二年：人民幣4,215,000元)。

DIRECTORS' REPORT (Continued)

董事會報告(續)

DIVIDENDS

The Directors do not recommend the payment of any dividend for the year ended 31 December 2013.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group are set out in Note 18 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

In the year, sales to the Group's five largest customers in aggregate accounted for approximately 33.3% (2012: 64.8%) of the total sales for the year and sales to the largest customer accounted for approximately 10.6% (2012: 22.3%) of total sales. Purchases from the Group's five largest suppliers in aggregate accounted for approximately 41.6% (2012: 55.7%) of the total purchases for the year and purchases from the largest supplier accounted for approximately 12.5% (2012: 14.5%) of total purchases.

None of the Directors, their associates or any shareholders of the Company (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any interest in the Group's five largest customers and suppliers during the year.

DIRECTORS

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

Executive Directors:

Mr. Zhuang Yuejin
Mr. Pak Ping
Mr. Wong Ho Yin
Ms. Ruan Bixia (retired on 20 May 2013)
Mr. Ni Bin (appointed on 31 May 2013 and resigned on 21 November 2013)

Independent non-executive Directors:

Mr. Mak Wai Ho
Mr. Feng Xueben
Ms. Sung Kwan Wun (appointed on 19 August 2013)
Dr. Tang Yanfei (retired on 20 May 2013)

Pursuant to Article 83(3) and Article 84(1) of the Company's articles of association, Mr. Zhuang Yuejin, Mr. Pak Ping, Mr. Feng Xueben and Ms. Sung Kwan Wun shall retire at the forthcoming annual general meeting. All the retiring Directors are eligible for re-elections.

股息

董事並不建議派付截至二零一三年十二月三十一日止年度的末期股息。

物業、廠房及設備

本集團的物業、廠房及設備變動詳情載於綜合財務報表附註18。

主要客戶及供應商

本年度內，售予本集團五大客戶的銷量合共佔本年度總銷量約33.3%（二零一二年：64.8%），而售予最大客戶的銷量佔總銷量約10.6%（二零一二年：22.3%）。本集團五大供應商的採購合共佔本年度採購總額約41.6%（二零一二年：55.7%），而最大供應商的採購佔總採購約12.5%（二零一二年：14.5%）。

本年度內，概無董事、彼等之聯繫人士或任何本公司股東（據董事所深知，擁有本公司已發行股本5%或以上）於本集團的五大客戶及供應商擁有任何權益。

董事

本公司於本年度及截至本報告日期的董事為：

執行董事：

莊躍進先生
白平先生
黃浩然先生
阮碧霞女士（於二零一三年五月二十日退任）
倪斌先生（於二零一二年五月三十一日獲委任，並於二零一三年十一月二十一日辭任）

獨立非執行董事：

麥偉豪先生
馮學本先生
宋君媛女士（於二零一三年八月十九日獲委任）
湯炎非博士（於二零一三年五月二十日退任）

根據本公司組織章程細則第83(3)條及第84(1)條，莊躍進先生、白平先生、馮學本先生及宋君媛女士須於應屆股東週年大會退任。所有退任董事均合資格膺選連任。

DIRECTORS' REPORT (Continued)

董事會報告(續)

DIRECTORS' AND SENIOR MANAGEMENT

Biographical information of the Directors and senior management of the Group are set out on pages 13 to 16 of this report.

DIRECTORS' SERVICE CONTRACTS

None of the Directors, including those proposed for re-election at the forthcoming annual general meeting, has a service agreement which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Board on the basis of their experience, qualifications and competence.

The emoluments of the Directors of the Company are reviewed by the remuneration committee of the Company and approved by the Board, having regard to the relevant Director's experience, responsibility, workload and the time devoted to the Group; the Company's operating results and comparable market statistics.

The Company has adopted a share option scheme (the "Scheme") on 13 September 2010 to which the Directors and eligible employees, among others are entitled to participate in. The Company operates the Scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Details of the Scheme are set out in paragraph "Share Option Scheme" below.

REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors and the five highest paid individuals in the Group are set out in Notes 14 and 15 to the consolidated financial statements.

董事及高級管理層

本集團董事及高級管理層的履歷資料載於本報告第13頁至第16頁。

董事服務合約

概無董事(包括該等提呈於應屆股東週年大會膺選連任的董事)訂有不可由本公司於一年內免付賠償而終止(法定賠償除外)之服務協議。

薪酬政策

本集團僱員之薪酬政策乃由董事會制定，以僱員之經驗、資歷及能力為基準釐定。

本公司的董事酬金由本公司的薪酬委員會審核，並由董事會審批，有關酬金乃經計及有關董事的經驗、責任、工作量、為本集團貢獻的時間、本公司的經營業績及可資比較的市場統計數據後釐定。

本公司於二零一零年九月十三日採納購股權計劃(「該計劃」)，董事及合資格僱員均有權參與該計劃。本公司採納該計劃旨在激勵及獎勵為本集團之成功營運作出貢獻的合資格參與者。有關該計劃的詳情載於下文「購股權計劃」一段。

董事及五名最高酬金人士的薪酬

本集團之董事及五名最高酬金人士的薪酬詳情載於綜合財務報表附註14及15。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES, UNDERLYING SHARES AND DEBENTURES

So far as known to the Directors, at 31 December 2013, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions of which they were taken or deemed to have under such provisions of SFO) or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or otherwise required to be notified to the Company and the Stock Exchange pursuant to the Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long positions in shares of the Company

Name	Capacity and nature of interest	Number of ordinary shares held	Approximate percentage of shareholding in the Company
姓名	身份及權益的性質	所持普通股數目	佔本公司股權之概約百分比
Directors:			
董事：			
Mr. Zhuang Yuejin 莊躍進先生	Beneficial owner 實益擁有人	359,370,000	31.20%
Mr. Pak Ping 白平先生	Beneficial owner 實益擁有人	14,910,000	1.29%

Save as disclosed above, at 31 December 2013, none of the Directors or chief executives of the Company had any interests or short positions in the shares or underlying shares or debentures of the Company or any of its associated corporations as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

董事及最高行政人員於證券、相關股份及債權證的權益

據董事所知，於二零一三年十二月三十一日，本公司董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或被視為擁有的任何權益及／或淡倉），或根據證券及期貨條例第352條登記於本公司所需存置登記冊內的權益及淡倉，或根據創業板上市規則第5.46至5.67條須知會本公司及聯交所的權益及淡倉如下：

於本公司股份之好倉

除上文披露者外，於二零一三年十二月三十一日，概無本公司董事或最高行政人員於本公司或其任何相聯法團的股份、相關股份及債權證中，擁有根據證券及期貨條例第352條登記於本公司所需存置登記冊內的權益或淡倉，或根據創業板上市規則第5.46至5.67條須知會本公司及聯交所的權益及淡倉。

DIRECTORS' REPORT (Continued)

董事會報告(續)

Save as disclosed above, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate granted to any Directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors, their respective spouse or children under 18 years of age to acquire such rights in the Company or any body corporate.

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

At 31 December 2013, so far as known to the Directors, the persons (other than the Directors or chief executives of the Company), who had, or was deemed to have interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company in accordance with the provision of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register maintained by the Company, pursuant to Section 336 of the SFO, were as follows:

Long positions in shares of the Company

Name	Capacity and nature of interest	Number of ordinary shares held	Approximate percentage of shareholding in the Company
姓名	身份及權益的性質	所持普通股數目	佔本公司股權之概約百分比
Avant Capital Management (HK) Limited 翺騰投資管理(香港)有限公司	Beneficial owner 實益擁有人	107,443,000	9.33%

除上文所披露者外，於本年度之任何時間內概無授予任何董事或彼等各自之配偶或未滿十八歲子女可透過收購本公司或任何其他法人團體之股份或債權證而獲益的權利，該等權利亦無獲其行使；本公司、其控股公司或其任何附屬公司亦無參與訂立任何安排致使董事、彼等各自之配偶或未滿十八歲子女獲得於本公司或任何法人團體之該等權利。

主要股東及其他人士於本公司之股份或相關股份中的權益或淡倉

於二零一三年十二月三十一日，就董事所知，以下人士(本公司董事或最高行政人員除外)於股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部之第2及第3分部須向本公司披露，或根據證券及期貨條例第336條本公司須存置於登記冊的權益或淡倉：

於本公司股份之好倉

DIRECTORS' REPORT (Continued)

董事會報告(續)

Save as disclosed above and under the section "DIRECTORS' AND CHIEF EXECUTIVES' INTEREST IN SECURITIES, UNDERLYING SHARES AND DEBENTURES" on page 31 of this report, at 31 December 2013, the Directors of the Company were not aware of any persons who had, or was deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company in accordance with the provisions of Divisions 2 and 3 of Part XV of the SFO; or be recorded in the register required to be kept under Section 336 of the SFO.

DIRECTORS' INTERESTS IN CONTRACTS

No Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party at the end of the year or at any time during the year.

DIRECTOR'S INTEREST IN COMPETING INTERESTS

The Directors are not aware of any business or interest of the Directors, the controlling shareholder and their respective associates (as defined under the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group during the year.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

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

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

Save as disclosed in section "DIRECTORS' AND CHIEF EXECUTIVES' INTEREST IN SECURITIES, UNDERLYING SHARES AND DEBENTURES" on page 31 of this report, at no time during the year was the Company, or its subsidiaries, or its fellow subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of the Company or any other body corporate.

除上文及本報告第31頁「董事及最高行政人員於證券、相關股份及債權證的權益」一節所披露者外，於二零一三年十二月三十一日，本公司董事概不知悉任何人士已經或被視為於股份或相關股份中擁有根據證券及期貨條例第XV部之第2及第3分部須向本公司披露，或根據證券及期貨條例第336條登記於須予存置登記冊的權益或淡倉。

董事於合約的權益

於年終或本年度內任何時間，概無董事於本公司或其任何附屬公司訂立對本集團業務而言屬重要之任何合約中直接或間接擁有重大權益。

董事於競爭業務的權益

本年度內，董事概不知悉任何董事、控股股東及彼等各自的聯繫人士(定義見創業板證券上市規則)的任何業務或權益與本集團的業務出現或可能出現競爭，亦不知悉該等人士會或可能會與本集團出現任何其他利益衝突。

購買、出售或贖回本公司的上市證券

本公司及其任何附屬公司於本年度內概無購買、出售或贖回本公司任何上市證券。

董事購入股份及債權證的權益

除本報告第31頁「董事及最高行政人員於證券、證券、相關股份及債權證的權益」一節所披露者外，本公司或其附屬公司或其同系附屬公司於本年度內任何時間概無訂立任何安排，致使董事可藉購入本公司或任何其他法團的股份或債權證而獲益。

DIRECTORS' REPORT (Continued)

董事會報告(續)

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the latest practicable date prior to issue of this report, the Company has maintained the sufficient public float under the GEM Listing Rules.

RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

During the year, except for those disclosed in Note 44 to the consolidated financial statements, the Group had no transactions with its related parties.

The Directors conducted review of the related party transactions of the Group during the year and were not aware any transaction requiring disclosure of connected transactions in accordance with the requirements of the GEM Listing Rules.

BANK BORROWINGS

Particulars of bank borrowings of the Group as at 31 December 2013 are set out in Note 34 to the consolidated financial statements.

RETIREMENT BENEFIT SCHEME

Particulars of the retirement benefit scheme of the Group are set out in Note 43 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association or the laws of Cayman Islands which oblige the Company to offer new shares on a pro-rata basis to its existing shareholders.

SHARE OPTION SCHEME

The Company adopted the Scheme on 13 September 2010 which will remain in force for a period of 10 years from the effective date of the Scheme and will expire on 29 September 2020.

Under the Scheme, the Directors may at their discretion grant options to (i) any employee of any member of the Group or any entity in which any member of the Group holds any equity interest (the "Invested Entity"); (ii) any executive and non-executive Directors of any member of the Group or any Invested Entity; (iii) any supplier and customer of any member of the Group or any Invested Entity; (iv) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity; (v) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be issued by any member of the Group or any Invested Entity; or (vi) any adviser or consultant of any member of the Group or any Invested Entity to subscribe for the shares of the Company.

足夠公眾持股量

按照本公司公開可得之資料及就董事所知，於本報告刊發前的最後實際可行日期，本公司根據創業板上市規則已維持足夠之公眾持股量。

關連方交易及關連交易

本年度內，除綜合財務報表附註44所披露者外，本集團概無與關連方進行任何交易。

董事已對本集團年內的關連方交易進行審閱，且並不知悉任何根據創業板上市規則規定須作關連交易披露的交易。

銀行借款

本集團截至二零一三年十二月三十一日的銀行借款詳情載於綜合財務報表附註34。

退休福利計劃

本集團的退休福利計劃詳情載於綜合財務報表附註43。

優先購股權

本公司的組織章程細則或開曼群島法律並無有關優先購股權的規定，致使本公司須按比例基準向現有股東發售新股份。

購股權計劃

本公司於二零一零年九月十三日採納該計劃，該計劃自生效日期起十年內有效，而屆滿日期將為二零二零年九月二十九日。

根據該計劃，董事可酌情向以下人士授出購股權，以認購本公司之股份：(i)本集團成員或本集團任何成員持有股權的任何實體(「投資實體」)的任何僱員；(ii)本集團任何成員或任何投資實體的任何執行及非執行董事；(iii)本集團任何成員或任何投資實體的任何供應商及客戶；(iv)向本集團任何成員或任何投資實體提供研發或其他技術支援的人士或實體；(v)本集團任何成員或任何投資實體的股東或已獲或將獲本集團任何成員或任何投資實體發行的任何證券之持有人；或(vi)本集團任何成員或任何投資實體的任何顧問或諮詢顧問。

DIRECTORS' REPORT (Continued)

董事會報告(續)

The maximum number of shares in respect to which options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company on the date of adopting the Scheme. The limit may be refreshed at any time provided that the new limit must not be in aggregate exceed 10% of the issued share capital of the Company as at the date of the shareholders' approval in general meeting. However, the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other scheme of the Company must not in aggregate exceed 30% of the shares in issue from time to time. The limit of the Scheme was refreshed at a general meeting held on 20 May 2013. At 31 December 2013, the total number of shares available for issued under the Scheme was 108,000,000 (2012: 36,000,000) shares, which represented approximately 10% of the issued share capital of the Company at that day of refreshment. The maximum number of shares in respect of which options may be granted to any individual in any 12-month period shall not exceed 1% of the shares in issue on the last date of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the GEM Listing Rules. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.

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

During the year, no share option was granted, exercised, expired or lapsed and there is no outstanding share option under the Scheme.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry with all Directors, the Company confirmed that all Directors have complied with the code of conduct and the required standard of dealings concerning securities transactions by the Directors during the year.

根據該計劃授出之購股權獲行使時，可予發行之股份數目最多不超過本公司於採納該計劃當日之已發行股本10%。該上限可隨時更新，惟新限額不得超過股東於股東大會批准當日，本公司之已發行股本之10%。然而，根據該計劃及本公司任何其他計劃已授出但尚未行使之全部購股權獲行使時，可予發行之股份數目不得超過不時已發行股份之30%。該計劃上限已於二零一三年五月二十日舉行的股東大會上獲更新。於二零一三年十二月三十一日，根據該計劃可供發行的股份總數為108,000,000股(二零一二年：36,000,000股)股份，相當於本公司於更新當日已發行股本約10%。於任何十二個月期間內，向任何個別人士授出之購股權獲行使時，可予發行之股份總數不得超過該十二個月期間最後一天本公司之已發行股份之1%，除非按照創業板上市規則經由本公司股東批准則作別論。象徵式代價1港元須於接納授出購股權時支付。

購股權可於授出購股權日期起計，直至授出日期十週年的任何時間內行使，而期限由董事決定。行使價則由董事釐定，並將不會低於以下之較高者：(i) 於購股權授出日期股份在聯交所每日報價表所報之收市價；(ii) 緊接購股權授出日期前五個營業日股份在聯交所每日報價表所報之平均收市價；或(iii) 股份面值。

本年度內，概無任何購股權已獲授出、行使、到期或失效，且該計劃項下概無任何尚未行使的購股權。

有關董事進行證券交易的行為守則

本公司已採納有關董事進行證券交易的行為守則，其條款並不比創業板上市規則第5.48至5.67條所載之交易準則規定寬鬆。經向全體董事作出特定查詢後，本公司確認全體董事於本年度內均一直遵守行為守則及有關董事進行證券交易的交易準則規定。

DIRECTORS' REPORT (Continued)

董事會報告(續)

EVENTS AFTER THE REPORTING PERIOD

There has not been significant events took place subsequent to 31 December 2013.

AUDITORS

A resolution to re-appoint the retiring auditor, HLB Hodgson Impey Cheng Limited will be proposed at the forthcoming annual general meeting.

On behalf of the Board

Zhuang Yuejin

Chairman and Chief Executive Officer

Hong Kong, 21 February 2014

報告期後事項

於二零一三年十二月三十一日後，概無發生重大事項。

核數師

續聘退任核數師國衛會計師事務所有限公司之決議案將於應屆股東週年大會上提呈。

承董事會命

莊躍進

主席兼行政總裁

香港，二零一四年二月二十一日

INDEPENDENT AUDITORS' REPORT

獨立核數師報告



國衛會計師事務所有限公司
Hodgson Impey Cheng Limited

**TO THE SHAREHOLDERS OF
CHINA AUTOMOTIVE INTERIOR DECORATION HOLDINGS LIMITED**
(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of China Automotive Interior Decoration Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 39 to 131, which comprise the consolidated and Company statements of financial position as at 31 December 2013, and the consolidated statement of profit or loss and other 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 Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, 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
中國汽車內飾集團有限公司股東
(於開曼群島註冊成立的有限公司)

本核數師已審核載於第39至第131頁中國汽車內飾集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)的綜合財務報表，當中載有於二零一三年十二月三十一日的綜合及公司財務狀況表、截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及重大會計政策概要及其他說明資料。

董事就綜合財務報表須承擔的責任

貴公司董事負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定，編製表達真實且公平意見的綜合財務報表，以及維持董事認為必要的有關內部控制，以確保編製綜合財務報表時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

本核數師的責任是根據本核數師的審核對該等綜合財務報表表達意見，並僅向整體股東報告本核數師的意見，除此之外，本報告別無其他目的。本核數師概不會就本報告內容向任何其他人士負責或承擔責任。本核數師乃根據香港會計師公會頒佈的香港核數準則進行審核。按該等準則的要求，本核數師須遵守道德操守規定，以及計劃及進行審核，以合理確定綜合財務報表是否不存有任何重大錯誤陳述。

INDEPENDENT AUDITORS' REPORT (Continued)

獨立核數師報告(續)

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' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the 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 Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Hon Koon Fai, Alex
Practising Certificate Number: P05029

Hong Kong, 21 February 2014

審核包括執行情序以取得與綜合財務報表所載金額及披露事項有關的審核憑證。所選用的程序取決於核數師的判斷，包括評估有關綜合財務報表存在重大錯誤陳述(不論是因欺詐或錯誤而起)的風險。在作出該等風險評估時，核數師會考慮與公司編製並真實公平地呈報綜合報財務報表相關的內部監控，但目的只在於按具體情況設計適當的審核程序，而並非要對公司的內部監控有效與否表達意見。審核亦包括評核董事所採用的會計政策是否恰當以及其所作的會計估算是否合理，以及評核綜合財務報表的整體呈報方式。

本核數師相信，本核數師已取得充分且恰當的審核憑證，足以為本核數師的審核意見提供基礎。

意見

本核數師認為，綜合財務報表已按香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零一三年十二月三十一日的事務狀況及 貴集團截至該日止年度的溢利及現金流量，並已根據香港公司條例的披露規定妥善編製。

國衛會計師事務所有限公司
香港執業會計師

韓冠輝
執業證書編號：P05029

香港，二零一四年二月二十一日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

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

			2013	2012
		Note	二零一三年	二零一二年
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
Revenue	收入	8	543,377	166,906
Cost of sales	銷售成本		(492,565)	(138,500)
Gross profit	毛利		50,812	28,406
Other income	其他收入	9	25,362	4,776
Selling and distribution costs	銷售及分銷成本		(9,020)	(7,316)
Share of loss of an associate	應佔聯營公司虧損	21	(1,371)	—
Administrative expenses	行政開支		(15,520)	(11,840)
Profit from operations	經營溢利	10	50,263	14,026
Finance costs	融資成本	11	(2,637)	(1,731)
Profit before tax	除稅前溢利		47,626	12,295
Income tax expense	所得稅開支	12	(4,582)	(1,497)
Profit for the year attributable to the owners of the Company	本公司擁有人應佔年度溢利		43,044	10,798

The accompanying notes form an integral part of these consolidated financial statements.
隨附的附註構成此等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)

綜合損益及其他全面收益表(續)

For the 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
Profit for the year	年度溢利		43,044	10,798
Other comprehensive loss for the year, net of income tax:	年度其他全面虧損，扣除所得稅後：			
Items that may be reclassified subsequently to profit or loss:	其後可重新分類至損益的項目：			
Exchange differences on translating foreign operations	換算海外業務之匯兌差額		<u>(2,218)</u>	<u>(85)</u>
Total other comprehensive loss for the year	年度其他全面虧損總額		<u>(2,218)</u>	<u>(85)</u>
Total comprehensive income for the year attributable to the owners of the Company	本公司擁有人應佔年度全面收益總額		<u>40,826</u>	<u>10,713</u>
			RMB 人民幣	RMB 人民幣
Earnings per share	每股盈利			
— Basic	— 基本	13	<u>3.8 cents</u> 分	<u>2.0 cents</u> 分
— Diluted	— 攤薄	13	<u>3.8 cents</u> 分	<u>2.0 cents</u> 分

The accompanying notes form an integral part of these consolidated financial statements.
隨附的附註構成此等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2013
於二零一三年十二月三十一日

			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
	Note 附註			
ASSETS		資產		
Non-current assets		非流動資產		
Property, plant and equipment	18	物業、廠房及設備	45,843	40,146
Prepaid land lease payments	19	預付土地租賃款項	2,844	2,917
Deferred tax assets	37	遞延稅項資產	1,247	1,036
Interest in an associate	21	於聯營公司的權益	4,895	—
Goodwill	22	商譽	51,099	—
			<u>105,928</u>	<u>44,099</u>
Current assets		流動資產		
Prepaid land lease payments	19	預付土地租賃款項	73	73
Inventories	23	存貨	21,826	15,555
Trade receivables	24	應收貿易款項	75,962	64,678
Note receivables		應收票據	13,108	8,730
Prepayments, deposits and other receivables	25	預付款項、按金及其他應收款項	26,027	21,184
Held-for-trading investments	26	持作買賣投資	27,141	4,405
Pledged bank deposit	27	已抵押銀行存款	6,114	—
Cash and bank balances	28	現金及銀行結餘	51,474	82,132
			<u>221,725</u>	<u>196,757</u>
Total assets		資產總額	<u>327,653</u>	<u>240,856</u>
EQUITY		權益		
Capital and reserves attributable to the owners of the Company		本公司擁有人應佔資本及儲備		
Share capital	29	股本	94,829	89,086
Reserves	31	儲備	144,894	98,908
Total equity		權益總額	<u>239,723</u>	<u>187,994</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

綜合財務狀況表(續)

At 31 December 2013
於二零一三年十二月三十一日

			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
	Note 附註			
LIABILITIES		負債		
Current liabilities		流動負債		
Trade payables	32	應付貿易款項	20,323	17,410
Accruals and other payables	33	應計費用及其他應付款項	16,189	5,397
Bank borrowings	34	銀行借款	29,055	29,500
Bank overdrafts	35	銀行透支	2,959	—
Promissory note	36	承付票據	15,456	—
Tax payable		應付稅項	3,948	555
			<u>87,930</u>	<u>52,862</u>
Total equity and liabilities		權益及負債總額	<u>327,653</u>	<u>240,856</u>
Net current assets		流動資產淨額	<u>133,795</u>	<u>143,895</u>
Total assets less current liabilities		總資產減流動負債	<u>239,723</u>	<u>187,994</u>

Approved by the Board of Directors on 21 February 2014 and signed on its behalf by:

於二零一四年二月二十一日由董事會批准並由下列人士代表簽署：

Zhuang Yuejin
莊躍進
Director
董事

Pak Ping
白平
Director
董事

The accompanying notes form an integral part of these financial statements.
隨附的附註構成此等財務報表的一部分。

STATEMENT OF FINANCIAL POSITION

財務狀況表

At 31 December 2013
於二零一三年十二月三十一日

		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
ASSETS	資產			
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司的投資	20	50,022	17,872
Current assets	流動資產			
Prepayments and deposits	預付款項及按金	25	62	675
Amounts due from subsidiaries	應收附屬公司款項	20	78,280	37,729
Cash and bank balances	現金及銀行結餘	28	1,521	53,124
			79,863	91,528
Total assets	資產總額		129,885	109,400
EQUITY	權益			
Capital and reserves attributable to the owners of the Company	本公司擁有人應佔資本及儲備			
Share capital	股本	29	94,829	89,086
Reserves	儲備	31	19,516	19,760
Total equity	權益總額		114,345	108,846
LIABILITIES	負債			
Current liabilities	流動負債			
Accruals and other payables	應計費用及其他應付款項	33	340	554
Amounts due to subsidiaries	應付附屬公司款項	20	15,200	—
Total liabilities	負債總額		15,540	554
Total equity and liabilities	權益及負債總額		129,885	109,400
Net current assets	流動資產淨額		64,323	90,974
Total assets less current liabilities	總資產減流動負債		114,345	108,846

Approved by the Board of Directors on 21 February 2014 and signed on its behalf by:

於二零一四年二月二十一日由董事會批准並由下列人士代表簽署：

Zhuang Yuejin
莊躍進
Director
董事

Pak Ping
白平
Director
董事

The accompanying notes form an integral part of these consolidated financial statements.
隨附的附註構成此等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Share capital	Share premium	Merger reserve	Foreign currency translation reserve	Statutory reserve	Retained profits	Total equity
		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	RMB'000 人民幣千元
At 1 January 2012	於二零一二年一月一日	20,552	22,694	5,992	2,657	7,681	52,998	112,574
Profit for the year	年度溢利	—	—	—	—	—	10,798	10,798
Other comprehensive loss for the year	年度其他全面虧損	—	—	—	(85)	—	—	(85)
Total comprehensive (loss)/income for the year	年度全面(虧損)/收益總額	—	—	—	(85)	—	10,798	10,713
Placing of shares	配售股份	68,534	—	—	—	—	—	68,534
Share issue expenses	股份發行開支	—	(3,827)	—	—	—	—	(3,827)
Transfer to statutory reserve	轉撥至法定儲備	—	—	—	—	746	(746)	—
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	89,086	18,867	5,992	2,572	8,427	63,050	187,994
Profit for the year	年度溢利	—	—	—	—	—	43,044	43,044
Other comprehensive loss for the year	年度其他全面虧損	—	—	—	(2,218)	—	—	(2,218)
Total comprehensive (loss)/income for the year	年度全面(虧損)/收益總額	—	—	—	(2,218)	—	43,044	40,826
Issue of shares	發行股份	5,743	5,168	—	—	—	—	10,911
Share issue expenses	股份發行開支	—	(8)	—	—	—	—	(8)
Transfer to statutory reserve	轉撥至法定儲備	—	—	—	—	2,101	(2,101)	—
At 31 December 2013	於二零一三年十二月三十一日	94,829	24,027	5,992	354	10,528	103,993	239,723

The accompanying notes form an integral part of these consolidated financial statements.
隨附的附註構成此等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the 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	經營活動產生的現金流量		
Profit before tax	除稅前溢利	47,626	12,295
Adjustments for:	就以下各項作出調整：		
Interest expenses	利息開支	2,637	1,724
Finance lease charges	融資租賃費用	—	7
Interest income	利息收入	(32)	(28)
Impairment loss recognised on trade receivables	就應收貿易款項確認的減值虧損	198	117
Inventories written off	存貨撇銷	26	410
Depreciation of property, plant and equipment	物業、廠房及設備折舊	4,828	4,479
Realised gain on held-for-trading investments	持作買賣投資的已變現收益	(3,209)	(1,122)
Unrealised gain on held-for-trading investments	持作買賣投資的未變現收益	(20,110)	(1,725)
Share of loss of an associate	應佔聯營公司虧損	1,371	—
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	73	73
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	1	34
		<hr/>	<hr/>
Operating profit before working capital changes	營運資金變動前的經營溢利	33,409	16,264
Increase in inventories	存貨增加	(587)	(2,159)
Increase in trade receivables	應收貿易款項增加	(4,187)	(4,686)
Increase in note receivables	應收票據增加	(4,378)	(5,330)
Decrease/(increase) in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少/(增加)	12,529	(5,926)
(Decrease)/increase in trade payables	應付貿易款項(減少)/增加	(13,817)	7,036
(Decrease)/increase in accruals and other payables	應計費用及其他應付款項(減少)/增加	(23,030)	447
		<hr/>	<hr/>
Net cash (used in)/generated from operations	經營(所用)/所得現金淨額	(61)	5,646
Interest paid	已付利息	(1,881)	(1,724)
Finance lease charges paid	已付融資租賃費用	—	(7)
Tax refund	退稅	297	283
Income taxes paid	已付所得稅	(2,076)	(3,430)
		<hr/>	<hr/>
Net cash (used in)/generated from operating activities	經營活動(所用)/所得現金淨額	(3,721)	768
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動產生的現金流量		
Interest received	已收利息	32	28
Purchase of property, plant and equipment	購置物業、廠房及設備	(5,575)	(264)
Addition of construction in progress	在建工程添置	(4,071)	(2,342)
Purchase of held-for-trading investments	購買持作買賣投資	(7,687)	(7,899)
Increase in pledged bank deposit	已抵押銀行存款增加	(6,114)	—
Proceeds from disposal of held-for-trading investments	出售持作買賣投資所得款項	7,850	6,341
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	2	200
Net cash outflow on acquisition of subsidiaries	收購附屬公司的現金流出淨額	(4,459)	—
Investment in an associate	於聯營公司的投資	(6,266)	—
		<hr/>	<hr/>
Net cash used in investing activities	投資活動所用現金淨額	(26,288)	(3,936)

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

綜合現金流量表(續)

For the 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 FINANCING ACTIVITIES	融資活動產生的現金流量		
Proceeds from borrowings	借款所得款項	28,234	48,900
Repayment of borrowings	償還借款	(29,810)	(44,400)
Share issuing expenses	股份發行開支	(8)	(3,827)
Repayment of finance lease payables	償還應付融資租賃款項	—	(209)
Proceeds from issue of shares	發行股份所得款項	—	68,534
		<hr/>	<hr/>
Net cash (used in)/generated from financing activities	融資活動(所用)/所得現金淨額	(1,584)	68,998
		<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents	現金及現金等值物(減少)/增加淨額	(31,593)	65,830
Cash and cash equivalents at the beginning of the year	於年初的現金及現金等值物	82,132	16,387
Effect of foreign currency exchange rate changes	外幣匯率變動的影響	(2,024)	(85)
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	於年終的現金及現金等值物	48,515	82,132
		<hr/>	<hr/>
Analysis of the balances of cash and cash equivalents	現金及現金等值物結餘分析		
Cash and bank balances	現金及銀行結餘	51,474	82,132
Bank overdrafts	銀行透支	(2,959)	—
		<hr/>	<hr/>
		48,515	82,132
		<hr/>	<hr/>

The accompanying notes form an integral part of these consolidated financial statements.
隨附的附註構成此等綜合財務報表一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 9 December 2009 with limited liability. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The address of the Group's principal place of business is located at No. 28 Xinfeng Road, Xinfeng Industrial Park, Fangqian Town, New District, Wuxi City, Jiangsu Province, the People's Republic of China (the "PRC").

The principal activity of the Company is investment holding. The Group is principally engaged in the manufacture and sale of nonwoven fabric products used in automotive interior decoration parts and other parts, and trading of rubber, garment accessories and food products.

The consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousands, except when otherwise indicated.

The shares of the Company were listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 29 September 2010.

1. 一般資料

本公司於二零零九年十二月九日於開曼群島註冊成立為有限公司。本公司註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本集團的主要營業地點位於中華人民共和國(「中國」)江蘇省無錫市新區坊前鎮新豐工業園新風路28號。

本公司主要業務為投資控股。本集團主要從事製造及銷售用於汽車內飾件及其他部分的無紡布產品以及買賣橡膠、成衣配件及食品。

除另有註明者外，綜合財務報表以人民幣(「人民幣」)呈列，而所有價值均調至最接近的千元。

本公司股份於二零一零年九月二十九日在香港聯合交易所有限公司(「聯交所」)創業板上市。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has adopted all of the new and revised standards, amendments and interpretations (“new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2013.

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

Except for the amendments to HKAS 1, the application of these new HKFRSs has no material impact on the results and the financial position of the Group.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度，本集團已採納與其業務有關並於二零一三年一月一日或之後開始的年度期間生效，且由香港會計師公會(「香港會計師公會」)頒佈的所有新訂及經修訂準則、修訂本及詮釋(「新香港財務報告準則」)。

香港財務報告準則第1號 (修訂本)	政府貸款
香港財務報告準則第10號	綜合財務報表
香港財務報告準則第11號	合營安排
香港財務報告準則第12號	披露於其他實體的權益
香港財務報告準則第13號	公平值計量
香港財務報告準則第7號 (修訂本)	披露 — 抵銷金融資產及金融負債
香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號(修訂本)	綜合財務報表、合營安排及披露於其他實體的權益：過渡指引
香港會計準則第19號 (二零一一年經修訂)	僱員福利
香港會計準則第27號 (二零一一年經修訂)	獨立財務報表
香港會計準則第28號 (二零一一年經修訂)	於聯營公司及合營企業的投資
香港會計準則第1號 (修訂本)	其他全面收益項目的呈列
香港財務報告準則 (修訂本)	二零零九年至二零一一年週期香港財務報告準則的年度改進
香港(國際財務報告詮釋委員會) — 詮釋第20號	露天礦場生產階段的剝採成本

除香港會計準則第1號修訂本外，應用此等新訂香港財務報告準則不會對本集團的業績及財務狀況造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

The nature of the impending changes in accounting policy on adoption of the amendments to HKAS 1 is described below.

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012.

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

採納香港會計準則第1號修訂本後會計政策的即時變動性質載述於下文。

香港會計準則第1號(修訂本)其他全面收益項目的呈列

香港會計準則第1號修訂本於二零一二年七月一日或之後開始的年度期間生效。

香港會計準則第1號修訂本為全面收益表及收益表引入新術語。根據香港會計準則第1號修訂本，全面收益表更名為損益及其他全面收益表，而收益表更名為損益表。香港會計準則第1號修訂本保留選擇於一份獨立報表或兩份獨立但連貫的報表中呈列損益及其他全面收益。然而，香港會計準則第1號修訂本要求在其他全面收益一節內將其他全面收益項目分為兩類：(a)其後將不會重新分類至損益的項目；及(b)日後在符合特定條件時可重新分類至損益的項目。其他全面收益項目的所得稅須按相同基準分配。有關修訂並無改變呈列除稅前或除稅後其他全面收益項目的選擇。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

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

HKFRS 9	Financial Instruments ³
HKFRS 9, HKFRS 7 and HKAS 39 (Amendments)	Hedge Accounting and amendments to HKFRS 9, HKFRS 7 and HKAS 39 ³
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities ¹
HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities ¹
HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets ¹
HKAS 39 (Amendments)	Novation of Derivatives and Continuation of Hedge Accounting ¹
HK(IFRIC)-Int 21	Levies ¹
HKAS 19 (Amendments)	Defined Benefits Plans: Employee Contributions ²
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2010-2012 Cycle ²
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2011-2013 Cycle ²

¹ effective for annual periods beginning on or after 1 January 2014, with earlier application permitted

² effective for annual periods beginning on or after 1 July 2014, with earlier application permitted

³ no mandatory effective date yet determined but is available for adoption

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本集團並無於此等綜合財務報表應用下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具 ³
香港財務報告準則第9號、香港財務報告準則第7號及香港會計準則第39號(修訂本)	香港財務報告準則第9號、香港財務報告準則第7號及香港會計準則第39號的對沖會計法及修訂 ³
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(修訂本)	投資實體 ¹
香港會計準則第32號(修訂本)	抵銷金融資產及金融負債 ¹
香港會計準則第36號	非金融資產的可收回金額披露 ¹
香港會計準則第39號(修訂本)	衍生工具更替及對沖會計法的延續 ¹
香港(國際財務報告詮釋委員會)－詮釋第21號	徵費 ¹
香港會計準則第19號(修訂本)	界定福利計劃：僱員供款 ²
香港財務報告準則(修訂本)	二零一零年至二零一二年週期香港財務報告準則的年度改進 ²
香港財務報告準則(修訂本)	二零一一年至二零一三年週期香港財務報告準則的年度改進 ²

¹ 於二零一四年一月一日或之後開始的年度期間生效，並可提前應用

² 於二零一四年七月一日或之後開始的年度期間生效，並可提前應用

³ 尚未釐定強制性生效日期，惟可予採納

香港財務報告準則第9號金融工具

於二零零九年頒佈的香港財務報告準則第9號引入有關金融資產分類及計量的新規定。香港財務報告準則第9號於二零一零年經修訂以引入有關金融負債分類及計量以及取消確認的規定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 9 Financial Instruments (Continued)

Key requirements of HKFRS 9 are described below:

- All recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent reporting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

The date when entities would be required to apply HKFRS 9 was previously stated at 1 January 2015. This mandatory effective date has been removed to provide sufficient time for preparers of financial statements to make the transition to the new requirements, which will now become effective from a later date yet to be announced.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號金融工具(續)

香港財務報告準則第9號的主要規定如下：

- 香港會計準則第39號金融工具：確認及計量範圍以內的所有已確認金融資產其後均須按攤銷成本或公平值計量。具體情況是，於目的為收集合約現金流量的業務模式內所持有，及合約現金流量僅為支付本金及未償還本金的利息的債務投資，均一般於其後會計期末按攤銷成本計量。所有其他債務投資及股本投資均於其後會計期末按公平值計量。此外，根據香港財務報告準則第9號，實體可以不可撤回地選擇於其他全面收益呈列股本投資(並非持作買賣)的公平值變動，僅股息收入一般於損益確認。
- 就計量指定為按公平值於損益列賬的金融負債而言，香港財務報告準則第9號規定，除非於其他全面收益中確認負債信貸風險變動的影響，將會於損益中產生或擴大會計錯配，否則因金融負債的信貸風險變動而引致有關負債公平值變動的金額，乃於其他全面收益中呈列。金融負債信貸風險應佔公平值變動其後不會重新分類至損益。過往，根據香港會計準則第39號，指定為按公平值於損益列賬的金融負債的全部公平值變動款額均於損益中呈列。

實體須應用香港財務報告準則第9號的日期先假定為二零一五年一月一日。此強制性生效日期已剔除，以為財務報表的編製者提供足夠時間過渡至新規定，新規定現將由有待公佈的較後日期起生效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 Financial Instruments (Continued)

The directors anticipate that the adoption of HKFRS 9 in the future may have a significant impact on the amounts reported in respect of the Group’s financial assets and financial liabilities (e.g. the Group’s available-for-sale investments may have to be measured at fair value at the end of subsequent reporting periods, with changes in the fair value being recognised in profit or loss). Regarding the Group’s financial assets, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

Amendments to HKFRS 7 and HKAS 32 — Offsetting Financial Assets and Financial Liabilities and the related disclosures

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

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

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

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號金融工具(續)

董事預計，日後採納香港財務報告準則第9號可能會對就本集團的金融資產及金融負債的所呈報金額造成重大影響(如本集團的可供出售投資可能須於其後報告期末按公平值計量，其公平值變動將於損益確認)。就本集團的金融資產而言，直至完成詳細檢討前，提供有關影響的合理估計並不可行。

香港財務報告準則第7號及香港會計準則第32號(修訂本)抵銷金融資產及金融負債及相關披露

香港會計準則第32號修訂本釐清現行有關抵銷金融資產及金融負債要求的應用事宜。具體而言，修訂本釐清「目前有法律上可執行的抵銷權利」及「同時變現與清償」的意思。

香港財務報告準則第7號修訂本要求實體披露有關金融工具在執行總淨額計算協議或類似安排下的抵銷權及相關安排(例如抵押品過賬規定)的資料。

香港財務報告準則第7號修訂本於二零一三年一月一日或以後開始的年度期間及該年度期間內的中期期間生效。所有比較期間的披露事項均須追溯提供。然而，香港會計準則第32號修訂本直至二零一四年一月一日或之後開始的年度期間方會生效，屆時亦須追溯應用。

董事預計應用香港會計準則第32號及香港財務報告準則第7號的修訂本可能導致日後就抵銷金融資產及金融負債作出更多披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Amendments to HKAS 36 — Impairment of Assets: Recoverable Amount Disclosure for Non-Financial Assets

The amendments to HKAS 36 are to remove certain unintended disclosure requirements which may be introduced by the consequential amendments to HKAS 36 when HKFRS 13 was issued. Furthermore, these amendments require the disclosure of additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal. The amendments to HKAS 36 are effective for annual periods beginning on or after 1 January 2014. Earlier application is permitted. However, an entity may not apply those amendments in periods (including comparative periods) in which it does not also apply HKFRS 13.

The directors anticipate that the application of these amendments to HKAS 36 will have no material impact on the Group’s financial performance and positions.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) — Investment Entities

The Investment Entities amendments apply to a particular class of business that qualify as investment entities. The term ‘investment entity’ refers to an entity whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both. An investment entity must also evaluate the performance of its investments on a fair value basis. Such entities could include private equity organisations, venture capital organisations, pension funds, sovereign wealth funds and other investment funds.

Under HKFRS 10, reporting entities were required to consolidate all investees that they control (i.e. all subsidiaries). Preparers and users of financial statements have suggested that consolidating the subsidiaries of investment entities does not result in useful information for investors. Rather, reporting all investments, including investments in subsidiaries, at fair value, provides the most useful and relevant information.

In response to this, the amendments provide an exception to the consolidation requirements in HKFRS 10 and require investment entities to measure particular subsidiaries at fair value through profit or loss, rather than consolidate them. The amendments also set out disclosure requirements for investment entities.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港會計準則第36號(修訂本) — 資產減值：非金融資產的可收回金額披露

香港會計準則第36號修訂本剔除於香港財務報告準則第13號頒佈時可能由香港會計準則第36號的後續修訂引入的若干非計劃披露規定。此外，有關修訂規定於減值資產的可收回金額乃根據公平值減出售成本計算時須披露公平值計量的其他資料。香港會計準則第36號修訂本於二零一四年一月一日或之後開始的年度期間生效，並可提早應用。然而，實體可能不會於其亦並無應用香港財務報告準則第13號的期間(包括比較期間)應用有關修訂。

董事預計應用此等香港會計準則第36號修訂本將不會對本集團的財務表現及狀況造成重大影響。

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(二零一一年)(修訂本) — 投資實體

投資實體修訂本適用於符合資格作為投資實體的特定業務類別。「投資實體」一詞所指實體是指其業務宗旨是純粹為獲得資本增值回報、投資收入或兩者兼得的實體。投資實體亦須按公平值基準評估其投資表現。該等實體可包括私募股權機構、創業投資機構、退休基金、主權財富基金及其他投資基金。

根據香港財務報告準則第10號，報告實體須將其控制的所有被投資公司(即全部附屬公司)綜合入賬。財務報表的編製者及使用者均指出，將投資實體的附屬公司綜合入賬並無得出對投資者有用的資料。相反，按公平值報告所有投資(包括於附屬公司的投資)提供最有用且相關的資料。

有見及此，有關修訂對香港財務報告準則第10號的綜合入賬規定提供了例外情況，並規定投資實體按公平值於損益計量特定附屬公司，而並非將該等附屬公司綜合入賬。有關修訂亦載列適用於投資實體的披露規定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) — Investment Entities (Continued)

The amendments are effective from 1 January 2014 with early adoption permitted in order to allow investment entities to apply the amendments at the same time they first apply the rest of HKFRS 10.

The directors anticipate that the application of these amendments to HKFRS 10, HKFRS 12 and HKFRS 27 (2011) will have no material impact on the Group’s financial performance and positions.

Amendments to HKAS 39 — Novation of Derivatives and Continuation of Hedge Accounting

The narrow-scope amendments will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met (in this context, a novation indicates that parties to a contract agree to replace their original counterparty with a new one).

This relief has been introduced in response to legislative changes across many jurisdictions that would lead to the widespread novation of over-the-counter derivatives. These legislative changes were prompted by a G20 commitment to improve transparency and regulatory oversight of over-the-counter derivatives in an internationally consistent and non-discriminatory way.

Similar relief will be included in HKFRS 9.

The amendments will be effective for annual periods beginning on or after 1 January 2014 and applied retrospectively. Earlier application is permitted.

The directors anticipate that the application of these amendments to HKAS 39 will have no material impact on the Group’s financial performance and positions.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(二零一一年)(修訂本) — 投資實體(續)

有關修訂由二零一四年一月一日起生效，並可提前採納，以供投資實體在首次應用香港財務報告準則第10號的其餘規定時可同時應用有關修訂。

董事預計應用此等香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(二零一一年)修訂本將不會對本集團的財務表現及狀況造成重大影響。

香港會計準則第39號(修訂本) — 衍生工具更替及對沖會計法的延續

由於法例或規例導致的情況下，適用範圍較窄的有關修訂本於衍生工具(已指定為對沖工具)更替以與中央對手方進行結算的情況下將容許繼續使用對沖會計法，惟前提是須符合特定條件(就此而言，更替乃指合約各訂約方同意以新對手方取代原有對手方)。

此寬減措施已推出以應對於多個司法管轄區可能導致場外衍生工具大量合約更替的法律變化。該等法律變化乃由二十國集團承諾提高場外衍生工具的透明度及以國際一致及非歧視性的方式監管而促成。

類似寬減措施將被納入香港財務報告準則第9號內。

有關修訂將於二零一四年一月一日或之後開始的年度期間生效，屆時亦須追溯應用，並可提前應用。

董事預計應用此等香港會計準則第39號修訂本將不會對本集團的財務表現及狀況造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HK (IFRIC) — Int 21 Levies

HK (IFRIC) — Int 21 is an interpretation of HKAS 37 and addresses how an entity should account for liabilities to pay levies imposed by governments, other than income taxes, in its financial statements. The principal question raised was about when the entity should recognise a liability to pay a levy. It clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. HK(IFRIC) — Int 21 is effective for annual periods beginning on or after 1 January 2014 with earlier application permitted.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, which is a collective term that includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations (the “Interpretations”) issued by the HKICPA and accounting principles generally accepted in Hong Kong, in addition, the consolidated financial statements include applicable disclosures required by the Hong Kong Companies Ordinance and by the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the “GEM Listing Rules”).

The consolidated financial statements have been prepared on the historical cost basis, except certain financial instruments are stated at their fair values. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港(國際財務報告詮釋委員會) — 詮釋第21號徵費

香港(國際財務報告詮釋委員會) — 詮釋第21號是對香港會計準則第37號的詮釋，並論述實體應如何於其財政報表中說明用於支付政府所設的徵費而非所得稅項的負債。所提出的主要問題在於實體應何時確認負債以支付徵費。其澄清因用於支付徵費的負債而產生的責任事件為引致支付徵費的相關法律所述的活動。香港(國際財務報告詮釋委員會) — 詮釋第21號於二零一四年一月一日或之後開始的年度期間生效，並可提前應用。

3. 主要會計政策

編製該等綜合財務報表應用之主要會計政策載列如下。除另有註明者外，該等政策在所呈列之所有年度內貫徹應用。

編製基準

綜合財務報表根據所有適用香港財務報告準則編製，該準則為包括所有適用個別香港財務報告準則、由香港會計師公會頒佈的香港會計準則(「香港會計準則」)及詮釋(「詮釋」)以及香港公認會計原則。此外，綜合財務報表包括香港公司條例及聯交所創業板證券上市規則(「創業板上市規則」)的適用披露規定。

除若干金融工具按其公平值呈列外，綜合財務報表按歷史成本基準編製。歷史成本一般以換取資產所付代價的公平值為基準。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Basis of preparation (Continued)

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

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

Judgments made by management in the application of HKFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 4 to the consolidated financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests have a deficit balance.

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

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

編製基準(續)

編製符合香港財務報告準則的財務報表需要管理層作出影響政策應用以及資產、負債及收支呈報金額的判斷、估計及假設。該等估計及相關假設均按以往經驗及其他在有關情況下被認為合適的因素為依據。倘並無其他現成數據可供參考，則會採用該等估計及假設作為判斷有關資產及負債賬面值的基礎。實際結果可能與該等估計不同。

該等估計及其相關假設會作持續檢討。倘修訂會計估計僅會影響修訂估計的期間，則有關修訂於該期間確認；倘修訂會影響當前及未來的期間，則會在作出修訂及未來的期間確認。

管理層在應用香港財務報告準則時作出對財務報表及估計造成重大影響，且很大機會導致下個年度作出重大調整的判斷，於綜合財務報表附註4討論。

綜合賬目基準

綜合財務報表載入本公司及本公司(其附屬公司)控制之實體(包括特殊目的實體)之財務報表。倘本公司擁有支配一間實體之財務及經營政策以從其業務中獲取利益的權力，則本公司已取得控制權。

年內所收購或出售附屬公司之收入及開支自收購生效日期起至出售生效日期(倘適用)止在綜合損益及其他全面收益表列賬。附屬公司之全面收益總額歸本公司擁有人及非控股權益所有，即使此舉導致非控股權益結餘出現虧損。

如有需要，本集團會對附屬公司之財務報表作出調整，使其會計政策與本集團其他成員公司所採用者一致。

所有集團內交易、結餘、收入及開支於綜合賬目時悉數對銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

Changes in the Group's ownership interests in existing subsidiaries

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

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Where certain assets of the subsidiary are measured at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the related assets (i.e. reclassified to profit or loss or transferred directly to retained earnings). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

Business combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

3. 主要會計政策(續)

綜合賬目基準(續)

本集團於現有附屬公司之擁有人權益變動

並無導致本集團失去附屬公司控制權之本集團於附屬公司之擁有人權益變動，按權益交易入賬。本集團之權益及非控股權益的賬面值經調整以反映其於附屬公司相關權益之變動。非控股權益數額的調整額與已付或已收代價之公平值兩者間之差額，直接於權益確認，歸本公司擁有人所有。

當本集團失去附屬公司的控制權時，出售損益計算為(i)所收取代價及任何保留權益的公平值總額與(ii)附屬公司資產(包括商譽)及負債以及任何非控股權益的先前賬面值之間的差額。倘附屬公司若干資產乃按重估金額或公平值計量，而相關的累計損益已於其他全面收益確認及於權益累計，則先前於其他全面收益確認及於權益累計的金額，應如同本公司已直接出售該相關資產入賬處理，即重新分類至損益或直接轉撥至保留盈利。在前附屬公司中保留的任何投資於失去控制權當日的公平值應被視作按照香港會計準則第39號金融工具：確認及計量初始確認時的公平值，或(倘適用)作為在聯營公司或共同控制實體中的投資的初始確認成本。

業務合併

業務收購採用收購法入賬。於業務合併轉讓的代價按公平值計量，而計算方法為本集團所轉讓的資產、本集團對被收購方原擁有人產生的負債及本集團於交換被收購方的控制權所發行的股權於收購日期的公平值的總和。與收購事項有關的成本一般於產生時在損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Business combination (Continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 Income Taxes and HKAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 Share-based Payment at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

3. 主要會計政策(續)

綜合賬目基準(續)

於收購日期，所收購的可識別資產及所承擔的負債按其公平值確認，惟下列情況除外：

- 遞延稅項資產或負債，以及有關僱員福利安排的資產或負債，乃分別於收購日期根據香港會計準則第12號所得稅及香港會計準則第19號僱員福利確認及計量；
- 有關被收購方以股份支付的安排或訂立以取代被收購方以股份支付的安排的本集團以股份支付的安排的負債或股本工具，乃於收購日期根據香港財務報告準則第2號以股份支付的款項計量；及
- 根據香港財務報告準則第5號持作出售非流動資產及已終止業務分類為持作出售的資產(或出售組別)乃根據該準則計量。

商譽乃按所轉讓代價、於被收購方的任何非控股權益的金額及收購方先前所持有被收購方股權(如有)的公平值總和超出所收購的可識別資產及所承擔負債於收購日期的淨額的部分計量。倘經重新評估後，於所收購的可識別資產及所承擔負債於收購日期的淨額超出所轉讓代價、於被收購方任何非控股權益的金額及收購方先前持有被收購方權益(如有)的公平值總和，則差額即時於損益中確認為議價收購收益。

屬現時擁有權權益且於清盤時讓持有人有權按比例攤佔實體淨資產的非控股權益，可初步按公平值或非控股權益應佔被收購方可識別淨資產的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類型的非控股權益乃按其公平值或(如適用)另一項香港財務報告準則規定的基準計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Business combination (Continued)

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKAS 39, or HKAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Subsidiaries

A subsidiary is a company in which the Company, directly or indirectly, controls more than one half of the voting power; has the power to govern the financial and operating policies; to appoint or remove the majority of the members of the board of directors; or to cast majority of votes at the meetings of the board of directors.

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

業務合併(續)

當本集團於業務合併中轉讓的代價包括或然代價安排產生的資產或負債，或然代價按其收購日期公平值計量並計入於業務合併中所轉讓代價的一部分。或然代價的公平值變動如適用符合計量期間調整，則作出追溯調整，並對商譽作出相應調整。計量期間調整為於「計量期間」(不得超過收購日期起計一年)就於收購日期存在的事實及情況獲得的其他資料產生的調整。

或然代價公平值變動如不適用計量期間調整，則其後的會計處理取決於或然代價如何分類。分類為權益的或然代價不會於其後呈報日期重新計量，而其後結算於權益內入賬。分類為資產或負債的或然代價根據香港會計準則第39號或香港會計準則第37號撥備、或然負債及或然資產(如適用)於其後呈報日期重新計量，而相應的盈虧於損益內確認。

附屬公司

附屬公司指由本公司直接或間接控制過半數投票權、擁有支配其財務及經營政策、委任或罷免大部分董事會成員或以多數票在董事會會議上投票的權力的公司。

於附屬公司之投資按成本扣除任何減值虧損於本公司之財務狀況表列賬。該等附屬公司之業績乃按本公司已收及應收股息列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

The Group's share of post-acquisition profit or loss is recognised in the consolidated statement of profit or loss and other comprehensive income, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to share of profit/(loss) of associates in the consolidated statement of profit or loss and other comprehensive income.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

聯營公司

聯營公司指本集團對其有重大影響但無控制權的所有實體，一般而言，指持有一間實體20%至50%附帶投票權的股份。於聯營公司的投資乃以權益會計法入賬。根據權益法，投資乃初步按成本確認，而賬面值會予以上調或下調，以確認投資者於收購日期後應佔被投資公司的損益。本集團於聯營公司的投資包括於收購時已識別的商譽。

本集團應佔收購後損益於綜合損益及其他全面收益表確認，而其應佔收購後其他全面收益的變動在其他全面收益內確認，並對投資的賬面值作相應調整。倘本集團應佔聯營公司的虧損相等於或超過其於聯營公司的權益(包括任何其他無抵押應收款項)，則本集團不會確認進一步虧損，除非本集團代聯營公司承擔法律或推定責任或支付款項。

本集團於各報告日期釐定是否有任何客觀憑證顯示聯營公司的權益出現減值。倘出現減值，本集團會計算減值金額，即該聯營公司的可收回金額與其賬面值之間的差額，並在綜合損益及其他全面收益表內應佔聯營公司溢利/(虧損)部分確認此金額。

本集團與其聯營公司之間的上游及下游交易所產生的損益於本集團的財務報表內確認，惟僅以非關聯投資者於聯營公司的權益為限。未變現虧損亦會對銷，除非交易提供憑證顯示所轉讓資產出現減值。本公司已對聯營公司的會計政策作出必要修訂，以確保與本集團所採納的政策一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts and sales related taxes.

Revenue from sales of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyers, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.

Interest income is recognised on a time-proportion basis using effective interest method.

Technical support income is recognised when the technical support services are rendered.

Leasing

Leases are classified as finance leases whenever the terms of the leases transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Assets held under finance assets are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the consolidated statement of profit or loss and other comprehensive income.

Rental payable under operating leases are charged to the consolidated statement of profit or loss and other comprehensive income on a straight-line basis over the terms of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

3. 主要會計政策(續)

收入確認

收入按已收或應收代價之公平值計量，及指在日常業務過程中出售貨品之應收款項(扣除折扣及銷售相關稅項)。

銷售貨品的收入於貨品所有權的重大風險及回報轉移至買方時確認，惟本集團既不參與一般與所有權相關的管理權，亦無實際控制所出售貨品。

利息收入採用實際利息法按時間比例基準確認。

技術支援收入於提供技術支援服務時確認。

租賃

凡租賃條款將擁有權的絕大部分風險及回報轉移予承租人之租賃，均列作融資租賃。所有其他租賃則列作經營租賃。

本集團作為承租人

於融資資產項下持有之資產在租賃開始時按公平值或最低租賃款項現值(以較低者為準)確認為本集團資產。欠付出租人之相應債務於綜合財務狀況表中計入融資租賃承擔。租賃款項於財務費用及租賃承擔減額間分配，以在債務結餘得出統一利率。財務費用直接在綜合損益及其他全面收益表內扣除。

經營租賃下之應付租金於相關租賃期內以直線法在綜合損益及其他全面收益表內扣除。作為訂立經營租賃獎勵金之已收及應收利益於租賃期內以直線法確認為租金開支減額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Leasehold land for own use

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid land lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

The cost of an asset 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 the property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the consolidated statement of profit or loss and other comprehensive income in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of that asset.

自用租賃土地

當租賃包括土地及樓宇部分，除非顯然兩部分均為經營租賃(在該情況下，整項租賃分類為經營租賃)，否則本集團根據對各部分的擁有權所承擔的絕大部分風險及回報是否已轉移本集團進行的評估，獨立評估各部分分類為融資或經營租賃。具體而言，最低租賃款項(包括任何一次性預付款)乃按租賃開始時租賃的土地部分及樓宇部分中租賃權益的相對公平值比例，在土地及樓宇部分之間作出分配。

倘能可靠地分配租賃費用，則列作經營租賃的租賃土地的權益將作為「預付土地租賃款項」於綜合財務狀況表列賬，並按租賃年期以直線法攤銷。倘不能可靠地分配土地及樓宇部分的租賃款項，整項租賃一般分類為融資租賃，並作為物業、廠房及設備列賬。

物業、廠房及設備

所有物業、廠房及設備按成本減累計折舊及減值虧損列賬。

資產的成本包括購買價格及任何令資產達致其運作狀況及運往現址作擬定用途的直接成本。物業、廠房及設備投入運作後產生的開支，例如維修及保養開支，一般於產生期間自綜合損益及其他全面收益表中扣除。倘可清楚顯示該項支出會導致預期待日後使用物業、廠房及設備所得的經濟利益增加，則該項支出將被資本化為該資產的附加成本。物業、廠房及設備之折舊就其估計可使用年期使用直線法計提撥備，以撇銷其成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Property, plant and equipment (Continued)

Depreciation is provided to write off the cost of property, plant and equipment, using the straight line method, over their estimated useful lives. The principal useful lives are as follows:

Building	30 years
Plant and machinery	12 years
Motor vehicles	8 years
Furniture, fixtures and equipment	6 years
Leasehold improvements	5 years

The useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

Construction in progress represents leasehold improvements under construction and plant and machinery pending installation, and is stated at cost less impairment losses. Depreciation begins when the relevant asset are available for use.

The gain or loss arising from disposal of an asset is determined as the difference between the net sale proceeds and the carrying amount of the relevant asset and is recognised in the consolidated statement of profit or loss and other comprehensive income.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs necessary to make the sale.

3. 主要會計政策(續)

物業、廠房及設備(續)

物業、廠房及設備之折舊就其估計可使用年期使用直線法計提撥備，以撇銷其成本。主要可使用年期如下：

樓宇	30年
廠房及機器	12年
汽車	8年
傢俬、裝置及設備	6年
租賃物業裝修	5年

可使用年期及折舊方法於各報告期末進行檢討及調整(如適用)。

在建工程指在建租賃物業裝修以及待安裝之廠房及機器，按成本減減值虧損列賬。有關資產於可供使用時方計算折舊。

出售資產所產生之收益或虧損釐定為出售所得款項淨額與有關資產賬面值兩者間之差額，及於綜合損益及其他全面收益表確認。

存貨

存貨按成本與可變現淨值兩者之較低者列賬。成本以加權平均基準計算。製成品及在製品之成本包括原材料、直接勞工及所有生產經常性開支之適當部分以及(如適用)承包費。可變現淨值按日常業務之估計售價減所有進行銷售估計所需之成本計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the carrying amount of the receivables and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition. The amount of the allowance is recognised in profit or loss.

Impairment losses are reversed in subsequent periods and recognised in profit or loss when an increase in the recoverable amount of the receivables can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the receivables at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment of assets (other than goodwill, intangible assets with indefinite lives)

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

貿易及其他應收款項

貿易及其他應收款項為附有固定或可釐定支付款項，且並無在活躍市場報價之非衍生金融資產，並於初始確認時按公平值入賬，其後使用實際利息法按攤銷成本減去減值撥備釐定。倘有客觀證據顯示本集團將不能根據應收款項的原有期限收取所有到期金額，則會就貿易及其他應收款項作出減值撥備。撥備金額乃應收款項賬面值與估計未來現金流量現值的差額，按初始確認時計算之實際利率貼現。撥備金額於損益內確認。

於往後期間，倘應收款項之可收回金額增加可與確認減值後所發生之事件客觀相連，則撥回減值虧損並於損益內確認，惟於撥回減值當日之應收款項賬面值不得超過倘並無確認減值的攤銷成本。

資產減值(商譽及具無限年期的無形資產除外)

於各報告期末，本集團均會審閱其有形及無形資產的賬面值，以釐定資產是否出現減值虧損跡象。倘估計資產的可收回金額少於其賬面值，則資產賬面值減少至其可收回金額。減值虧損即時確認為開支。

倘減值虧損其後撥回，則資產的賬面值增加至經修訂的估計可收回金額，惟所增加的賬面值不得超過倘資產於過往年度並無確認減值虧損而釐定的賬面值。所撥回的減值虧損即時確認為收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

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

Deferred tax is recognised on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liabilities method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, and deferred tax assets are recognised to the extent that it is probable that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of the other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference will not reverse in the foreseeable future.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to consolidated statement of profit or loss and other comprehensive income except when it relates to items charged or credited directly or equity, in which case the deferred tax is also dealt with in equity.

3. 主要會計政策(續)

稅項

所得稅開支指應付即期稅項及遞延稅項的總和。

應付即期稅項乃按年內應課稅溢利計算。由於應課稅溢利不包括其他年度應課稅或可扣稅收入或開支，且不包括非應課稅及可扣稅的項目，故與綜合損益及其他全面收益表所呈報的溢利有所不同。本集團的即期稅項負債乃按報告期末已頒佈或實際上已頒佈的稅率計算。

遞延稅項乃按財務報表內資產及負債賬面值與計算應課稅溢利所用的相應稅基的差額予以確認，並採用資產負債表負債法入賬。遞延稅項負債一般會就所有應課稅暫時差額確認，而遞延稅項資產乃於可能出現應課稅溢利，以致出現可扣稅暫時差額時確認，而遞延稅項資產乃於可能出現應課稅溢利，以致可扣稅暫時差額可予動用時確認。若於一項交易中，因商譽或初步確認(業務合併時除外)其他資產及負債而引致的暫時差額不影響應課稅溢利或會計溢利，則不會確認該等資產及負債。

遞延稅項負債乃就於附屬公司的投資所產生的應課稅暫時差額確認，惟倘本集團能夠控制暫時差額的撥回將不會於可見將來撥回則作別論。

遞延稅項資產的賬面值於各報告期末作檢討，並於不再可能有足夠應課稅溢利收回全部或部分資產時作調減。

遞延稅項乃按預期於負債清償或資產變現期間應用的稅率計算。遞延稅項乃於綜合損益及其他全面收益表扣除或計入，惟有關直接扣除或計入之項目或權益的遞延稅項則除外，在此情況下，遞延稅項亦會於權益中處理。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the entity intends to settle its current tax assets and liabilities on a net basis.

Financial instruments

Financial assets and financial liabilities are recognised on the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

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

Financial assets

The Group's financial assets are classified into loans and receivables and financial assets at fair value through profit or loss ("financial assets at FVTPL"). The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3. 主要會計政策(續)

稅項(續)

遞延稅項資產及負債於其有關同一稅務機關所徵收的所得稅且實體擬以淨額償付其即期稅項資產及負債時予以抵銷。

金融工具

當本集團成為有關工具合約規定之一方時，金融資產及金融負債於綜合財務狀況表內確認。

金融資產及金融負債按公平值初步計量。收購或發行金融資產及金融負債(按公平值於損益列賬之金融資產及金融負債除外)直接應佔的交易成本乃於初始確認時加入金融資產或金融負債的公平值或自金融資產或金融負債的公平值內扣除(視適用情況而定)。收購按公平值於損益列賬之金融資產或金融負債直接應佔的交易成本即時於綜合損益及其他全面收益表確認。

金融資產

本集團之金融資產分類為貸款及應收款項以及按公平值於損益列賬(「按公平值於損益列賬之金融資產」)之金融資產。有關分類乃取決於金融資產的性質及目的，並會於初步確認時釐定。所有一般購買或出售之金融資產乃按交易日基準確認及取消確認。一般購買或出售指對須按市場所在地規則或慣例所確定時限內交付資產之金融資產之購買或出售。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

實際利息法

實際利息法乃計算債務工具攤銷成本以及於相關期間分配利息收入的方法。實際利率乃在債務工具的預計年期或(如適用)較短期間內，將估計未來現金收入(包括構成實際利率部分的所有已付或已收費用及利率差價、交易成本及其他溢價或折讓)準確貼現至初步確認時的賬面淨值的利率。

除分類為按公平值於損益列賬的金融資產外，債務工具的收入乃按實際利息基準確認。

按公平值於損益列賬的金融資產

當金融資產為持作買賣或指定為按公平值於損益列賬，則分類為按公平值於損益列賬。

金融資產於下列情況下分類為持作買賣：

- 其主要用作於近期內出售而購入；或
- 於初步確認時，其為本集團共同管理的已識別金融工具組合的一部分及具有最近的短期盈利實際模式；或
- 其為非指定及用作對沖工具的衍生工具。

金融資產(持作買賣金融資產除外)可於下列情況下於初步確認時指定為按公平值於損益列賬：

- 該指定消除或大幅減少可能會出現的計量或確認方面的一致性；或

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL (Continued)

- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the "other income".

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At the end of each reporting period subsequent to initial recognition, loans and receivables are carried at amortised cost using the effective interest method, less any identified impairment losses.

An impairment loss is recognised in consolidated statement of profit or loss and other comprehensive income when there is objective evidence that the asset is impaired, and is measured as the difference between the assets' carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment losses were recognised, subject to a restriction that the carrying amount of the asset at the date the impairment losses reversed do not exceed what the amortised cost would have been had the impairment losses not been recognised.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

按公平值於損益列賬的金融資產(續)

- 該金融資產構成根據本集團制定的風險管理或投資策略管理及以公平值基準評估表現的一組金融資產或金融負債或金融資產及金融負債組合的一部分，而且有關分組的資料乃按該基準向內部提供；或
- 其構成包含一項或多項內含衍生工具的合約的一部分，而香港會計準則第39號金融工具：確認及計量允許將整個組合合約(資產或負債)指定為按公平值於損益列賬。

按公平值於損益列賬的金融資產乃按公平值列賬，而重新計量產生的任何盈虧則於損益確認。於損益確認的盈虧淨額包括就金融資產所賺取的任何股息或利息，並列入「其他收益」項下。

貸款及應收款項

貸款及應收款項為具有固定或可釐定付款而並無在活躍市場報價的非衍生金融資產。於初始確認後各報告期末，貸款及應收款項使用實際利息法按攤銷成本減任何已識別減值虧損列賬。

當有客觀證據證明資產已減值，減值虧損於綜合損益及其他全面收益表內確認，且計量為資產賬面值與按原實際利率貼現之估計未來現金流量現值間之差額。於往後期間，倘資產的可收回金額增加可與確認減值後所發生之事件客觀相連，則撥回減值虧損，惟於撥回減值虧損當日之資產賬面值不得超過倘並無確認減值虧損之攤銷成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The Group's financial liabilities are generally classified into other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Other financial liabilities

Other financial liabilities are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of the obligation under the contract, as determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.

3. 主要會計政策(續)

金融工具(續)

金融負債及權益

集團實體發行的金融負債及股本工具乃根據所訂立合約安排的內容以及金融負債及股本工具的定義分類。

股本工具乃證明本集團扣除其所有負債後的資產中擁有剩餘權益的任何合約。本集團的金融負債一般分類為其他金融負債。下文載列就金融負債及股本工具採納的會計政策。

其他金融負債

其他金融負債其後採用實際利息法按攤銷成本計量。

股本工具

本公司發行的股本工具經扣除直接發行成本後按已收所得款項入賬。

財務擔保合約

財務擔保合約為規定發出人支付指定金額，以補償持有人由於指定欠債人未能根據債務工具條款於到期時付款而蒙受之損失。

由本集團發出之財務擔保合約初步按公平值計算，而倘並非指定為按公平值於損益列賬，則其後按以下各項之較高者計量：

- 根據香港會計準則第37號撥備、或然負債及或然資產釐定之合約項下責任金額；及
- 初步確認金額減(倘適用)根據收入確認政策確認之累計攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Financial instruments (Continued)

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised directly in equity is recognised in consolidated statement of profit or loss and other comprehensive income.

Financial liabilities are removed from the Group's consolidated statement of financial position when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in consolidated statement of profit or loss and other comprehensive income.

Current assets and liabilities

Current assets are expected to be realised within twelve months of the end of the reporting period or in the normal course of the Group's operating cycle. Current liabilities are expected to be settled within twelve months of the end of the reporting period or in the normal course of the Group's operating cycle.

Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent asset is not recognised but is disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

Financial instruments (續)

取消確認

倘從資產收取現金流量之權利屆滿，或金融資產已轉讓及本集團轉讓金融資產擁有權之絕大部分風險及回報，則金融資產將取消確認。於取消確認金融資產時，資產賬面值與已收代價及已直接於權益確認之累計損益兩者總和間之差額將於綜合損益及其他全面收益表確認。

就金融負債而言，於有關合約之特定責任獲解除、取消或到期時，金融負債將自本集團的綜合財務狀況表移除。取消確認之金融負債賬面值與已付或應付代價兩者間之差額於綜合損益及其他全面收益表確認。

流動資產及負債

流動資產預期於報告期末起計十二個月內或於本集團營運週期之一般過程中變現。流動負債預期於報告期末起計十二個月內或於本集團營運週期之一般過程中償付。

或然負債及或然資產

或然負債指因過往事件而可能引起的責任，該等責任須就某宗或多宗本集團不能完全控制的事件會否於日後發生方予以確認。或然負債亦可能因過往事件引致現有責任，惟由於可能不需要經濟資源流出，或責任金額不能可靠地計量而未有確認。或然負債不會被確認，惟會在綜合財務報表附註內披露。倘資源流出的可能性改變而導致可能出現資源流出時，則該等負債將確認為撥備。

或然資產指因過往事件而可能產生的資產，該等資產須就某宗或多宗本集團不能完全控制的事件會否於日後發生方予以確認。或然資產不會被確認，惟會於經濟利益可能流入時在綜合財務報表附註內披露。倘可實質確認流入，該等資產將予以確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies

i. Functional and presentation currency

Items included in the financial statements of each of the companies now comprising the Group are measured using the currency of the primary economic environment in which the company operates (the "functional currency"). The consolidated financial statements are presented in Renminbi, which is the Company's presentation currency and the functional currency of the principal operating subsidiary of the Group. The functional currency of the Company is Hong Kong dollars. The directors consider that choosing Renminbi as the presentation currency best suits the needs of the shareholders and investors.

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss and other comprehensive income.

Translation differences on non-monetary financial assets and liabilities are reported as part of their fair value gain or loss.

iii. Group companies

The results and financial positions of all the companies now comprising the Group (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) Assets and liabilities are translated at the closing rate;
- (b) Income and expenses are translated at average exchange rates; and
- (c) All resulting exchange differences are recognised as a separate component of equity.

3. 主要會計政策(續)

外幣

i. 功能及呈列貨幣

現時組成本集團各公司之財務報表所含項目乃按公司經營之主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表以人民幣呈列，而港元為本公司之呈列貨幣以及本集團主要經營附屬公司之功能貨幣。本公司的功能貨幣是港元。董事認為，選擇人民幣作為呈列貨幣乃最為符合股東及投資者的需求。

ii. 交易及結餘

外幣交易以交易日期現行匯率換算為功能貨幣。來自償付該等交易及按年末匯率換算以外幣計值之貨幣資產及負債之外匯收益及虧損於綜合損益及其他全面收益表確認。

非貨幣金融資產及負債之換算差額按部分公平值收益或虧損入賬。

iii. 集團公司

功能貨幣與呈列貨幣不同之現時組成本集團所有公司(當中並無嚴重通脹經濟地區之貨幣)之業績及財務狀況乃按下列方式換算為呈列貨幣：

- (a) 資產及負債按收市匯率換算；
- (b) 收入及開支按平均匯率換算；及
- (c) 所有因此而產生之匯兌差額確認為獨立權益部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies (Continued)

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to owners' equity. When a foreign operation is sold, exchange differences that were recorded in equity are recognised in the consolidated statement of profit or loss and other comprehensive income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprises of cash in hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which 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.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3. 主要會計政策(續)

外幣(續)

於綜合賬目時，換算海外業務投資淨值以及借款及指定為對沖該等投資之其他貨幣工具產生之匯兌差額納入擁有人權益。出售海外業務時，於權益記錄的匯兌差額於綜合損益及其他全面收益表確認為出售之部分收益或虧損。

收購海外實體產生之商譽及公平值調整視為海外實體之資產及負債，並按收市匯率換算。

研究及開發支出

研究活動支出於其產生之有關期間確認為開支。

現金及現金等值物

就綜合現金流量表而言，現金及現金等值物包括手頭現金、活期存款以及可隨時兌換為已知數額的現金及存在非重大價值變動風險而期限（一般在購入後三個月內）較短的短期高流通性投資，扣除須按要求償還並構成本集團現金管理一部分的銀行透支。

撥備

倘本集團因過往事件負上現有責任（法律或推定）而可能需要本集團支付負債，及能就負債金額作出可靠估計時，則會就負債確認撥備。

作為撥備確認之金額乃對於報告期末償付現有負債所需代價之最佳估計，並經考慮負債相關之風險及不確定因素。倘使用估計償付現有負債之現金流量計量撥備，則其賬面值即為該等現金流量之現值（倘貨幣之時間價值影響重大）。

當預期用作償付撥備所需部分或全部經濟利益可從第三方收回，如可實際確認可以收回且應收款項之金額能可靠計量，則應收款項確認為資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Employee benefits

(i) Employee leave entitlements

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

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

As stipulated by the rules and regulations of the PRC, the Company's subsidiaries registered in the PRC are required to contribute to a state-sponsored retirement plan for all its PRC employees at certain percentages of the basic salaries predetermined by the local governments. The state-sponsored retirement plan is responsible for the entire retirement benefit obligations payable to retired employees and the Group has no further obligations for the actual retirement benefit payments or other post-retirement benefits beyond the annual contributions.

(iii) Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

3. 主要會計政策(續)

僱員福利

(i) 僱員應享假期

僱員的年假及長期服務假於僱員應享有時予以確認。截至報告期末止，因僱員所提供的服務而產生的年假及長期服務假的估計負債已計提撥備。

僱員的病假及產假於僱員休假時方會確認。

(ii) 養老金責任

本集團為所有僱員提供定額供款退休計劃。本集團及僱員對計劃的供款乃按僱員的基本薪金的百分比計算。自損益內扣除的退休福利計劃成本乃指本集團應付該等基金的供款。

根據中國之規則及法規，本公司在中國註冊之附屬公司須按當地政府預定之基本薪金若干百分比為所有中國僱員向國家管理之退休計劃供款。國家管理之退休計劃負責向退休僱員支付退休福利之一切責任，除每年供款外，本集團在實際退休福利付款或其他退休後福利方面並無進一步責任。

(iii) 終止僱用福利

終止僱用福利僅於本集團具備正式而詳細且不可撤回方案的情況下，明確顯示終止聘用或因採取自願離職措施而提供福利時，方予確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Segment reporting

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

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

借款成本

直接用作收購、建造或生產合資格資產(即需要相當長期間以達致其擬定用途或銷售的資產)的借款成本資本化為該等資產的部分成本,直至該等資產大致用作其擬定用途或銷售。

用於合資格資產的特定借款在其尚未支銷時用作暫時投資所賺取的投資收入,乃於合資格資本化的借款成本內扣除。

所有其他借款成本於產生期間在損益內確認。

政府補助金

政府補助金於可合理確定本集團將遵守該等補助金附帶之條件及收取補助金時方予確認。

作為開支或已產生虧損的補償金或向本集團提供即時財務援助而成為應收款項(並無日後相關成本)的政府補助金,乃於其成為應收款項的期間在損益內確認。

分部報告

經營分部及綜合財務報表所呈報各分部項目的金額,乃從為向本集團各項業務及地理位置分配資源及評估其表現而定期向本集團最高行政管理層提供的財務資料中識別。

個別重大經營分部不會合計以供財務報告之用,惟倘該等分部的產品及服務性質、生產工序性質、客戶階層類別、分銷產品或提供服務的方法以及監管環境的性質等經濟特性均屬類似,則作別論。個別不重大經營分部倘符合以上大部分條件,則可予以合計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

For financial assets, other than those at fair value through profit or loss, objective evidence of impairment could include:

- (a) significant financial difficulty of the issuer or counterparty; or
- (b) default or delinquency in interest or principal payments; or
- (c) it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- (d) the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 7 to 90 days, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

3. 主要會計政策(續)

金融資產減值

除按公平值於損益列賬的金融資產外，金融資產於各報告期末評估減值跡象。倘有客觀證據證明因金融資產初始確認後發生的一項或多項事件使金融資產的估計未來現金流量受影響，則金融資產被視為已減值。

除按公平值於損益列賬的金融資產外，金融資產之減值客觀證據可包括：

- (a) 發行人或對手方出現嚴重財政困難；或
- (b) 逾期支付或拖欠利息或本金；或
- (c) 貸款人有可能破產或進行財務重組；或
- (d) 因財政困難而導致該金融資產的活躍市場消失。

就若干類別之金融資產(如應收貿易款項)而言，獲評估為不會個別減值之資產其後將整體作減值評估。應收款項組合出現減值之客觀證據包括本集團過往收款經驗、組合內逾期平均信貸期(7至90天)之延遲付款數目有所增加，以及與逾期支付應收款項有關之國家或地方經濟狀況出現明顯變動。

就按攤銷成本列賬之金融資產而言，減值虧損於有客觀證據證明資產出現減值時方在損益確認，並按資產賬面值與以原實際利率貼現估計未來現金流量現值兩者間之差額計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. 主要會計政策(續)

金融資產減值(續)

就按成本列賬之金融資產而言，減值虧損金額按資產賬面值與以類似金融資產現時市場回報率貼現估計未來現金流量現值兩者間之差額計量。該減值虧損不會於往後期間撥回。

金融資產之賬面值直接透過所有金融資產之減值虧損減少，惟應收貿易款項除外，賬面值透過使用撥備賬減少。撥備賬賬面值的變動於損益確認。倘應收貿易款項被認為不可收回，則於撥備賬撇銷。其後所收回先前撇銷的數額計入損益。

就按攤銷成本計量之金融資產而言，於往後期間，倘減值虧損之金額減少，而該減少可與確認減值虧損後發生之事件客觀相連，則先前確認之減值虧損會透過損益撥回，惟於撥回減值當日資產之賬面值不得超過倘並無確認減值之攤銷成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Share-based payment arrangements

For grants of share options that are conditional upon satisfying specified vesting conditions, the fair value of services received is determined by reference to the fair value of share options granted at the date of grant and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve.

For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained earnings.

Related parties

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

- (1) A person or entity is preparing the financial statements of the Group;
- (2) A person or a close member of that person's family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group.

3. 主要會計政策(續)

以股份支付的安排

就授出須達成指定歸屬條件的購股權而言，已收取服務的公平值乃參考授出當日已授出購股權的公平值而釐定，於歸屬期內以直線法確認為開支，並於權益(購股權儲備)中作出相應增加。

於報告期末，本集團修訂其對預期最終將予歸屬的購股權數目的估計。修訂原先估計的影響(如有)在損益確認，致使累積支出反映經修訂估計，並對購股權儲備作出相應調整。

就於授出日期即時歸屬的購股權而言，所授出購股權的公平值即時在損益內支銷。

當購股權獲行使，過往於購股權儲備確認的金額將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日期仍未行使，則過往於購股權儲備確認的金額將轉撥至保留盈利。

關連方

任何一方如屬以下情況，即視為本集團的關連方：

- (1) 有關人士或實體編製本集團的財務報表；
- (2) 下列人士或其家族與本集團有關連之近親：
 - (i) 其控制或共同控制本集團；
 - (ii) 其對本集團有重大影響力；或
 - (iii) 其為本集團或本集團母公司的主要管理層人員的成員。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES 3. 主要會計政策(續)

(Continued)

Related parties (Continued)

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

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (2).
- (vii) A person identified in (2)(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).

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

關連方(續)

(3) 在下列任何情況下，一間實體被視為與本集團有關連：

- (i) 實體與本集團為同一集團成員，即母公司、附屬公司及同系附屬公司各自彼此相互關連。
- (ii) 某一實體為另一實體之聯營公司或合營公司，或為另一實體所屬集團成員之聯營公司或合營公司。
- (iii) 實體均為同一第三方之合營公司。
- (iv) 實體為第三方實體之合營公司，而另一實體為第三方實體之聯營公司。
- (v) 實體乃為本集團或與本集團有關之實體的僱員福利所設離職後福利計劃。倘本集團本身設有計劃，則僱主亦與本集團有關連。
- (vi) 實體受(2)所界定人士控制或共同控制。
- (vii) (2)(i)所界定人士對實體擁有重大影響力或為實體或該實體母公司之主要管理層人員。

倘關連方之間轉移資源或責任，則該交易被視為關連方交易。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

In the application of the Group's accounting policies which are described in Note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are 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.

Impairment of trade receivables

The Group makes impairment of trade receivables based on assessments of the recoverability of the trade receivables, including the current creditworthiness and the past collection history of each debtor. Impairment arises where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgment and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade receivables and doubtful debt expenses in the reporting period in which such estimate has been changed.

Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for the Group's 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. The Group will revise the depreciation charge where useful lives are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

4. 主要會計估計及判斷

於應用本集團之會計政策(其於附註3內闡述)時,本公司之董事須作出有關未能從其他來源輕易獲得之資產及負債賬面值之判斷、估計及假設。估計及相關假設乃基於過往經驗及被認為有關之其他因素。實際業績可能不同於該等估計。

估計及相關假設乃按持續經營基準予以檢討。倘會計估計之修訂僅影響估計獲修訂之期間,則會計估計之修訂於該期間予以確認,倘若修訂影響現時及未來期間,則會計估計之修訂於現時及未來期間內予以確認。

下列為有關未來之主要假設及於報告期末時估計不確定因素之其他主要來源(其擁有導致下一個財政年度之資產及負債之賬面值出現大幅調整之重大風險)。

應收貿易款項減值

本集團根據對應收貿易款項的可收回程度所作的評估(包括每個債務方的現時信貸及過往的收取記錄)就應收貿易款項作出減值。倘事件或情況變動顯示餘款或會無法收回,則會出現減值。確認呆壞賬須作出判斷及估計。倘實際結果與原有估計存在差異,則相關差異將影響相關估計出現變動之報告期的應收貿易款項的賬面值及呆壞賬開支。

物業、廠房及設備的可使用年期

本集團的管理層釐定本集團物業、廠房及設備的估計可使用年期及相關折舊開支。該估計乃以同類性質及功能的物業、廠房及設備的實際可使用年期的過往經驗為基準。倘可使用年期與先前估計不同,本集團將修訂折舊開支,或撇銷或撇減已廢棄或出售的技術上已過時或非策略性的資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

Income taxes and deferred taxation

The Group is subject to income taxes in different jurisdictions. Significant judgment is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different.

Impairment of non-current assets

If a triggering event occurs indicating that the carrying amount of an asset may not be recoverable, an assessment of the carrying amount of that asset will be performed. Triggering events include significant adverse changes in the market value of an asset, changes in the business or regulatory environment, or certain legal events. The interpretation of such events requires judgment from management with respect to whether such an event has occurred. Upon the occurrence of triggering events, the carrying amounts of non-current assets are reviewed to assess whether their recoverable amounts have declined below their carrying amounts. The recoverable amount is the present value of estimated net future cash flows which the Group expects to generate from the future use of the asset, plus the assets residual value on disposal. Where the recoverable amount of non-current assets is less than its carrying value, an impairment loss is recognised to write the assets down to its recoverable amount.

Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment. Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value of the future cash flows.

4. 主要會計估計及判斷(續)

所得稅及遞延稅項

本集團須繳納若干司法權區的所得稅。於釐定所得稅撥備時，須作出重大估計。於日常業務過程中存在很多交易及計算，而最終稅項的釐定具有不確定性。倘該等事件的最終稅項結果與初始記錄的金額存在差異，則相關差異將影響作出有關釐定的報告期的所得稅及遞延稅項撥備。

倘管理層認為未來應課稅溢利將抵銷其暫時差額或稅項虧損時，有關若干暫時差額之遞延稅項資產及稅項虧損可予確認。但實際應用結果可能有所不同。

非流動資產減值

如發生觸發事件，顯示資產之賬面值可能無法收回，本集團將評估該資產之賬面值。觸發事件包括資產市值有重大不利變動、營商或規管環境轉變，或若干法律事件。管理層詮釋此等事件前，須判斷有關事件是否已經發生。如發生觸發事件，本集團將評估非流動資產之賬面值，以評估其可收回金額是否已跌至低於其賬面值。可收回金額為本集團預期日後使用該資產估計產生之未來現金流量淨額現值，加出售該資產之剩餘價值。如非流動資產之可收回金額低於其賬面值，本集團將確認減值虧損，將資產值撇減至相等於其可收回金額。

商譽減值

本集團每年進行測試以釐定商譽是否出現任何減值。釐定商譽是否減值需要估計獲分配商譽的現金產生單位的使用價值。使用價值計算需要管理層估計預期有關現金產生單位所產生的未來現金流量及合適貼現率以計算未來現金流量的現值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		The Group 本集團		The 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
Financial assets:	金融資產：				
Fair value through profit or loss	按公平值於損益列賬	27,141	4,405	—	—
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及 現金等值物)	149,031	157,994	80,429	90,853
Financial liabilities:	金融負債：				
Amortised cost	攤銷成本	83,982	52,307	15,540	554

(b) Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk and fair value interest rate risks and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Management regularly manages the financial risks of the Group. Because of the simplicity of the financial structure and the current operations of the Group, no major hedging activities are undertaken by management.

There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risks.

5. 金融工具

(a) 金融工具分類

		The Group 本集團		The 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
Financial assets:	金融資產：				
Fair value through profit or loss	按公平值於損益列賬	27,141	4,405	—	—
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及 現金等值物)	149,031	157,994	80,429	90,853
Financial liabilities:	金融負債：				
Amortised cost	攤銷成本	83,982	52,307	15,540	554

(b) 財務風險管理目標及政策

本集團業務活動令其面臨多項財務風險：市場風險(包括外幣風險及公平值利率風險及價格風險)、信貸風險及流動資金風險。本集團的整體風險管理項目專注於金融市場的不可預測性及尋求降低本集團財務表現的潛在不利影響。

管理層定期管理本集團之財務風險。由於本集團之財務架構及現時營運並不複雜，管理層並無進行重大對沖活動。

本集團就金融工具承擔的風險類別或其管理與計量有關風險的方式並無任何改變。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk

Foreign currency risk

- (i) Exposure to foreign currency risk

The Group mainly operates in the People's Republic of China (the "PRC") and Hong Kong and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Renminbi ("RMB"), Hong Kong dollars ("HKD") and United States dollars ("USD"). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. The Company's management do not expect the net foreign currency risk from these activities to be significant and hence, the Group and the Company do not presently hedge the foreign exchange risks. The Group and the Company periodically review liquid assets and liabilities held in currencies other than the functional currencies of the respective subsidiaries to evaluate its foreign exchange risk exposure and will consider hedging significant foreign currency exposure should the need arise.

- (ii) Sensitivity analysis

At 31 December 2013, the Group has minimal exposure to foreign currency risk with respect to HKD as it is the functional currencies of the respective subsidiaries in which their business transactions, assets and liabilities are denominated.

At 31 December 2013, if USD had strengthened/weakened by 5% (2012: 5%) against RMB with all other variables held constant, the Group's profit for the year and total equity would have been approximately RMB660,000 (2012: Nil) higher/lower, mainly as a result of foreign exchange gains/losses on USD-denominated monetary assets and monetary liabilities.

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險

外幣風險

- (i) 承受外幣風險

本集團主要於中華人民共和國(「中國」)及香港經營其業務，並須承受不同外幣產生的外匯風險，主要為與人民幣(「人民幣」)、港元(「港元」)及美元(「美元」)有關的風險。外匯風險來自海外業務的未來商業交易、已確認資產及負債以及投資淨額。本公司管理層並不預期該等活動涉及重大外匯風險淨額，因此，本集團及本公司現時並無對沖外匯風險。本集團及本公司定期審核附屬公司各自以貨幣為單位的流動資產及負債(功能貨幣除外)，以評估其外匯風險，並將於必要時考慮對沖重大外幣風險。

- (ii) 敏感度分析

於二零一三年十二月三十一日，本集團與港元有關的外幣風險甚微，此乃由於港元為各附屬公司的功能貨幣，其業務交易、資產及負債均以港元計值。

於二零一三年十二月三十一日，倘美元兌人民幣升值／貶值5% (二零一二年：5%)而所有其他因素維持不變，則本集團的年度溢利及權益總額將增加／減少約人民幣660,000元(二零一二年：無)，乃主要由於以美元計值的貨幣資產及貨幣負債的外匯收益／虧損所致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

Interest rate risk

- (i) Exposure to interest rate risk

The Group's exposure to the risk of changes in market interest rate relates primarily to its bank deposits and interest-bearing bank borrowings and bank overdrafts. Interest-bearing bank borrowings and bank overdrafts at floating rates expose the Group to interest rate risk.

The Group has not used any interest rate swaps to hedge its exposure to interest rate risk. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

- (ii) Sensitivity analysis

At 31 December 2013, if interest rates at the date had been 100 basis points higher/lower with all other variables held constant, the Group's profit for the year would decrease/increase by RMB293,000 (2012: RMB295,000). This is mainly attributable to the Group's exposure as result of increase/decrease interest expense on bank borrowings and bank overdrafts net off with interest income from bank deposits.

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

利率風險

- (i) 承受利率風險

本集團所面對的市場利率變動風險，主要與本集團的銀行存款及計息銀行借款及銀行透支有關。浮息銀行借款及銀行透支使本集團面對利率風險。

本集團並無使用任何利率掉期對沖利率風險。然而，管理層監控利率風險，並於必要時考慮對沖重大利率風險。

- (ii) 敏感度分析

於二零一三年十二月三十一日，倘於該日之利率上升/下跌100個基點而所有其他變數維持不變，則本集團之年度溢利將下降/上升約人民幣293,000元(二零一二年：人民幣295,000元)，乃主要由於銀行借款及銀行透支之利息支出抵銷來自銀行存款利息收入之金額增加/減少產生之本集團風險所致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

Other price risk

- (i) Exposure to other price risk

The Group is exposed to equity price risk mainly through its investment. The Group currently does not have a hedging policy in respect of the risk exposure. In addition, the management of the Group would monitor the price risk and will consider hedging the risk exposure should the need arise.

- (ii) Sensitivity analysis

The sensitivity analysis has been determined based on the exposure to price risk of held-for-trading investments at the end of the reporting period. If the prices of the held-for-trading investments had been 10% higher/lower, profit for the year ended 31 December 2013 would increase/decrease by approximately RMB2,714,000 (2012: RMB441,000). This is mainly due to the changes in fair value of held-for-trading investments.

Credit risk

The carrying amount of the cash and bank balances, trade receivables included in the consolidated statements of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

The Group has certain exposure to credit risk as the trade receivables from the five largest customers as at 31 December 2013 represented 54% (2012: 69%) of total trade receivables, while 15% (2012: 20%) of the total trade receivables were due from the largest single customer. It has policies in place to ensure that sales are made to customers with an appropriate credit history.

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

其他價格風險

- (i) 承受其他價格風險

本集團主要透過其投資而面對股權價格風險。本集團現時並無有關風險之對沖政策。此外，本集團管理層會監察價格風險及於有需要時考慮對沖有關風險。

- (ii) 敏感度分析

敏感度分析乃按報告期末所面對之持作買賣投資之價格風險釐定。倘持作買賣投資之價格上升/下跌10%，則截至二零一三年十二月三十一日止年度之溢利將增加/減少約人民幣2,714,000港元(二零一二年：人民幣441,000元)。此乃主要由於持作買賣投資之公平值變動所致。

信貸風險

計入綜合財務狀況表的現金及銀行結餘、應收貿易款項的賬面值指與本集團的金融資產有關的最高信貸風險。

本集團面臨若干信貸風險，因五大客戶於二零一三年十二月三十一日的應收貿易款項佔應收貿易款項總額54% (二零一二年：69%)，而最大單一客戶的應收貿易款項佔應收貿易款項總額15% (二零一二年：20%)。其已實施政策以確保銷售對象為合理信貸記錄的客戶。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk (Continued)

The credit risk on cash and bank balances is limited because the counterparties are international and state-owned banks with good reputation.

The Group does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term. The Group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

At 31 December 2013, the Group has unutilised banking facilities of approximately RMB23,086,000 (2012: Nil).

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables below have been drawn up based on the contractual maturities of the undiscounted financial liabilities including interest that will accrue to those liabilities except where the Group are entitled and intends to repay the liability before its maturity.

Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights within one year after the reporting date. The maturity analysis for other non-derivative financial liabilities is prepared based on the scheduled repayment dates.

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險(續)

由於交易對方為信譽良好的國際及國有銀行，故現金及銀行結餘之風險有限。

本集團並無持有任何抵押品或其他信貸增強措施以為其金融資產相關之信貸風險提供保障。

流動資金風險

本集團政策為定期監控現有及預期流動資金需求，以確保其擁有充裕現金儲備應付短期及長期流動資金需求。本集團透過保持充足之儲備，持續對預測及實際現金流量進行監察，並配對金融資產及負債之到期情況，藉以管理流動資金風險。

於二零一三年十二月三十一日，本集團有未動用銀行融資約人民幣23,086,000元(二零一二年：無)。

下表詳細列明本公司非衍生金融負債的餘下合約到期情況。該表根據未貼現金融負債合約期限編製，包括該等負債的應計利息(本集團有權及有意在到期前清償者除外)。

具體而言，不論銀行選擇於報告日期後一年內行使其權利之可能性，具有按要求償還條款之銀行貸款計入最早時段。其他非衍生金融負債之到期情況分析乃根據協定還款日期編製。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

At 31 December 2013

The Group

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

於二零一三年十二月三十一日

本集團

	Weighted average effective interest rate	On demand or within 1 year	Over 1 year	Total undiscounted cash flow	Total carrying amount
	加權平均實際利率 %	應要求或少於一年 RMB'000 人民幣千元	一年以上 RMB'000 人民幣千元	未貼現現金流量總額 RMB'000 人民幣千元	賬面總值 RMB'000 人民幣千元
Non-derivative financial liabilities 非衍生金融負債					
Trade payables 應付貿易款項	—	20,323	—	20,323	20,323
Accruals and other payables 應計費用及其他應付款項	—	16,189	—	16,189	16,189
Bank borrowings 銀行借款	6.0%	30,497	—	30,497	29,055
Bank overdrafts 銀行透支	5.0%	2,959	—	2,959	2,959
Promissory note 承付票據	8.3%	16,242	—	16,242	15,456
		86,210	—	86,210	83,982

The Company

本公司

	Weighted average effective interest rate	On demand or within 1 year	Over 1 year	Total undiscounted cash flow	Total carrying amount
	加權平均實際利率 %	應要求或少於一年 RMB'000 人民幣千元	一年以上 RMB'000 人民幣千元	未貼現現金流量總額 RMB'000 人民幣千元	賬面總值 RMB'000 人民幣千元
Non-derivative financial liabilities 非衍生金融負債					
Accruals and other payables 應計費用及其他應付款項	—	340	—	340	340
Amounts due to subsidiaries 應付附屬公司款項	—	15,200	—	15,200	15,200
		15,540	—	15,540	15,540

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

At 31 December 2012

The Group

	Weighted average effective interest rate	within 1 year	Over 1 year	Total undiscounted cash flow	Total carrying amount
	加權平均 實際利率 %	少於一年 RMB'000 人民幣千元	一年以上 RMB'000 人民幣千元	未貼現現金 流量總額 RMB'000 人民幣千元	賬面總值 RMB'000 人民幣千元
Non-derivative financial liabilities 非衍生金融負債					
Trade payables 應付貿易款項	—	17,410	—	17,410	17,410
Accruals and other payables 應計費用及其他應付款項	—	5,397	—	5,397	5,397
Bank borrowings 銀行借款	6.4%	30,445	—	30,445	29,500
		<u>53,252</u>	<u>—</u>	<u>53,252</u>	<u>52,307</u>

The Company

本公司

	Weighted average effective interest rate	within 1 year	Over 1 year	Total undiscounted cash flow	Total carrying amount
	加權平均 實際利率 %	少於一年 RMB'000 人民幣千元	一年以上 RMB'000 人民幣千元	未貼現現金 流量總額 RMB'000 人民幣千元	賬面總值 RMB'000 人民幣千元
Non-derivative financial liabilities 非衍生金融負債					
Accruals and other payables 應計費用及其他應付款項	—	554	—	554	554
		<u>554</u>	<u>—</u>	<u>554</u>	<u>554</u>

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

於二零一二年十二月三十一日

本集團

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments

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

- (i) the fair value of financial assets and financial liabilities (including derivative instruments) with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively;
- (ii) the fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives;
- (iii) the fair value of other financial assets and financial liabilities (excluding those described above) are determined in accordance with generally pricing models based on discounted cash flow analysis.

Fair value measurements recognised in the consolidated statement of financial position

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

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

5. 金融工具(續)

(c) 金融工具之公平值

金融資產及金融負債之公平值乃按以下釐定：

- (i) 具有標準條款及條件及於活躍流動市場買賣的金融資產及金融負債(包括衍生工具)，乃分別參考所報市場買入價及賣出價釐定公平值；
- (ii) 衍生工具的公平值按所報價格計算。倘未能獲得有關價格，則按非期權衍生工具之年期使用適用孳息曲線釐定貼現現金流分析。
- (iii) 其他金融資產及金融負債的公平值(以上所述者除外)乃基於貼現現金流分析根據一般定價模式釐定。

於綜合財務狀況表確認之公平值計量

下表提供初步確認後按公平值計量的金融工具分析，乃根據公平值可觀察程度分為級別一至三：

1. 級別一公平值計量由相同資產或負債在活躍市場之報價(未經調整)得出；
2. 級別二公平值計量由級別一所載報價以外之可觀察資產或負債數據直接(即價格)或間接(即衍生自價格)得出；及
3. 級別三公平值計量由包括並非基於可觀察市場數據(不可觀察數據)之資產或負債數據之估值技術衍生。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments

(Continued)

Fair value measurements recognised in the consolidated statement of financial position (Continued)

At 31 December 2013

The Group

Financial assets

Held for trading-listed equity securities

金融資產

持作買賣上市股本證券

Level 1 級別一 RMB'000 人民幣千元	Level 2 級別二 RMB'000 人民幣千元	Level 3 級別三 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
------------------------------------	------------------------------------	------------------------------------	---------------------------------

27,141

—

—

27,141

At 31 December 2012

The Group

Level 1 級別一 RMB'000 人民幣千元	Level 2 級別二 RMB'000 人民幣千元	Level 3 級別三 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
------------------------------------	------------------------------------	------------------------------------	---------------------------------

4,405

—

—

4,405

There were no transfers between Levels 1 and 2 in both years.

No analysis is disclosed since the Group has no financial assets and liabilities measured under level 2 and 3 during the years ended 31 December 2013 and 2012.

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

5. 金融工具(續)

(c) 金融工具之公平值(續)

於綜合財務狀況表確認之公平值計量(續)

於二零一三年十二月三十一日

本集團

於二零一二年十二月三十一日

本集團

於兩個年度內，級別一及級別二之間概無轉撥。

截至二零一三年及二零一二年十二月三十一日止年度內，由於本集團並無金融資產及負債根據級別二及三計量，故並無披露有關分析。

本公司董事認為，綜合財務報表內按攤銷成本計量的財務資產賬面值與財務負債賬面值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

6. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2012.

The capital structure of the Group consists of debt (which includes bank borrowings, bank overdrafts and promissory note) and equity attributable to owners of the Company, comprising issued capital and reserves. The directors of the Company review the capital structure on a continuous basis. As part of this review, the directors consider the cost of capital and the risks associated with capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the issuance of new shares as well as the addition of new borrowings.

Gearing ratio

The gearing ratio at 31 December 2013 and 2012 was as follows:

Debt	債務
Total equity	權益總額
Gearing ratio	資本負債比率

6. 資本風險管理

本集團管理其資本，以確保本集團內各實體能夠持續經營，同時亦透過優化債項與權益之平衡，為股東爭取最高回報。自二零一二年起，本集團整體策略保持不變。

本集團之資本架構包括債項(包括銀行借款、銀行透支及承付票據)以及本公司擁有人應佔權益(包括已發行資本及儲備)。本公司董事不斷檢討資本架構。作為檢討一部分，董事考慮資本成本及資本相關風險。本集團將根據董事之意見透過發行新股及新增借款，平衡其整體資本結構。

資本負債比率

於二零一三年及二零一二年十二月三十一日的資本負債比率如下：

		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
Debt	債務	<u>47,470</u>	<u>29,500</u>
Total equity	權益總額	<u>239,723</u>	<u>187,994</u>
Gearing ratio	資本負債比率	<u>19.8%</u>	<u>15.7%</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

7. SEGMENT INFORMATION

Information reported to the directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided.

The Group's operating and reportable segments are as follows:

- (i) the manufacture and sale of nonwoven fabric products used in automotive interior decoration parts and other parts; and
- (ii) the supply and procurement operation segment including trading of rubber, garment accessories and food products.

Segment revenue and results

		Supply and procurement operation		Manufacture and sale of nonwoven fabric products		Total	
		供應及採購經營		製造及銷售無紡布產品		合計	
		2013	2012	2013	2012	2013	2012
		二零一三年	二零一二年	二零一三年	二零一二年	二零一三年	二零一二年
		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
Segment revenue:	分部收入：						
Sales to external customers	銷售予外部客戶	354,650	6,673	188,727	160,233	543,377	166,906
Segment results	分部業績	3,579	5	26,828	14,036	30,407	14,041
Unallocated corporate income	未分配公司收入					23,351	2,875
Unallocated corporate expenses	未分配公司開支					(3,495)	(2,890)
Profit from operations	經營溢利					50,263	14,026
Finance costs	融資成本					(2,637)	(1,731)
Profit before tax	除稅前溢利					47,626	12,295

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales for the years ended 31 December 2013 and 2012.

7. 分部資料

向本集團董事(即主要經營決策者)呈報以分配資源及評估分部表現的資料,著重所付運貨品或提供服務的類別。

本集團的經營及可呈報分部如下:

- (i) 製造及銷售用於汽車內飾件及其他部分的無紡布產品;及
- (ii) 供應及採購經營分部(包括買賣橡膠、成衣配件及食品)。

分部收入及業績

以上呈報的分部收入乃來自外部客戶的收入。截至二零一三年及二零一二年十二月三十一日止年度並無分部間收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

7. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Segment results represent the profit from each segment without allocation of interest income, realised gain on held-for-trading investments, unrealised gain on held-for-trading investments and central operating expenses including staff costs, finance costs and income tax expense. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

Segment assets and liabilities

		Supply and procurement operation 供應及採購經營		Manufacture and sale of nonwoven fabric products 製造及銷售無紡布產品		Total 合計	
		2013	2012	2013	2012	2013	2012
		二零一三年 RMB'000 人民幣千元	二零一二年 RMB'000 人民幣千元	二零一三年 RMB'000 人民幣千元	二零一二年 RMB'000 人民幣千元	二零一三年 RMB'000 人民幣千元	二零一二年 RMB'000 人民幣千元
ASSETS	資產						
Segment assets	分部資產	116,147	8,157	182,778	170,414	298,925	178,571
Unallocated corporate assets	未分配公司資產					28,728	62,285
Total assets	資產總值					327,653	240,856
LIABILITIES	負債						
Segment liabilities	分部負債	28,893	—	42,880	52,308	71,773	52,308
Unallocated corporate liabilities	未分配公司負債					16,157	554
Total liabilities	負債總額					87,930	52,862

For the purpose of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segment other than corporate financial assets including held-for-trading investments and corporate cash and bank balance. Goodwill is allocated to segments as described in Note 22.
- all liabilities are allocated to reportable segments other than corporate financial liabilities including promissory note and accruals and other payables.

7. 分部資料(續)

分部收入及業績(續)

經營分部的會計政策與附註3所述的本集團會計政策相同。分部業績指於並無分配利息收入、持作買賣投資的已變現收益、持作買賣投資的未變現收益及中央行政費用(包括員工成本、融資成本及所得稅開支)的情況下各分部的溢利。此乃向主要經營決策者呈報以分配資源及評估分部表現的衡量基準。

分部資產及負債

為監察分部表現及於分部間分配資源：

- 除公司金融資產(包括持作買賣投資及公司現金及銀行結餘)外，所有資產均分配至可呈報分部。誠如附註22所述，商譽乃分配至各分部。
- 除公司金融負債(包括承付票據以及應計費用及其他應付款項)外，所有負債均分配至可呈報分部。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

7. SEGMENT INFORMATION (Continued)

Other segment information

The following is the analysis of the Group's other segment information:

		Supply and procurement operation		Manufacture and sale of nonwoven fabric products		Total	
		2013	2012	2013	2012	2013	2012
		二零一三年	二零一二年	二零一三年	二零一二年	二零一三年	二零一二年
		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
Capital expenditure	資本支出	4,572	—	5,983	2,606	10,555	2,606
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1	—	4,827	4,479	4,828	4,479
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	—	—	73	73	73	73
Inventories written off	撇銷存貨	—	—	26	410	26	410
Impairment loss recognised in respect of trade receivables	已確認應收貿易款項減值虧損	—	—	198	117	198	117

Revenue from major products and services

Information about the Group's major products is set out in Note 8.

Geographical information

The Group's operations are located in the PRC and Hong Kong.

The Group's revenue from external customers and information about its non-current assets by geographical location are detailed below.

		Revenue from external customers		Non-current assets*	
		2013	2012	2013	2012
		二零一三年	二零一二年	二零一三年	二零一二年
		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
The PRC	中國	494,042	160,233	49,016	43,029
Hong Kong	香港	43,690	6,673	4,566	34
Overseas (Note)	海外(附註)	5,645	—	—	—
		543,377	166,906	53,582	43,063

Note: The Group's overseas customers including but not limited to customers in Singapore, Bangladesh and Taiwan.

* Non-current assets exclude deferred tax assets and goodwill.

7. 分部資料(續)

其他分部資料

以下為本集團的其他分部資料分析：

來自主要產品及服務的收入

有關本集團主要產品的資料載於附註8。

地區資料

本集團的營運地點位於中國及香港。

以下詳述本集團來自外部客戶的收入及有關按地區劃分的非流動資產的資料。

附註：本集團之海外客戶包括但不限於新加坡、孟加拉共和國及台灣的客戶。

* 非流動資產不包括遞延稅項資產及商譽。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

7. SEGMENT INFORMATION (Continued)

Information about major customers

For the year ended 31 December 2013, revenue generated from one (2012: three) customer of the Group amounting to approximately RMB57,549,000 (2012: RMB79,046,000) has individually accounted for over 10% of the Group's total revenue. No other single customer contributed 10% or more to the Group's revenue for both years ended 31 December 2013 and 2012.

Revenue from major customers, each of them amounted to 10% or more of the Group's revenue, are set out below:

Customer A	客戶 A
Customer B (Note)	客戶 B (附註)
Customer C (Note)	客戶 C (附註)
Customer D (Note)	客戶 D (附註)

Note:

No information on revenue for the current year is disclosed for these customers since none of them contributed 10% or more to the Group's revenue for the year ended 31 December 2013.

8. REVENUE

The Group's revenue represents sales of nonwoven fabric products used in automotive interior decoration parts and other parts, rubber, garment accessories and food products.

An analysis of revenue is as follows:

Nonwoven fabric for use in automobiles	用於汽車的無紡布
— Sales of automotive floor carpets	— 汽車地毯的銷售
— Sales of other automotive parts	— 其他汽車配件的銷售
Sales of rubber	橡膠的銷售
Sales of garment accessories	成衣配件的銷售
Sales of food products	食品的銷售

7. 分部資料(續)

有關主要客戶的資料

截至二零一三年十二月三十一日止年度，自本集團一名客戶(二零一二年：三名)產生的收入約人民幣57,549,000元(二零一二年：人民幣79,046,000元)獨自佔本集團總收入超過10%。截至二零一三年及二零一二年十二月三十一日止兩個年度，概無其他單一客戶佔本集團的收入10%或以上。

主要客戶的收入(各佔本集團收入的10%或以上)載列如下：

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
57,549	—
—	37,255
—	23,031
—	18,760

附註：

由於截至二零一三年十二月三十一日止年度並無客戶佔本集團的收入10%或以上，故並無披露本年度此等客戶的收入資料。

8. 收入

本集團收入指用於汽車內飾件及其他部分的無紡布產品、橡膠、成衣配件及食品的銷售。

收入的分析如下：

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
108,117	90,234
80,610	69,999
332,668	6,673
20,923	—
1,059	—

543,377 166,906

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

9. OTHER INCOME

Interest income	利息收入
Technical support income	技術支援收入
Consultancy fee income	諮詢費收入
Realised gain on held-for-trading investments	持作買賣投資的已變現收益
Unrealised gain on held-for-trading investments	持作買賣投資的未變現收益
Others	其他

9. 其他收入

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
32	28
1,117	1,426
662	—
3,209	1,122
20,110	1,725
232	475
25,362	4,776

10. PROFIT FROM OPERATIONS

The Group's profit from operations is stated after charging the following:

Auditors' remuneration	核數師酬金
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷
Depreciation of property, plant and equipment	物業、廠房及設備折舊
Operating lease rentals in respect of rented premises	有關租賃物業的經營租賃費用
Staff costs including directors' remuneration (Note 14):	員工成本(包括董事薪酬)(附註14):
— Salaries and other benefits	— 薪金及其他福利
— Retirement benefits scheme contributions	— 退休福利計劃供款
Cost of inventories recognised as cost of sales	確認為銷售成本的存貨成本
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損
Inventories written off	存貨撇銷
Impairment loss recognised on trade receivables	就應收貿易款項確認的減值虧損
Research and development expenditure (Note)	研究及開發支出(附註)

10. 經營溢利

本集團的經營溢利已扣除下列各項：

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
798	473
73	73
4,828	4,479
473	137
11,432	9,388
2,863	2,815
467,863	116,347
1	34
26	410
198	117
7,356	6,470

Note:

The amount included in cost of sales for the year ended 31 December 2013 amounted to approximately RMB7,356,000 (2012: RMB6,470,000).

附註：

截至二零一三年十二月三十一日止年度內入賬為銷售成本的金額約為人民幣7,356,000元(二零一二年：人民幣6,470,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

11. FINANCE COSTS

Interest expenses on bank borrowings wholly repayable within five years
Interest expenses on bank overdrafts
Interest expenses on promissory note
Finance lease charges

須於五年內悉數清還的銀行借款的利息費用
銀行透支的利息費用
承付票據的利息費用
融資租賃費用

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

1,799 1,724

82 —

756 —

— 7

2,637 **1,731**

11. 融資成本

12. INCOME TAX EXPENSE

Current tax
Hong Kong
PRC enterprise income tax ("EIT")

即期稅項
香港
中國企業所得稅
(「中國企業所得稅」)

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

1,383 398

3,707 1,564

5,090 1,962

Overprovision for in previous years
PRC EIT

過往年度超額撥備
中國企業所得稅

(297) (283)

Deferred tax
Current year

遞延稅項
本年度

(211) (182)

4,582 1,497

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

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the years ended 31 December 2013 and 2012.

根據開曼群島及英屬維爾京群島(「英屬維爾京群島」)規例及法規，本集團於開曼群島及英屬維爾京群島毋須繳納任何所得稅。

截至二零一三年及二零一二年十二月三十一日止年度，香港利得稅按估計應課稅溢利16.5%計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

12. INCOME TAX EXPENSE (Continued)

PRC EIT is calculated at the applicable rates based on estimated taxable income earned by the PRC subsidiary of the Group with certain tax preference, based on existing legislation, interpretation and practice in respect thereof.

Pursuant to the enterprise income tax rules and regulations of the PRC, the applicable PRC EIT rate of the Group's PRC subsidiary is 25%.

Pursuant to PRC Enterprise Income Tax Law, an innovative and high-end technology enterprise may enjoy a preferential enterprise income tax rate of 15% ("IHT Enterprise Rate"). On 22 December 2009, Joystar Wuxi obtained the "Certificate of Innovative and High-end Technology Enterprise" with validity period of three years. The IHT Enterprise Rate enjoyed by Joystar Wuxi was expired in December 2012. During the year ended 31 December 2013, Joystar Wuxi has further obtained the Certificate of Innovative and High-end Technology Enterprise and the IHT Enterprise Rate enjoyed by Joystar Wuxi will be expired in November 2015. Consequently, the applicable income tax rate of Joystar Wuxi for the year ended 31 December 2013 is 15% (2012: 15%).

The reconciliation between the income tax expense and the profit before tax multiplied by the PRC enterprise income tax rate is as follows:

12. 所得稅開支(續)

中國企業所得稅根據現行法例、詮釋及其相關慣例，按享有若干稅項優惠的本集團的中國附屬公司所賺取估計應課稅收入，以適用稅率計算。

根據中國企業所得稅規例及法規，本集團的中國附屬公司的適用中國企業所得稅率為25%。

根據中國企業所得稅法，高新技術企業可享有企業所得稅優惠稅率15%（「高新技術企業稅率」）。於二零零九年十二月二十二日，怡星（無錫）取得「高新技術企業證書」，有效期為三年。怡星（無錫）享有的高新技術企業稅率已於二零一二年十二月屆滿。截至二零一三年十二月三十一日止年度，怡星（無錫）已進一步取得高新技術企業證書，而怡星（無錫）所享有的高新技術企業稅率將於二零一五年十一月屆滿。因此，怡星（無錫）於截至二零一三年十二月三十一日止年度之適用所得稅率為15%（二零一二年：15%）。

所得稅開支與除稅前溢利乘以中國企業所得稅率計算所得的對賬如下：

		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
Profit before tax	除稅前溢利	<u>47,626</u>	<u>12,295</u>
Tax at the PRC enterprise income tax rate of 25% (2012: 25%)	按中國企業所得稅稅率25% 計算(二零一二年：25%)	11,907	3,074
Tax effect of expenses that are not deductible	不可扣減開支的稅務影響	251	182
Tax effect of income that are not taxable	毋須課稅收入的稅務影響	(3,634)	(885)
Over provision in previous years	過往年度超額撥備	(297)	(283)
Tax effect of tax preferential period	稅項優惠期的稅務影響	(2,294)	(856)
Effect of different tax rates of subsidiaries	附屬公司不同稅率的影響	(2,074)	(53)
Tax loss not recognised	未確認稅項虧損	<u>723</u>	<u>318</u>
Income tax expense	所得稅開支	<u>4,582</u>	<u>1,497</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

12. INCOME TAX EXPENSE (Continued)

Under the New Tax Law, from 1 January 2008, non-resident enterprises without an establishment or place of business in the PRC or which have an establishment or place of business in the PRC but whose relevant income is not effectively connected with the establishment or a place of business in the PRC, will be subject to withholding tax at the rate of 10% (unless reduced by treaty) on various types of passive income such as dividends derived from sources within the PRC.

According to the notice Caishui 2008 No. 1 released by the Ministry of Finance and the State Administration of Taxation, distributions of the pre-2008 retained profits of a foreign-invested enterprise to a foreign investor in 2008 or after are exempt from corporate income tax. Accordingly, the retained profits as at 31 December 2007 in the Group's PRC subsidiaries will not be subject to 10% withholding tax on future distributions.

According to the EIT law, starting from 1 January 2008, 10% withholding income tax will be imposed on dividend relating to profits earned by the companies established in the PRC in the calendar year 2008 onwards to their foreign shareholders. For investors incorporated in Hong Kong which hold at least 25% of equity interest of those PRC companies, a preferential rate of 5% will be applied. The Group has applied the preferential rate of 5% as the Group's subsidiaries in the PRC are directly held by an investment holding company incorporated in Hong Kong. At 31 December 2013, no deferred tax has been provided for in respect of the temporary differences attributable to such profits earned by the PRC subsidiaries amounting to approximately RMB82,287,000 (2012: RMB62,031,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

13. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share attributable to owners of the Company is based on the profit for the year attributable to owners of the Company of approximately RMB43,044,000 (2012: RMB10,798,000) and the weighted average number of ordinary shares of 1,123,200,000 (2012: 532,131,148) in issue during the year.

Diluted earnings per share

For the years ended 31 December 2013 and 2012, diluted earnings per share are the same as the basic earnings per share as the Company did not have any dilutive potential ordinary shares during the years ended 31 December 2013 and 2012.

12. 所得稅開支(續)

根據新稅法，由二零零八年一月一日起，並非在中國成立或在中國設有經營地點，或在中國成立或在中國設有經營地點，惟有關收入實際上並非與中國成立或在中國設有經營地點有關之非居民企業，將須就多項被動收入(如源於中國之股息)按稅率10%(除非按條約減免)繳付預繳稅。

根據財政部及國家稅務局發佈之財稅2008第1號通知，外商投資企業在二零零八年或之後向外國投資者分派二零零八年前之保留溢利，均可獲豁免繳納企業所得稅。因此，於將來作出分派時，本集團之中國附屬公司於二零零七年十二月三十一日之保留溢利將毋須繳納10%之預提稅。

根據企業所得稅法，由二零零八年一月一日起，將對就在中國成立的公司自二零零八年曆年起賺取的溢利支付其境外股東的股息徵收10%的預扣所得稅。對於在香港註冊成立且持有該等中國公司至少25%股權的投資者，將實施5%的優惠稅率。由於本集團中國附屬公司均由一間在香港註冊成立的投資控股公司直接持有，故本集團按5%的優惠稅率繳納稅項。於二零一三年十二月三十一日，本公司並未就中國附屬公司賺取的該等溢利約人民幣82,287,000元(二零一三年：人民幣62,031,000元)的臨時差額而作出遞延稅項撥備，因為本集團足以掌控臨時差額撥回之時間，而臨時差額很可能不會於可見將來撥回。

13. 每股盈利

每股基本盈利

本公司擁有人應佔每股基本盈利的基準乃根據本公司擁有人應佔年度溢利約人民幣43,044,000元(二零一二年：人民幣10,798,000元)及年內已發行的普通股之加權平均數為1,123,200,000股(二零一二年：532,131,148股)計算得出。

每股攤薄盈利

由於本公司於截至二零一三年及二零一二年十二月三十一日止年度並無任何攤薄潛在普通股，故截至二零一三年及二零一二年十二月三十一日止年度，每股攤薄盈利與每股基本盈利相同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

14. DIRECTORS', CHIEF EXECUTIVES' AND EMPLOYEES' REMUNERATION

Details of remuneration of the directors of the Company for the year, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, are as follows:

14. 董事、最高行政人員及僱員薪酬

根據上市規則及香港公司條例第161條披露本年度本公司董事薪酬的詳情如下：

Name of director	董事姓名	Fees		Salaries and allowances		Retirement benefit scheme contributions		Total	
		袍金	薪金及補貼	退休福利計劃供款	合計				
		2013	2012	2013	2012	2013	2012	2013	2012
		二零一三年	二零一二年	二零一三年	二零一二年	二零一三年	二零一二年	二零一三年	二零一二年
		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
<i>Executive director</i>	<i>執行董事</i>								
Zhuang Yuejin (Note (a))	莊躍進(附註(a))	359	367	145	144	45	46	549	557
Pak Ping ("Mr. Pak")	白平(「白先生」)	144	147	—	—	7	7	151	154
Wong Ho Yin (Note (b))	黃浩然(附註(b))	288	293	—	—	12	11	300	304
Ni Bin (appointed on 31 May 2013 and resigned on 21 November 2013)	倪斌(於二零一三年五月三十一日獲委任及於二零一三年十一月二十一日辭任)	—	—	40	—	—	—	40	—
Ruan Bixia (retired on 20 May 2013)	阮碧霞(於二零一三年五月二十日退任)	37	98	—	—	—	—	37	98
<i>Independent non-executive director</i>	<i>獨立非執行董事</i>								
Feng Xueben	馮學本	48	49	—	—	—	—	48	49
Mak Wai Ho	麥偉豪	96	98	—	—	—	—	96	98
Sung Kwan Wun (appointed on 19 August 2013)	宋君媛(於二零一三年八月十九日獲委任)	18	—	—	—	—	—	18	—
Tang Yanfei (retired on 20 May 2013)	湯炎非(於二零一三年五月二十日退任)	19	49	—	—	—	—	19	49
		1,009	1,101	185	144	64	64	1,258	1,309

Note:

- (a) Mr. Zhuang Yuejin is also the Chairman and Chief Executive Officer of the Company.
- (b) Mr. Wong Ho Yin is also the Chief Financial Officer of the Company.

附註：

- (a) 莊躍進先生亦為本公司的主席兼行政總裁。
- (b) 黃浩然先生亦為本公司的財務總監。

During the years ended 31 December 2013 and 2012, no emoluments were paid by the Group to the directors as a discretionary bonus or an inducement to join or upon joining the Group or as compensation for loss of office. There was no arrangement under which a director waived or agreed to waive any emoluments during the years ended 31 December 2013 and 2012.

The emoluments of senior management (excluding directors) fell within the following band:

截至二零一三年及二零一二年十二月三十一日止年度內，本集團概無向任何董事支付酬金，作為促使加入本集團或加入本集團後的酌情花紅或獎勵，或作為離職補償。截至二零一三年及二零一二年十二月三十一日止年度內，概無董事放棄或同意放棄任何酬金的安排。

高級管理層(不包括董事)的酬金介乎以下範圍內：

Nil to RMB798,000 (equivalent to approximately HK\$1,000,000)

零至人民幣798,000元(相等於約1,000,000港元)

Number of individuals
人士數目

2013	2012
二零一三年	二零一二年
5	4

5 4

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

15. FIVE HIGHEST PAID EMPLOYEES

The five highest paid individuals in the Group during the year included 2 (2012: 3) directors, details of whose remuneration set out in Note 14 above. The emoluments of the remaining 3 (2012: 2) individuals are set out below:

Basic salaries and allowances	基本薪金及津貼
Retirement benefits scheme contributions	退休福利計劃供款

	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
	426	248
	89	57
	<u>515</u>	<u>305</u>

The emoluments fell within the following band:

Nil to RMB798,000 (equivalent to approximately HK\$1,000,000)	零至人民幣798,000元 (相等於約1,000,000港元)
---	------------------------------------

酬金介乎以下範圍內：

	Number of individuals 人士數目	
	2013 二零一三年	2012 二零一二年
	<u>3</u>	<u>2</u>

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

截至二零一三年及二零一二年十二月三十一日止年度內，本集團概無向非執行董事、最高薪酬僱員支付酬金，作為促使加入本集團或加入本集團後的獎勵，或作為離職補償。截至二零一三年及二零一二年十二月三十一日止年度內，概無非執行董事及最高薪酬僱員放棄或同意放棄任何酬金。

16. PROFIT FOR THE YEAR ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

The profit for the year attributable to the owners of the Company included a loss of approximately RMB2,744,000 (2012: RMB2,286,000) which has been dealt with in the financial statements of the Company.

16. 本公司擁有人應佔年度溢利

本公司擁有人應佔年度溢利包括已於本公司財務報表處理的虧損約人民幣2,744,000元(二零一二年：人民幣2,286,000元)。

17. DIVIDEND

The directors do not recommend the payments of any dividend in respect of the year ended 31 December 2013 (2012: Nil).

17. 股息

董事不建議就截至二零一三年十二月三十一日止年度派付任何股息(二零一二年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

18. PROPERTY, PLANT AND EQUIPMENT

The Group

		Buildings 樓宇 RMB'000 人民幣千元	Plant and machinery 廠房及機械 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Furniture and fixtures 傢俬及裝置 RMB'000 人民幣千元	Leasehold improvement 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
Cost	成本							
At 1 January 2012	於二零一二年一月一日	10,016	40,860	2,383	931	2,241	—	56,431
Additions	添置	51	81	—	132	—	2,342	2,606
Transfer from construction in progress	在建工程轉入	—	1,479	—	—	—	(1,479)	—
Disposals	出售	—	(555)	—	—	—	—	(555)
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	10,067	41,865	2,383	1,063	2,241	863	58,482
Additions	添置	4,572	1,583	59	69	201	4,071	10,555
Acquisition of subsidiaries	收購附屬公司	—	—	—	4	—	—	4
Transfer from construction in progress	轉撥自在建工程	—	3,720	—	—	—	(3,720)	—
Disposals	出售	—	—	(107)	(20)	—	—	(127)
Exchange alignment	匯兌調整	(30)	—	—	(1)	—	—	(31)
At 31 December 2013	於二零一三年十二月三十一日	14,609	47,168	2,335	1,115	2,442	1,214	68,883
Accumulated depreciation and impairment	累計折舊及減值							
At 1 January 2012	於二零一二年一月一日	2,188	9,308	823	629	1,230	—	14,178
Charge for the year	年度支出	337	3,484	289	92	277	—	4,479
Disposals	出售	—	(321)	—	—	—	—	(321)
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	2,525	12,471	1,112	721	1,507	—	18,336
Charge for the year	年度支出	336	3,816	295	102	279	—	4,828
Disposals	出售	—	—	(106)	(18)	—	—	(124)
At 31 December 2013	於二零一三年十二月三十一日	2,861	16,287	1,301	805	1,786	—	23,040
Net book value	賬面淨值							
At 31 December 2013	於二零一三年十二月三十一日	11,748	30,881	1,034	310	656	1,214	45,843
At 31 December 2012	於二零一二年十二月三十一日	7,542	29,394	1,271	342	734	863	40,146

At 31 December 2013, the carrying amount of buildings of the Group pledged as security for the Group's bank borrowings amounted to approximately RMB11,748,000 (2012: RMB7,542,000).

於二零一三年十二月三十一日，本集團質押賬面值約為人民幣11,748,000元(二零一二年：人民幣7,542,000元)的樓宇作為其銀行借款的抵押品。

18. 物業、廠房及設備

本集團

		Buildings 樓宇 RMB'000 人民幣千元	Plant and machinery 廠房及機械 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Furniture and fixtures 傢俬及裝置 RMB'000 人民幣千元	Leasehold improvement 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
Cost	成本							
At 1 January 2012	於二零一二年一月一日	10,016	40,860	2,383	931	2,241	—	56,431
Additions	添置	51	81	—	132	—	2,342	2,606
Transfer from construction in progress	在建工程轉入	—	1,479	—	—	—	(1,479)	—
Disposals	出售	—	(555)	—	—	—	—	(555)
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	10,067	41,865	2,383	1,063	2,241	863	58,482
Additions	添置	4,572	1,583	59	69	201	4,071	10,555
Acquisition of subsidiaries	收購附屬公司	—	—	—	4	—	—	4
Transfer from construction in progress	轉撥自在建工程	—	3,720	—	—	—	(3,720)	—
Disposals	出售	—	—	(107)	(20)	—	—	(127)
Exchange alignment	匯兌調整	(30)	—	—	(1)	—	—	(31)
At 31 December 2013	於二零一三年十二月三十一日	14,609	47,168	2,335	1,115	2,442	1,214	68,883
Accumulated depreciation and impairment	累計折舊及減值							
At 1 January 2012	於二零一二年一月一日	2,188	9,308	823	629	1,230	—	14,178
Charge for the year	年度支出	337	3,484	289	92	277	—	4,479
Disposals	出售	—	(321)	—	—	—	—	(321)
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	2,525	12,471	1,112	721	1,507	—	18,336
Charge for the year	年度支出	336	3,816	295	102	279	—	4,828
Disposals	出售	—	—	(106)	(18)	—	—	(124)
At 31 December 2013	於二零一三年十二月三十一日	2,861	16,287	1,301	805	1,786	—	23,040
Net book value	賬面淨值							
At 31 December 2013	於二零一三年十二月三十一日	11,748	30,881	1,034	310	656	1,214	45,843
At 31 December 2012	於二零一二年十二月三十一日	7,542	29,394	1,271	342	734	863	40,146

於二零一三年十二月三十一日，本集團質押賬面值約為人民幣11,748,000元(二零一二年：人民幣7,542,000元)的樓宇作為其銀行借款的抵押品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

19. PREPAID LAND LEASE PAYMENTS

19. 預付土地租賃款項

		The Group 本集團	
		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	73	73
Non-current assets	非流動資產	<u>2,844</u>	<u>2,917</u>
		<u>2,917</u>	<u>2,990</u>
Analysed for reporting purposes as:		就報告而言之分析：	
		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
At the beginning of the year	於年初	2,990	3,063
Amortisation for the year	年度攤銷	<u>(73)</u>	<u>(73)</u>
At the end of the year	於年底	<u>2,917</u>	<u>2,990</u>

The Group's prepaid land lease payments represent payment for land use rights outside Hong Kong under medium term leases.

At 31 December 2013, the carrying amount of prepaid land lease payments pledged as security for the Group's bank borrowings amounted to approximately RMB2,917,000 (2012: RMB2,990,000).

本集團的預付土地租賃款項指有關屬中期租約在香港以外地區的土地使用權支付款項。

於二零一三年十二月三十一日，本集團質押賬面值約為人民幣2,917,000元(二零一二年：人民幣2,990,000元)的預付土地租賃款項作為其銀行借款的抵押品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

20. INVESTMENTS IN SUBSIDIARIES

20. 於附屬公司的投資

		The 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
Unlisted shares, at costs	非上市股份，按成本	50,022	17,872
Amounts due from subsidiaries (Note (a))	應收附屬公司款項(附註(a))	78,846	37,729
Less: Impairment loss recognised (Note (b))	減：已確認減值虧損(附註(b))	(566)	—
		78,280	37,729
Amounts due to subsidiaries (Note (a))	應付附屬公司款項(附註(a))	15,200	—

Note:

- (a) The amounts due from/to subsidiaries are unsecured, interest free and recoverable/repayable on demand.
- (b) After considering the financial positions of the relevant subsidiaries, the directors of the Company are in the opinion that an impairment loss of approximately RMB566,000 (2012: Nil) has been recognised for the year ended 31 December 2013.

附註：

- (a) 應收／付附屬公司款項乃為無抵押、免息且可收回／按要求償還。
- (b) 經考慮相關附屬公司的財務狀況後，本公司董事認為減值虧損約人民幣566,000元(二零一二年：無)已於截至二零一三年十二月三十一日止年度確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

20. INVESTMENTS IN SUBSIDIARIES (Continued)

Particulars of the subsidiaries of the Company as at 31 December 2013 were as follows:

20. 於附屬公司的投資(續)

於二零一三年十二月三十一日，有關本公司附屬公司的詳情載列如下：

Name of Company 公司名稱	Place of incorporation/ registration and operation 註冊成立/ 登記及營運地點	Nominal value of issued and fully paid ordinary shares/ issued and paid up/ registered capital 已發行及繳足普通 股之面值/已發行 及繳足/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	
Joystar (BVI) Automotive Interior Decoration Limited	British Virgin Islands ("BVI") 英屬維爾京群島 (「英屬維爾京群島」)	USD1 1 美元	100%	—	Investment holding 投資控股
Joystar (BVI) Auto Inter-parts Limited	BVI 英屬維爾京群島	USD1 1 美元	100%	—	Investment holding 投資控股
Joystar International Investment Limited 怡星國際投資有限公司	Hong Kong 香港	HK\$1,170,177 1,170,177 港元	—	100%	Trading of nonwoven fabric products used in automotive interior decoration parts and other parts 買賣用於汽車內飾件及 其他部分的無紡布產品
Joystar China Investment Limited 怡星中國投資有限公司	Hong Kong 香港	HK\$1 1 港元	—	100%	Trading of rubber 買賣橡膠
Joystar Wuxi 怡星(無錫)	PRC 中國	USD7,477,172 7,477,172 美元	—	100%	Manufacturing of nonwoven fabric products used in automotive interior decoration parts and other parts 製造用於汽車內飾件及 其他部分的無紡布產品
Link Excellent Limited	BVI 英屬維爾京群島	USD50,000 50,000 美元	100%	—	Investment holding 投資控股
Link Sharp International Limited	Hong Kong 香港	HK\$10,000 10,000 港元	—	100%	Trading of food products 買賣食品
Sinogate Energy Limited 中聯能源有限公司	BVI 英屬維爾京群島	USD1 1 美元	—	100%	Investment holding 投資控股
Splendid Sun Limited 朗滿有限公司	Hong Kong 香港	HK\$1 1 港元	—	100%	Trading of rubber 買賣橡膠
朗滿貿易(上海)有限公司	PRC 中國	USD600,000 600,000 美元	—	100%	Trading of rubber 買賣橡膠
Oriental Strategic Limited	BVI 英屬維爾京群島	USD50,000 50,000 美元	100%	—	Investment holding 投資控股
Brilliant Summit Limited 耀川有限公司	Hong Kong 香港	HK\$10,000 10,000 港元	—	100%	Trading of garment accessories 買賣成衣配件

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

21. INTEREST IN AN ASSOCIATE

21. 於聯營公司的權益

		The Group 本集團	
		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 investment in an associate Unlisted	於聯營公司的投資的成本 非上市	6,266	—
Share of post-acquisition loss and other comprehensive loss	應佔收購後虧損及 其他全面虧損	(1,371)	—
		4,895	—

At 31 December 2013, the Group had interest in the following associate:

於二零一三年十二月三十一日，本集團於下列聯營公司擁有權益：

Name of Company 公司名稱	Place of incorporation/ registration/ and operation 註冊成立／登記及 營運地點	Issued and paid up capital 已發行及 繳足股本	Proportion of ownership interest and voting power held by the Group 本集團持有的 所有權及投票權比例		Principal activity 主要業務
			2013 二零一三年	2012 二零一二年	
揚州三興化纖有限公司	PRC 中國	USD2,500,000 2,500,000美元	40%	—	Manufacturing of polyester fibers 製造聚酯短纖維

The associate is accounted for using the equity method in these consolidated financial statements.

聯營公司乃使用權益法於該等綜合財務報表列賬。

Interest in an associate is classified into the Group's reportable segment of manufacture and sale of nonwoven fabric products.

於聯營公司的權益乃分類至本集團的無紡布產品的製造及銷售可呈報分部。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

21. INTEREST IN AN ASSOCIATE (Continued)

Summarised financial information in respect of the associate is set out below.

Current assets	流動資產	5,821	—
Non-current assets	非流動資產	19,102	—
Current liabilities	流動負債	(12,801)	—
Non-current liabilities	非流動負債	—	—
Revenue	收入	—	—
Loss for the year	年度虧損	3,428	—
Other comprehensive loss for the year	年度其他全面虧損	—	—
Total comprehensive loss for the year	年度全面虧損總額	3,428	—

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements is as follows:

Net assets of the associate	聯營公司的資產淨額	12,122	—
Proportion of the Group's ownership interest in the associate	本集團於聯營公司的所有權比例	40%	—
Carrying amount of the Group's interest in the associate	本集團於聯營公司的權益賬面值	4,895	—

21. 於聯營公司的權益(續)

以下載列聯營公司的財務資料概要。

	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	5,821	—
Non-current assets	19,102	—
Current liabilities	(12,801)	—
Non-current liabilities	—	—
Revenue	—	—
Loss for the year	3,428	—
Other comprehensive loss for the year	—	—
Total comprehensive loss for the year	3,428	—

上述財務資料概要與綜合財務報表內確認於聯營公司的權益賬面值的對賬如下：

Net assets of the associate	12,122	—
Proportion of the Group's ownership interest in the associate	40%	—
Carrying amount of the Group's interest in the associate	4,895	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

22. GOODWILL

22. 商譽

RMB'000
人民幣千元

The Group	本集團	
Cost:	成本：	
At 1 January 2012, 31 December 2012 and 1 January 2013	於二零一二年一月一日、二零一二年十二月三十一日 及二零一三年一月一日	—
Acquisition of subsidiaries	收購附屬公司	51,099
		<hr/>
At 31 December 2013	於二零一三年十二月三十一日	51,099
		<hr/>
Accumulated impairment losses:	累計減值虧損：	
At 1 January 2012, 31 December 2012, 1 January 2013 and 31 December 2013	於二零一二年一月一日、二零一二年十二月三十一日、 二零一三年一月一日及二零一三年十二月三十一日	—
		<hr/>
Carrying amount:	賬面值：	
At 31 December 2013	於二零一三年十二月三十一日	51,099
		<hr/>
At 31 December 2012	於二零一二年十二月三十一日	—
		<hr/>

Allocation of goodwill to cash-generating units

Goodwill has been allocated for impairment testing purposes to the cash-generating units of trading of rubber business by Sinogate Energy Limited and its subsidiaries ("Sinogate Energy Group") and trading of garment accessories business by Brilliant Summit Limited ("Brilliant Summit"), which are together classified into the Group's reportable segment of supply and procurement operation.

分配商譽至現金產生單位

為進行減值測試，商譽已獲分配至中聯能源有限公司及其附屬公司(「中聯能源集團」)的買賣橡膠業務及耀川有限公司(「耀川」)的買賣成衣配件業務的現金產生單位，兩者共同分類至本集團的供應及採購經營可呈報分部。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

22. GOODWILL (Continued)

Allocation of goodwill to cash-generating units (Continued)

Before recognition of impairment losses, the carrying amount of goodwill was allocated to the cash-generating units as follows:

Sinogate Energy Group (Note 38(a))
Brilliant Summit (Note 38(b))

中聯能源集團(附註38(a))
耀川(附註38(b))

The Group	
本集團	
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
21,847	—
29,252	—
51,099	—

The recoverable amount of the cash-generating units are determined based on value in use calculations which use cash flow projections based on financial budgets approved by the directors of the Company covering a five-year period, and a discount rate of 23.74% and 14.04% per annum for Sinogate Energy Group and Brilliant Summit respectively. The discount rates used are pre-tax and reflect specific risks to the segment.

Cash flow projections during the budget period are based on financial budgets approved by management covering a five-year period. The cash flows beyond that five-year period have been extrapolated using a growth rate of 3.00% per annum for both Sinogate Energy Group and Brilliant Summit. The growth rates do not exceed the long-term average growth rate for the market. The directors of the Company believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount of the unit to exceed the aggregate recoverable amount of the cash generating unit.

22. 商譽(續)

分配商譽至現金產生單位(續)

確認減值虧損前，商譽的賬面值獲分配至現金產生單位，情況如下：

現金產生單位的可收回金額乃根據使用價值計算而釐定，乃使用按本公司董事所批准涵蓋五年期間的財務預算為基準作出的現金流量預測計算，以及中聯能源集團及耀川的貼現率分別為每年23.74%及14.04%。所使用的貼現率為稅前利率，並已反映有關分部的特定風險。

於預算期間的現金流量預測乃根據管理層所批准涵蓋五年期間的財務預算而作出。在五年期間以外的現金流量已分別採用中聯能源集團及耀川均為每年3.00%的穩定增長率推斷。該等增長率並無超出市場的長期平均增長率。本公司董事相信，可收回金額所依據的主要假設的任何合理可能變動將不會導致單位的賬面值超出現金產生單位的可收回金額總額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

23. INVENTORIES

Raw materials
Work in progress
Finished goods

原材料
在製品
製成品

The Group 本集團	
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
6,492	6,207
1,053	1,695
14,281	7,653
21,826	15,555

24. TRADE RECEIVABLES

Trade receivables
Allowance for doubtful debts

應收貿易款項
呆賬撥備

The Group 本集團	
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
79,657	65,297
(3,695)	(619)
75,962	64,678

The aging analysis of trade receivables, based on the invoice date, and net of allowance for doubtful debts, is as follows:

根據發票日期，應收貿易款項的賬齡分析(經扣除呆賬撥備)如下：

0 to 90 days
91 to 180 days
181 to 365 days
Over 365 days

0至90日
91至180日
181至365日
超過365日

The Group 本集團	
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
62,116	53,581
9,743	7,327
2,643	3,770
1,460	—
75,962	64,678

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

24. TRADE RECEIVABLES (Continued)

The Group's trading terms with customers are mainly on credit. The credit terms generally ranging from 30 to 120 days (2012: ranging from 30 days to 120 days), depending on the creditworthiness of customers and the existing relationship with the Group. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest bearing.

At 31 December 2013, the carrying amounts of the Group's trade receivables were denominated in RMB, HKD and USD of approximately RMB61,427,000, RMB11,155,000 and RMB3,380,000 (2012: RMB58,386,000, RMB6,292,000 and Nil) respectively.

At 31 December 2013, trade receivables of approximately RMB19,893,000 (2012: RMB15,678,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The Group does not hold any collateral over these balances.

The aging analysis of these trade receivables is as follows:

Overdue by:	逾期:
1 to 90 days	1至90日
91 to 180 days	91至180日
181 to 365 days	181至365日
Over 365 days	超過365日

During the year ended 31 December 2013, an allowance was made for estimated irrecoverable trade receivables of approximately RMB198,000 (2012: RMB117,000). The impaired trade receivables related to customers that were in financial difficulties and management assessed that the receivables were not recoverable. The Group does not hold any collateral over these balances.

24. 應收貿易款項(續)

本集團與客戶的貿易條款主要為信貸。根據客戶信貸級別及與本集團的現有關係，信貸期一般介乎30至120日(二零一二年：介乎30至120日)。本集團致力嚴謹監控未付之應收款項。逾期未付之結餘由高級管理層定期審閱。應收貿易款項為免息。

於二零一三年十二月三十一日，本集團的應收貿易款項之賬面值乃以人民幣、港元及美元計值，分別約為人民幣61,427,000元、人民幣11,155,000元及人民幣3,380,000元(二零一二年：人民幣58,386,000元、人民幣6,292,000元及無)。

於二零一三年十二月三十一日，應收貿易款項約人民幣19,893,000元(二零一二年：人民幣15,678,000元)已逾期但未減值。該等款項涉及若干無近期拖欠記錄的獨立客戶。本集團現時並無就該等結餘持有任何抵押品。

該等應收貿易款項的賬齡分析如下：

	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
	15,790	15,664
	2,414	14
	229	—
	1,460	—
	19,893	15,678

截至二零一三年十二月三十一日止年度，已就估計不可收回應收貿易款項約人民幣198,000元(二零一二年：人民幣117,000元)作出撥備。已減值應收款項與處於財政困難的客戶有關，管理層評估該等應收款項乃為不可收回。本集團現時並無就該等結餘持有任何抵押品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

24. TRADE RECEIVABLES (Continued)

The aging analysis of the Group's trade receivables which are impaired is presented as follows:

Overdue by:	逾期：
181 to 365 days	181 至 365 日
Over 365 days	超過 365 日

Movement in the allowance for doubtful debts is as follows:

At 1 January	於一月一日
Acquisition of a subsidiary	收購附屬公司
Impairment loss recognised on trade receivables	確認為應收貿易款項之減值虧損
At 31 December	於十二月三十一日

24. 應收貿易款項(續)

本集團已減值應收貿易款項的賬齡分析如下：

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
198	117
3,497	502
3,695	619

呆賬撥備變動：

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
619	502
2,878	—
198	117
3,695	619

25. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Trade deposits	貿易按金
Prepayments	預付款項
Other receivables	其他應收款項

25. 預付款項、按金及其他應收款項

The Group 本集團	
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
20,558	9,916
3,096	8,814
2,373	2,454
26,027	21,184

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

25. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

		The 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
Prepayments and deposits	預付款項及按金	62	675

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.

上述資產概無逾期或減值。上述結餘載列的金融資產與近期並無拖欠記錄的應收款項有關。

26. HELD-FOR-TRADING INVESTMENTS

Held-for-trading investments include:

Listed securities:	上市證券：
Equity securities listed in Hong Kong	在香港上市的股本證券

Fair values are determined with reference to quoted market bid prices.

27. PLEDGED BANK DEPOSIT

At 31 December 2013, the fixed interest rate on pledged bank deposit of approximately RMB6,114,000 (2012: Nil) with maturity of one month was 0.01% per annum. The pledged bank deposit was denominated in USD.

At 31 December 2013, deposit with bank of approximately RMB6,114,000 (2012: Nil) has been pledged to secure the banking facility of a subsidiary of the Company. The pledged bank deposit will be released upon expiry of the relevant banking facilities of the subsidiary of the Company by 15 June 2014 or cancelation at any time at the bank's discretion.

26. 持作買賣投資

持作買賣投資包括：

		The Group 本集團	
		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
		27,141	4,405

公平值乃參考所報市場買入價而釐定。

27. 已抵押銀行存款

於二零一三年十二月三十一日，到期日為一個月的已抵押銀行存款約人民幣6,114,000元(二零一二年：無)的固定年利率為0.01%。已抵押銀行存款以美元計值。

於二零一三年十二月三十一日，銀行存款約人民幣6,114,000元(二零一二年：無)已抵押作為本公司一間附屬公司的銀行融資的擔保。已抵押銀行存款將於二零一四年六月十五日前本公司該附屬公司的相關銀行融資到期時獲解除，或根據銀行酌情決定隨時予以註銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

28. CASH AND CASH EQUIVALENTS

For the purposes of the consolidated statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated statement of financial position as follows:

28. 現金及現金等值物

就綜合現金流量表而言，現金及現金等值物包括手頭現金、銀行存款及未償還銀行透支淨額。綜合現金流量表所示報告期末的現金及現金等值物可與綜合財務狀況表內的相關項目對賬如下：

		The Group	
		本集團	
		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
Cash and bank balances	現金及銀行結餘	51,474	82,132
Bank overdrafts (Note 35)	銀行透支(附註35)	(2,959)	—
		48,515	82,132
		The Company	
		本公司	
		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
Cash and bank balances	現金及銀行結餘	1,521	53,124

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

28. CASH AND CASH EQUIVALENTS (Continued)

At 31 December 2013, cash and bank balances are denominated in the following currencies:

Renminbi	人民幣
Hong Kong dollars	港元
United States dollars	美元

28. 現金及現金等值物(續)

於二零一三年十二月三十一日，現金及銀行結餘按以下貨幣計值：

		The Group 本集團	
		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
		16,009	10,527
		16,210	64,931
		19,255	6,674
		51,474	82,132
		The 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
		2	2
		1,519	53,122
		1,521	53,124

At 31 December 2013, the bank balances of the Group denominated in Renminbi amounted to approximately RMB15,977,000 (2012: RMB10,500,000) were kept in banks in the PRC. Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

於二零一三年十二月三十一日，本集團以人民幣計值並存放於中國境內銀行之銀行結餘約為人民幣15,977,000元(二零一二年：人民幣10,500,000元)。人民幣兌換成外幣須遵守中國外匯管理條例及結匯、售匯及付款外匯管理規定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

29. SHARE CAPITAL

29. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元	Amount 金額 RMB'000 人民幣千元
Authorised:	法定：			
Ordinary shares of HK\$0.1 each	每股面值0.1港元之普通股			
At 1 January 2012,	於二零一二年一月一日、			
31 December 2012,	二零一二年十二月三十一日、			
1 January 2013 and 31	二零一三年一月一日及			
December 2013	二零一三年十二月三十一日	10,000,000,000	1,000,000	863,495
Issued and fully paid:	已發行及繳足：			
At 1 January 2012	於二零一二年一月一日	240,000,000	24,000	20,552
Issue of shares by way of placing	以配售方式發行股份	(a) 840,000,000	84,000	68,534
At 31 December 2012 and	於二零一二年十二月三十一日及			
1 January 2013	二零一三年一月一日	1,080,000,000	108,000	89,086
Issue of consideration shares	發行代價股份	(b) 72,000,000	7,200	5,743
At 31 December 2013	於二零一三年十二月三十一日	1,152,000,000	115,200	94,829

Note:

(a) On 14 May 2012, the Company raised 120,000,000 offer shares of HK\$0.1 each by way of an open offer on the basis of one offer share for every two existing shares held on the record date.

On 12 September 2012, the Company raised 720,000,000 offer shares of HK\$0.1 each by way of an open offer on the basis of two offer shares for every one existing share held on the record date.

(b) On 27 May 2013, the Company issued 72,000,000 consideration shares of HK\$0.1 each for the acquisition of the business of trading of garment accessories.

附註：

(a) 於二零一二年五月十四日，本公司透過公開發售按於記錄日期每持有兩股現有股份獲發一股發售股份的基準籌得120,000,000股每股面值0.1港元的發售股份。

於二零一二年九月十二日，本公司透過公開發售按於記錄日期每持有一股現有股份獲發兩股發售股份的基準籌得720,000,000股每股面值0.1港元的發售股份。

(b) 於二零一三年五月二十七日，本公司就收購買賣成衣配件業務發行72,000,000股每股面值0.1港元的代價股份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

30. SHARE OPTION SCHEME

The Company adopted the scheme ("Scheme") on 13 September 2010 which will remain in force for a period of 10 years from the effective date of the Scheme and will expire on 29 September 2020.

Under the Scheme, the directors may at their discretion grant options to (i) any employee of any member of the Group or any entity in which any member of the Group holds any equity interest (the "Invested Entity"); (ii) any executive and non-executive Directors of any member of the Group or any Invested Entity; (iii) any supplier and customer of any member of the Group or any Invested Entity; (iv) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity; (v) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be issued by any member of the Group or any Invested Entity; or (vi) any adviser or consultant of any member of the Group or any Invested Entity to subscribe for the shares of the Company.

The maximum number of shares in respect to which options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company on the date of adopting the Scheme. The limit may be refreshed at any time provided that the new limit must not be in aggregate exceed 10% of the issued share capital of the Company as at the date of the shareholders' approval in general meeting. However, the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other scheme of the Company must not in aggregate exceed 30% of the shares in issue from time to time. The limit of the Scheme was refreshed at a general meeting held on 20 May 2013. At 31 December 2013, the total number of shares available for issued under the Scheme was 108,000,000 (2012: 36,000,000) shares, which represented approximately 10% of the issued share capital of the Company at that day of refreshment. The maximum number of shares in respect of which options may be granted to any individual in any 12-month period shall not exceed 1% of the shares in issue on the last date of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the GEM Listing Rules. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.

Options may be exercised at any time from the date of grant of the option to the 10th anniversary of the date of grant as may be determined by the directors. The exercise price is determined by the directors, and will not be less than the highest of (i) the closing price per share as stated in the Stock Exchange's daily quotations sheets on the date of the grant of the options; (ii) the average closing price per share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the grant of the options; or (iii) the nominal value of a share. During the years ended 31 December 2013 and 2012, no share option was granted, exercised, expired or lapsed and there is no outstanding share option under the Scheme.

30. 購股權計劃

本公司於二零一零年九月十三日採納計劃(「該計劃」)，該計劃自生效日期起十年內有效，而屆滿日期將為二零二零年九月二十九日。

根據該計劃，董事可酌情向以下人士授出購股權，以認購本公司之股份：(i)本集團成員或本集團任何成員持有股權的任何實體(「投資實體」)的任何僱員；(ii)本集團任何成員或任何投資實體的任何執行及非執行董事；(iii)本集團任何成員或任何投資實體的任何供應商及客戶；(iv)向本集團任何成員或任何投資實體提供研發或其他技術支援的人士或實體；(v)本集團任何成員或任何投資實體的股東或已獲或將獲本集團任何成員或任何投資實體發行的任何證券之持有人；或(vi)本集團任何成員或任何投資實體的任何顧問或諮詢顧問。

根據該計劃授出之購股權獲行使時，可予發行之股份數目最多不超過本公司於採納該計劃當日之已發行股本10%。該上限可隨時更新，惟新限額不得超過股東於股東大會批准當日，本公司之已發行股本之10%。然而，根據該計劃及本公司任何其他計劃已授出但尚未行使之全部購股權獲行使時，可予發行之股份數目不得超過不時已發行股份之30%。該計劃上限已於二零一三年五月二十日舉行的股東大會上獲更新。於二零一三年十二月三十一日，根據該計劃可供發行的股份總數為108,000,000股(二零一二年：36,000,000股)股份，相當於本公司於更新當日已發行股本約10%。於任何十二個月期間內，向任何個別人士授出之購股權獲行使時，可予發行之股份總數不得超過該十二個月期間最後一天本公司之已發行股份之1%，除非按照創業板上市規則經由本公司股東批准則作別論。象徵式代價1港元須於接納授出購股權時支付。

購股權可於授出購股權日期起計，直至授出日期十週年的任何時間內行使，而期限由董事決定。行使價則由董事釐定，並將不會低於以下之較高者：(i)於購股權授出日期股份在聯交所每日報價表所報之收市價；(ii)緊接購股權授出日期前五個營業日股份在聯交所每日報價表所報之平均收市價；或(iii)股份面值。於截至二零一三年及二零一二年十二月三十一日止年度，概無任何購股權已獲授出、行使、到期或失效，且該計劃項下概無任何尚未行使之購股權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

31. RESERVES

The Group

The amounts of the Group's reserves and movements therein for the current and prior year are presented in the consolidated statement of changes in equity.

The Company

31. 儲備

本集團

本集團目前及過往年度之儲備金額及其變動於綜合權益變動表內呈列。

本公司

		Share premium RMB'000 人民幣千元	Contributed surplus RMB'000 人民幣千元	Foreign currency translation reserve RMB'000 人民幣千元	Accumulated losses RMB'000 人民幣千元	Total RMB'000 人民幣千元
At 1 January 2012	於二零一二年一月一日	22,694	17,219	(1,439)	(12,366)	26,108
Loss for the year	年度虧損	—	—	—	(2,286)	(2,286)
Other comprehensive loss for the year	年度其他全面虧損	—	—	(235)	—	(235)
Total comprehensive loss for the year	年度全面虧損總額	—	—	(235)	(2,286)	(2,521)
Share issue expenses	股份發行開支	(3,827)	—	—	—	(3,827)
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	18,867	17,219	(1,674)	(14,652)	19,760
Loss for the year	年度虧損	—	—	—	(2,744)	(2,744)
Other comprehensive loss for the year	年度其他全面虧損	—	—	(2,660)	—	(2,660)
Total comprehensive loss for the year	年度全面虧損總額	—	—	(2,660)	(2,744)	(5,404)
Issue of shares	發行股份	5,168	—	—	—	5,168
Share issue expenses	股份發行開支	(8)	—	—	—	(8)
At 31 December 2013	於二零一三年十二月三十一日	24,027	17,219	(4,334)	(17,396)	19,516

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

31. RESERVES (Continued)

Note:

Share premium

Under the Companies Law of the Cayman Islands, the funds in the share premium of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

Share premium represents premium arising from the issue of shares at a price in excess of their par value per share and after deduction of capitalisation issue and issuance costs of placing of shares.

Contributed surplus

Contributed surplus of the Company represented the difference between the net assets value of the subsidiary acquired and the nominal value of the share capital of the Company issued in exchange thereof pursuant to the reorganisation during the year ended 31 December 2010.

Merger reserve

The merger reserve of the Group arose as a result of the Group reorganisation implemented in preparation for the listing of the Company's shares in 2010 and represented the difference between the nominal value of the aggregate share capital of the subsidiaries acquired under the reorganisation scheme, over the nominal value of the share capital of the Company issued in exchange therefore.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in Note 3 to the consolidated financial statements.

Statutory reserve

Subsidiaries of the Company established in the PRC shall appropriate 10% of its annual statutory net profit (after offsetting any prior year's losses) to the statutory reserve fund account in accordance with the PRC Company Law. When the balance of such reserve fund reaches 50% of the entity's share capital, any further appropriation is optional. The statutory reserve fund can be utilised to offset prior year's losses or to increase capital after proper approval.

31. 儲備(續)

附註：

股份溢價

根據開曼群島公司法，本公司股份溢價賬內的資金可供分配予本公司股東，惟緊隨建議派付股息日期後，本公司將仍有能力於日常業務過程中償還到期的債務。

股份溢價指超過股份每股面值之價格發行股份及於扣除資本化發行及配售股份發行成本後產生的溢價。

繳入盈餘

本公司之繳入盈餘指所收購之附屬公司資產淨值與根據截至二零一零年十二月三十一日止年度重組於其中進行交換時之本公司股本面值之差額。

合併儲備

本集團之合併儲備產生於二零一零年籌備本公司股份上市而所進行的重組，指根據重組計劃收購的附屬公司股本總額的面值與高於本公司據此發行以作交換的股本面值間的差額。

外幣換算儲備

外幣換算儲備包括換算海外業務財務報表而產生的所有外匯差額。該儲備乃按綜合財務報表附註3所載列的會計政策處理。

法定儲備

根據中國公司法，本公司於中國成立之附屬公司須將其年度法定純利(經扣除過往年度虧損後)約10%撥往法定儲備金賬戶。倘該儲備金之結餘達該實體股本之50%，則可選擇是否作任何進一步分派。於獲得適當批准後，法定儲備金可用作抵銷過往年度虧損或增資。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

32. TRADE PAYABLES

The aging analysis of trade payables, based on the invoice dates, is as follows:

0 to 90 days	0至90日
91 to 180 days	91至180日
181 to 365 days	181至365日
Over 365 days	超過365日

Trade payables generally have credit terms ranging from 10 days to 60 days (2012: ranging from 10 days to 60 days).

At 31 December 2013, trade payables are denominated in RMB, HKD and USD of approximately RMB8,104,000, RMB3,776,000 and RMB8,443,000 (2012: RMB12,410,000, RMB5,000,000 and Nil) respectively.

33. ACCRUALS AND OTHER PAYABLES

Advance from customers	客戶墊款
Accruals of staff costs	應計員工成本
Accruals of operating expenses	應計經營開支
VAT payable	應付增值稅
Payable to fixed assets vendor	應付固定資產賣方款項
Other payables (Note)	其他應付款項(附註)

Note:

Included in the Group's other payables as at 31 December 2013 was an amount due to a director of a subsidiary of the Group who is not a director of the Company of approximately RMB2,830,000 (2012: Nil).

32. 應付貿易款項

根據發票日期，應付貿易款項的賬齡分析如下：

The Group	
本集團	
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
17,966	13,881
54	1,677
250	1,604
2,053	248
20,323	17,410

應付貿易款項的信貸期一般介乎10日至60日(二零一二年：介乎10日至60日)。

於二零一三年十二月三十一日，應付貿易款項以人民幣、港元及美元計值，分別約為人民幣8,104,000元、人民幣3,776,000元及人民幣8,443,000元(二零一二年：人民幣12,410,000元、人民幣5,000,000元及無)。

33. 應計費用及其他應付款項

The Group	
本集團	
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
4,417	296
3,685	3,067
2,394	872
1,373	744
909	—
3,411	418
16,189	5,397

附註：

於二零一三年十二月三十一日，計入本集團的其他應付款項為應付本集團旗下附屬公司的一名董事(並非本公司董事)的款項約人民幣2,830,000元(二零一二年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

33. ACCRUALS AND OTHER PAYABLES (Continued) 33. 應計費用及其他應付款項(續)

		The 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
Accruals of operating expenses	應計經營開支	340	554

34. BANK BORROWINGS

34. 銀行借款

		The Group 本集團	
		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	流動		
Bank loans, secured	銀行貸款，有抵押	29,055	29,500

The maturities of the above bank borrowings are as follows:

上述銀行借款到期日如下：

		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
Carrying amount repayable:	應償還款項賬面值：		
— within one year	— 於一年內	25,317	29,500
— more than one year but within two years	— 超過一年但於兩年內	876	—
— more than two years but within five years	— 超過兩年但於五年內	1,579	—
— more than five years	— 超過五年	1,283	—
Secured bank loan	有抵押銀行貸款	29,055	29,500
Less: Amounts classified under current liabilities	減：分類為流動負債的款項		
Secured bank loan that contain a repayment on demand clause or due within one year	包括按要求償還條款或於一年內到期的有抵押銀行貸款	(29,055)	(29,500)
Amounts classified under non-current liabilities	分類為非流動負債的款項	—	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

34. BANK BORROWINGS (Continued)

At 31 December 2013, the bank loans were secured by charges over the Group's buildings and prepaid land lease payments of approximately RMB11,748,000 and RMB2,917,000 respectively, corporate guarantee provided by an independent third party, personal guarantee provided by a director of a subsidiary of the Group who is not a director of the Company, and guarantee provided by The Government of the Hong Kong Special Administrative Region. The weighted average effective interest rate on the short-term bank loans is 6.0% per annum.

At 31 December 2012, the bank loans were secured by charges over the Group's buildings, prepaid land lease payments of approximately RMB7,542,000 and RMB2,990,000 respectively and corporate guaranteed by an independent third party. The weighted average effective interest rate on the short-term bank loans is 6.4% per annum.

At 31 December 2013, the carrying amount of the Group's borrowings are denominated in RMB and HKD of approximately RMB24,500,000 and RMB4,555,000 (2012: RMB29,500,000 and Nil) respectively.

35. BANK OVERDRAFTS

At 31 December 2013, the Group's bank overdrafts of approximately RMB2,959,000 (2012: Nil) carried interest at market rate of 5.0% per annum and was secured by the Group's pledged bank deposit of approximately RMB6,114,000 (2012: Nil). The bank overdrafts were denominated in USD.

34. 銀行借款(續)

於二零一三年十二月三十一日，銀行貸款由本集團樓宇及預付土地租賃款項分別約人民幣11,748,000元及人民幣2,917,000元、一名獨立第三方提供的公司擔保、本集團旗下附屬公司一名董事(並非本公司董事)提供的個人擔保以及香港特別行政區政府提供的擔保作抵押。短期銀行貸款之加權平均實際利率為每年6.0厘。

於二零一二年十二月三十一日，銀行貸款由本集團樓宇及預付土地租賃款項分別約人民幣7,542,000元及人民幣2,990,000元以及一名獨立第三方的公司擔保作抵押。短期銀行貸款之加權平均實際利率為每年6.4厘。

於二零一三年十二月三十一日，本集團的借款的賬面值以人民幣及港元計值，分別約為人民幣24,500,000元及人民幣4,555,000元(二零一二年：人民幣29,500,000元及無)。

35. 銀行透支

於二零一三年十二月三十一日，本集團的銀行透支約人民幣2,959,000元(二零一二年：無)按市場年利率5.0厘計息，並由本集團的已抵押銀行存款約人民幣6,114,000元(二零一二年：無)作抵押。銀行透支以美元計值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

36. PROMISSORY NOTE

36. 承付票據

		The Group 本集團	
		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
Promissory note issued	已發行承付票據	15,165	—
Interest expenses	利息支出	756	—
Interest payable	應付利息	(286)	—
Exchange alignment	匯兌調整	(179)	—
		15,456	—

On 27 May 2013, Link Excellent Limited, a wholly-owned subsidiary of the Company, issued an unsecured promissory note with principal value of HK\$20,000,000 as a partial consideration for the acquisition of the business of trading of garment accessories on behalf of the Company. The promissory note bears interest at 3.0% per annum and is payable on 27 May 2014, being the date which is 12 months after the date of the issue of the note. The fair value of the promissory note at the date of issue was approximately RMB15,165,000.

At 31 December 2013, the promissory note was measured at amortised cost, using effective interest rate of 8.3% per annum.

At 31 December 2013, the carrying amount of the promissory note approximates to its fair value.

於二零一三年五月二十七日，本公司的全資附屬公司Link Excellent Limited發行本金額20,000,000港元的無抵押承付票據，作為代表本公司收購成衣配件買賣業務的部分代價。承付票據按年利率3.0%計息，須於二零一四年五月二十七日(即該票據發行日期後12個月當日)償還。承付票據於發行日期的公平值約為人民幣15,165,000元。

於二零一三年十二月三十一日，承付票據使用實際年利率8.3%按攤銷成本計量。

於二零一三年十二月三十一日，承付票據的賬面值與其公平值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

37. DEFERRED TAXATION

The Group

The following are the major deferred tax assets and liabilities recognised and movements thereon during the current and prior years:

		Amortisation of prepaid land lease payments 預付土地 租賃款項攤銷 RMB'000 人民幣千元	Decelerated tax depreciation 減速稅項折舊 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	35	819	854
Credit to profit or loss for the year	計入年度損益	—	182	182
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	35	1,001	1,036
Credit to profit or loss for the year	計入年度損益	—	211	211
At 31 December 2013	於二零一三年 十二月三十一日	35	1,212	1,247

The following is the analysis of the deferred tax balances for consolidated statement of financial position purposes:

		The Group 本集團	
		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
Deferred tax assets	遞延稅項資產	1,247	1,036

Note:

At 31 December 2013, the Group had unused tax losses of approximately RMB413,000 (2012: Nil) available for offset against future taxable profits. The tax loss of approximately RMB413,000 will expire after five years from the year of assessment they relate to. No deferred tax asset has been recognised in respect of the estimated unused tax losses due to the unpredictability of future profit streams of the respective subsidiary of the Group which incurred the tax loss.

37. 遞延稅項

本集團

本集團於本年度及過往年度確認的主要遞延稅項資產及負債及其變動如下：

		Amortisation of prepaid land lease payments 預付土地 租賃款項攤銷 RMB'000 人民幣千元	Decelerated tax depreciation 減速稅項折舊 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	35	819	854
Credit to profit or loss for the year	計入年度損益	—	182	182
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	35	1,001	1,036
Credit to profit or loss for the year	計入年度損益	—	211	211
At 31 December 2013	於二零一三年 十二月三十一日	35	1,212	1,247

以下為就綜合財務狀況表而作出的遞延稅項結餘分析：

		The Group 本集團	
		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
Deferred tax assets	遞延稅項資產	1,247	1,036

附註：

於二零一三年十二月三十一日，本集團擁有可用作抵銷未來應課稅溢利的未動用稅務虧損約人民幣413,000元(二零一二年：無)。稅務虧損約人民幣413,000元將於其相關評估年度起計五年後屆滿。由於產生稅務虧損的本集團相關附屬公司未來溢利流的不可預測性，故並無就估計未動用稅務虧損確認遞延稅項資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

38. ACQUISITION OF SUBSIDIARIES

- (a) On 26 March 2013, Joystar (BVI) Auto Inter-parts Limited, a wholly-owned subsidiary of the Company, entered into an agreement with independent third parties to acquire 100% of the entire issued share capital of Sinogate Energy Group and their identifiable asset and liabilities for a total contracted consideration of HK\$28,000,000 (equivalent to approximately RMB22,341,000). The aggregate amount of goodwill arising as a result of the acquisition is approximately RMB21,847,000. The acquisition was completed on 21 May 2013.

38. 收購附屬公司

- (a) 於二零一三年三月二十六日，本公司的全資附屬公司Joystar (BVI) Auto Inter-parts Limited與獨立第三方訂立協議，以總合約代價28,000,000港元(相等於約人民幣22,341,000元)收購中聯能源集團全部已發行股本的100%及其可識別資產及負債。收購產生的商譽總額約為人民幣21,847,000元。該收購已於二零一三年五月二十一日完成。

		Acquiree's carrying amount and fair value
		被收購方的賬面值及公平值
		RMB'000
		人民幣千元
Net assets acquired:	所收購淨資產：	
Property, plant and equipment	物業、廠房及設備	4
Inventories	存貨	5,785
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	16,662
Cash and bank balances	現金及銀行結餘	23,201
Trade payables	應付貿易款項	(12,331)
Accruals and other payables	應計費用及其他應付款項	(32,827)
		<hr/>
		494
Goodwill	商譽	21,847
		<hr/>
		22,341
		<hr/>
Total consideration at fair value satisfied by:	按公平值計算的總代價，以下列方式支付：	
Cash and bank balances	現金及銀行結餘	22,341
		<hr/>
Net cash inflow arising on acquisition:	收購產生的現金流入淨額：	
Cash and bank balances acquired	已收購的現金及銀行結餘	23,201
Cash paid for acquisition	就收購支付之現金	(22,341)
		<hr/>
		860
		<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

38. ACQUISITION OF SUBSIDIARIES (Continued)

(a) (Continued)

Sinogate Energy Group was acquired so as to continue the expansion of the Group's rubber trading business.

Acquisition-related costs amounting to approximately RMB4,000 have been excluded from the consideration transferred and have been recognised as an expense during the year ended 31 December 2013.

Goodwill arose in the acquisition of Sinogate Energy Group because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefits of expected synergies, revenue growth, future market development and the assembled workforce of Sinogate Energy Group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill arising on the acquisition is expected to be deductible for tax purpose.

Included in the profit for the year ended 31 December 2013 is approximately RMB771,000 and revenue for the year ended 31 December 2013 is approximately RMB313,576,000 attributable to the additional business generated by Sinogate Energy Group.

Had the business combination been effected on 1 January 2013, the revenue of the Group would have been approximately RMB681,284,000, and the profit for the year would have been approximately RMB43,359,000. The pro forma financial information is for illustrative purposes only and is not necessarily an indication of revenue and results of the Group that actually would have been completed on 1 January 2013 nor is it intended to be a projection of future profits.

38. 收購附屬公司(續)

(a) (續)

收購中聯能源集團旨在持續擴展本集團的橡膠買賣業務。

與收購有關的成本約人民幣4,000元並不包括於所轉讓代價內，並已於截至二零一三年十二月三十一日止年度確認為開支。

收購中聯能源集團產生的商譽乃因合併成本包括控股溢價。此外，就合併支付的代價實際上包括與中聯能源集團的預期協同效應、收益增長、未來市場發展及裝配工人所帶來的利益有關的金額。該等利益並無與商譽分開確認，乃由於該等利益並不符合可識別無形資產的確認標準。預期收購產生的商譽概不會視為減稅項目。

截至二零一三年十二月三十一日止年度的溢利包括中聯能源集團所帶來額外業務應佔的約人民幣771,000元，而截至二零一三年十二月三十一日止年度的收益包括中聯能源集團所帶來額外業務應佔的約人民幣313,576,000元。

倘業務合併於二零一三年一月一日生效，本集團的收入將約為人民幣681,284,000元及年度溢利將約為人民幣43,359,000元。備考財務資料僅供說明用途，並不表示本集團於二零一三年一月一日完成收購將實際錄得的收入及業績，有關資料亦不擬用作預測未來溢利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

38. ACQUISITION OF SUBSIDIARIES (Continued)

- (b) On 15 May 2013, the Company entered into an agreement with independent third parties to acquire 100% of the entire issued share capital of Brilliant Summit and its identifiable asset and liabilities of Brilliant Summit, for a total contracted consideration of HK\$42,000,000 (equivalent to approximately RMB32,150,000). The aggregate amount of goodwill arising as a result of the acquisition is approximately RMB29,252,000. The acquisition was completed on 27 May 2013.

38. 收購附屬公司(續)

- (b) 於二零一三年五月十五日，本公司與獨立第三方訂立協議，以總合約代價42,000,000港元(相等於約人民幣32,150,000元)收購耀川全部已發行股本的100%以及其可識別資產及負債。收購產生的商譽總額約為人民幣29,252,000元。該收購已於二零一三年五月二十七日完成。

		Acquiree's carrying amount and fair value
		被收購方的賬面值及公平值
		RMB'000
		人民幣千元
Net assets acquired:	所收購淨資產：	
Trade receivables (Note)	應收貿易款項(附註)	7,559
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	856
Cash and bank balances	現金及銀行結餘	755
Bank borrowings	銀行借款	(1,167)
Trade payables	應付貿易款項	(4,668)
Accruals and other payables	應計費用及其他應付款項	(27)
Tax payables	應付稅項	(410)
		<hr/>
		2,898
Goodwill	商譽	29,252
		<hr/>
		32,150
		<hr/>
Total consideration at fair value satisfied by:	按公平值計量的總代價，以下列方式支付：	
Cash and bank balances	現金及銀行結餘	6,074
Consideration shares	代價股份	10,911
Promissory note	承付票據	15,165
		<hr/>
		32,150
		<hr/>
Net cash outflow arising on acquisition:	收購產生的現金流出淨額：	
Cash and bank balances acquired	已收購的現金及銀行結餘	755
Cash paid for acquisition	就收購支付之現金	(6,074)
		<hr/>
		(5,319)
		<hr/>

Note:

The trade receivables acquired on 27 May 2013 with a fair value of approximately RMB7,559,000 had gross contractual amounts of approximately RMB10,437,000

附註：

於二零一三年五月二十七日收購、公平值約人民幣7,559,000元之應收貿易款項之合約總額約為人民幣10,437,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

38. ACQUISITION OF SUBSIDIARIES (Continued)

(b) (Continued)

Brilliant Summit was acquired so as to diversity its existing business in order to reduce business risk.

Acquisition-related costs amounting to approximately RMB83,000 have been excluded from the consideration transferred and have been recognised as an expense during the year ended 31 December 2013.

Goodwill arose in the acquisition of Brilliant Summit because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefits of expected synergies, revenue growth, future market development and the assembled workforce of Brilliant Summit. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill arising on the acquisition is expected to be deductible for tax purpose.

Included in the profit for the year ended 31 December 2013 is approximately RMB1,521,000, and revenue for the year ended 31 December 2013 is approximately RMB20,923,000 attributable to the additional business generated by Brilliant Summit.

Had the business combination been effected on 1 January 2013, the revenue of the Group would have been approximately RMB557,881,000, and the profit for the year would have been approximately RMB43,759,000. The pro forma financial information is for illustrative purposes only and is not necessarily an indication of revenue and results of the Group that actually would have been completed on 1 January 2013 nor is it intended to be a projection of future profits.

38. 收購附屬公司(續)

(b) (續)

收購耀川集團旨在擴展其現有業務，從而減低業務風險。

與收購有關的成本約人民幣83,000元並不包括於所轉讓代價內，並已於截至二零一三年十二月三十一日止年度確認為開支。

收購耀川集團產生的商譽乃因合併成本包括控股溢價。此外，就合併支付的代價實際上包括與耀川集團的預期協同效應、收益增長、未來市場發展及裝配工人所帶來的利益有關的金額。該等利益並無與商譽分開確認，乃由於該等利益並不符合可識別無形資產的確認標準。預期收購產生的商譽概不會視為減稅項目。

截至二零一三年十二月三十一日止年度的溢利包括耀川集團所帶來額外業務應佔的約人民幣1,521,000元，而截至二零一三年十二月三十一日止年度的收益包括耀川集團所帶來額外業務應佔的約人民幣20,923,000元。

倘業務合併於二零一三年一月一日生效，本集團的收入將約為人民幣557,881,000元及年度溢利將約為人民幣43,759,000元。備考財務資料僅供說明用途，並不表示本集團於二零一三年一月一日完成收購將實際錄得的收入及業績，有關資料亦不擬用作預測未來溢利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

39. OPERATING LEASE COMMITMENT

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases within fall due as follows:

Within one year
In the second to fifth years inclusive

一年內
第二至第五年(包括首尾兩年)

The Group 本集團	
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
707	549
1,569	1,543
2,276	2,092

Operating lease payments represent rentals payable by the Group for its warehouse, factory and office premises. Leases are negotiated for a range from 1 to 4 years (2012: 1 to 5 years) and rentals are fixed over the lease terms and do not include contingent rentals. The Group does not have an option to purchase the leased asset at the expiry of the lease period.

39. 經營租賃承擔

於報告期末，本集團之不可撤銷經營租賃在下列期間屆滿的未來最低租賃款項承擔如下：

經營租賃款項指本集團就倉庫、工廠及辦公室物業應付的租金。租期議定為介乎一至四年(二零一二年：一至五年)，而租金按租賃條款釐定，不包括或然租金。本集團並無於租期屆滿時購買租賃資產之選擇權。

40. CAPITAL COMMITMENT

The Group's capital commitments at the end of the reporting period are as follows:

Acquisition of prepaid land lease payments
Contracted but not provided for
Property, plant and equipment
Contracted but not provided for

收購預付土地租賃款項
已訂約但未撥備
物業、廠房及設備
已訂約但未撥備

The Group 本集團	
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
13,347	13,347
2,861	2,750
16,208	16,097

40. 資本承擔

於報告期末，本集團的資本承擔如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

41. CONTINGENT LIABILITIES

At 31 December 2013, the Group and the Company did not have any significant contingent liabilities (2012: Nil).

42. PLEDGE OF ASSETS

At 31 December 2013, certain property, plant and equipment (Note 18), prepaid land lease payments (Note 19) and bank deposit (Note 27) of the Group were pledged as collateral for secured banking facilities granted to the Group.

At 31 December 2012, certain property, plant and equipment (Note 18) and prepaid land lease payments (Note 19) of the Group were pledged as collateral for secured bank loans granted to the Group.

At 31 December 2013 and 2012, the Company did not pledge any assets at the end of the reporting period.

43. RETIREMENT BENEFITS SCHEME

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The Group's contributions to the MPF Scheme are calculated at 5% of the salaries and wages subject to a monthly maximum amount of contribution of HK\$1,250 (HK\$1,000 prior to 1 June 2012) per employee and vest fully with employees when contributed into the MPF Scheme.

The employees of the Group's subsidiary established in the PRC are members of a central pension scheme operated by the local municipal government. This subsidiary is required to contribute certain percentage of the employees' basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of this subsidiary. The only obligation of this subsidiary with respect to the central pension scheme is to meet the required contributions under the scheme.

41. 或然負債

於二零一三年十二月三十一日，本集團及本公司並無任何重大或然負債(二零一二年：無)。

42. 資產抵押

於二零一三年十二月三十一日，本集團若干物業、廠房及設備(附註18)、預付土地租賃款項(附註19)及銀行存款(附註27)已抵押作為本集團獲授有抵押銀行融資之抵押品。

於二零一二年十二月三十一日，本集團若干物業、廠房及設備(附註18)及預付土地租賃款項(附註19)已抵押作為本集團獲授有抵押銀行貸款之抵押品。

於二零一三年及二零一二年十二月三十一日，本公司並無於報告期末抵押任何資產。

43. 退休福利計劃

本集團根據香港強制性公積金計劃條例為香港所有合資格僱員設立強制性公積金計劃(「強積金計劃」)。本集團向強積金計劃之供款乃按照僱員薪金及工資之5%計算，每名僱員每月供款上限為1,250港元(於二零一二年六月一日前為1,000港元)。當已向強積金計劃作出供款後，即盡歸僱員所有。

於中國成立之本集團附屬公司之僱員為地方市政府營運之中央退休金計劃成員。該附屬公司須就僱員基本薪金及工資之若干百分比向中央退休金計劃供款，作為退休福利之資金。地方市政府承諾承擔該附屬公司所有現有及未來退休僱員之退休福利責任。該附屬公司就中央退休金計劃之唯一責任是根據計劃作出所需供款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

44. MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances as disclosed elsewhere in the consolidated financial statements, the Group entered into the following material transaction with related parties during the year.

(a) Compensation of key management personnel

Compensation for key management personnel, including amount paid to the Company's directors and the senior executive is as follows:

Salaries and other short-term benefits	薪金及其他短期利益
Employer contribution to pension scheme	退休金計劃僱主供款

44. 重大關連方交易

除綜合財務報表內其他地方披露的交易及結餘外，年內本集團與其關連方訂有以下重大交易。

(a) 主要管理人員之補償

主要管理人員之補償，包括已付本公司董事及高級執行人員金額如下：

	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
	1,194	1,245
	64	64
	1,258	1,309

45. MAJOR NON-CASH TRANSACTIONS

On 27 May 2013, the Company acquired 100% of the entire issued share capital of Brilliant Summit for a total contracted consideration of HK\$42,000,000 (equivalent to approximately RMB32,150,000). The consideration of approximately RMB10,911,000 and RMB15,165,000 were satisfied by issue of the Company's ordinary shares and promissory note issued by Link Excellent Limited on behalf of the Company respectively (Note 38).

45. 主要非現金交易

於二零一三年五月二十七日，本公司以總合約代價42,000,000港元(相等於約人民幣32,150,000元)收購耀川全部已發行股本的100%。代價約人民幣10,911,000元及人民幣15,165,000元乃分別透過發行本公司普通股及由Link Excellent Limited代表本公司發行承付票據支付(附註38)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

46. EVENTS AFTER THE REPORTING PERIOD

There has not been significant events took place subsequent to 31 December 2013.

47. AUTHORISATION FOR ISSUE OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 21 February 2014.

46. 報告期後事項

於二零一三年十二月三十一日後，概無發生重大事項。

47. 授權刊發綜合財務報表

綜合財務報表已於二零一四年二月二十一日獲董事會批准及授權刊發。

SUMMARY OF FINANCIAL INFORMATION

財務資料概要

The following is a summary of the published results and of the assets and liabilities of the Group prepared on the bases set out in the note below:

以下為本集團按下列附註所載基準編製之已刊發業績與資產及負債概要：

		Year ended 31 December				
		截至十二月三十一日止年度				
		2009	2010	2011	2012	2013
		二零零九年	二零一零年	二零一一年	二零一二年	二零一三年
		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
Revenue	收入	87,363	123,090	156,476	166,906	543,377
Gross profit	毛利	27,058	29,316	42,006	28,406	50,812
Profit before tax	除稅前溢利	14,160	18,480	22,475	12,295	47,626
Profit for the year attributable to owners of the Company	本公司擁有人應佔年度溢利	12,084	14,497	18,851	10,798	43,044
Basic earnings per share (RMB cents)	每股基本盈利 (人民幣分)	8.1	8.9	9.1	2.0	3.8
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		As at 31 December				
		於十二月三十一日				
		2009	2010	2011	2012	2013
		二零零九年	二零一零年	二零一一年	二零一二年	二零一三年
		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
Non-current assets	非流動資產	34,558	36,782	46,097	44,099	105,928
Current assets	流動資產	65,329	98,862	109,033	196,757	221,725
Current liabilities	流動負債	68,155	49,085	42,556	52,862	87,930
Net assets	淨資產	31,042	86,350	112,574	187,994	239,723
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>



Website 網址: <http://www.joystar.com.hk>