



China Taifeng Beddings Holdings Limited

中國泰豐床品控股有限公司

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

Stock code 股份代號: 873



Annual Report
2013
年報



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive:

Mr. Liu Qingping (*Chairman*)
Mr. Li Dengxiang
Ms. Qi Tongli
Mr. Zou Shengzhong

Independent and non-executive:

Mr. Chan Kin Sang
Mr. Li Yuchun
Mr. Dai Shunlin

COMPANY SECRETARY

Mr. Pang Wai Hong

AUDIT COMMITTEE

Mr. Li Yuchun (*Chairman*)
Mr. Chan Kin Sang
Mr. Dai Shunlin

REMUNERATION COMMITTEE

Mr. Dai Shunlin (*Chairman*)
Mr. Li Yuchun
Mr. Liu Qingping

NOMINATION COMMITTEE

Mr. Chan Kin Sang (*Chairman*)
Mr. Dai Shunlin
Mr. Liu Qingping

LEGAL ADVISERS TO THE COMPANY

As to Cayman law:
Conyers Dill & Pearman

AUDITORS

Baker Tilly Hong Kong Limited

AUTHORISED REPRESENTATIVES

Mr. Pang Wai Hong
Ms. Qi Tongli

董事會

執行董事：

劉慶平先生 (主席)
李登祥先生
冼同麗女士
鄒生忠先生

獨立非執行董事：

陳健生先生
李玉春先生
戴順林先生

公司秘書

彭偉康先生

審核委員會

李玉春先生 (主席)
陳健生先生
戴順林先生

薪酬委員會

戴順林先生 (主席)
李玉春先生
劉慶平先生

提名委員會

陳健生先生 (主席)
戴順林先生
劉慶平先生

本公司之法律顧問

開曼群島法律：
康明德律師事務所

核數師

天職香港會計師事務所有限公司

授權代表

彭偉康先生
冼同麗女士

Corporate Information

公司資料

REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS

In the People's Republic of China:
Economic and High-technology Development Zone,
Laiwu City, Shandong Province
People's Republic of China

In Hong Kong:
Room 911, 9/F., Block A,
Hunghom Commercial Centre,
39 Ma Tau Wai Road,
Hung Hom,
Kowloon,
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Trust Company (Cayman) Limited

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor,
Hopewell Centre,
183 Queen's Road East,
Wanchai,
Hong Kong

PRINCIPAL BANKERS

In the People's Republic of China:
Bank of China, Laiwu Branch
Industrial and Commercial Bank of China, Laiwu Branch
Laishang Bank

In Hong Kong:
Bank of Communication Co., Limited,
Hong Kong Branch

STOCK CODE

0873

COMPANY WEBSITE ADDRESS

<http://www.taifeng.cc>

INVESTOR RELATIONS CONTACT

Email: ir@taifeng.cc
Telephone: 852-22308913

註冊辦事處

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

主要營業地點

於中華人民共和國：
中華人民共和國
山東省萊蕪市
高新科技開發區

於香港：
香港
九龍
紅磡
馬頭圍道39號
紅磡商業中心
A座9樓911室

主要股份過戶登記處

Codan Trust Company (Cayman) Limited

香港股份過戶登記分處

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心
17樓1712-1716室

主要銀行

於中華人民共和國：
中國銀行萊蕪分行
中國工商銀行萊蕪分行
萊商銀行

於香港：
交通銀行股份有限公司
香港分行

股份代號

0873

公司網站

<http://www.taifeng.cc>

投資者關係

電郵： ir@taifeng.cc
電話： 852-22308913

Corporate Profile

公司簡介

China Taifeng Beddings Holdings Limited (the “Company” or “Taifeng”) is a leading manufacturer and retailer of high-end home textiles and manufacturer of quality yarns in China. It is principally engaged in the manufacturing of home textiles with research and development (“R&D”), design, manufacturing and retail capabilities. It offers 1,600 varieties of bedding products including bed covers, pillows, pillow cases, quilts and quilt covers. Its cotton yarns are mainly comprised of fine count and high-count yarns with over 180 varieties.

Focusing its business on home textiles, the Group endeavours to create the fashion of decorative home textiles for better lifestyle. It enjoys distinct competitiveness and brand position supported by its well-defined brand image, superior product design, comprehensive marketing planning and extensive sales channels, which allow it to become a major brand in the home textile industry and a trend-setter of quality and stylish home textiles. The Group operates three brands, namely “Taifeng”, “Kangshow” and “I & Co”, which cater for different target markets, including middle- and high-end markets, and consumption preference. The Group strives to pursue innovation in R&D and design and to offer new patterns and fabrics, production techniques and accessories, so as to offer consumers unique home and living culture and style. It is also dedicated to sustain the growth in sales and operating results by improving its marketing model and expanding the marketing network, which currently covers all major provinces and cities across China, and establishing brand advantages. As at 31 December, 2013, the Group had 262 dealers and 1,225 retail stores and concessions either directly operated or operated by distributors.

中國泰豐床品控股有限公司（「本公司」或「泰豐」）是一家專業生產經營家用紡織品的企業，現已發展成為集研發、設計、生產、零售為一體，中國極具競爭優勢的高端品牌家紡生產零售商及優質紗線製造商。旗下床品種類1,600款，包括床單、枕頭、枕套、被褥及被套等系列產品，棉紗以細支紗及高支紗為主，種類超過180款。

本集團專注家紡行業，堅持引領家居潮流、創造美好生活的理念，在品牌形象、產品設計、營銷策劃、終端渠道等方面有著卓越表現，形成了獨有的競爭力和品牌定位，成為家紡行業領導品牌及時尚品質家紡倡導者。旗下擁有「泰豐」、「泰豐康秀」及「愛迪卡」三大主打品牌，引領不同目標市場和消費理念，全面滿足中高端市場需求；堅持走研發與設計創新道路，持續推動花型設計、面料研發、生產工藝、配套產品等方面的創新能力，為消費者提供了獨特的家居文化和潮流；追求卓越的營銷模式，營銷網點遍佈全國各省市地區，打造品牌市場優勢，實現銷售經營業績持續增長。截至二零一三年十二月三十一日，本集團在全國共擁有代理商262家以及1,225間直營及由分銷商經營的專賣店及專櫃。

Financial Highlights and Summary

財務摘要及概要

RESULTS

業績

		For the year ended 31 December 截至十二月三十一日止年度				
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Revenue	收益	2,147,618	2,401,049	2,152,167	1,846,177	1,354,068
Gross profits	毛利	627,588	949,470	829,684	639,581	396,331
Earnings before interest and tax ("EBIT")	除稅、利息前溢利	452,499	767,842	645,700	516,186	319,981
Profit attributable to owners of the Company	本公司擁有人應佔溢利	297,482	518,076	440,103	416,790	248,288
Earnings per share – Basic (RMB)	每股盈利—基本 (人民幣元)	0.297	0.518	0.440	0.468	0.331

ASSETS AND LIABILITIES

資產及負債

		As at 31 December 於十二月三十一日				
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元 <i>(Restated)</i> <i>(經重列)</i>	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Total assets	資產總值	3,545,863	2,998,321	2,248,861	2,089,977	1,169,922
Total debt	債項總額	765,300	343,300	191,010	201,298	162,806
Total liabilities	負債總額	1,221,506	919,446	602,062	682,194	483,721
Equity attributable to owners of the Company	本公司擁有人應佔權益	2,324,357	2,078,875	1,646,799	1,407,783	686,201

Financial Highlights and Summary

財務摘要及概要

FINANCIAL RATIOS

財務比率

For the year ended 31 December

截至十二月三十一日止年度

	2013 二零一三年	2012 二零一二年 (Restated) (經重列)	2011 二零一一年	2010 二零一零年	2009 二零零九年
Gross profits margins – overall	29.2%	39.5%	38.6%	34.6%	29.3%
Gross profits margins – cotton yarns	14.5%	15.4%	16.3%	18.5%	12.3%
Gross profits margins – bedding products	41.6%	56.3%	56.5%	53.2%	49.6%
EBIT margin	21.1%	32.0%	30.0%	28.0%	23.6%
Net profit margins	13.9%	21.6%	20.4%	22.6%	18.3%
ROE ⁽¹⁾	12.8%	24.9%	26.7%	29.6%	36.2%
ROA ⁽²⁾	8.4%	17.3%	19.6%	19.9%	21.2%

⁽¹⁾ ROE is calculated based on profit after tax divided by total equity

⁽¹⁾ 股東權益回報率根據除稅後溢利除以權益總額計算

⁽²⁾ ROA is calculated based on profit after tax divided by total assets

⁽²⁾ 資產回報率根據除稅後溢利除以總資產計算

For the year ended 31 December

截至十二月三十一日止年度

	2013 二零一三年	2012 二零一二年 (Restated) (經重列)	2011 二零一一年	2010 二零一零年	2009 二零零九年
Trade receivables turnover (days) ⁽¹⁾	79	76	72	54	40
Trade payables turnover (days) ⁽²⁾	17	22	35	35	31
Inventory turnover (days) ⁽³⁾	19	26	35	35	47
Current ratio (times)	3.3	2.8	2.9	2.4	1.4
Gearing ratio ⁽⁴⁾	21.6%	11.4%	8.5%	9.6%	13.9%
Debt-to-equity ⁽⁵⁾	32.9%	16.5%	11.6%	14.3%	23.7%

⁽¹⁾ Trade receivables turnover is calculated based on the average of the beginning and ending balance of trade receivables for a given year, divided by revenue during the given year and multiplied by 365 days.

⁽¹⁾ 應收賬款週轉日按指定年度開始及結束之應收賬款結餘之平均值除該指定年度內之收益再乘以365日計算。

⁽²⁾ Trade payables turnover is calculated based on the average of the beginning and ending balance of trade payables for a given year divided by cost of sales during the given year and multiplied by 365 days.

⁽²⁾ 應付賬款週轉日按指定年度開始及結束之應付賬款結餘之平均值除該指定年度內之銷售成本再乘以365日計算。

⁽³⁾ Inventory turnover is calculated based on the average of the beginning and ending balance of inventory, net of impairment, for a given year, divided by cost of sales during the given year and multiplied by 365 days.

⁽³⁾ 存貨週轉日按指定年度開始及結束之存貨結餘之平均值(扣除減值)除該指定年度內之銷售成本再乘以365日計算。

⁽⁴⁾ Calculated as the total debts for the year, divided by total assets for the year and multiplied by 100%. Debts are defined to include current and non-current borrowings.

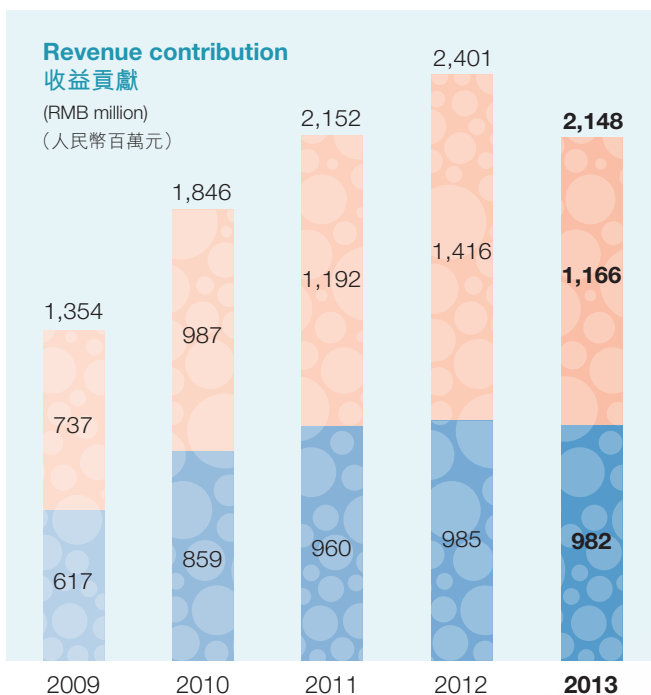
⁽⁴⁾ 以年內債項總額除年內總資產乘以100%計算。債項之定義包括流動及非流動借貸。

⁽⁵⁾ Calculated as the total debts for the year, divided by the equity for the year and multiplied by 100%. Debts are defined to include current and non-current borrowings. Equity is defined to include the non-controlling interests.

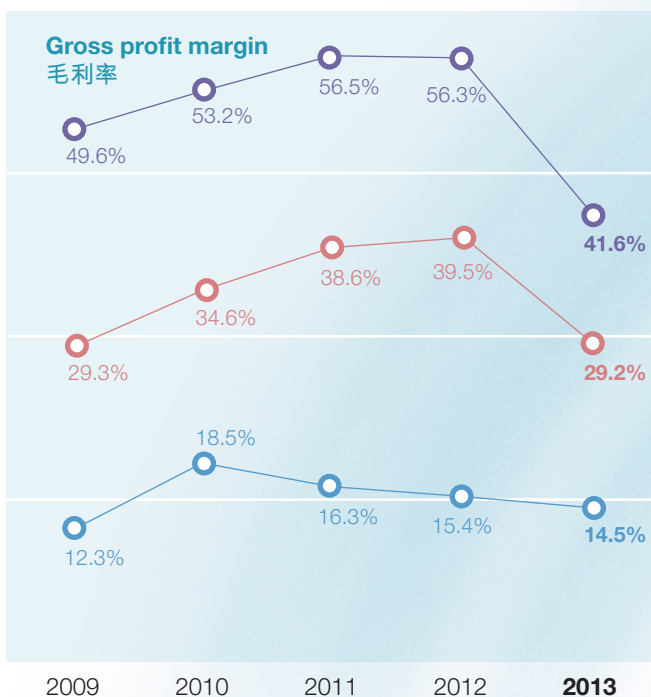
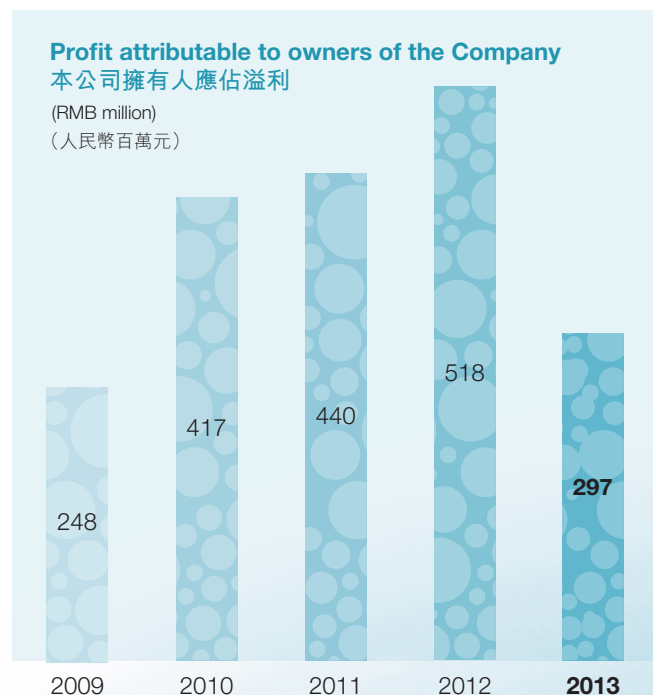
⁽⁵⁾ 以年內債項總額除年內權益乘以100%計算。債項之定義包括流動及非流動借貸。權益之定義包括非控股權益。

Financial Highlights and Summary

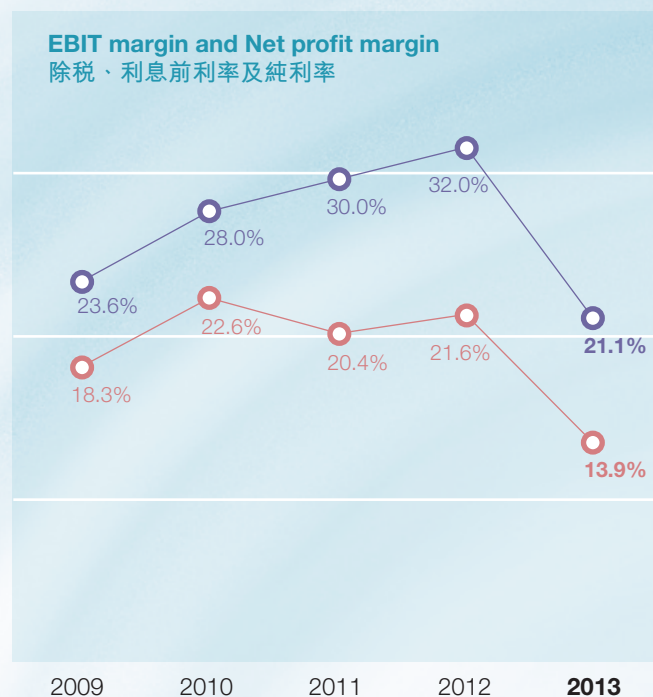
財務摘要及概要



- Cotton yarns 棉紗
- Bedding products 床品



- Gross profit margin - bedding products 毛利率－床品
- Gross profit margin - cotton yarns 毛利率－棉紗
- Gross profit margin - overall 毛利率－整體



- EBIT margin 除稅、利息前利率
- Net profit margin 純利率

Chairman's Statement

主席報告

To all shareholders,

On behalf of the board of directors (the "Board") of the Company, I am pleased to present the annual results of the Group for the year ended 31 December, 2013 to the shareholders of the Company.

Since 2013, the Chinese home textile industry has been struggling in a difficult market environment. The immense pressure on many home textile enterprises came from depressed home textile market demand brought by the weak global economic recovery and the lacklustre Chinese economic growth, coupled with rising production and logistic costs as well as the premium of Chinese cotton prices over international ones. In spite of such tough operating environment and market fluctuation, the Group recorded sales revenue of RMB2,147.6 million for the year ended 31 December, 2013, representing a year-on-year decrease of 10.6%. Gross profit dropped by 33.9% year-on-year to RMB627.6 million. As a result of the poor market demand, the Group's results of operation fell below expectations with reduced growth in economic indicators such as revenue and profit.

Given the Chinese economic situation and the development trend of the home textile sector, it is anticipated that the home textile industry will remain relatively stable in general. From a domestic economic perspective, the government will shift its focus from curbing demand to increasing supply in implementing austerity measures for the real estate sector, thus offering favourable conditions for the home textile industry. The persistent urbanisation will also allow home textile enterprises to make a stable and objective market forecast. From a global point of view, the recovery of the global economy, particularly major developed countries and regions including the United States, Europe and Japan, will facilitate a stable growth of the home textile industry. On the other hand, in response to the difficult situation of the industry and the market opportunities, the Group will (1) enhance and integrate the sales channels by improving store design and image in order to boost the performance of regional stores and hence overall results, while e-commerce and hotel bedding will be the Group's next engines of growth to drive better results; and (2) adjust its product mix according to the industry condition and consumers' demand by actively promoting cotton bedding products, which emphasises health and comfort, and natural fibres which have low carbon emissions and are environmental-friendly. It will also enhance the functionality and quality of its home textile products so as to consolidate a classy brand image and meet market needs.

致各位股東：

本人謹代表本公司董事會，欣然向本公司股東呈列本集團截至二零一三年十二月三十一日止年度的全年業績。

二零一三年以來，中國家紡行業面臨較為艱難的市場環境。受全球主要經濟復蘇乏力、中國經濟增長放緩等導致的家紡市場需求下降，加上行業生產和物流成本上漲、國內外棉價倒掛等種種困難給家紡企業帶來了巨大的生產經營壓力。即使面對如此嚴峻的經營環境及市場變化，本集團在截至二零一三年十二月三十一日的過去一年內，取得銷售收入為人民幣2,147,600,000元，比去年同期減少10.6%；毛利為人民幣627,600,000元，比上年減少33.9%。本集團的銷售收入及利潤等經營指標增長幅度下降，經營業績未達預期，行業需求仍需期待。

根據中國經濟形勢以及家紡產業發展趨勢，本集團預計二零一四年家紡行業整體市場形勢將會相對平穩。從國內經濟環境來看，國家對房產市場的調控思路將從抑制需求轉向增加供給，給家紡行業帶來利好，同時城鎮化推進目標也為家紡行業提供穩定而客觀的市場預期；從世界經濟來看，全球形勢向好，美歐日等主要發達國家和地區經濟復甦，會帶動家紡行業穩步增長。面對產業環境的艱巨性以及市場機遇，本集團需做好如下對策：一是將推動渠道佈局和整合，主要發展高標準店面，提升店面形象，形成以點帶面的形式，將單店區域做強，特別是大力發展電商、酒店布草新經濟增長點，帶動業績增長；二是滿足行業整體大環境和消費需求，調整產品方向，大力發展健康舒適的純棉床品，低碳環保的天然纖維等，豐富家紡產品的功能性和高品質，彰顯品牌品味，滿足市場需要。

Chairman's Statement

主席報告

The Group attributes its results of operation during the year under review to the outstanding performance of all of its employees as well as the loyal support of its business associates. I would like to take this opportunity to express my deepest gratitude to all shareholders, suppliers, distributors, customers and employees.

Liu Qingping
Chairman

31 March, 2014

最後，本集團於回顧年度取得的經營業績，有賴於全體員工的傑出表現及各方的大力支持，本人謹借此機會，衷心向全體股東、供應商、分銷商、客戶、員工致意！

主席
劉慶平

二零一四年三月三十一日

Management Discussion and Analysis

管理層討論及分析

MARKET REVIEW

According to the “Home Textile Industry Operation in the First Three Quarters of 2013” released by China Home Textile Association, from January to September 2013, it was shown in the statistics of the National Bureau of Statistics that the income from the principal operations of 1,788 above-threshold home textile enterprises in the PRC amounted to RMB187.34 billion, representing a year-on-year growth of 7.6%. Data also demonstrated that in 2013, the industry in general maintained a sustained double-digit growth and, thus, the stable growth, particularly in terms of gross profit, of the industry carried on. Although the economic restructuring in the PRC extended into 2013 and some home textile enterprises were affected by a bottleneck created by the sluggish growth in certain sectors, the industry as a whole continued to grow and develop stably and steadily.

The major factors causing the sluggish growth of the home textile industry in 2013 included the followings: (i) the Chinese textile industry was not yet capable of coping with the changes in the external consumption markets and competition within the industry as it was still in a development stage with small, loose and primitive consumption scale, branding and industry structure, and requires further innovations and reforms in terms of product design, research and development, production management, talents training and marketing model; (ii) the PRC economy has leapt to a new development phase with a slowed down GDP of below 8% for the year, stringent anti-corruption and graft campaign and, thus, a drop in the share of gift and group purchases; and (iii) the domestic sales growth of certain home textile brands were significantly hampered as the rise of new channels such as e-commerce has gradually altered PRC consumers’ consumption pattern and habit while badly battered the traditional sales channels and product mix. Nonetheless, the home textile industry remained one of the best-performing, fastest-growing and most promising sectors in the textile industry. First of all, in the domestic market, the acceleration of urbanisation and the rise in urban household income will lay the solid foundation for the growth in PRC textile and garment product sales. In 2013, with the emerging result of macro-control policies to secure growth and restructure the economy, the PRC economy sustained a stable development and the consumption power of the domestic market continued to rise gradually, which are beneficial to the overall development of the home textile industry. Secondly, given the substantial market shares of home-moving and wedding of over 30%, the growth in home textile sales income is linked to the increase in sales volume of commodity properties. Therefore, the significant rebound in PRC commodity property sales in 2013 had also stimulated the sales of the home textile industry. Lastly, in respect of organic growth, the PRC home textile industry is now in proliferation with enormous potential for sales growth. At an overall average annual growth rate of 20-30%, growth and development seem secured. Given these favourable trends, the home textile industry grew steadily in 2013.

市場回顧

根據中國家用紡織品協會發佈《二零一三年前三季度家紡行業運行情況》顯示，二零一三年一至九月份，國家統計局統計的中國家紡行業1788家規模以上企業實現主營業務收入人民幣1873.4億元，同比增長7.6%，延續了平穩增長的發展態勢，利潤總額較為明顯。二零一三年，全行業也繼續保持了兩位數的平穩增長幅度。儘管二零一三年中國經濟結構調整深化，家紡行業呈現成長乏力特點，部分家紡企業遭遇發展瓶頸，但仍舊改變不了整體家紡行業穩中有升、運行平穩的趨勢。

二零一三年，造成家紡行業發展放緩的主要因素與表現包括：一是目前中國家紡業現處於消費規模較小、集中度低、品牌培育和行業整合相對較低的發展階段，尚不適應外部消費環境變化和行業內部競爭態勢的變動，需要在產品設計研發、生產管理、人才培養、營銷模式等方面實施創新與變化；二是國內經濟進入新的發展時期，年內中國GDP增長速度一直在8%以下，反腐倡廉深化推進，一些產品的團購禮品銷售份額明顯減少；三是隨着電子商業等新渠道的擴張，國內消費者的消費方式和理念逐步發生變化，傳統的銷售渠道和產品結構受到了衝擊，使得家紡產業中某些床品企業內銷增長速度明顯放緩。但從紡織行業經營情況來看，家紡行業是整個紡織品行業中發展前景最好、成長速度最快的子行業。首先，從國內形勢來看，隨着城鎮化進程的推進，城鄉居民收入穩步增長，這將為中國紡織服裝產品內需消費擴大提供重要的依據基礎。二零一三年隨着各項以穩增長、調結構為主要目標的調控政策的效果顯現，國內經濟保持平穩增長和內需市場消費能力逐步提高等，這些因素都將有助於家紡行業的發展。其次，由於喬遷和婚慶需求佔比超過30%，家紡企業的銷售收入增速和國內商品房銷售面積增速有着一定的相關性，二零一三年國內商品房銷售面積增速大幅回升，也有力帶動了家紡行業的銷售；最後，從家紡行業自身發展規律來看，中國家紡行業目前處於行業生命週期的成長階段，家用紡織品消費規模與潛力具有廣闊空間，年均增速基本保持在20-30%的範圍，增長與發展是大趨勢。這些有利因素支撐了二零一三年家紡行業平穩增長。

Management Discussion and Analysis

管理層討論及分析

In view of the considerable influence of the macro-economy on the home textile industry as well as the new trends and changes across the industry, the Group had actively adjusted its operating strategy to concentrate on production, supply, research and development, design, branding, marketing and distribution. Through relentless improvement in our products' value for money, enhancing efficiency of point-of-sale and expanding the marketing network, the Group targeted to secure stable profitability. With new differentiation, product-design and marketing strategies, the Group was able to adapt to changes in product and regional business cycles by rolling out new products such as Cupron® copper ions fibre and bamboo fibre products. The Group has also strengthened its branding and promotion and raised its awareness and influence in the end markets by increasing advertising on renowned websites such as 中國家紡網 (www.hometexnet.com) and 慧聰網 (hc360.com), as well as organising several promotion campaigns. It made every effort to adjust its sales channel mix and establish a competitive edge in marketing and sales by boosting sales from e-commerce channels with the use of specialised online group purchase platforms like 京東 (www.jd.com), 綠韻天成網 (www.tc38.cc) and 蘇寧易購 (suning.com), developing new businesses such as hotel linen supply.

BUSINESS REVIEW

During the year under review, the Group's revenue was RMB2,147.6 million, representing a year-on-year decrease of 10.6%. Revenue generated from cotton yarns sales was RMB981.4 million, representing a year-on-year decrease of 0.4% and accounting for 45.7% of the total revenue. Revenue generated from bedding sales was RMB1,166.2 million, representing a year-on-year decrease of 17.6% and accounted for 54.3% of the total revenue.

As at 31 December, 2013, the Group had a total of 1,225 stores and counters across China, representing an increase of 103 shops/counters as compared with last year.

鑒於家紡行業受宏觀經濟影響較大，以及整個行業發生的新趨勢、新變化，本集團積極調整經營策略，專注生產供應、研發設計、品牌推廣以及營銷渠道建設，不斷提高產品附加值和終端銷售能力，擴大終端營銷網絡，以期獲得穩定的盈利能力。實行產異化競爭戰略，調整產品設計和促銷策略，積極開發了卡普龍銅離子、竹賽絲等新產品，迎合產品、地區等商業週期性更替；注重品牌推廣與宣傳，先後加大了在中國家紡網、慧聰網等知名網站的廣告投放力度，在終端多次召開促銷活動，提高了終端市場的知名度與影響力；全力提升電子商務銷售業績，先後進入京東、綠韻天成網、蘇寧易購等專業團購網絡銷售平台，積極發展酒店布草等新興業務，調整營銷渠道建設，構築了更具競爭力的營銷優勢。

業務回顧

本集團在回顧年度，收益為人民幣2,147,600,000元，比去年同期減少10.6%；其中棉紗銷售所得收入為人民幣981,400,000元，比去年同期減少0.4%，佔總體收益的45.7%；床品銷售所得收入為人民幣1,166,200,000元，比去年同期減少17.6%，佔總體收益的54.3%。

截至二零一三年十二月三十一日止，本集團於全國共有1,225間專賣店及專櫃，較上年度增加103間。

Management Discussion and Analysis

管理層討論及分析

The following table shows the numbers of stores and counters (including those operated by distributors) and their changes during the year under review:

以下列表顯示回顧年度的專賣店及專櫃（包括分銷商經營之專賣店及專櫃）之數目及增幅：

		31 December, 2013	31 December, 2012	Change
		二零一三年 十二月三十一日	二零一二年 十二月三十一日	增幅
Directly operated stores and counters	直營專賣店及專櫃	947	865	82
Distributors (number of stores and counters operated by distributors)	分銷商（分銷商經營的專賣店及專櫃）	262	254	8
		(278)	(257)	(21)

The following table shows a breakdown of the numbers of distributors, stores and counters (including those operated by distributors) by region as at 31 December, 2013:

以下列表顯示截至二零一三年十二月三十一日止按地區分佈的分銷商、專賣店及專櫃（包括分銷商經營的專賣店及專櫃）數目：

Region	地區	As at 31 December, 2013		
		截至二零一三年十二月三十一日止		
		Distributors	Stores and counters operated by distributors	Directly operated stores and counters
		分銷商	分銷商經營的專賣店及專櫃	直營專賣店及專櫃
Eastern China	華東地區	141	140	627
Northern China	華北地區	31	39	167
Northeastern China	東北地區	26	30	103
Central China	華中地區	32	35	43
Southern China	華南地區	8	7	3
Southwestern China	西南地區	14	13	2
Northwestern China	西北地區	10	14	2
Total:	總計：	262	278	947

Notes:

Eastern China: Shandong, Jiangsu, Anhui, Zhejiang, Fujian, Jiangxi, Shanghai
 Northern China: Beijing, Tianjin, Hebei, Shanxi, Inner Mongolia
 Northeastern China: Heilongjiang, Jilin, Liaoning
 Central China: Henan, Hubei, Hunan
 Southern China: Guangdong, Guangxi, Hainan
 Southwestern China: Sichuan, Yunnan, Guizhou, Tibet, Chongqing
 Northwestern China: Ningxia, Xinjiang, Qinghai, Shaanxi, Gansu

附註：

華東地區：山東、江蘇、安徽、浙江、福建、江西、上海
 華北地區：北京、天津、河北、山西、內蒙古
 東北地區：黑龍江、吉林、遼寧
 華中地區：河南、湖北、湖南
 華南地區：廣東、廣西、海南
 西南地區：四川、雲南、貴州、西藏、重慶
 西北地區：寧夏、新疆、青海、陝西、甘肅

Management Discussion and Analysis

管理層討論及分析

PRODUCT DEVELOPMENT

In light of the characteristics of the home textile industry, the Group follows a strategy to pursue product innovation and development and infiltrate into every product, regional and target customer markets. On one hand, it catered for the high-end market featuring urban consumers who are highly conscious of the functions and health aspect of home textiles by introducing health products such as electroconductive fibre, cationic dyed polyester and high-strength PVA products, thereby increasing the proportion of middle- and high-end products with high technology input and high added value. On the other hand, the Group also targeted at urban price-savvy white-collar and middle-class consumers by developing and producing pure-cotton jacquard and printed products series with premium value for money. Through successful development of different new products to be marketed in turn in different regions, the Group was able to cope with market changes, and had boosted market sales and achieved magnificent results of operation.

STRENGTHENING SALES CHANNELS

The Group always emphasises the benefit of building a wide and stable sales network. It has not only striven to improve its profitability by increasing the efficiency of its point-of sale, but also enhanced its competitiveness through tightening its control over them. It has established directly-operated flagship stores in the commercial centres of large cities in order to promote its brand among the major cities, enhance the appeal and influence of the brand and stimulate regional sales. Furthermore, it has accelerated market expansion and enlarged its market share by inviting franchisees to establish franchised store or counters. In addition, it has exemplified the brand's diversity and catered for every market segment by establishing chain supermarket sales with its supermarket-oriented product line, "I & Co". Moreover, it has stepped up the development of e-commerce so as to extend its sales channels and adapt to new home textile sales pattern. Last but not least, it has entered into specialised market segments such as hotel linen supply, government tenders and gift products. In this respect, the Group has achieved certain breakthroughs by entering into cooperation agreements with various major high-end hotel chains, participating in government tenders and increasing the sales of gift products.

產品開發

本集團針對家紡市場之特點，始終堅持產品的創新與研發，開發不同產品、地區市場和消費層，既注重高端高檔市場需求，開發了導電纖維、陽離子滌綸、高強維綸等特種保健產品，提高技術含量高、高附加值的中高檔產品比重，滿足城市消費者在家紡文化及保健意識的需求；亦注重以城市白領、中產階層為主的消費對象，開發生產純棉大提花、印花系列產品，以性價比取勝。通過成功的產品開發，迅速帶動市場銷售，從而利用不同產品、不同地區的產品更替性來適應市場變化，取得了顯著的經營業績。

增加銷售渠道

本集團注重建立廣泛且穩固的銷售網絡優勢，一方面不斷提升終端市場價值，帶動盈利能力的增長；另一方面通過對終端的控制，獲得穩定的競爭能力。一是在大城市建立大型直營旗艦店，輻射商業中心地帶，幫助企業在主流城市樹立品牌形象，提高品牌號召力和影響力，從而帶動周邊市場發展；二是通過代理加盟，以專賣店或專櫃形式布設終端，迅速擴大市場，增加佔有率；三是以超市專屬品牌愛迪卡為重點，強化品牌不同屬性，進行連鎖超市直營，滿足各細分市場需求；四是大力發展電子商務，拓展銷售渠道，適應家紡銷售模式新潮流；五是對酒店床品、政府採購、家紡禮品等市場進行專業性開發，與多家高檔大型連鎖酒店簽訂合作協定，促進政府採購及禮品家紡的銷售實現增長和突破。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Revenue decreased by 10.6% to RMB2,147.6 million for the year ended 31 December, 2013 from RMB2,401.0 million for the year ended 31 December, 2012 due to:

- Revenue in the bedding products segment decreased by 17.6% to RMB1,166.2 million for the year ended 31 December, 2013 from RMB1,415.5 million for the year ended 31 December, 2012. Revenue in the sales of branded bedding products dropped 16.4% to RMB1,162.7 million for the year ended 31 December, 2013 from RMB1,391.6 million for the year ended 31 December, 2012, mainly due to the sluggish growth of the home textile industry in 2013.

The following table sets forth a breakdown of the revenue by products:

財務回顧

收益由截至二零一二年十二月三十一日止年度之人民幣2,401,000,000元減少10.6%至截至二零一三年十二月三十一日止年度之人民幣2,147,600,000元，原因如下：

- 床品分部之收益由截至二零一二年十二月三十一日止年度之人民幣1,415,500,000元減少17.6%至截至二零一三年十二月三十一日止年度之人民幣1,166,200,000元。品牌床品銷售之收益由截至二零一二年十二月三十一日止年度之人民幣1,391,600,000元減少16.4%至截至二零一三年十二月三十一日止年度之人民幣1,162,700,000元，主要原因為二零一三年家紡行業發展放緩所致。

下表載列按產品劃分之收益明細：

		For the year ended 31 December, 截至十二月三十一日止年度			
		2013 Revenue 二零一三年收益		2012 Revenue 二零一二年收益	
		(RMB'000) (人民幣 千元)	(% to total) (佔總額 百分比)	(RMB'000) (人民幣 千元)	(% to total) (佔總額 百分比)
Bedding Products	床品				
Branded products	品牌產品	1,162,743	54.1	1,391,635	58.0
OEM	貼牌	3,423	0.2	23,896	1.0
Sub-total	小計	1,166,166	54.3	1,415,531	59.0
Cotton Yarns	棉紗				
Product category	產品種類	Yarn Count	支數		
Coarse-count yarns	粗支紗	18 or below	18支或以下	1,359	0.1
Medium-count yarns	中支紗	19 up to 28	19支至28支	33,837	1.6
Fine-count yarns	細支紗	29 up to 60	29支至60支	205,547	9.5
High-count yarns	高支紗	61 or above	61支或以上	740,709	34.5
Sub-total	小計	981,452	45.7	985,518	41.0
Total	總計	2,147,618	100.0	2,401,049	100.0

Management Discussion and Analysis

管理層討論及分析

The average realised selling price and gross profit margin of branded bedding products are set out below:

品牌床品之平均實際售價及毛利率載列如下：

		For the year ended 31 December, 截至十二月三十一日止年度			
		2013 二零一三年		2012 二零一二年	
		Gross profit margin	Average realized selling price	Gross profit margin	Average realized selling price
		毛利率	平均 實際售價 (RMB per piece/set) (每件/套 人民幣元)	毛利率	平均 實際售價 (RMB per piece/set) (每件/套 人民幣元)
		(%)		(%)	
		(%)		(%)	
Branded bedding products	品牌床品	41.8	450	57.0	450

The average realised selling price and gross profit margin of cotton yarns is set out below:

棉紗之平均實際售價及毛利率載列如下：

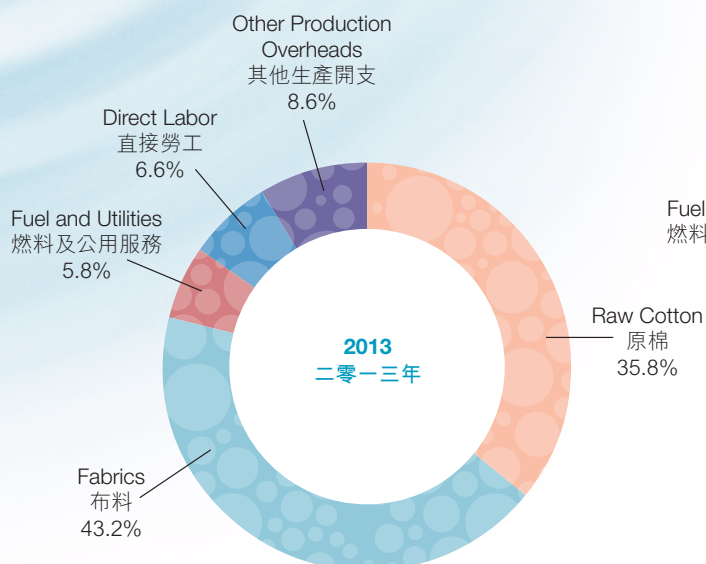
				For the year ended 31 December, 截至十二月三十一日止年度			
				2013 二零一三年		2012 二零一二年	
				Gross profit margin	Average realized selling price	Gross profit margin	Average realized selling price
				毛利率	平均實際 售價 (RMB per tonne) (每噸 人民幣元)	毛利率	平均實際 售價 (RMB per tonne) (每噸 人民幣元)
				(%)		(%)	
				(%)		(%)	
Coarse-count yarns	粗支紗	18 or below	18支或以下	10.2	15,294	9.6	15,703
Medium-count yarns	中支紗	19 up to 28	19支至28支	12.4	17,748	10.2	19,842
Fine-count yarns	細支紗	29 up to 60	29支至60支	12.2	22,162	12.5	22,823
High-count yarns	高支紗	61 or above	61支或以上	15.3	46,073	16.7	43,122
Segment weighted average	分部加權平均			14.5	35,888	15.4	34,056

Management Discussion and Analysis

管理層討論及分析

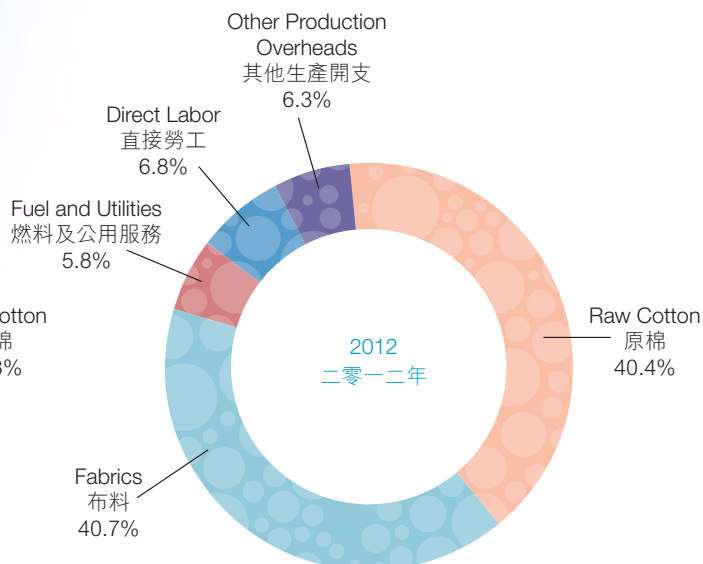
COST STRUCTURE

The following sets forth a breakdown of the cost structure:



成本架構

以下載列成本架構明細：



Raw material costs accounted for 79.0% of the total cost of sales for the year ended 31 December, 2013, similar to that of year ended 31 December, 2012.

截至二零一三年十二月三十一日止年度，原材料成本佔總銷售成本79.0%，與截至二零一二年十二月三十一日止年度相若。

GROSS PROFIT AND GROSS PROFIT MARGIN

Gross profit decreased by 33.9% to RMB627.6 million for the year ended 31 December, 2013 from RMB949.5 million for the year ended 31 December, 2012. Overall gross profit margin for the year ended 31 December, 2013 decreased to 29.2% from 39.5% for the year ended 31 December, 2012 due primarily to the decrease in gross profit of the Group's bedding products segment.

毛利及毛利率

毛利由截至二零一二年十二月三十一日止年度之人民幣949,500,000元減少33.9%至截至二零一三年十二月三十一日止年度之人民幣627,600,000元。整體毛利率由截至二零一二年十二月三十一日止年度之39.5%減少至截至二零一三年十二月三十一日止年度之29.2%，主要因為本集團床品分部之毛利減少。

Gross profit of the Group's bedding product segment decreased by 39.2% to RMB485.2 million for the year ended 31 December, 2013 from RMB797.5 million for the year ended 31 December, 2012. Gross profit margin of the Group's bedding product segment decreased to 41.6% for the year ended 31 December, 2013 from 56.3% for the year ended 31 December, 2012 due primarily to the continuous rise in production costs.

本集團床品分部之毛利由截至二零一二年十二月三十一日止年度之人民幣797,500,000元減少39.2%至截至二零一三年十二月三十一日止年度之人民幣485,200,000元。本集團床品分部之毛利率由截至二零一二年十二月三十一日止年度之56.3%下降至截至二零一三年十二月三十一日止年度之41.6%，主要因為生產成本持續上升所致。

Management Discussion and Analysis

管理層討論及分析

OTHER GAINS AND LOSSES

Other gains and losses recorded a loss of RMB30.4 million for the year ended 31 December, 2013 and RMB9.8 million for the year ended 31 December, 2012. The losses mainly comprised of compensation recognised in respect of default on sales contract of RMB18.2 million, impairment loss recognised in respect of trade receivables of RMB8.3 million, impairment loss recognised in respect of prepayments of RMB1.4 million and impairment loss recognised in respect of inventories of RMB3.7 million, while the effects of which were partially offset by a gain on disposal of scrap materials of RMB1.8 million during the year.

DISTRIBUTION AND SELLING EXPENSES

Distribution and selling expenses comprise mainly of freight, import/export declaration and delivery charges, sales commission and wages paid to sales staff, expenses related to marketing and promotion such as advertisements and exhibitions, retail stores and counters running and renovation expenses, urban maintenance and construction levy and educational surcharge. Distribution and selling expenses decreased by 20.2% to RMB109.3 million for the year ended 31 December, 2013 as compared with RMB136.9 million in last year. Advertising and marketing expenses recognised during the year amounted to RMB52.3 million; and urban maintenance and construction levy and educational surcharge amounted to RMB28.1 million; total representing 6.9% of the Group's revenue in the sales of bedding products and 3.7% of the Group's total revenue for the year ended 31 December, 2013; renovation costs and running expenses for our directly-operated retail stores and counters and subsidies for newly-opened franchised stores recognised amounted to RMB16.5 million which accounted for 15.1% of the distribution and selling expenses.

FINANCE COSTS

Finance costs increased by 125.7% to RMB41.3 million for the year ended 31 December, 2013 from RMB18.3 million in last year. The increase was mainly due to the rise in bank interest expenses and the interest incurred by the obligations under finance lease.

INCOME TAX EXPENSE

Income tax expense decreased by 48.0% to RMB123.6 million for the year ended 31 December, 2013 from RMB237.7 million for the year ended 31 December, 2012. The decrease was mainly due to a decrease in the taxable income for the year ended 31 December, 2013.

其他收益及虧損

截至二零一三年十二月三十一日止年度之其他收益及虧損為人民幣30,400,000元，而截至二零一二年十二月三十一日止年度則為人民幣9,800,000元。虧損主要包括就未有按銷售合同完成而確認之賠償金人民幣18,200,000元、就應收賬款確認之減值虧損人民幣8,300,000元、就預付款項確認之減值虧損人民幣1,400,000元及就存貨確認之減值虧損人民幣3,700,000元，其影響部分受年內出售廢料收益人民幣1,800,000元抵銷。

分銷及銷售開支

分銷及銷售開支主要包括貨運、進口／出口報關及付運費、銷售佣金及支付銷售員工之工資、廣告及展覽等有關市場推廣及宣傳之開支，以及零售店舖及專櫃經營與翻新開支、城市維護建設稅以及教育費附加。分銷及銷售開支減少20.2%至截至二零一三年十二月三十一日止年度之人民幣109,300,000元，而去年則為人民幣136,900,000元。年內確認之廣告及市場推廣開支為人民幣52,300,000元，城市維護建設稅及教育費附加為人民幣28,100,000元（共佔本集團截至二零一三年十二月三十一日止年度床品銷售收益6.9%及總收益3.7%），直營零售店舖及專櫃翻新成本與經營開支以及新開特許經營店舖之補助金為人民幣16,500,000元，佔分銷及銷售開支15.1%。

財務成本

截至二零一三年十二月三十一日止年度之財務成本為人民幣41,300,000元，較去年之人民幣18,300,000元上升125.7%。財務成本上升主要是由於銀行利息開支及融資租約承擔產生之利息增加所致。

所得稅開支

所得稅開支由截至二零一二年十二月三十一日止年度之人民幣237,700,000元減少48.0%至截至二零一三年十二月三十一日止年度之人民幣123,600,000元。有關開支減少主要是由於截至二零一三年十二月三十一日止年度之應課稅收入減少所致。

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WORKING CAPITAL MANAGEMENT

The following table sets forth selected operating efficiency ratios for the Group:

		For the year ended 31 December, 2013 截至 二零一三年 十二月三十一 止年度	For the year ended 31 December, 2012 截至 二零一二年 十二月三十一 止年度
Trade receivables turnover (days) ⁽¹⁾	應收賬款週轉日(日) ⁽¹⁾	79	76
Trade payables turnover (days) ⁽²⁾	應付賬款週轉日(日) ⁽²⁾	17	22
Inventory turnover (days) ⁽³⁾	存貨週轉日(日) ⁽³⁾	19	26

Notes:

- (1) Trade receivables turnover is calculated based on the average of the beginning and ending balance of trade receivables for a given year, divided by revenue during the given year and multiplied by 365 days.
- (2) Trade payables turnover is calculated based on the average of the beginning and ending balance of trade payables for a given year divided by cost of sales during the given year and multiplied by 365 days.
- (3) Inventory turnover is calculated based on the average of the beginning and ending balance of inventory, net of impairment, for a given year, divided by cost of sales during the given year and multiplied by 365 days.

Average trade receivable turnover increased to 79 days for the year ended 31 December, 2013 from 76 days for the year ended 31 December, 2012, which was primarily due to the increase in proportion of sales to the Group's bedding products distributors to which the Group granted longer credit periods.

Average trade payables turnover and average inventory turnover decreased to 17 days and 19 days respectively for the year ended 31 December, 2013 from 22 days and 26 days for the year ended 31 December, 2012, which was primarily due to the reduction in inventory level maintained at year end date.

營運資金管理

下表載列本集團之經選定經營效益比率：

	For the year ended 31 December, 2013 截至 二零一三年 十二月三十一 止年度	For the year ended 31 December, 2012 截至 二零一二年 十二月三十一 止年度
Trade receivables turnover (days) ⁽¹⁾	79	76
Trade payables turnover (days) ⁽²⁾	17	22
Inventory turnover (days) ⁽³⁾	19	26

附註：

- (1) 應收賬款週轉日按指定年度開始及結束之應收賬款結餘之平均值除該指定年度內之收益再乘以365日計算。
- (2) 應付賬款週轉日按指定年度開始及結束之應付賬款結餘之平均值除該指定年度內之銷售成本再乘以365日計算。
- (3) 存貨週轉日按指定年度開始及結束之存貨結餘(扣除減值)之平均值除該指定年度內之銷售成本再乘以365日計算。

應收賬款平均週轉日由截至二零一二年十二月三十一日止年度之76日增加至截至二零一三年十二月三十一日止年度之79日，主要是由於本集團向獲授較長信貸期之床品分銷商進行之銷售比例增加所致。

應付賬款平均週轉日及存貨平均週轉日分別由截至二零一二年十二月三十一日止年度之22日及26日縮短至截至二零一三年十二月三十一日止年度之17日及19日，主要是由於年結日維持之存貨水平減低所致。

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LIQUIDITY AND CAPITAL RESOURCES

The following table sets forth liquidity and capital adequacy ratios for the years:

		For the year ended 31 December, 2013 截至 二零一三年 十二月三十一 止年度	For the year ended 31 December, 2012 截至 二零一二年 十二月三十一 止年度 (Restated) (經重列)
Gearing ⁽¹⁾	資本負債 ⁽¹⁾	21.6%	11.4%
Debt-to-equity ⁽²⁾	債項對權益 ⁽²⁾	32.9%	16.5%
Current ratio	流動比率	3.3 times倍	2.8 times倍

Notes:

- (1) Calculated as the total debts for the year, divided by total assets for the year and multiplied by 100%. Debts are defined to include current and non-current borrowings.
- (2) Calculated as the total debts for the year, divided by the equity for the year and multiplied by 100%. Debts are defined to include current and non-current borrowings.

The gearing ratio and the debt-to-equity ratio increased to 21.6% and 32.9% respectively for the year ended 31 December, 2013 from 11.4% and 16.5% for the year ended 31 December, 2012. The increases in the gearing ratio and debt-to-equity ratio were principally due to the increase in bank borrowings and leasing by the Group of certain of its manufacturing equipment under finance lease during the year.

流動資金及資本資源

下表載列以下年度之流動資金及資本充足比率：

	For the year ended 31 December, 2013 截至 二零一三年 十二月三十一 止年度	For the year ended 31 December, 2012 截至 二零一二年 十二月三十一 止年度 (Restated) (經重列)
Gearing ⁽¹⁾	21.6%	11.4%
Debt-to-equity ⁽²⁾	32.9%	16.5%
Current ratio	3.3 times倍	2.8 times倍

附註：

- (1) 以年內債項總額除年內資產總值乘以100%計算。債項之定義包括流動及非流動借貸。
- (2) 以年內債項總額除年內權益乘以100%計算。債項之定義包括流動及非流動借貸。

資本負債比率及債項對權益比率分別由截至二零一二年十二月三十一日止年度之11.4%及16.5%上升至截至二零一三年十二月三十一日止年度之21.6%及32.9%。資本負債比率及債項對權益比率上升主要是由於銀行借貸增加及年內本集團根據融資租賃租用若干製造設備所致。

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CASH FLOW

現金流量

		For the year ended 31 December, 2013 截至 二零一三年 十二月三十一 止年度 RMB'000 人民幣千元	For the year ended 31 December, 2012 截至 二零一二年 十二月三十一 止年度 RMB'000 人民幣千元 (Restated) (經重列)
Net cash generated from operating activities	經營活動產生之現金淨額	321,514	335,730
Net cash used in investing activities	投資活動動用之現金淨額	(413,069)	(20,313)
Net cash generated from financing activities	融資活動產生之現金淨額	328,740	47,963
Cash and cash equivalents at 31 December	於十二月三十一日之現金及 現金等價物	1,443,090	1,205,905

Net cash generated from operating activities decreased to RMB321.5 million for the year ended 31 December, 2013 from RMB335.7 million for the year ended 31 December, 2012, due to the following:

- operating cash flows before movements in working capital of RMB535.0 million;
- a decrease in cash resulting from changes in working capital of RMB26.9 million, including a decrease in trade and other receivables and prepayment of RMB46.3 million, a decrease in inventories level of RMB11.1 million and a decrease in trade and other payables and accruals of RMB84.3 million;
- PRC enterprise income tax and withholding tax on dividend paid of RMB186.6 million.

Net cash used in investing activities for the year ended 31 December, 2013 was RMB413.1 million mainly due to the advances to third parties of RMB480.1 million and the net decrease in pledged bank deposits of RMB60.6 million.

Net cash generated from financing activities for the year ended 31 December, 2013 was RMB328.7 million, including primarily the procurement of finance lease of RMB340.0 million, repayment of finance lease of RMB30.0 million dividend payments of RMB52.0 million, interest payment of RMB41.3 million, and the increase in bank borrowings of RMB112.0 million.

經營活動產生之現金淨額由截至二零一二年十二月三十一日止年度之人民幣335,700,000元減少至截至二零一三年十二月三十一日止年度之人民幣321,500,000元，原因如下：

- 營運資金變動前之經營現金流量人民幣535,000,000元；
- 營運資金變動導致現金減少人民幣26,900,000元，包括應收賬款及其他應收款項以及預付款項減少人民幣46,300,000元，存貨水平下跌人民幣11,100,000元，以及應付賬款及其他應付款項以及應計費用減少人民幣84,300,000元；
- 已付中國企業所得稅及股息預扣稅人民幣186,600,000元。

截至二零一三年十二月三十一日止年度，投資活動動用之現金淨額為人民幣413,100,000元，主要包括給予第三方之墊款人民幣480,100,000元及已抵押銀行存款減少淨額人民幣60,600,000元。

截至二零一三年十二月三十一日止年度，融資活動產生之現金淨額為人民幣328,700,000元，主要包括安排融資租賃人民幣340,000,000元、償還融資租賃人民幣30,000,000元、已付股息人民幣52,000,000元、已付利息人民幣41,300,000元，以及銀行借貸增加人民幣112,000,000元。

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PLEDGE OF ASSETS

Details of the assets pledged as at 31 December, 2013 are set out in note 34.

CONTINGENT LIABILITIES

The Group has no material contingent liabilities as at 31 December, 2013 (2012: nil).

FOREIGN CURRENCY EXPOSURE

The business operations of the Group's subsidiaries were conducted mainly in the PRC with revenues and expenses of the Group's subsidiaries denominated in RMB. Some of the Group's cash and bank deposits, including proceeds from the Group's initial public offering, were denominated in Hong Kong Dollars or US Dollars. Any significant exchange rate fluctuations of Hong Kong Dollars or US Dollars against each entity's respective functional currency may have a financial impact to the Group.

As at 31 December, 2013, the directors of the Company (the "Directors") considered the Group's foreign exchange risk to be insignificant. During the year, the Group did not use any financial instruments for hedging purposes.

EMPLOYEES

As at 31 December, 2013, the Group had a workforce of approximately 5,163 employees (2012: 5,384). Staff costs for the year ended 31 December, 2013 (including Directors' remuneration in the form of salaries and other allowances) were RMB124.4 million (2012: RMB120.7 million).

The remuneration of the employees of the Group includes salaries, bonuses and other fringe benefits. The Group has different rates of remuneration for different employees to be determined based on their performance, experience, position and other factors in compliance with the relevant PRC laws and regulations.

資產抵押

於二零一三年十二月三十一日，已抵押資產之詳情載於附註34。

或然負債

於二零一三年十二月三十一日，本集團並無重大或然負債（二零一二年：無）。

外幣風險

本集團之附屬公司主要於中國經營業務，其收益及開支均以人民幣計值。本集團若干現金及銀行存款（包括本集團首次公開發售所得款項）以港元或美元計值。倘港元或美元兌各實體各自功能貨幣之匯率出現任何重大波動，則可能會對本集團產生財務影響。

於二零一三年十二月三十一日，本公司董事（「董事」）認為，本集團面對之匯兌風險甚微。年內，本集團並無使用任何金融工具作對沖用途。

僱員

於二零一三年十二月三十一日，本集團有約5,163名僱員（二零一二年：5,384名）。截至二零一三年十二月三十一日止年度之員工成本（包括董事薪酬（薪金及其他津貼））為人民幣124,400,000元（二零一二年：人民幣120,700,000元）。

本集團僱員薪酬包括薪金、花紅及其他額外福利。本集團對不同僱員訂有不同標準之薪酬，乃根據其表現、經驗、職位及其他因素，遵照相關之中國法律及法規釐定。

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BUSINESS OUTLOOK AND STRATEGIES

Branding and promotion

The Group will implement its systematic branding strategy by leaps and bounds in order to bolster its brand promotion and safeguard and enhance brand image. The diversified marketing means will utilise multiple media such as advertising on online media, employing hoardings on expressways, roads and bridges as well as print advertisements on municipal buses and national railways. These methods will enhance the exposure and awareness of the brand. It will also regularly participate in every kind of home textile exhibitions and organise product launch events so as to demonstrate Taifaeng's home textile brands and products in multiple perspectives and ways.

Product research and development and technological innovation

The positioning of the Group's products in the market will be gradually perfected so as to satisfy diversified consumers' requirements and their pursuit of quality life. It will carry on its differentiation strategy to enlarge the development of new functional products such as copper ions, bamboo and Tencel jacquard products. Cashmere and wool series, cotton polyester imitation wool series, environmental-friendly and anti-bacterial health series and water-absorbing and quick-drying comfort series will be promoted, and the application and development of other functional fibres will be strengthened in order to embrace more functions such as anti-bacterial, deodorising, antistatic, breathable, temperature control, water-proofing, health and easy-care properties. The Group will leverage on its research and development capability and outstanding product mix to realise technical upgrades and enhance the technology of its products, and in turn enlarge their sales. The focus will be to enrich the home textile product mix by fusing new spinning and weaving technology into the design and development of home textiles. To achieve such goal, the Group will invest heavily in technical upgrades, production of diversified multi-component fibres and improvement in spinning technique in order to enhance the products' technology level and added-value.

業務前景及策略

品牌推廣與宣傳建設

本集團全力推進系統化的品牌推廣策略，加大品牌宣傳力度，維護和提升品牌形象。採取多元化的傳播手段，立體化的傳播媒介，在網絡媒體投放招商廣告、在高速公路設立高炮、路橋等廣告以及在各城市公交車和全國動車設置平面廣告等，提高了品牌傳播密度和知名度；定期參加各類家紡展會和召開新品發佈會，多角度、多側面展示泰豐家紡品牌文化。

產品研發及技術創新規劃

逐步完善不同產品的市場定位，滿足消費者多元化個性需求和對高品質生活方式的追求。實施差異化的產品策略，加大如銅離子、竹賽絲、天絲提花等新型功能型產品的開發力度，推動羊絨、羊毛系列、棉滌仿毛系列、健康環保抗菌系列、吸濕快干舒適系列及其他功能纖維的應用與開發，使其具備抗菌、除臭、抗靜電、透氣、控溫、防水、保健和易護理性等各種功能，促進產品技術升級以及技術含量的提高，通過研發優勢、產品優勢提升終端銷售能力；着重豐富家紡產品類型，將紗線、面料新型生產技術導入家紡的設計與開發，大力實施技術改造，生產多組分、多品種纖維，提升紡紗技術，提高技術含量和附加值。

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Extension of distribution channels

The Group will steadily expand its sales channels to establish a multi-layered and comprehensive brand marketing network. The operating strategy of this network will concentrate on improving the operation efficiency of the directly-operated stores while complementing them with high-end flagship stores, point-of-sale at large supermarkets and hypermarkets and e-commerce channels. It will also persist in developing multiple brands and building up their respective market advantage in order to realise a comprehensive marketing system. Among these brands, “Taifeng” will be marketed in middle- and high-end markets and target at middle-class and white-collar consumers in cities, while “I & Co” will aim at lower-income groups in the middle- and low-end markets. “Kangshow”, on the other hand, will focus on offering fashionable home textile products to trend-sensitive consumers and online customers. The Group will also integrate the resources of these channels in order to tighten effective control over the point-of-sale while renovating and upgrading them by improving their interior design, stock management and display. The reciprocal cooperative marketing model between the Group and its partners will also be upheld. Together these measures will establish a more competitive marketing system which is expected to bolster the channels.

渠道拓展規劃

穩健推進終端渠道的擴張，建立多層級、全方位的品牌營銷網絡，以直營專賣提升經營質量為重心，實施以高端旗艦店、大型超市賣場、電子商務品牌等相結合的多元化經營策略。堅持以多品牌發展，創造各自的品牌及市場優勢，「泰豐品牌」定位於中高端市場，顧客對象主要是城市中產、高級白領階層；「愛迪卡」定位於中低端市場，主打中低收入階層；「泰豐康秀」定位於時尚家紡市場，顧客對象為前沿消費者及電子購物者，打造無縫式營銷網絡。整合渠道資源，進一步強化專業化終端管理，推動終端店面形象、貨品管理、店鋪陳列等進行全面的更新與升級，堅持與合作商互利互惠的營銷模式，構建更具競爭力的營銷體系，以期渠道突飛猛進的增長。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Liu Qingping, aged 60, was appointed as the Chairman of the Board and an executive Director of the Company on 21 May 2009. Mr. Liu is responsible for strategic planning, business development and overall management of the Group. Mr. Liu has more than 20 years of experience in the textile industry. Mr. Liu has been awarded numerous recognitions and honours in the past. In 1995, he was awarded “Outstanding Quality Manager for Textile Industry of the Shandong Province (山東省紡織系統優秀質量管理工作者)” by Textile Industry Bureau of Shandong Province (山東省紡織工業廳) and Association of Quality Management Textile Industry of Shandong Province (山東紡織質量管理協會). In 2003, he was recognized as a Model Worker of Shandong Province by the Shandong Province (山東省勞動模範) by the People’s Government of Shandong Province (山東省人民政府). In 2004, he was awarded (i) “Entrepreneur with Good Faith of Shandong Province (山東省誠信企業家)” by The Committee for Credit Rating of Shandong Province and Shandong Province Credit Rating Company (山東省信譽評級委員會及山東省信譽評級總公司) and (ii) Award for Outstanding Entrepreneurs of Textile Industry of Shandong Province (山東紡織企業家創業獎) by Office of Textile Industry of Shandong Province (山東省紡織工業辦公室) and The Association of Textile Enterprises Management of Shandong Province (山東紡織企業管理協會). In 2005, he was awarded “Outstanding Ideological and Political (Enterprise Culture) Operator in Textile Industry of Shandong Province (山東省紡織行業優秀思想政治、企業文化建設工作者)” by Office of Textile Industry of Shandong Province (山東省紡織工業辦公室) and Political Research Committee of Textile Workers of Shandong Province (山東省紡織職工政研會). In 2006, he was awarded (i) “50 People Promoting the Globalization of PRC Brands in 2006 (2006推動中國品牌國際化50人)” by PRC Organization Committee of the 14th World Productivity Congress (第十四屆世界生產力大會中國組織委員會) and (ii) “Outstanding Operator and Manager of Shandong Province (山東省優秀經營管理者)” by Committee for Economic and Trade of Shandong Province (山東省經濟貿易委員會). In 2007, he was recognised (i) “An Excellent Leading Individual in Outstanding Quality Control of the Textile Industry in the PRC (全國紡織行業優秀質量管理小組活動卓越領導者)” by China National Textile and Apparel Council (中國紡織工業協會) and China Trade Union of Financial and Commercial Workers, Light Industry and Textile Workers, Tobacco Industry Workers (中國財貿輕紡煙草工會) and (ii) “Model Worker in Business Sector in Countrywide (全國商務系統勞動模範)” by Ministry of Personnel of the People’s Republic of China (中華人民共和國人事部) and the Ministry of Commerce of the People’s Republic of China (中華人民共和國商務部). In 2010, he was awarded “Award for Outstanding Entrepreneurs of Textile Industry of Shandong Province (山東紡織企業家創業獎)” by The Association of Textile Industry of Shandong Province (山東省紡織工業協會) and The Association of Textile Enterprises Management of Shandong Province (山東紡織企業管理協會). In 2011, he was awarded “Green Campaign, 2011 Top 10 Leading Figures of the PRC Economy (綠動•2011中國經濟優秀人物)” by China Economic Development Forum Committee (中國經濟發展論壇委員會). In 2012, he was named as an “Outstanding Patent Inventor of Laiwu City (萊蕪市優秀專利發明人)” by the People’s Government of Laiwu City (萊蕪市人民政府). Mr. Liu is a senior economist. He obtained a doctorate degree in business administration from American Liberty University in 2005.

執行董事

劉慶平先生，60歲，於二零零九年五月二十一日獲委任為本公司董事會主席兼執行董事，劉先生負責本集團之重大決策、整體管理及發展規劃。劉先生於紡織業擁有逾20年經驗。劉先生於過去曾獲多項嘉許及殊榮。於一九九五年，彼獲山東省紡織工業廳及山東紡織質量管理協會頒發之「山東省紡織系統優秀質量管理工作者」。於二零零三年，彼獲山東省人民政府頒發山東省勞動模範。於二零零四年，彼獲(i)山東省信譽評級委員會及山東省信譽評級總公司頒發之「山東省誠信企業家」以及(ii)山東省紡織工業辦公室及山東紡織企業管理協會頒發之「山東紡織企業家創業獎」。於二零零五年，彼獲山東省紡織工業辦公室及山東省紡織職工政研會頒發「山東省紡織行業優秀思想政治、企業文化建設工作者」。於二零零六年，彼獲(i)第十四屆世界生產力大會中國組織委員會頒發「2006推動中國品牌國際化50人」及(ii)山東省經濟貿易委員會頒發「山東省優秀經營管理者」。於二零零七年，彼獲(i)中國紡織工業協會及中國財貿輕紡煙草工會嘉許為「全國紡織行業優秀質量管理小組活動卓越領導者」以及(ii)中華人民共和國人事部及中華人民共和國商務部嘉許為「全國商務系統勞動模範」。於二零一零年，彼獲山東省紡織工業協會及山東紡織企業管理協會頒發「山東紡織企業家創業獎」。於二零一一年，彼獲中國經濟發展論壇委員會頒發的「綠動•2011中國經濟優秀人物」榮譽稱號。於二零一二年，彼獲萊蕪市人民政府頒發「萊蕪市優秀專利發明人」稱號。劉先生為高級經濟師，並於二零零五年取得美國利伯堤大學之工商管理博士學位。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

Mr. Li Dengxiang, aged 53, was appointed as the Vice-chairman of the Board and an executive Director of the Company on 18 November 2009. Mr. Li has over 30 years of experience in the textile industry and is responsible for overseeing the production, quality and operation management of the Group. Mr. Li obtained various recognitions and awards in the past. He was awarded “Golden Bridge Prize of Technology market of Shandong Province (山東省技術市場科技金橋獎)” by Golden Bridge Prize Award Committee of Shandong Province (山東省技術市場科技金橋獎獎勵委員會) in 2005 and 2007. In 2007, he was also recognized as an “Outstanding Young to Middle Age Technology Worker of the Textile Industry in the PRC (全國棉紡織行業優秀中青年科技工作者)” by China Textile Engineering Society (中國紡織工程學會). Mr. Li is a senior engineer. He obtained a professional certificate in business administration from the Shandong Industrial University (now merged as Shandong University) in 1998 and a doctorate degree in business administration from American Liberty University in 2005.

Ms. Qi Tongli, aged 51, was appointed an executive Director of the Company on 21 May 2009 and is responsible for capital operation management of the Group. Ms. Qi has more than 20 years of experience in the textile industry. She was awarded “Scientific Technology Advancement Award” (科學技術進步獎) in 1998 and 2000 by The Assessment Committee for Scientific Technology Advancement Award of Shandong Province (山東省科學技術進步獎評審委員會) and The Assessment Committee for Scientific Technology Advancement Award of Laiwu City (萊蕪市科學技術進步獎評審委員會) respectively. In 2003, she was awarded “Scientific Technology Award of Shandong Province” (山東省科學技術獎) by The Assessment Committee for Scientific Technology Award of Shandong Province (山東省科學技術獎評審委員會). She was recognized as a “Model Outstanding Female Worker and Contribution of Shandong Province (山東省女職工建功立業標兵)” and was awarded “Award for Improvement of Living Standard in Shandong Province (富民興魯勞動獎章)” in 2007 by the General Labour Union of Shandong Province (山東省總工會). Ms. Qi is a senior engineer. She obtained a certificate in textile industry from Jinan School of Textile Industry, a certificate in business administration from the Shandong Industrial University (now merged as Shandong University) in 1998 and a doctorate degree in business administration from American Liberty University in 2005.

Mr. Zou Shengzhong, aged 48, was appointed as the Chief Executive Officer of the Company on 25 September 2013 and was appointed as an executive Director of the Company on 18 November 2009. Mr. Zou has more than 20 years of experience in the textile industry and is responsible for overseeing the sales, production and full operation management of the Group. Mr. Zou is a senior engineer. He graduated from Changwei School of Textile Industry in 1983 and he obtained a certificate in electricity engineering from the Shandong TV University in 1987 and a doctorate degree in business administration from American Liberty University in 2005.

李登祥先生，53歲，於二零零九年十一月十八日獲委任為本公司董事會副主席兼執行董事。李先生於紡織業擁有逾30年經驗，負責監察本集團生產、質量及營運管理。李先生過去獲得多項嘉許及獎項。彼於二零零五年及二零零七年獲山東省技術市場科技金橋獎獎勵委員會頒發「山東省技術市場科技金橋獎」。於二零零七年，彼獲中國紡織工程學會嘉許為「全國棉紡織行業優秀中青年科技工作者」。李先生為高級工程師。彼於一九九八年取得山東工業大學（現已合併為山東大學）企業管理專業證書，其後於二零零五年取得美國利伯堤大學之工商管理博士學位。

齊同麗女士，51歲，於二零零九年五月二十一日獲委任為本公司執行董事，負責本集團之資本運營管理。齊女士於紡織業擁有逾20年經驗。彼分別於一九九八年及二零零零年獲山東省科學技術進步獎評審委員會及萊蕪市科學技術進步獎評審委員會頒發「科學技術進步獎」。於二零零三年，彼獲山東省科學技術獎評審委員會頒發「山東省科學技術獎」。彼於二零零七年獲山東省總工會嘉許為「山東省女職工建功立業標兵」，並獲頒「富民興魯勞動獎章」。齊女士為高級工程師。彼畢業於濟南紡織工業學校棉紡專業，後於一九九八年畢業於山東工業大學（現已合併為山東大學）企業管理專業，其後於二零零五年取得美國利伯堤大學之工商管理博士學位。

鄒生忠先生，48歲，於二零一三年九月二十五日獲委任為本公司行政總裁，並於二零零九年十一月十八日獲委任為本公司執行董事。鄒先生於紡織業擁有逾20年經驗，負責監察本集團銷售、生產及全面營運管理。鄒先生為高級工程師，於一九八三年畢業於昌濰紡織工業學校，於一九八七年畢業於山東廣播電視大學電氣工程專業，其後於二零零五年取得美國利伯堤大學之工商管理博士學位。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Kin Sang, aged 62, is currently the sole proprietor of Messrs. Peter K.S. Chan & Co., Solicitors and Notaries. He was appointed an independent non-executive Director of the Company on 18 November 2009. He has been a practicing solicitor in Hong Kong since 1982. He was admitted as a Notary Public in 1997 and as a China-appointed Attesting Officer in 2000. He is currently a Fellow of the Hong Kong Institute of Directors. Mr. Chan graduated from the University of Hong Kong with a Bachelor of Laws degree in 1979. Mr. Chan is also a director of the following public listed companies:

Listed Company 上市公司	Stock Code 股份代號	Place of Listing 上市地	Role 職務
Pan Hong Property Group Limited 汎港地產集團有限公司	P36	Singapore 新加坡	Non-executive Director 非執行董事
Luxking Group Holdings Limited 力王集團控股有限公司	L34	Singapore 新加坡	Independent Non-executive Director 獨立非執行董事
Combest Holdings Limited 康佰控股有限公司	8190	Hong Kong 香港	Non-executive Director 非執行董事
China Precious Metal Resources Holdings Co., Limited 中國貴金屬資源控股有限公司	1194	Hong Kong 香港	Independent Non-executive Director 獨立非執行董事
Tianjin TEDA Biomedical Engineering Co., Ltd. 天津泰達生物醫學工程股份有限公司	8189	Hong Kong 香港	Independent Non-executive Director 獨立非執行董事

For the past 3 years, Mr. Chan also held directorships in the following Hong Kong listed companies: (a) United Pacific Industries Limited (Stock Code: 176); (b) Pacific Plywood Holdings Limited (Stock Code: 767); (c) Zhongda International Holdings Limited (Stock Code: 909); (d) Mayer Holdings Limited (Stock Code: 1116) and (e) Ming Kei Holdings Limited (Stock Code: 8239) and in the following Singapore listed company: (a) People's Food Holdings Limited (Stock Code: P05).

獨立非執行董事

陳健生先生，62歲，現時為陳健生律師行（律師及公證人）之獨資經營者。彼於二零零九年十一月十八日獲委任為本公司獨立非執行董事。彼自一九八二年起為香港執業律師。彼於一九九七年獲公證人資格，並於二零零零年成為中國委託公證人。彼現時為香港董事學會資深會員。陳先生於一九七九年畢業於香港大學，獲法律學士學位。陳先生亦擔任下列上市公司之董事：

於過去三年，陳先生亦曾擔任下列香港上市公司之董事：(a)聯太工業有限公司（股份代號：176）；(b)太平洋實業控股有限公司（股份代號：767）；(c)中大國際控股有限公司（股份代號：909）；(d)美亞控股有限公司（股份代號：1116）及(e)明基控股有限公司（股份代號：8239）；並曾擔任下列新加坡上市公司之董事：(a)大眾食品控股有限公司（股份代號：P05）。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

Mr. Li Yuchun, aged 66, is a retired senior bank official. Mr. Li is an economist and has more than 20 years of experience in the banking industry and financial management. He has been an independent director of Shandong Inspur Software Co. Ltd (Stock Code: SHA 600756), a company listed in the Shanghai Stock Exchange, for two consecutive years. Mr. Li was appointed an independent non-executive Director of the Company on 18 November 2009. He graduated from People's Liberation Army School of Sailors Politics (中國人民解放軍海軍政治學院) in professional political works in 1986.

Mr. Dai Shunlin, aged 71, is a deputy director of China Institute of Textile Planning and a retired senior engineer. He was appointed an independent non-executive Director of the Company on 18 November 2009. Mr. Dai has more than 40 years in the textile industry. He graduated from the textile engineering department of Wuxi School of Light Industry with a certificate in professional machine knitting in 1966.

SENIOR MANAGEMENT

Mr. Huang Qige, aged 45, joined the Group in 2001 and is currently the secretary to the Board of Directors of Shandong Taifeng Textile Co., Ltd ("Shandong Taifeng"), a wholly owned subsidiary of the Group. Mr. Huang obtained a certificate in physics from Shandong Mineral College (山東礦業學院) in 1989, and a doctoral degree in business administration from American Liberty University in 2005. In 2008, he finished his studies of accountancy with Shandong School of Economics. He has more than 8 years of experience as secretary to the Board of directors.

Mr. Zou Shengcheng, aged 45, joined the Group in 2003. He has more than 16 years of experience in the textile industry. Mr. Zou is the vice general manager of Shandong Taifeng and is responsible for the products development and technology of the Group. He graduated from Shandong School of Textile Industry with a bachelor's degree in textile engineering in 1992.

李玉春先生，66歲，為退休高級銀行職員。李先生為經濟師，於銀行業及財務管理方面擁有逾20年經驗。彼曾連續兩屆任職於上海證券交易所上市之公司山東浪潮齊魯軟件產業股份有限公司（股份代號：SHA 600756）之獨立董事。李先生於二零零九年十一月十八日獲委任為本公司獨立非執行董事。彼於一九八六年畢業於中國人民解放軍海軍政治學院政治工作專業。

戴順林先生，71歲，中國紡織規劃研究會副會長及退休高級工程師。彼於二零零九年十一月十八日獲委任為本公司獨立非執行董事。戴先生於紡織業擁有逾40年經驗。彼於一九六六年畢業於無錫輕工業學院紡織工程系機織專業。

高級管理層

黃啟閣先生，45歲，於二零零一年加入本集團，目前為山東泰豐紡織有限公司（「山東泰豐」）（本集團一間全資附屬公司）之董事會秘書。彼於一九八九年畢業於山東礦業學院物理班，於二零零五年取得美國利伯堤大學之工商管理博士學位。於二零零八年，彼修畢山東經濟學院開辦之會計學課程。彼擁有逾八年擔任董事會秘書之經驗。

鄒生成先生，45歲，於二零零三年加入本集團。彼於紡織業擁有逾16年經驗。鄒先生為山東泰豐之副總經理，負責本集團之產品開發及技術工作。彼於一九九二年畢業於山東紡織工學院，取得紡織工程學士學位。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

Mr. Geng Zhensheng, aged 48, joined the Group in 2001. He has more than 20 years of experience in the textile industry. Mr. Geng is the vice general manager of Shandong Taifeng and is responsible for the production of the Group. He completed secondary school education in Laiwu City in 1982.

Mr. Liu Bingxue, aged 44, joined the Group in 2001. He was the financial manager and assistant to general manager of the Group. In August 2013, he was appointed deputy general manager of the Group and is responsible for financial affairs. He obtained a certificate in accountancy from the Shandong Agricultural College (now Qingdao Agricultural University) in 1995 and is an intermediate accountant in China. In 2005, he was accredited as 萊蕪市先進會計工作者 (Advanced Accountant in Laiwu) by the Finance Bureau of Dongguan, the Propaganda Department of the Chinese Communist Party of Laiwu City and Laiwu City General Chamber of Commerce.

Mr. Wang Fenggui, aged 50, joined the Group in 2010. He is the manager of the Group's home textiles sales division and is responsible for the sales of home textiles. He was appointed deputy general manager of Shandong Taifeng on 14 August 2013 and is in charge of the production and sales of home textiles. He obtained a certificate in automation from 濟南紡織學校 (Jinan School of Textiles) (now 濟南工程職業技術學院 (Jinan Engineering Vocational Technical College)) in 1982 and is a senior engineer.

Mr. Pang Wai Hong, aged 49, is the the company secretary of the Company. He is responsible for the statutory compliance and corporate governance matters of the Company. Mr. Pang is a member of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants. He holds a Master of Science (Finance) from the National University of Ireland and a Master of Lighting degree from Queensland University of Technology. Mr. Pang has more than 20 years of financial and auditing experience. Prior to joining the Group in 2009, he was the chief financial officer and company secretary of People's Food Holdings Limited (stock code: P05), a company listed on the Singapore Stock Exchange.

耿振生先生，48歲，於二零零一年加入本集團。彼於紡織業擁有逾20年經驗。耿先生為山東泰豐之副總經理，負責本集團之生產工作。彼於一九八二年在萊蕪市完成中學教育。

劉丙學先生，44歲，於二零零一年加入本集團。彼曾任本集團之財務經理、總經理助理。彼於二零一三年八月獲委任為本集團之副總經理，負責財務工作。彼於一九九五年畢業於山東農學院（現已更名為青島農業大學）之會計專業，為中國中級會計師。於二零零五年，彼獲東莞市財政局及中共萊蕪市委宣傳部及萊蕪市總工會頒發之萊蕪市先進會計工作者。

王鳳貴先生，50歲，於二零一零年加入本集團。彼為本集團家紡銷售部經理，從事家紡之銷售事宜。於二零一三年八月十四日彼獲任山東泰豐副總經理，全面負責家紡生產銷售。彼於一九八二年畢業於濟南紡織學校（現已更名為濟南工程職業技術學院）之自動化專業，為高級工程師。

彭偉康先生，49歲，為本公司之公司秘書，負責本公司之遵守法規及企業管治事項。彭先生為香港會計師公會會員，並為英國特許公認會計師公會資深會員。彼畢業於National University of Ireland，獲頒理學（財務）碩士學位，並取得Queensland University of Technology之照明學碩士學位。彭先生於財務及審計方面擁有逾20年經驗。彼於二零零九年加入本集團之前，為新加坡交易所上市公司大眾食品控股有限公司（股份代號：P05）之財務總監兼公司秘書。

Directors' Report

董事會報告

The Board is pleased to present this annual report, together with the audited financial statements of the Group for the year ended 31 December, 2013.

CORPORATE REORGANISATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 21 May, 2009 under the Companies Law of the Cayman Islands. In preparation for the listing of the Shares on the Main Board of The Stock Exchange of Hong Kong (the "Stock Exchange"), the Group underwent a series of corporate reorganisation procedures and the Company became the holding company of the Group since 18 August, 2009.

Details of the reorganisation were set out in the paragraph headed "Reorganisation" on page 4 to 5 of Appendix VII (Statutory and General Information) in the prospectus of the Company dated 31 May, 2010 (the "Prospectus").

The shares of the Company were listed on the Main Board of the Stock Exchange on 11 June, 2010 (the "Listing Date").

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Group are manufacturing and distribution of quality cotton yarns and bedding products in China. The principal activities and other particulars of the subsidiaries of the Company are set out in note 1 and 41 to the consolidated financial statements of this annual report.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December, 2013 are set out in the consolidated statement of profit or loss and other comprehensive income on page 55 of this annual report.

The Board does not recommend payment of any dividend for the year ended 31 December 2013.

CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from 18 June, 2014 to 20 June, 2014, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the annual general meeting to be held on 20 June, 2014, all transfers accompanied by the relevant share certificates must be lodged with the Company's Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 17 June, 2014.

董事會欣然提呈本年報，連同本集團截至二零一三年十二月三十一日止年度之經審核財務報表。

公司重組

本公司於二零零九年五月二十一日根據開曼群島公司法於開曼群島註冊成立為獲豁免有限公司。為籌備股份於香港聯合交易所有限公司（「聯交所」）主板上市，本集團進行了連串公司重組程序，而本公司自二零零九年八月十八日起成為本集團之控股公司。

重組詳情載於本公司於二零一零年五月三十一日刊發之招股章程（「招股章程」）附錄七（法定及一般資料）第4至5頁「重組」一段。

本公司股份已於二零一零年六月十一日（「上市日期」）在聯交所主板上市。

主要業務

本公司之主要業務為投資控股。本集團之主要業務為在中國從事優質棉紗及床品製造及分銷。本公司附屬公司之主要業務及其他詳情載於本年報綜合財務報表附註1及41。

業績及分派

本集團截至二零一三年十二月三十一日止年度之業績載於本年報第55頁之綜合損益及其他全面收益表。

董事會不建議派發截至二零一三年十二月三十一日止年度任何股息。

暫停辦理股份過戶登記

本公司將於二零一四年六月十八日至二零一四年六月二十日（首尾兩天包括在內）暫停辦理股份過戶登記手續。為符合資格出席將於二零一四年六月二十日舉行之股東週年大會並於會上投票，所有過戶文件連同相關股票須不遲於二零一四年六月十七日下午四時三十分送達本公司股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

Directors' Report

董事會報告

FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five years are set out on page 5 of this annual report.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December, 2013, sales to the Group's five largest customers and the largest customer accounted for 62.0% and 17.2% respectively of the Group's total turnover for the year.

For the year ended 31 December, 2013, the Group's purchases attributable to the five largest suppliers and the largest supplier accounted for 74.9% and 29.7% respectively of the Group's total purchases for the year.

None of the Directors or any of their associates or any shareholders who, to the knowledge of the Directors, owns more than 5% of the Company's issued share capital, had any interest in the five largest suppliers or customers.

In addition to the credit risk assessment as disclosed in the note 39b to the consolidated financial statements, the Group had re-assessed the business relationship with customers carrying overdue balances. In addition, the Group had closely monitored the subsequent settlement of aforesaid overdue balances, and approximately 93% of the year end trade receivables which are past due but not impaired was settled by customers mainly in cash. For the remaining overdue balances, the Group adheres to its current credit policy and takes appropriate internal follow up actions for the collections of longer and aged receivable balances.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 15 to the consolidated financial statements of this annual report.

LISTING OF THE SHARES AND SHARE CAPITAL OF THE COMPANY

The shares of the Company have been successfully listed on the Main Board of the Stock Exchange since 11 June, 2010. The total number of shares of the Company in issue upon listing was 1,000,000,000 shares.

Details of the movements during the year in the issued share capital of the Company are set out in note 29 to the consolidated financial statements of this annual report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Since the Listing Date, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

財務概要

本集團過去五年之業績及資產負債概要載於本年報第5頁。

主要客戶及供應商

截至二零一三年十二月三十一日止年度，本集團對五大客戶及最大客戶之銷售額分別佔本集團年度總營業額之62.0%及17.2%。

截至二零一三年十二月三十一日止年度，本集團對五大供應商及最大供應商之購貨額分別佔本集團年度購貨總額之74.9%及29.7%。

董事或彼等之任何聯繫人士或任何據董事所知擁有本公司已發行股本5%以上之股東概無於五大供應商或客戶中擁有任何權益。

除了在綜合財務報表附註39b披露的信貸風險評估外，本集團重新檢視了與有逾期結餘的客戶之業務合作。此外，本集團已密切監察前述逾期債項的期後還款金額，約93%的年終已逾期但未減值之應收賬款已由客戶主要以現金清償。就餘下的逾期結餘而言，本集團會遵從現行的信貸政策並採取適當的內部跟進程序，收回較長賬齡的應收結餘。

物業、廠房及設備

本集團物業、廠房及設備之變動詳情載於本年報綜合財務報表附註15。

本公司股份及股本上市

本公司股份已成功自二零一零年六月十一日起在聯交所主板上市。本公司於上市時已發行股份總數為1,000,000,000股。

本公司已發行股本於年內之變動詳情載於本年報綜合財務報表附註29。

購買、出售或贖回本公司上市證券

自上市日期以來，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

Directors' Report

董事會報告

RESERVES

Details of the movements during the year in the reserves of the Group are set out in the consolidated statement of changes in equity on page 58 of this annual report.

DISTRIBUTABLE RESERVES

Under the Companies Law of the Cayman Islands, all reserves (including share premium and retained earnings) of the Company may be applied for payment of distributions or dividends to shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business. At 31 December, 2013, distributable reserves of the Company amounted to approximately RMB1,734,509,000.

BANK AND OTHER BORROWINGS

Details of bank and other borrowings of the Group as at 31 December, 2013 are set out in notes 25 to 27 to the consolidated financial statements of this annual report.

CONTINGENT LIABILITIES AND COMMITMENTS

Details of the commitments and contingent liabilities of the Group are set out in note 35 and 37 to the consolidated financial statements of this annual report.

SUBSEQUENT EVENTS

The Group had no significant events after the balance sheet date.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

Executive Directors

Mr. Liu Qingping	(appointed on 21 May 2009)
Mr. Li Dengxiang	(appointed on 18 November 2009)
Ms. Qi Tongli	(appointed on 21 May 2009)
Mr. Liu Chunwei	(appointed on 18 November 2009 and resigned on 25 September 2013)
Mr. Zou Shengzhong	(appointed on 18 November 2009)

Independent Non-executive Directors

Mr. Chan Kin Sang	(appointed on 18 November 2009)
Mr. Li Yuchun	(appointed on 18 November 2009)
Mr. Dai Shunlin	(appointed on 18 November 2009)

Biographical details of the Directors and senior management are set out in the section headed "Biographical Details of Directors and Senior Management" in this annual report.

儲備

本集團於年內之儲備變動詳情載於本年報第58頁之綜合權益變動表。

可供分派儲備

根據開曼群島公司法，本公司所有儲備（包括股份溢價及保留盈利）可用於向股東派付分派或股息，惟於緊隨建議派付分派或股息日期後，本公司必須能夠於日常業務過程中債務到期時支付有關債務。於二零一三年十二月三十一日，本公司之可供分派儲備約為人民幣1,734,509,000元。

銀行及其他借貸

本集團於二零一三年十二月三十一日之銀行及其他借貸詳情載於本年報綜合財務報表附註25至27。

或然負債及承擔

本集團承擔及或然負債之詳情載於本年報綜合財務報表附註35及37。

結算日後事項

本集團於結算日後並無重大事項。

董事及董事之服務合約

年內及截至本年報日期之董事如下：

執行董事

劉慶平先生	（於二零零九年五月二十一日獲委任）
李登祥先生	（於二零零九年十一月十八日獲委任）
冼同麗女士	（於二零零九年五月二十一日獲委任）
劉純衛先生	（於二零零九年十一月十八日獲委任及於二零一三年九月二十五日辭任）
鄒生忠先生	（於二零零九年十一月十八日獲委任）

獨立非執行董事

陳健生先生	（於二零零九年十一月十八日獲委任）
李玉春先生	（於二零零九年十一月十八日獲委任）
戴順林先生	（於二零零九年十一月十八日獲委任）

董事及高級管理層之履歷詳情載於本年報「董事及高級管理層履歷」一節。

Directors' Report

董事會報告

Each of the Executive Directors and independent non-executive Directors has entered into a service contract with the Company for a term of three years commencing from the Listing Date, subject to termination by either party giving the other not less than 3 months' prior written notice or such shorter period as both parties may agree.

In accordance with the articles of association of the Company, one-third of the Directors or, if the number is not three or a multiple of three, then the number nearest to but not less than one-third, will retire from office by rotation and every Directors shall be subject to retirement at an Annual General Meeting ("AGM") at least once every three years. The Directors to retire every year will be those who have been longest in office since their last re-election or appointment. Accordingly, Ms. Qi Tongli, Mr. Li Yuchun and Mr. Dai Shunlin shall retire by rotation at the AGM. All the retiring Directors are eligible for re-election.

None of the Directors proposed for re-election at the forthcoming AGM of the Company has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

REMUNERATION OF THE DIRECTORS

The remuneration of the Directors is determined by the Remuneration Committee with reference to the duties, responsibilities, performance of the Directors and the results of the Group.

Details of the remuneration of the Directors are set out in note 12 to the consolidated financial statements of this annual report.

The emoluments paid to the senior management (excluding the Directors) during the year ended 31 December, 2013 were within the following bands:

各執行董事及各獨立非執行董事均已經與本公司訂立服務合約，由上市日期起為期三年，惟任何一方可向另一方發出不少於三個月（或雙方協定之較短時期）之事先書面通知而終止。

按照本公司組織章程細則，三分之一董事（或倘人數並非三或三之倍數，則為最接近但不少於三分之一之數目）須輪席退任，而各董事須最少每三年於股東週年大會（「股東週年大會」）上輪席退任一次。每年須退任之董事將為自其最近獲重選或委任以來在任最長時間之董事。因此，冚同麗女士、李玉春先生及戴順林先生將在股東週年大會上輪席退任。所有退任董事均合乎資格膺選連任。

擬於本公司應屆股東週年大會上膺選連任之董事概無與本公司或其任何附屬公司訂立於一年內不付賠償（法定賠償除外）則不可由本集團終止之服務合約。

董事薪酬

董事薪酬乃由薪酬委員會參考董事之職務、責任、表現及本集團業績而釐定。

董事薪酬詳情載於本年報綜合財務報表附註12。

於截至二零一三年十二月三十一日止年度，已付高級管理層（董事除外）之酬金介乎下列幅度：

		Number of Senior Management 高級管理層人數
RMB0 – 500,000	人民幣0元至人民幣500,000元	4
RMB500,001 – 1,000,000	人民幣500,001元至人民幣1,000,000元	1
RMB1,000,001 – 1,500,000	人民幣1,000,001元至人民幣1,500,000元	–
		<hr/> 5

Directors' Report

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 December, 2013 and the date of this annual report, the interests and short positions of the Directors and the Chief Executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules are as follows:

Long Position

(a) Long position – Interests in the Company

Name of director 董事姓名	Capacity 身份	Number of ordinary shares 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Mr. Liu Qingping (1) 劉慶平先生(1)	Interest in controlled corporations 於受控制法團之權益	555,000,000	55.50%
	Beneficial owner 實益擁有人	16,234,000	1.62%

(1) Mr. Liu Qingping is deemed to be indirectly interested in 555,000,000 Shares, ie. 55.5% of the issued capital of the Company, through his direct interests in Harvest Sun Enterprises Limited and Fu Sun Development Limited under the SFO.

董事及行政總裁於本公司股份、相關股份及債券之權益及淡倉

於二零一三年十二月三十一日及本年報日期，本公司董事及行政總裁於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有記錄於根據證券及期貨條例第352條須予備存之登記冊，或根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）知會本公司及聯交所之權益及淡倉如下：

好倉

(a) 好倉 – 於本公司之權益

(1) 根據證券及期貨條例，劉慶平先生被視作透過其於富盈企業有限公司及富生發展有限公司之直接權益間接於555,000,000股股份（即本公司已發行股本55.5%）中擁有權益。

Directors' Report

董事會報告

(b) Long position – Interests in an associated corporation

(b) 好倉 – 於相聯法團之權益

Name of director	Associated corporation	Type of interests	Approximate percentage of holding of the total share capital of the associated corporation 持有相聯法團全部股本概約百分比
董事姓名	相聯法團	權益類別	
Mr. Li Dengxiang 李登祥先生	Harvest Sun Enterprises Limited 富盈企業有限公司	Beneficial owner 實益擁有人	14.60%
Mr. Liu Chunwei 劉純衛先生	Harvest Sun Enterprises Limited 富盈企業有限公司	Beneficial owner 實益擁有人	8.60%
Ms. Qi Tongli 齊同麗女士	Harvest Sun Enterprises Limited 富盈企業有限公司	Beneficial owner 實益擁有人	13.20%
Mr. Zou Shengzhong 鄒生忠先生	Harvest Sun Enterprises Limited 富盈企業有限公司	Beneficial owner 實益擁有人	7.50%

Save as disclosed above, as at the date of this annual report, none of the Directors and Chief Executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於本年報日期，本公司董事及行政總裁概無於本公司及其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有任何記錄於根據證券及期貨條例第352條須予備存之登記冊，或根據標準守則須知會本公司及聯交所之權益或淡倉。

Directors' Report

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December, 2013, to the best knowledge of the Directors, the following person (other than a Director and Chief Executive of the Company) who had interests or short positions in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

主要股東於股份、相關股份及債券之權益及淡倉

於二零一三年十二月三十一日，就董事所知，以下人士（不包括本公司董事及行政總裁）於本公司之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第2及第3分部之規定須向本公司披露，或記錄於本公司根據證券及期貨條例第336條須予備存之權益登記冊之權益或淡倉如下：

Name	Capacity	Number of ordinary shares	Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
姓名／名稱	身份	普通股數目	
Harvest Sun Enterprises Limited (1) 富盈企業有限公司(1)	Registered and beneficial owner, beneficiary of a trust 登記及實益擁有人、信託受益人	555,000,000	55.50%
Fu Sun Development Limited (2) 富生發展有限公司(2)	Registered and beneficial owner 登記及實益擁有人	75,000,000	7.50%
Mr. Liu Qingping (3) 劉慶平先生(3)	Interest in controlled corporation and beneficial owner 於受控制法團之權益及實益擁有人	571,234,000	57.12%
Superior Delight Limited (4) 佳喜有限公司(4)	Registered and beneficial owner 登記及實益擁有人	170,768,000	17.08%
Mr. Huang Quan 黃全先生	Interest in a controlled corporation 於受控制法團之權益	170,768,000	17.08%

(1) Harvest Sun Enterprises Limited is owned as to 48.60% by Mr. Liu Qingping and therefore, Mr. Liu Qingping is deemed to be interested in 480,000,000 Shares held directly by Harvest Sun Enterprises Limited.

(1) 富盈企業有限公司由劉慶平先生擁有48.60%之權益，因此，劉慶平先生被視作於富盈企業有限公司直接持有之480,000,000股股份中擁有權益。

(2) Fu Sun Development Limited is wholly-owned by Mr. Liu Qingping and therefore Mr. Liu Qingping is deemed to be interested in 75,000,000 Shares held by Fu Sun Development Limited under the SFO.

(2) 富生發展有限公司由劉慶平先生全資擁有，因此，根據證券及期貨條例，劉慶平先生被視作於富生發展有限公司持有之75,000,000股股份中擁有權益。

(3) Mr. Liu Qingping is deemed to be indirectly interested in 555,000,000 Shares, ie. 55.50% of the issued capital of the Company through his direct interests in Harvest Sun Enterprises Limited under the SFO. Mr. Liu Qingping owns 16,234,000 Shares, ie. 1.62% on his personal interests.

(3) 根據證券及期貨條例，劉慶平先生被視作透過其於富盈企業有限公司之直接權益間接於555,000,000股股份（即本公司已發行股本55.50%）中擁有權益。劉慶平先生於16,234,000股股份（即1.62%）中擁有個人權益。

(4) Superior Delight Limited is wholly-owned by Mr. Huang Quan and Mr. Huang Quan is therefore deemed to be interested in 170,768,000 Shares held by Superior Delight Limited under the SFO.

(4) 佳喜有限公司由黃全先生全資擁有，因此，根據證券及期貨條例，黃全先生被視作於佳喜有限公司持有之170,768,000股股份中擁有權益。

Directors' Report

董事會報告

Save as disclosed above, as at 31 December, 2013, no person, other than the Directors and Chief Executives of the Company whose interests are set out in the section "Directors' and Chief Executive's Interests And Short Positions In Shares, Underlying Shares And Debentures" above, had any interest or short positions in the shares, underlying shares or debentures of the Company which are required to be notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

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

No contracts of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder of the Company or any of its subsidiaries subsisted at the end of year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year and up to the date of this annual report, none of the Directors has interests in any business which directly or indirectly competes, or is likely to compete with the business of the Group.

INDEPENDENCE OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of its independent non-executive Directors the confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and the Board considers the independent non-executive Directors to be independent.

ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company, or any of its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

SHARE OPTION SCHEME

The Company does not have any share option scheme.

除上文所披露者外，於二零一三年十二月三十一日，概無人士（不包括已於上文「董事及行政總裁於股份、相關股份及債券之權益及淡倉」一節載列權益之本公司董事及行政總裁）於本公司之股份、相關股份或債券中擁有任何根據證券及期貨條例第XV部第2及第3分部之規定須知會本公司及聯交所，或記錄於本公司根據證券及期貨條例第336條須予備存之權益登記冊之權益或淡倉。

董事於重大合約之權益

於本年度結束時或本年度內任何時間，並不存在本公司或其附屬公司參與訂立且董事直接或間接擁有當中重大權益而與本集團業務有關之重大合約。

於本年度結束時或本年度內任何時間，並不存在涉及本公司或其任何附屬公司控股股東向本公司或其任何附屬公司提供服務之重大合約。

董事於競爭業務之權益

年內及截至本年報日期，概無董事在任何與本集團業務直接或間接競爭或可能競爭之任何業務中擁有權益。

獨立非執行董事之獨立性

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之獨立身份確認書，而董事會認為獨立非執行董事均為獨立人士。

購買股份或債券之安排

年內本公司或其任何附屬公司概無訂立任何安排，致使本公司董事可以透過收購本公司或任何其他法團之股份或債券而獲得利益。

購股權計劃

本公司並無任何購股權計劃。

Directors' Report

董事會報告

MANAGEMENT CONTRACTS

The Company has not entered into any contract with any individual, firm or body corporate to manage or administer the whole or any substantial part of any business of the Company during the year.

REMUNERATION POLICY

The Group mainly determines staff remuneration in accordance with the qualification, years of experience, performance of individual employee and the salary trend in PRC and will be reviewed regularly.

RETIREMENT BENEFITS SCHEME

Particulars of the retirement benefits scheme of the Group are set out in note 32 to the consolidated financial statements of this annual report.

PRE-EMPTIVE RIGHTS

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

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Company has maintained sufficient public float as required under the Listing Rules since the Listing Date and up to the date of this annual report.

AUDITORS

During the year ended 31 December 2013, Messrs. Deloitte Touche Tohmatsu resigned as auditor of the Group and Baker Tilly Hong Kong Limited was appointed as auditor of the Group to fill the casual vacancy to hold office until the conclusion of the forthcoming Annual General Meeting.

The financial statements for the year were audited by Baker Tilly Hong Kong Limited who will retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

On behalf of the Board
Liu Qingping
Chairman
Hong Kong, 31 March, 2014

管理合約

本公司於年內概無與任何個人、商號或法團訂立任何合約以管理或處理本公司任何業務之全部或任何重大部分。

薪酬政策

本集團主要根據個別僱員資歷、年資及表現以及中國之薪金趨勢釐定員工薪酬，並會定期檢討。

退休福利計劃

本集團退休福利計劃詳情載於本年報綜合財務報表附註32。

優先購買權

本公司組織章程細則或本公司註冊成立所在開曼群島之公司法並無優先購買權條文。

充足公眾持股量

基於本公司可掌握之公開資料及就董事所知，自上市日期起至本年報日期止，本公司已維持上市規則規定之充足公眾持股量。

核數師

截至二零一三年十二月三十一日止年度，德勤•關黃陳方會計師行辭任本集團核數師及天職香港會計師事務所有限公司被委任為本集團核數師以填補由此產生之空缺，直至應屆股東週年大會結束為止。

本年度之財務報表由天職香港會計師事務所有限公司審核，彼將在即將舉行之股東週年大會任滿告退，惟合資格並願意膺選再獲委任。

代表董事會
主席
劉慶平
香港，二零一四年三月三十一日

Corporate Governance Report

企業管治報告

THE CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions in the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) as its own code of corporate governance. The directors of the Company (the “Directors”) consider that the Company has complied with all the code provisions as set out in the CG Code throughout the financial year and up to the date of this annual report.

The Directors are committed to upholding the corporate governance of the Company to ensure that formal and transparent procedures are in place to protect and maximize the interests of the shareholders of the Company.

This report outlines the principles and the corporate governance practices adopted and observed by the Company throughout the financial year and up to the date of this annual report (the “Period Under Review”).

MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Directors’ Securities Transactions (the “Model Code”) as set out in Appendix 10 of the Listing Rules as its code of conduct regarding directors’ securities transactions. Directors are reminded of their obligations under the Model Code on a regular basis. Following specific enquiry by the Company, all Directors have confirmed that they have complied with the required standard set out in the Model Code throughout the Period Under Review.

企業管治常規

本公司已採納香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載之企業管治守則（「企管守則」）之守則條文，作為其本身之企業管治守則。本公司董事（「董事」）認為，於整個財政年度及截至本年報日期為止，本公司一直遵守企管守則所載之全部守則條文。

董事致力維持本公司之企業管治，以確保具有正式及具透明度之程序保障及謀求本公司股東之最大利益。

本報告羅列本公司於整個財政年度及截至本年報日期（「回顧期間」）為止所採納及遵守之原則及企業管治常規。

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載董事進行證券交易的標準守則（「標準守則」），作為其董事進行證券交易之行為守則。董事定期會獲提醒彼等於標準守則下之責任。經本公司作出具體查詢後，全體董事確認，彼等於整個回顧期間一直遵守標準守則所載之規定標準。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS

Functions of the Board

The principal function of the Board is to consider and approve strategies, financial objectives, annual budget and investment proposals of the Group and to assume the responsibilities of corporate governance of the Group. The Board delegates the authority and responsibility for implementing day-to-day operations, business strategies and management of the Group's businesses to the executive Directors, senior management and certain specific responsibilities to the Board committees.

Board Composition

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 executive Directors and independent non-executive Directors bring a variety of experiences and expertise to the Company.

As at 31 December, 2013 and at the date of this annual report, the Board comprises four executive Directors and three independent non-executive Directors. The composition of the Board are as follows:

Executive Directors

Mr. Liu Qingping (*Chairman*)
Mr. Li Dengxiang
Ms. Qi Tongli
Mr. Zou Shengzhong (*Chief Executive Officer*)

Independent Non-executive Directors

Mr. Chan Kin Sang
Mr. Li Yuchun
Mr. Dai Shunlin

The biographical details of all Directors are set out on pages 24 to 28 of this annual report. Save as disclosed in this annual report, none of the Directors has any other financial, business, family or other material or relevant relationships among members of the Board.

Each of the executive Directors of the Company entered into a service contract with the Company for an initial term of three years commencing from the date of the Listing and may only be terminated in accordance with the provisions of the service contract after the first year of service of the Director by either party giving to the other not less than three months' prior notice in writing.

董事會

董事會職能

董事會之主要職能為考慮及批准本集團之各項策略、財務目標、年度預算及投資建議，以及承擔本集團企業管治之責任。董事會將執行日常營運、推行商業策略及管理本集團業務之權力及責任授予執行董事及高級管理人員，並將若干特定責任下放予各董事會委員會。

董事會組成

董事會結構平衡，每名董事均具備與本集團業務有關之廣博行業知識、豐富企業及策略規劃經驗及／或專業知識。執行董事及獨立非執行董事為本公司帶來了各種各樣之經驗及專業知識。

於二零一三年十二月三十一日及本年報日期，董事會由四名執行董事及三名獨立非執行董事組成。董事會成員如下：

執行董事

劉慶平先生 (*主席*)
李登祥先生
亓同麗女士
鄒生忠先生 (*行政總裁*)

獨立非執行董事

陳健生先生
李玉春先生
戴順林先生

全體董事之履歷詳情載於本年報第24至28頁。除本年報所披露者外，董事與董事會成員之間概無任何其他財務、業務、家族或其他重大或相關關係。

本公司各執行董事已與本公司訂立服務合約，任期自上市日期起計初步為期三年。服務合約於董事第一年任期屆滿，並由任何一方透過向另一方發出不少於三個月之事先書面通知後，方可根據服務合約條文予以終止。

Corporate Governance Report

企業管治報告

The Company has issued an appointment letter to each of the non-executive Directors and Independent non-executive Directors of the Company for a term of three years commencing from the date of the Listing unless terminated by either party giving to the other not less than two months prior notice in writing.

Chairman and Chief Executive Officer

CG Code provision A.2.1 stipulates that the roles of chairman and chief executive officer should not be performed by the same individual. To ensure a balance of power and authority, the Company has appointed Mr. Liu Qingping as Chairman and Mr. Zou Shengzhong as Chief Executive Officer. Mr. Liu Qingping and Mr. Zou Shengzhong are both founders of the Group and possess rich knowledge and experience of the textile industry. The Chairman is responsible for the leadership and effective running of the Board and ensuring that all material issues are discussed by the Board in a timely and constructive manner. The Chief Executive Officer is responsible for the management of the day-to-day operations of the Group's business and the implementation of the approved strategies of the Group. In addition, each executive Director is responsible for the management of the different functions of the business of the Group.

Independent Non-executive Directors

In compliance with Rule 3.10(1) of the Listing Rules, the Company has appointed three independent non-executive Directors representing more than one-third of the Board. Among the three independent non-executive Directors, one of the independent non-executive Director, Mr. Li Yuchun has appropriate related financial management expertise as required by Rule 3.10(2) of the Listing Rules. The Company has received from each of its independent non-executive Directors the written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Board, based on such confirmation, considers all independent non-executive Directors independent.

Appointment and Re-election of Directors

Each of the Executive Directors and independent non-executive Directors has entered into a service contract with the Company for a term of three years commencing from the date of the Listing, subject to termination by either party giving the other not less than 3 months' prior written notice or such shorter period as both parties may agree. In accordance with the articles of association of the Company, one-third of the Directors or, if the number is not three or a multiple of three, then the number nearest to but not less than one-third, will retire from office by rotation and every Directors shall be subject to retirement at an annual general meeting at least once every three years. The Directors to retire every year will be those who have been longest in office since their last re-election or appointment.

本公司已向本公司每名非執行董事及獨立非執行董事發出委聘書，除非任何一方向另一方發出不少於兩個月之事先書面通知予以終止，否則任期自上市日期起計初步為期三年。

主席及行政總裁

企管守則第A.2.1條規定，主席及行政總裁之職務不應由同一人兼任。為確保權力及授權之平衡，本公司已委任劉慶平先生為主席及委任鄒生忠先生為行政總裁。劉慶平先生及鄒生忠先生均為本集團創始人，於紡織業擁有豐富知識及經驗。主席負責領導董事會及其有效運作，並確保董事會能適時地以有建設性之方式商討所有重大議題。行政總裁負責本集團業務之日常營運管理及推行本集團經批准之策略。此外，各執行董事負責管理本集團業務之不同職能。

獨立非執行董事

遵照上市規則第3.10(1)條之規定，本公司已委任三名獨立非執行董事，佔董事會人數超過三分之一。在該三名獨立非執行董事中，有一名（李玉春先生）具備上市規則第3.10(2)條所規定之合適相關財務管理專業知識。本公司已收到各獨立非執行董事根據上市規則第3.13條所發出有關其獨立身份之確認書。董事會基於此等確認書，視全體獨立非執行董事為獨立人士。

董事之委任及連任

各執行董事及各獨立非執行董事均與本公司訂立服務合約，任期由上市日期起計為期三年，惟任何一方可向另一方發出不少於三個月（或雙方協定之較短時期）之事先書面通知予以終止。按本公司組織章程細則之規定，董事人數之三分之一（或倘董事人數並非三或三之倍數，則為最接近但不少於三分之一之人數）必須輪席退任，而每名董事須最少每三年在股東週年大會上退任一次。每年須退任之董事為自上次重選或委任後任期最長之董事。

Corporate Governance Report

企業管治報告

Board Meetings and Board Practices

The Company adopted the practice of holding Board meetings for executive Directors regularly throughout the year and at least four meetings a year for both executive and non-executive Directors. The Board will also meet on other occasions when a board-level decision on a particular matter is required. The company secretary of the Company (the "Company Secretary") will assist the Chairman to prepare the agenda of the meeting and each Director may request to include any matters in the agenda. Generally, at least 14 days notice would be given for the regular meeting by the Company. The Directors will receive details of agenda items for decision at least 3 days before each Board meeting. All Directors will be provided with sufficient resources to discharge their duties, and upon reasonable request, the Directors will be able to seek independent professional advice in appropriate circumstances, at the Company's expense. The Company Secretary is responsible for ensuring that the procedures of the Board meetings are observed and providing the Board with opinions on matters in relation to the compliance with the procedures of the Board meetings. All minutes of Board meetings were recorded in sufficient detail the matters considered by the Board and decisions reached.

During the Period Under Review, the Board convened 4 board meetings. Details of the attendance of Directors are as follows:

董事會會議及董事會常規

本公司已採納一項常規，執行董事於整個年度定期舉行董事會會議，而執行及非執行董事則每年最少舉行四次會議。每當須要董事會就某一事宜作決定時，董事會亦會於其他時間召開會議。本公司之公司秘書（「公司秘書」）將協助主席編製會議議程，而各董事均可要求將任何事宜加入議程之內。本公司一般於舉行常規會議前至少14日發出通告。董事將於舉行各董事會會議至少3日前收到詳細議程，以便作出決定。所有董事將獲得充分資源以履行其職責，並在合理要求下，可按合適情況尋求獨立專業意見，費用由本公司承擔。公司秘書負責確保各董事遵守董事會會議程序，並就遵守董事會會議程序之事宜向董事會提供意見。董事會會議之所有會議記錄，已詳細記錄董事會所考慮之事項及達致之決定。

於回顧期間內，董事會召開了4次董事會會議。各董事之出席詳情如下：

Name of Directors	董事姓名	No. of Board meetings attended/held 出席／舉行 董事會會議次數
Executive Directors		
Mr. Liu Qingping (<i>Chairman</i>)	劉慶平先生 (主席)	4/4
Mr. Li Dengxiang	李登祥先生	4/4
Ms. Qi Tongli	齊同麗女士	4/4
Mr. Liu Chunwei	劉純衛先生	2/2
Mr. Zou Shengzhong (<i>Chief Executive Officer</i>)	鄒生忠先生 (行政總裁)	4/4
Independent Non-executive Directors		
Mr. Chan Kin Sang	陳健生先生	4/4
Mr. Li Yuchun	李玉春先生	4/4
Mr. Dai Shunlin	戴順林先生	4/4

Corporate Governance Report

企業管治報告

CONTINUOUS TRAINING AND DEVELOPMENT

During the Period Under Review, Directors are provided with regular updates on the Company's performance, position and prospects to enable the board as a whole and each Director to discharge their duties. In addition, all Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company updates Directors on the latest development regarding the Listing Rules and other applicable regulatory requirements from time to time, to ensure compliance and enhance their awareness of good corporate governance practices.

COMPANY SECRETARY

Mr. Pang Wai Hong was appointed as the Company Secretary in 2009. His biographical details are set out in the section headed "Biographical Details of Directors and Senior Management" in the annual report. During the Period Under Review, Mr. Pang attended relevant professional training for not less than 15 hours pursuant to new Rule 3.29 of the Listing Rules.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE AND INDEMNITY

The Company has arranged appropriate liability insurance to indemnify its Directors and officers in respect of legal actions against the Directors. Throughout the Period Under Review, no claim had been made against the Directors and the officers of the Company.

BOARD COMMITTEES

Audit Committee

Composition

The Audit Committee of the Company comprises three members, all are independent non-executive Directors, namely Mr. Li Yuchun (Chairman), Mr. Chan Kin Sang and Mr. Dai Shunlin. The primary duties of the Audit Committee are:

- (a) to consider and make recommendation to the Board on (i) the appointment, reappointment and removal of the external auditor; (ii) the audit fee and the terms of engagement of the external auditor; and (iii) any questions of resignation or dismissal of that auditor, taking into account the quality and rigour of the audit, the quality of the audit service provided, the auditing firm's quality control procedures, relationships between the external auditors and the Company, and the independence of the auditors. The external auditors appointed by the Company shall be approved by the Shareholders at the AGM;

持續培訓及發展

於回顧期間，董事定期獲提供有關本公司表現、狀況及前景之最新資料，以便董事會整體及個別董事履行其職責。此外，全體董事獲鼓勵參與持續專業發展，將其知識及技能溫故知新。本公司按照上市規則及其他適用監管規定不時向董事提供有關最新發展資料，確保合規及提高董事對良好企業管治常規之認知。

公司秘書

彭偉康先生於二零零九年獲委任為公司秘書，其履歷詳情載於年報「董事及高級管理層履歷」一節。於回顧期間，彭先生已根據上市規則新第3.29條出席不少於15小時之相關專業培訓。

董事及高級職員之責任保險及彌償保證

本公司已安排適當責任保險，以就針對董事之法律訴訟向董事及高級職員作出彌償保證。於回顧期間，並無任何人士向本公司董事及高級職員提出索償。

董事會委員會

審核委員會

組成

本公司之審核委員會由三名成員組成，分別為李玉春先生（主席）、陳健生先生及戴順林先生，彼等均為獨立非執行董事。審核委員會之主要職責如下：

- (a) 就下述事項作出考慮及向董事會提出推薦：
(i)外部核數師的委任、續聘及罷免；(ii)外部核數師的審核費及聘用條款及(iii)有關該核數師請辭或罷免的任何事宜，考慮因素包括審核的品質及嚴格程度、所提供審核服務的品質、審核機構的品質控制程式、外部核數師與本公司的關係、以及核數師的獨立性等。本公司委任的外部核數師須獲股東在股東周年大會上批准；

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- (b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards issued from time to time by the Hong Kong Institute of Certified Public Accountants, to discuss with the external auditor before the audit commences, the nature and scope of the audit and reporting obligations, and to ensure co-ordination where more than one audit firm is involved;
 - (c) to develop and implement policy on engaging external auditor (which includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing of all relevant information would reasonably conclude to be part of the audit firm nationally or internationally) to supply non-audit services, to report to the board, identifying and making recommendations on any matters where action or improvement is needed;
 - (d) to act as the principal representative of the Company with the external auditor and to monitor the relationship between the Company and the external auditor
 - (e) to monitor integrity of financial statements of the Company and the Company's annual report and accounts, interim report and quarterly financial highlights (or quarterly reports if prepared for publication), and to review significant financial reporting judgments contained in them. In reviewing these reports before submission to the Board, focusing particularly on:
 - (i) any changes in accounting policies and practices;
 - (ii) major judgmental areas;
 - (iii) significant adjustments resulting from the audit;
 - (iv) the going concern assumption and any qualification;
 - (v) compliance with accounting standards, and
 - (vi) compliance with stock exchange and legal requirements;
- (b) 按照香港會計師公會不時頒佈的適用標準，審議及監查外部核數師的獨立性與客觀性及審核程式的有效性；在開始審核前與外部核數師討論審核的性質與範圍及申報責任，若聘用超過一家核數師事務所，則負責協調各方；
 - (c) 擬定與實施外部核數師（包括與核數師事務所由同一機構控制、擁有或管理的任何實體，或一位元掌握一切有關資料的合理知情第三方會合理地認為在全國或國際範圍內屬於該核數師事務所一部分的任何實體）聘用政策，以提供非審核服務、查找其認為須採取行動或改善措施的任何事宜，向董事會作出彙報並提出建議；
 - (d) 擔任本公司與外部核數師之間的主要代表，負責監察二者之間的關係；
 - (e) 監查本公司財務報表及本公司年報與年度賬目、中期報告及季度財務摘要（或季度報告，如擬刊發），並審閱報表及報告所載有關財務申報的重大意見。委員會在向董事會提交有關報表及報告前，應特別審議以下各項：
 - (i) 會計政策與應用的任何變更；
 - (ii) 需作判斷的主要領域；
 - (iii) 因審核而作出的重大調整；
 - (iv) 持續經營假設及任何保留意見；
 - (v) 遵行會計準則；及
 - (vi) 遵行交易所及法律要求；

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- (f) in conducting the review described in (d) above, members of the Committee:
- (i) should liaise with the Board and Senior Management and meet with the auditors at least twice a year; and
 - (ii) consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts and must give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer(s) or auditors;
- (g) to review the Company's financial controls, internal control and risk management systems;
- (h) to discuss the internal control system with management to ensure that management has performed its duty to have an effective internal control system. The discussion should include the adequacy of resources, staff qualifications and experience, training programme and budget of the Company's accounting and financial reporting function;
- (i) to consider major investigation findings on internal control matter as delegated by the board or on its own initiative and management's response to these findings;
- (j) to review the Company's statement on its internal control systems (where one is included in the annual report) prior to endorsement by the Board;
- (f) 成員進行上文(d)所述審議時：
- (i) 應與董事會及高層管理人員保持聯繫，及每年最少與核數師會晤兩次；及
 - (ii) 考慮報告與賬目所反映或可能需要反映的任何重大或不尋常事宜，並且必須對本公司屬下會計及財務彙報職員、審查主任或核數師提出的任何事項作適當考慮；
- (g) 檢討本公司的財務監控、內部監控及風險管理系統；
- (h) 與管理層討論內部監控系統，確保管理層已履行責任，實施有效的內部監控系統，討論內容應包括本公司在會計及財務彙報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算又是否充足；
- (i) 主動或應董事會的委派，就有關內部監控事宜的重要調查結果及管理層對調查結果的回應進行研究；
- (j) 在董事會確認前，審議本公司的內部監控系統聲明（將載於年報內）；

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- (k) to review and monitor the effectiveness of the internal audit programme, ensure co-ordination between the internal and external auditors, and ensure that the internal audit function is adequately resourced and has appropriate standing within the Company;
 - (l) to consider any findings of major investigations of internal control matters as delegated by the Board or on its own initiative and management's response;
 - (m) to review the Company's financial and accounting policies and practices;
 - (n) to review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response;
 - (o) to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;
 - (p) to report to the Board on the matters set out in paragraph C.3.3 of the CG Code (as amended from time to time);
 - (q) to review the following matters set up by the Company: employees of the Company can report any irregularities, on a confidential basis, identified in relation to financial reporting, internal control and other matters. The Committee should ensure that the Company has appropriate arrangement to ensure that any reported matters will be investigated on a fair and independent basis and appropriate actions will be taken; and
 - (r) to consider other topics, as defined by the Board.
- (k) 審議及監察內部審核計畫的有效性，確保內部核數師與外部核數師的協調，確保內部審核職能獲提供充分資源運作，並且有適當的地位以及檢討及監控其成效；
 - (l) 考慮董事會授權或委員會自行作出的有關內部監控事宜的內部調查主要結果，以及考慮管理層的回應；
 - (m) 檢討本公司的財務及會計政策與準則；
 - (n) 檢查外聘核數師給予管理層的「審核情況說明函件」、核數師就會計紀錄、財務賬目或監控系統向管理層提出的任何重大疑問及管理層作出的回應；
 - (o) 確保董事會對外部核數師的「審核情況說明函件」提出的事宜，作出及時回應；
 - (p) 就企業管治守則（以最新修訂版為準）第C.3.3段所述事項，向董事會作出彙報；
 - (q) 檢討本公司設定的以下安排：本公司雇員可暗中就財務彙報、內部監控或其他方面可能發生的不正當行為提出關注。委員會應確保有適當安排，讓本公司對此等事宜作出公平獨立的調查及採取適當行動；及
 - (r) 考慮及研究董事會所界定的其他事項。

The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended 31 December, 2013 and the unaudited interim financial report for the six months ended 30 June, 2013, including the accounting principles and practice adopted by the Group.

審核委員會已審閱本集團截至二零一三年十二月三十一日止年度之經審核綜合財務報表及截至二零一三年六月三十日止六個月之未經審核中期財務報告，包括本集團所採納之會計原則及慣例。

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During the Period Under Review, the Audit Committee had performed their primary duties to review and supervise the financial reporting process and the internal control procedures of the Company and had also held meetings with the Company's auditors, Baker Tilly without the presence of executive Directors and management, to discuss the auditing, internal controls and financial reporting matters of the Company.

Details of the members' attendance of the Audit Committee meetings are as follows:

於回顧期間內，審核委員會已執行彼等之主要職務，檢討及監督本公司財務申報程序及內部監控程序，亦曾於執行董事及管理層缺席下與本公司核數師天職舉行多次會議，商討本公司之審核、內部監控及財務申報事宜。

審核委員會會議之成員出席詳情如下：

Name of Directors	董事姓名	No. of meetings attended/held 出席／舉行 會議次數
Independent Non-executive Directors	獨立非執行董事	
Mr. Chan Kin Sang	陳健生先生	4/4
Mr. Li Yuchun	李玉春先生	4/4
Mr. Dai Shunlin	戴順林先生	4/4

Remuneration Committee

薪酬委員會

Composition

組成

The Remuneration Committee of the Company comprises three members, namely Mr. Dai Shunlin (Chairman), Mr. Li Yuchun and Mr. Liu Qingping, the majority of which are independent non-executive Directors.

本公司之薪酬委員會由三名成員組成，分別為戴順林先生（主席）、李玉春先生及劉慶平先生，大多數成員均為獨立非執行董事。

The primary functions of the Remuneration Committee are:

薪酬委員會之主要職責如下：

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| <p>(a) to make recommendations to the Board on the Company's policy and structure of the remuneration of the Directors and the Senior Management and on the establishment of a formal and transparent procedure for developing remuneration policy;</p> | <p>(a) 就本公司董事及高層管理人員的薪酬政策及架構，及就制訂此等薪酬政策設立正規而具透明度的程式，向董事會作出推薦；</p> |
| <p>(b) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;</p> | <p>(b) 向董事會建議個別執行董事及高級管理人員的薪酬待遇，包括非金錢利益、退休金權利及賠償金額（包括喪失或終止職務或委任的賠償），並就非執行董事的薪酬向董事會提出建議；</p> |
| <p>(c) to make recommendations to the Board on the remuneration packages of individual executives, Directors and Senior Management;</p> | <p>(c) 回應董事會所訂企業方針及目標而檢討及批准薪酬建議；</p> |
| <p>(d) to review and approve the remuneration payable to the executive Directors and Senior Management in connection with any loss or termination of their office or appointment to ensure that such remuneration is determined in accordance with contractual terms and is otherwise fair and not excessive;</p> | <p>(d) 審議及批准向執行董事及高層管理人員支付與喪失或終止職務或委任有關的賠償，以確保該等賠償按有關合約條款厘定，若未能與合約條款一致，賠償亦須公平合理，不致過多；</p> |

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| <p>(e) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;</p> <p>(f) to ensure that no Director or any of his associates (as defined in the Listing Rules) is involved in deciding his own remuneration; and</p> <p>(g) with respect to any service contracts of Directors that require the Shareholders' approval under Rule 13.68 of the Listing Rules, to advise the Shareholders as to whether the terms are fair and reasonable, whether such contracts are in the interests of the Company and its Shareholders as a whole, and as to how to vote.</p> | <p>(e) 審議及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排與合約條款一致，以及賠償在其他方面合理及適當；</p> <p>(f) 確保任何董事或其任何聯繫人（按上市規則定義）不得參與厘訂他自己的薪酬；及</p> <p>(g) 就根據上市規則第13.68條規定須取得股東批准的任何董事服務合約的條款是否公平合理、合約是否符合本公司及股東整體利益，以及應如何進行表決，向股東提出建議。</p> |
|--|---|

The Remuneration Committee met once during the Period Under Review and had performed the following:

薪酬委員會於回顧期間內曾舉行一次會議，並已進行下列各項：

- | | |
|---|--|
| <p>(i) assessing individual performance of the Directors and Senior Officers of the Group;</p> <p>(ii) reviewing specific remuneration packages of the Directors and Senior Officers of the Group with reference to the Board's corporate goals and objectives as well as individual performances; and</p> <p>(iii) reviewing and making recommendations to the Board on compensation related issues.</p> | <p>(i) 評估本集團董事及高級職員之個別表現；</p> <p>(ii) 參照董事會之企業目標及目的以及個別表現，檢討本集團董事及高級職員之特定薪酬待遇；及</p> <p>(iii) 檢討有關薪酬相關問題，並向董事會提供建議。</p> |
|---|--|

Details of the members' attendance of the Remuneration Committee meetings are as follows:

薪酬委員會會議之成員出席詳情如下：

Name of Directors	董事姓名	No. of meetings attended/held 出席／舉行會議次數
Independent Non-executive Directors	獨立非執行董事	
Mr. Dai Shunlin	戴順林先生	1/1
Mr. Li Yuchun	李玉春先生	1/1
Executive Director	執行董事	
Mr. Liu Qingping	劉慶平先生	1/1

Remuneration of Directors

董事薪酬

The Company has adopted full disclosure of remunerations of Directors with disclosure by name, amount and type in note 12 to the financial statements.

本公司已採納全面披露董事薪酬，並於財務報表附註12按照彼等之姓名、金額及類別予以披露。

Nomination Committee

Composition

The Nomination Committee of the Company currently comprises three members, namely Mr. Chan Kin Sang (Chairman), Mr. Dai Shunlin and Mr. Liu Qingping, the majority of which are independent non-executive Directors.

Pursuant to the code provision A.5.6 of the CG Code, listed issuers are required to adopt a board diversity policy. The Company has adopted the Board Diversity Policy in March 2014. The policy sets out the approach to achieve diversity on the Board of the Company which include but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and regional experience. The Nomination Committee will review annually the structure, size and composition of the Board and where appropriate, make recommendations on changes to the Board that are relevant to the Company's business growth.

The primary function of the Nomination Committee are as follows:

- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) to identify individuals suitably qualified to become board members and select or make recommendations to the Board on the selection of individuals nominated for directorship;
- (c) to assess the independence of the INEDs, having regard to the requirements under the Listing Rules; and
- (d) to make recommendations to the Board on relevant matters relating to the appointment of Directors and succession planning for Directors in particular, the Chairman and the Managing Director.

All appointments of directors were nominated by the Nomination Committee based on considerations including vacancy available, competence and experience, possession of requisite skills and qualifications, independence and integrity.

The Nomination Committee met once during the Period Under Review and had performed the following:

- (a) reviewing and evaluating the composition of the Board with reference to certain criteria. These criteria included qualifications required under the Listing Rules or any other relevant laws regarding characteristics and skills of the Directors, professional ethics and integrity, appropriate professional knowledge and industry experience, as well as ability to devote sufficient time to the work of the Board and its committees and to participate in all Board meetings and shareholders' meetings;
- (b) reviewing and recommending the re-appointment of the retiring Directors for re-election at the previous general meeting; and
- (c) assessing independence of the Independent Non-Executive Directors.

提名委員會

組成

本公司之提名委員會目前由三名成員組成，分別為陳健生先生（主席）、戴順林先生及劉慶平先生，大多數成員均為獨立非執行董事。

根據企管守則之守則條文第A.5.6條，上市發行人須採納董事會成員多元化政策。本公司已於二零一四年三月採納董事會成員多元化政策。該政策載列達致本公司董事會成員多元化之方針，考慮因素包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識及地區經驗。提名委員會將每年檢討董事會之架構、大小及成員組合，並於適當時向董事會提供與本公司業務增長有關之變動之推薦建議。

提名委員會之主要職責如下：

- (a) 至少每年檢討董事會結構、人數及組成（包括技能、知識及經驗方面），並就任何為配合本公司的公司策略而擬對董事會作出的變動提出建議；
- (b) 物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
- (c) 參照上市規則的要求，評核獨立非執行董事的獨立性；及
- (d) 就董事的委任及董事繼任計畫（尤其是主席及董事總經理）的有關事宜，向董事會作出推薦。

所有董事之委任均由提名委員會根據職位空缺、候選人之能力及經驗、候選人是否具備必要技能及資格，以及候選人之獨立身份和行事持正等考慮因素而提名。

提名委員會於回顧期間內曾舉行一次會議，並已進行下列各項：

- (a) 參照若干準則檢討及評價董事會組成。該等準則包括上市規則或任何其他相關法例規定須具備的資格，包括董事個性及技能、專業操守及誠信、適合的專業知識及行業經驗、能否付出足夠時間參與董事會及其委員會之工作以及參與所有董事會會議及股東大會；
- (b) 檢討續聘於之前股東大會上膺選連任之退任董事，並提供建議；及
- (c) 評估獨立非執行董事之獨立性。

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Details of the members' attendance of the Nomination Committee meetings are as follows:

提名委員會會議之成員出席詳情如下：

Name of Directors	董事姓名	No. of meetings attended/held 出席／舉行 會議次數
Independent Non-executive Directors	獨立非執行董事	
Mr. Chan Kin Sang	陳健生先生	1/1
Mr. Dai Shunlin	戴順林先生	1/1
Executive Director	執行董事	
Mr. Liu Qingping	劉慶平先生	1/1

ACCOUNTABILITY AND AUDIT

Directors' and Auditors' Responsibilities for the Financial Statements

The Directors understand and acknowledge their responsibility for making sure that the financial statements for each financial year are prepared to reflect the true and fair view of the state of affairs, results and cash flow of the Group and in compliance with relevant law and disclosure provisions of the Listing Rules. In preparing the financial statements for the year ended 31 December, 2013, the Board has selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the financial statements on a going concern basis. The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. The Directors also warrant that the Group's financial statements will be published in a timely manner.

External Auditors

During the year ended 31 December 2013, Messrs. Deloitte Touche Tohmatsu resigned as auditor of the Group and Baker Tilly Hong Kong Limited was appointed as auditor of the Group to fill the casual vacancy to hold office until the conclusion of the forthcoming Annual General Meeting.

The financial statements for the year were audited by Baker Tilly Hong Kong Limited who will retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

問責及審核

董事及核數師對財務報表之責任

董事理解及知悉彼等有責任確保各財政年度之財務報表乃為真實而公允地反映本集團之營運狀況、業績與現金流量而編製，並須符合相關法例及上市規則之披露條文。編製截至二零一三年十二月三十一日止年度之財務報表時，董事會已選取適當會計政策並貫徹應用，作出審慎、公允而合理之判斷及估計，以及按持續經營基準編製財務報表。董事有責任採取一切合理而必須之措施保障本集團之資產，並且防止及偵察欺詐及其他不正常情況。董事亦保證本集團之財務報表將會適時刊發。

外聘核數師

截至二零一三年十二月三十一日止年度，德勤•關黃陳方會計師行辭任本集團核數師及天職香港會計師事務所有限公司被委任為本集團核數師以填補由此產生之空缺，直至應屆股東週年大會結束為止。

本年度之財務報表由天職香港會計師事務所有限公司審核，彼將在即將舉行之股東週年大會任滿告退，惟合資格並願意膺選再獲委任。

Corporate Governance Report

企業管治報告

During the financial year, the remuneration paid or payable to the Baker Tilly in respect of its audit and non-audit services is set out below:

於本財政年度內，就核數及非核數服務已付或應付天職之薪酬如下：

Types of Services	服務類別	RMB'000 人民幣千元
Current year	本年度	
Audit services	核數服務	1,233
Non-audit services	非核數服務	47

The above non-audit services include the professional advisory on taxation and the review of preliminary results announcement.

上述非核數服務包括有關稅務及審閱初步業績公告之專業顧問服務。

Internal Control

The Board has overall responsibility for maintaining a sound and effective internal control system of the Group. While no cost-effective internal control system can provide absolute assurance against loss or misstatement, the Group's internal controls and systems have been designed to provide reasonable assurance that assets are safeguarded, operational controls are in place, business risks are suitably protected, proper accounting records are maintained and financial information used within the business and for publication are reasonable and accurate.

內部監控

董事會對維持本集團穩健有效之內部監控制度負有整體責任。由於沒有一個具成本效益之內部監控制度可絕對保證不出現損失或錯誤陳述，本集團之內部監控及制度乃為可合理保證資產得到保障、營運控制到位、業務風險得到合適保護、會計記錄得到妥善存置，以及於業務與就登載所使用之財務資料乃合理及準確而設。

During the financial year, the Company has conducted a review of the effectiveness of the Group's internal control systems of major operating segment of the Company with the assistance of an independent professional accounting firm. At the meeting of the Audit Committee held on 31 March 2014, the independent professional accounting firm reported their review work for the year ended 31 December 2013 performed in accordance with the detailed risk-based internal control review plan which was approved by the Audit Committee. The Board, through the Audit Committee, has conducted a review of the effectiveness of the Group's internal control systems for the year ended 31 December 2013. The Audit Committee members, together with the senior management, have also reviewed, considered and discussed all findings relating to the internal control systems and recommendations for improvement.

於本財政年度內，本公司在一家獨立專業會計師行協助下，對本集團內部監控制度在本公司主要經營分部之效益進行了檢討。於審核委員會於二零一四年三月三十一日舉行之會議上，該獨立專業會計師行已就根據一份以風險為基礎所編製之詳盡內部控制評核計劃（經審核委員會批准）所進行截至二零一三年十二月三十一日止年度之評核工作，向審核委員會匯報。董事會已透過審核委員會檢討截至二零一三年十二月三十一日止年度本集團內部監控制度之有效性。審核委員會成員以及高級管理層亦已檢閱、考慮及討論對有關於內部監控制度之調查結果及改善之建議。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the following corporate governance duties as required under the Revised CG Code:

- (a) to develop and review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of the Directors and senior officers of the Group;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the codes of conduct applicable to employees and the Directors; and
- (e) to review the Company's compliance with the CG Code and the Revised CG Code and disclosure in this Corporate Governance Report.

During the Period Under Review, the Board considered the following corporate governance matters:

- (i) review of the compliance with the Model Code and disclosure in this Corporate Governance Report; and
- (ii) review of the effectiveness of the internal controls of the Group by the Audit Committee.

SHAREHOLDERS RIGHTS

Convening of extraordinary general meeting on requisition by shareholders

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

企業管治職能

董事會有責任根據經修訂企管守則履行下列企業管治職責：

- (a) 制定及檢討本公司之企業管治政策及常規；
- (b) 檢討及監察本集團董事及高級職員之培訓及持續專業發展；
- (c) 檢討及監察本公司遵守法定及監管規定之政策及慣例；
- (d) 制定、檢討及監察適用於僱員及董事之行為守則；及
- (e) 檢討本公司有否遵守企管守則及經修訂企業管治守則，以及審閱本企業管治報告中之披露資料。

於回顧期間，董事會已考慮以下企業管治事宜：

- (i) 檢討有否遵守標準守則及審閱本企業管治報告中之披露資料；及
- (ii) 透過審核委員會檢討本集團之內部監控成效。

股東權利

應股東要求召開股東特別大會

根據本公司組織章程細則第58條，任何一位或以上於遞呈要求日期持有不少於本公司實繳股本（附有本公司股東大會上投票權）十分之一的股東於任何時候有權透過向本公司董事會或秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明之任何事項；且該大會應於遞呈該要求後兩個月內舉行。倘遞呈後二十一日內，董事會未有召開該大會，則遞呈要求人士可自行以同樣方式召開大會，而遞呈要求人士因董事會未有召開大會而合理產生之所有開支應由本公司向遞呈要求人士作出償付。

Corporate Governance Report

企業管治報告

Procedures for putting forward proposals at general meetings by shareholders

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

As regards, proposing a person for election as a Director, please refer to the procedures available on the websites of the Company.

Procedures for directing shareholders' enquiries to the board

Shareholders may at any time send their enquiries and concerns to the Board in writing to the Company's principal place of business in Hong Kong at Room 911, 9/F., Block A, Hunghom Commercial Centre, 39 Ma Tau Wai Road, Hung Hom, Kowloon, Hong Kong.

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Board recognizes the importance of maintaining clear, timely and effective communication with Shareholders and investors. The Group is committed to ensure that the Shareholders and the investors receive accurate, clear, comprehensive and timely information of the Group by the publication of announcements, circulars, interim reports and annual reports. The Company also publishes all documents on the Company's website at www.taifeng.cc.

The Board believes that effective communication with the investment community is essential. The Board continues to maintain regular dialogues with the investment community to keep them abreast of the Group's business and development as well as operating strategy and prospects. The Annual General Meeting of the Company also provides a forum for dialogue and interaction with the Shareholders. The Directors and the committee members are available to answer questions during the Annual General Meeting.

股東於股東大會上提呈建議之程序

根據開曼群島公司法或本公司組織章程細則，並無允許股東於股東大會上動議新決議案之條文。有意動議一項決議案之股東可依照上一段所載之程序要求本公司召開股東大會。

有關提名一名人士參選董事之程序請參閱本公司網站。

向董事會發出股東查詢之程序

股東可於任何時間向董事會提出查詢及其關注事項，方法為以書面將有關查詢及事項送交本公司之香港主要營業地點，地址為香港九龍紅磡馬頭圍道39號紅磡商業中心A座9樓911室。

投資者關係及股東通訊

董事會認同與股東及投資者保持清晰、適時及有效溝通之重要性。本集團致力確保股東及投資者可從本公司刊發之公佈、通函、中期報告及年報中獲得本集團準確、清晰、完整及適時之資料。本公司亦在本公司網站www.taifeng.cc刊登全部文件。

董事會相信，與投資界有效溝通非常重要。董事會繼續與投資界保持定期對話，讓業界了解本集團之業務及發展最新情況以及經營策略及前景。本公司之股東週年大會亦提供了與股東對話及交流之平台。董事及各委員會成員會在股東週年大會上回答提問。

Independent Auditor's Report

獨立核數師報告



BAKER TILLY
HONG KONG LIMITED
CERTIFIED PUBLIC ACCOUNTANTS

天職香港會計師事務所有限公司

2nd Floor, 625 King's Road, North Point, Hong Kong
香港北角英皇道625號2樓

**To the shareholders of
China Taifeng Beddings Holdings Limited**
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of China Taifeng Beddings Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 55 to 128, which comprise the consolidated statement 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 the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

致中國泰豐床品控股有限公司之股東
(於開曼群島註冊成立之有限公司)

本核數師對第55頁至第128頁所載之中國泰豐床品控股有限公司(「貴公司」)及其附屬公司(合稱「貴集團」)的綜合財務報表進行了審核。綜合財務報表包括於二零一三年十二月三十一日的綜合財務狀況報表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則以及《香港公司條例》之規定編製及真實而公平地列報該等綜合財務報表。以就該等綜合財務報表作出真實而公平的反映及落實其認為編製綜合財務報表所必要的內部控制，以確保該等綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

本核數師的責任是根據本核數師的審核結果對該等綜合財務報表發表意見，並按照協定的委聘條款向整體股東作出報告，除此之外本報告別無其他目的。本核數師不會就本報告的內容向任何其他人士負責或承擔任何責任。

本核數師已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求本核數師遵守道德規範，並規劃及執行審核，以合理確定此等綜合財務報表是否不存在任何重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 December 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.

Baker Tilly Hong Kong Limited

Certified Public Accountants

Choi Kwong Yu

Practising Certificate Number P05071

Hong Kong, 31 March 2014

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報綜合財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的有效性發表意見。審核亦包括評價董事所採用的會計政策的恰當性及所作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

本核數師相信，本核數師所取得的審核憑證，足以充分地及適當地為本核數師的審核意見提供基礎。

意見

本核數師認為，有關綜合財務報表已按香港財務報告準則真實及公平地反映 貴集團於二零一三年十二月三十一日的財務狀況及 貴集團截至該日止年度的綜合溢利和現金流量，並已按照《香港公司條例》的披露規定妥善編製。

天職香港會計師事務所有限公司

執業會計師

蔡光裕

執業證書編號P05071

香港，二零一四年三月三十一日

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 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
Revenue	收益	6	2,147,618	2,401,049
Cost of sales	銷售成本		(1,520,030)	(1,451,579)
Gross profit	毛利		627,588	949,470
Other income	其他收入	7	10,120	6,921
Other gains and (losses)	其他收益及(虧損)	8	(30,372)	(9,770)
Distribution and selling expenses	分銷及銷售開支		(109,289)	(136,930)
Administrative expenses	行政開支		(35,718)	(31,185)
Impairment loss on an available-for-sale investment	一項可供出售投資之減值虧損		-	(4,452)
Finance costs	財務成本	9	(41,260)	(18,327)
Profit before taxation	除稅前溢利		421,069	755,727
Income tax expense	所得稅開支	10	(123,587)	(237,651)
Profit for the year	年內溢利	11	297,482	518,076
Other comprehensive (expense)/ income, net of tax	其他全面(開支)/收益, 稅後淨額			
Items that may be reclassified subsequently to profit or loss:	其後可重新分類至損益的項目:			
Fair value loss on an available-for-sale investment	一項可供出售投資之公平值虧損		-	(4,452)
Impairment loss on an available-for-sale investment	一項可供出售投資之減值虧損		-	4,452
			-	-
Total comprehensive income for the year	年內全面收益總額		297,482	518,076
Profit and total comprehensive income for the year attributable to owners of the Company	本公司擁有人應佔年內溢利及全面收益總額		297,482	518,076
Basic and diluted earnings per share (RMB)	每股基本及攤薄盈利(人民幣)	14	0.297	0.518
The notes on pages 61 to 128 form part of these consolidated financial statements.	第61至128頁之附註組成此等綜合財務報表之一部份。			
Dividends paid	股息已付	13	52,000	86,000
proposed	分派	13	-	52,000

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2013

於二零一三年十二月三十一日

			2013 二零一三年	2012 二零一二年 (Restated) (經重列)	2011 二零一一年
	Note 附註	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
NON-CURRENT ASSETS					
非流動資產					
Property, plant and equipment	物業·廠房及設備	15	425,228	470,717	515,950
Prepaid lease payments	預付租賃款項	16	6,925	7,103	7,280
Deposit paid for acquisition of land use rights and buildings	購入土地使用權及樓宇之已付按金	17	61,920	61,920	61,920
Trademark	商標	18	6,934	6,934	6,934
Deferred tax assets	遞延稅項資產	28	10,029	2,699	2,699
Available-for-sale investment	可供出售投資	19	6,614	6,614	11,066
Lease deposit	融資租賃按金		27,000	-	-
Deferred expenses	遞延支出	20	8,615	-	-
			553,265	555,987	605,849
CURRENT ASSETS					
流動資產					
Inventories	存貨	21	71,751	86,589	117,575
Trade and other receivables and prepayments	應收賬款及其他應收款項以及預付款項	22	1,465,179	1,076,697	635,972
Prepaid lease payments	預付租賃款項	16	178	178	179
Pledged bank deposits	已抵押銀行存款	23	12,400	72,965	46,761
Bank balances and cash	銀行結餘及現金	23	1,443,090	1,205,905	842,525
			2,992,598	2,442,334	1,643,012
CURRENT LIABILITIES					
流動負債					
Trade and other payables and accruals	應付賬款及其他應付款項以及應計費用	24	354,163	418,373	295,609
Tax payable	應付稅項		46,925	111,342	84,311
Amount due to a shareholder	應付一名股東款項	25	27,200	27,200	27,200
Bank borrowings	銀行借貸	26	428,100	316,100	163,810
Obligations under finance lease	融資租賃承擔	27	40,000	-	-
			896,388	873,015	570,930
NET CURRENT ASSETS	流動資產淨值		2,096,210	1,569,319	1,072,082
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		2,649,475	2,125,306	1,677,931

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2013

於二零一三年十二月三十一日

			2013 二零一三年	2012 二零一二年 (Restated) (經重列)	2011 二零一一年
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
NON-CURRENT LIABILITIES	非流動負債				
Obligations under finance lease	融資租賃承擔	27	270,000	-	-
Deferred tax liabilities	遞延稅項負債	28	55,118	46,431	31,132
			325,118	46,431	31,132
NET ASSETS	資產淨值		2,324,357	2,078,875	1,646,799
CAPITAL AND RESERVES	資本及儲備				
Share capital	股本	29	88,000	88,000	88,000
Reserves	儲備		2,236,357	1,990,875	1,558,799
TOTAL EQUITY	權益總額		2,324,357	2,078,875	1,646,799

The consolidated financial statements on pages 55 to 128 were approved and authorised for issue by the Board of Directors on 31 March 2014 and are signed on its behalf by:

第55至128頁之綜合財務報表已於二零一四年三月三十一日由董事會批准並授權刊發，並由以下人士代表董事會簽署：

Liu Qingping
劉慶平
Director
董事

Zou Shengzhong
鄒生忠
Director
董事

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

Attributable to owners of the Company

本公司擁有人應佔

	Share capital	Share premium	Merger reserve	Special reserve	Contributions from shareholders	Share-based payment reserve	PRC general reserve	Investment revaluation reserve	Capital reserve	Retained profits	Total
	股本	股份溢價	綜合儲備	特別儲備	股東注資	付款儲備	中國一般儲備	重估儲備	資本儲備	保留溢利	總計
	RMB'000	RMB'000	RMB'000	Special reserve (note 30) (附註30)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2012											
於二零一二年一月一日	88,000	342,054	180,000	977	13,289	17,476	161,584	-	34,763	808,656	1,646,799
Profit for the year											
年內溢利	-	-	-	-	-	-	-	-	-	518,076	518,076
Fair value loss on an available-for-sale investment											
一項可供出售投資之公平值虧損	-	-	-	-	-	-	-	(4,452)	-	-	(4,452)
Impairment loss on an available-for-sale investment											
一項可供出售投資之減值虧損	-	-	-	-	-	-	-	4,452	-	-	4,452
Total comprehensive income for the year											
年內全面收益總額	-	-	-	-	-	-	-	-	-	518,076	518,076
Transfer from/(to) reserves											
轉撥自/(至)撥備	-	-	-	-	-	-	61,430	-	-	(61,430)	-
Dividend recognised and paid as distribution (note 13)											
確認為分派及已付之股息(附註13)	-	-	-	-	-	-	-	-	-	(86,000)	(86,000)
At 31 December 2012 and at 1 January 2013											
於二零一二年十二月三十一日及二零一三年一月一日	88,000	342,054	180,000	977	13,289	17,476	223,014	-	34,763	1,179,302	2,078,875
Profit and total comprehensive income for the year											
年內溢利及全面收益總額	-	-	-	-	-	-	-	-	-	297,482	297,482
Transfer from/(to) reserves											
轉撥自/(至)撥備	-	-	-	-	-	-	32,329	-	-	(32,329)	-
Dividend recognised and paid as distribution (note 13)											
確認為分派及已付之股息(附註13)	-	-	-	-	-	-	-	-	-	(52,000)	(52,000)
At 31 December 2013											
於二零一三年十二月三十一日	88,000	342,054	180,000	977	13,289	17,476	255,343	-	34,763	1,392,455	2,324,357

The notes on pages 61 to 128 form part of these consolidated financial statements.

第61至128頁之附註組成此等綜合財務報表之一部份。

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	2012 二零一二年 (Restated) (經重列)
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
OPERATING ACTIVITIES	經營業務		
Profit before taxation	除稅前溢利	421,069	755,727
Adjustments for:	就下列各項作出調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	46,978	45,554
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	341	-
Impairment loss on an available-for-sale investment	一項可供出售投資之減值虧損	-	4,452
Impairment loss recognised in respect of prepayments	就預付款項確認之減值虧損	1,443	-
Finance costs	財務成本	41,260	18,327
Impairment loss recognised in respect of trade receivables	就應收賬款確認之減值虧損	8,259	10,520
Provision for compensation	賠償金撥備	18,239	-
Provision for inventories written down	存貨減值撥備	3,737	-
Release of prepaid lease payments	解除預付租賃款項	178	178
Bank interest income	銀行利息收入	(6,466)	(6,212)
Operating cash flows before changes in working capital	營運資金變動前之經營現金流量	535,038	828,546
Decrease in inventories	存貨減少	11,101	30,986
Decrease/(increase) in trade and other receivables and prepayments	應收賬款及其他應收款項以及預付款項減少／(增加)	46,301	(269,245)
Decrease in trade and other payables and accruals	應付賬款及其他應付款項以及應計費用減少	(84,279)	(59,236)
Cash generated from operations	經營業務產生之現金	508,161	531,051
Income taxes paid	已付稅項	(186,647)	(195,321)
NET CASH GENERATED FROM OPERATING ACTIVITIES	經營業務產生之現金淨額	321,514	335,730
INVESTING ACTIVITIES	投資活動		
Placement of pledged bank deposits	存置已抵押銀行存款	(12,400)	(89,242)
Purchase of property, plant and equipment	購置物業、廠房及設備	-	(321)
Withdrawal of pledged bank deposits	提取已抵押銀行存款	72,965	63,038
Interest received	已收利息	6,466	6,212
Advances to third parties	借款予獨立第三方	(480,100)	-
NET CASH USED IN INVESTING ACTIVITIES	投資活動動用之現金淨額	(413,069)	(20,313)

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	2012 二零一二年 (Restated) (經重列)
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
FINANCING ACTIVITIES	融資活動		
Repayment of bank borrowings	償還銀行借貸	(316,100)	(238,911)
Dividend paid	已付股息	(52,000)	(86,000)
Interest paid	已付利息	(41,260)	(18,327)
New bank borrowings raised	新造銀行借貸	428,100	391,201
Repayment of finance lease	償還融資租賃	(30,000)	-
Procurement of sales and finance leaseback	新融資租賃借貸	340,000	-
NET CASH GENERATED FROM FINANCING ACTIVITIES	融資活動產生之現金淨額	328,740	47,963
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額	237,185	363,380
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初之現金及現金等價物	1,205,905	842,525
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	年終之現金及現金等價物 以銀行結餘及現金表示	1,443,090	1,205,905

The notes on pages 61 to 128 form part of these consolidated financial statements.

第61至128頁之附註組成此等綜合財務報表之一部份。

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 is a public limited company incorporated in Cayman Islands.

The addresses of the registered office and the principal place of business of the Company are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and Room 911, 9th floor, Block A, Hunghom Commercial Centre, 39 Ma Tau Wai Road, Hong Kong, respectively.

The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited with effect from 11 June 2010. The immediate and ultimate holding company of the Company was Harvest Sun Enterprises Limited (“Harvest Sun”) from the date of incorporation to 11 June 2010. Harvest Sun, a company incorporated in the British Virgin Islands, became the substantial shareholder of the Company with its shareholding of 48% after 11 June 2010.

The principal activities of the Company and its subsidiaries (the “Group”) are production and distribution of cotton yarns and bedding products.

The consolidated financial statements are presented in Renminbi (“RMB”), which is the same as the functional currency of the group entities and the Company.

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

In the current year, the Group has applied the following revised and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

HKFRS 7 (Amendments)	Disclosure – Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
HKFRS 13	Fair Value Measurement

1. 一般資料

本公司為一間於開曼群島註冊成立之公眾有限公司。

本公司之註冊辦事處及主要營業地點之地址分別位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands及香港馬頭圍道39號紅磡商業中心A座9樓911室。

本公司股份由二零一零年六月十一日起在香港聯合交易所有限公司上市。由註冊成立日期起至二零一零年六月十一日，本公司之直接及最終控股公司為富盈企業有限公司（「富盈」）。富盈為一間於英屬處女群島註冊成立之公司，於二零一零年六月十一日後成為本公司之主要股東，持有本公司48%股權。

本公司及其附屬公司（「本集團」）之主要業務為棉紗及床品製造及分銷。

綜合財務報表以人民幣（「人民幣」）呈列，人民幣亦為集團實體及本公司之功能貨幣。

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，本集團已應用以下由香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則之修訂。

香港財務報告準則第7號（修訂本）	披露－抵銷財務資產及財務負債
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	披露於其他實體之權益
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之權益：過渡指引
香港財務報告準則第13號	公平值計量

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

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

(Continued)

HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income
HKAS 27 (as revised in 2011)	Separate Financial Statement
HKAS 28 (as revised in 2011)	Investment in Associates and Joint Ventures
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle

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

Amendments to HKAS 1 “Presentation of Items of Other Comprehensive Income”

The Group has applied the amendments to HKAS 1 Presentation of Items of Other Comprehensive Income. Upon the adoption of the amendments to HKAS 1, the Group's ‘Statement of comprehensive income’ is renamed as the ‘Statement of profit or loss and other comprehensive income’. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. Furthermore, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes.

Other than the above mentioned presentation changes, the application of the amendments to HKAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

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1號（修訂本）	其他全面收入項目之呈列
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之投資人
香港財務報告準則（修訂本）	二零零九至二零一一年週期香港財務報告準則之年度改進

除下文所述外，於本年度應用香港財務報告準則之修訂對本集團於本年度及過往年度之財務表現及財務狀況及／或對該等綜合財務報表所載之披露並無重大影響。

香港會計準則第1號（修訂本）「其他全面收入項目的呈列」

本集團已應用香港會計準則第1號（修訂本）其他全面收入項目的呈列。採用香港會計準則第1號（修訂本）後，本集團的「全面收益表」更名為「損益及其他全面收益表」。香港會計準則第1號（修訂本）保留以單一報表或以兩個分開但連續的報表呈列損益及其他全面收入的選擇權。此外，香港會計準則第1號（修訂本）規定於其他全面部分將予作出的額外披露，使得其他全面收入項目可劃分為兩類：(a)其後不會重新分類至損益的項目；及(b)於符合特定條件時，其後可重新分類至損益的項目。其他全面收入項目的所得稅須按相同基準予以分配，修訂本並無改變按除稅前或除稅後呈列其他全面收入項目的選擇權。由於已追溯應用有關修訂本，因此，其他全面收入項目的呈列已作修訂以反映變動。

除上述的呈列變動外，應用香港會計準則第1號（修訂本）並不會對損益、其他全面收入及全面收入總額構成任何影響。

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

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

(Continued)

New and revised HKFRSs issued but not yet effective

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

HKFRS 9	Financial Instruments ³
HKFRS 9 and HKFRS 7 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosure ³
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments) (as revised in 2011)	Investment Entities ¹
HKAS 19 (Amendments)	Defined Benefit Plans: Employee Contribution ²
HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities ¹
HKAS 36 (Amendments)	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
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2010 – 2012 Cycle ²
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2011 – 2013 Cycle ²
HKFRS 14	Regulatory Deferral Accounts ⁴

¹ Effective for annual periods beginning on or after 1 January 2014.

² Effective for annual periods beginning on or after 1 July 2014.

³ Available for applicable – the mandatory effective date will be determined when the outstanding phases of HKFRS 9 are finalised.

⁴ Effective for annual periods beginning on or after 1 January 2016.

The directors of the Company anticipate that the application of these new and revised standards, amendments or interpretation will have 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」) (續)

已發行但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用下列已頒佈但尚未生效之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號及香港財務報告準則第7號 (修訂本)	香港財務報告準則第9號之強制性生效日期及過渡性披露 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) (二零一一年經修訂)	企業投資 ¹
香港會計準則第19號 (修訂本)	界定福利計劃：僱員供款 ²
香港會計準則第32號 (修訂本)	抵銷財務資產及財務負債 ¹
香港會計準則第36號 (修訂本)	非金融資產之可收回金額披露 ¹
香港會計準則第39號 (修訂本)	衍生工具之更替及對沖會計法之延續 ¹
香港 (國際財務報告詮釋委員會) – 詮釋第21號	徵費 ¹
香港財務報告準則 (修訂本)	二零一零年至二零一二年期間香港財務報告準則的年度改善 ²
香港財務報告準則 (修訂本)	二零一一年至二零一三年期間香港財務報告準則的年度改善 ²
香港財務報告準則第14號	監管遞延賬目 ⁴

¹ 於二零一四年一月一日或之後開始之年度期間生效。

² 於二零一四年七月一日或之後開始之年度期間生效。

³ 可供應用 – 強制性生效日期將於落實香港財務報告準則第9號尚待確實階段後釐定。

⁴ 於二零一六年一月一日或之後開始之年度期間生效。

本公司董事預期應用此等新訂及經修訂準則、修訂或詮釋對本集團之業績及財務狀況不會產生重大影響。

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

3. RESTATEMENTS OF PRIOR YEAR'S FIGURES

In preparing the Group's consolidated financial statements for the year ended 31 December 2013, certain bank borrowings under purchase order financing arrangement of RMB213,100,000 and respective prepayment of RMB213,100,000 are recognised initially in the financial year of 2012. The restatements of these balances in 2012 of prepayment and bank borrowings have resulted in an increase in current assets and current liabilities of RMB213,100,000 respectively. The restatements do not have an financial impact on the group's net assets, profit for the year and the calculation of the basic and diluted earnings per share as reported in the consolidated financial statements for the year ended 31 December 2012.

4. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

3. 重列過往年度數據

於編制本集團截至二零一三年十二月三十一日止年度之綜合財務報表時，因訂單融資產生之部分銀行借款為人民幣213,100,000元及相應之預付賬款為人民幣213,100,000元最初應於二零一二年之財政年度列賬。預付賬款及借款之重列分別導致流動資產及流動負債各增加人民幣213,100,000元。此重列對本集團於二零一二年十二月三十一日的綜合財務報表中的淨資產、本年利潤及每股基本及攤薄盈利均沒有影響。

4. 重大會計政策

綜合財務報表乃遵照香港會計師公會頒佈之香港財務報告準則而編製。此外，綜合財務報表已載列香港聯合交易所有限公司證券上市規則及香港公司條例規定之適用披露。

誠如下文所載會計政策所闡釋，綜合財務報表乃根據歷史成本基準編製，惟若干金融工具按公平值計量則除外。

歷史成本一般根據貨品交易代價之公平值計算。

公平值是於計量日市場參與者間於有秩序交易中出售資產所收取或轉讓負債所支付的價格，而不論該價格為可直接觀察取得或可使用其他估值方法估計。於估計資產或負債的公平值時，本集團會考慮該等市場參與者於計量日對資產或負債定價時所考慮的資產或負債的特點。於該等綜合財務報表中作計量及／或披露用途的公平值乃按此基準釐定，惟屬香港財務報告準則第2號範疇內以股份支付的交易及屬香港會計準則第17號範疇的租賃交易除外，其計量與公平值的計量存在一些相似之處但並非公平值，例如香港會計準則第2號的可變現淨值或香港會計準則第36號的使用價值。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

4. 重大會計政策 (續)

此外，就財務報告而言，公平值計量按公平值計量的輸入數據的可觀察程度及該等輸入數據對公平值計量整體的重要性劃分為第一、二及三級，詳情如下：

- 第一級輸入數據為實體於計量日可獲得的相同資產或負債於活躍市場的報價（未調整）；
- 第二級輸入數據為不包括第一級計入的報價的資產或負債的可直接或間接觀察的輸入數據；及
- 第三級輸入數據為資產或負債的無法觀察輸入數據。

主要會計政策載列如下。

綜合賬目之基準

綜合財務報表包括本公司及本公司及其子公司控制的主體（包括結構化主體）的財務報表。當本公司符合以下條件時，其具有對該主體的控制：

- 擁有對被投資者的權力；
- 通過對被投資者的涉入而承擔或有權獲得可變回報；及
- 有能力運用對被投資者的權力影響所得回報的金額。

如有事實和情況表明上述控制三要素中的一項或多項要素發生了改變，本公司將重新評估其是否具有對被投資者的控制。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. 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 having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

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

4. 重大會計政策 (續)

綜合賬目之基準 (續)

當本公司擁有被投資者少於多數的表決權時，在此類表決權足以賦予其單方面主導被投資者相關活動的實際能力的情況下，投資者擁有對被投資者的權力。在評估本公司在被投資者中的表決權是否足以賦予其權力時，本公司考慮了所有相關的事實和情況，包括：

- 本公司持有的表決權規模相對於其他表決權持有者的規模和及表決權的分佈情況；
- 本公司、其他表決權持有者或其他各方持有的潛在表決權；
- 源自其他合同安排的權利；及
- 表明本公司在需要作出決策時是否有主導相關活動的現有能力的額外事實和情況（包括先前股東大會的表決情況）。

子公司的綜合始於本公司獲得對該子公司的控制權之時，並止於本公司喪失對該子公司的控制權之時。特別是，在本年度購入或處置的子公司產生的收益和費用自本公司獲得控制權日起直至本公司停止對子公司實施控制之日為止納入綜合損益及其他綜合收益表內。

損益和其他綜合收益的各個組成部分歸屬於本公司的所有者及非控制性權益。子公司的綜合收益總額歸屬於本公司的所有者及非控制性權益，即使這將導致非控制性權益的金額為負數。

為使子公司的會計政策與本集團的會計政策一致，必要時已對子公司的財務報表進行調整。

綜合時，與集團成員之間發生的交易相關的所有集團內部資產和負債、權益、收益、費用和現金流量均全額抵銷。

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4. 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, a gain or loss is recognised in profit or loss and 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. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). 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, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Revenue recognition

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

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

4. 重大會計政策 (續)

綜合賬目之基準 (續)

本集團在現有子公司的權益變動

本集團在子公司中不會導致本集團喪失對子公司控制的所有者權益變動作為權益交易核算。本集團持有的權益和非控制性權益的帳面金額應予調整以反映子公司中相關權益的變動。調整的非控制性權益的金額與收取或支付的對價的公允價值之間差額直接計入權益並歸屬於本公司的所有者。

當本集團喪失對子公司的控制權時，將確認利得或損失並計入損益，該利得或損失的計算為(i)所收到的對價的公允價值和任何保留權益的公允價值總額與(ii)子公司資產(包括商譽)和負債以及非控制性權益的原帳面金額之間的差額。此前計入其他綜合收益的與子公司相關的全部金額應視同本集團已直接處置該子公司的相關資產或負債進行核算，即重分類到損益或結轉到適用的國際財務報告準則規定/允許的其他權益類別。在前子公司中保留的投資在喪失控制權之日的公允價值應作為按照香港會計準則第39號進行初始確認的公允價值，或者作為在聯營企業或合營企業中的投資的初始確認成本(如適當)。

收益確認

收益乃按已收或應收代價之公平值計量，並相當於在正常業務過程中售出貨品而應收之款項，扣除折扣及銷售相關稅項。

銷售貨品之收益乃於交付貨品及轉移所有權，即符合下列所有條件時予以確認：

- 本集團已將貨品擁有權上之重大風險及回報轉移予買方；
- 本集團既無參與通常與擁有權相關之持續管理，亦無保留所售貨品之實際控制權；

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Borrowing costs

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

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

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

Taxation

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

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

4. 重大會計政策 (續)

收益確認 (續)

- 收益金額可以可靠地計量；
- 與交易相關之經濟利益很可能流入本集團；及
- 有關交易所產生或將產生之成本可以可靠地計量。

當經濟利益很可能流入本集團而收入金額能可靠地計量時，確認來自金融資產之利息收入。利息收入乃參考尚餘本金及按適用實際利率按時間基準累計，適用實際利率為於初步確認時將金融資產預計年內估計未來現金收入準確貼現至資產賬面淨值之利率。

借貸成本

與收購、建設或生產合資格資產（需要長時間方能作擬定用途或銷售之資產）直接相關之借貸成本，乃於資產大致可用作其擬定用途或銷售時加至該等資產之成本。

就暫未用作合資格資產開支之特定借貸所作出臨時投資而賺取之投資收入，自合資格撥作資本之借貸成本中扣除。

所有其他借貸成本乃於產生期間於損益內確認。

稅項

所得稅開支指即期應付稅項及遞延稅項之總和。

即期應付稅項乃按年內應課稅溢利計算。應課稅溢利不包括其他年度之應課稅或可扣稅收支項目，亦不包括毋須課稅或不可扣稅項目，故有別於在綜合損益及其他全面收益表所報之除稅前溢利。本集團即期稅項之負債乃利用於報告期間結算日前已制定或實質上已制定之稅率計算。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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

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

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

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

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

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

4. 重大會計政策 (續)

稅項 (續)

遞延稅項乃就綜合財務報表中資產及負債賬面值與計算應課稅溢利所用相應稅基之間之臨時差額而確認。遞延稅項負債通常會就所有應課稅臨時差額確認。遞延稅項資產則通常於可能出現可利用臨時差額扣稅之應課稅溢利時，就所有可扣稅臨時差額而確認。若於一項交易中，因商譽或自首次確認（於業務綜合中除外）其他資產及負債而引致之臨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。

遞延稅項負債乃就與附屬公司投資相關之應課稅臨時差額而確認，惟若本集團能夠控制臨時差額之撥回及臨時差額有可能未必於可見將來撥回之情況則除外。與該等投資相關之可扣稅臨時差額所產生之遞延稅項資產僅於可能有足夠應課稅溢利可以使用臨時差額之利益，且預期於可見將來撥回時方會確認。

遞延稅項資產之賬面值於報告期間結算日作檢討，並在不大可能有足夠應課稅溢利以收回全部或部分資產時作調減。

遞延稅項資產及負債乃按償還負債或變現資產之期內所預期之適用稅率，根據報告期間結算日前已制定或實際上已制定之稅率（及稅法）計量。

遞延稅項負債及資產之計量反映按照本集團預期於報告期間結算日收回或結算其資產及負債之賬面值方式計算而得出之稅務結果。

即期及遞延稅項乃於損益確認，除非該稅項與其他全面收益或直接於權益中確認之項目有關，在此情況下，即期及遞延稅項亦分別於其他全面收益或直接於權益中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

In preparing the financial statements of the each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currency) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

Leasing

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

The Group as lessee

Assets held under finance leases are initially 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 expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see the accounting policy in respect of borrowing cost above). Contingent rentals are recognised as expenses in the periods in which they are incurred.

Gains or losses on sale and leaseback transactions which result in finance leases are deferred and amortised over the terms of the related leases.

4. 重大會計政策 (續)

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外貨幣（外幣）進行之交易乃按交易日期之現行匯率換算為相關功能貨幣（即該實體經營所在主要經濟環境之貨幣）記賬。於報告期間結算日，以外幣計值之貨幣項目乃按該日之現行匯率重新換算。按歷史成本以外幣計量的非貨幣項目概不會重新換算。

於結算及換算貨幣項目時產生之匯兌差額乃於其產生期間內於損益確認。

租賃

凡租賃之條款將擁有權之絕大部分風險及回報轉移至承租人之租賃，均歸類為融資租賃。所有其他租賃則歸類為經營租賃。

本集團作為承租人

以融資租賃方式持有的資產最初應按在租賃開始日該資產的公允價值及最低租賃付款額的現值兩者中的較低者確認為本集團的資產。應付給出租人的相應負債應在綜合財務狀況表上列為應付融資租賃款。

租賃付款額會在融資成本與應付租賃款的減少額之間進行分攤，分攤方法是使各會計期間應付融資租賃款餘額承擔一個固定利率。融資成本應立即計入損益（除非其直接歸屬於符合條件的資產，在這種情況下，該成本應根據本集團關於借款費用的一般政策予以資本化（見上文有關借貸成本之會計政策）。或有租金應在其發生的當期確認為費用。

售後租回交易形成融資租賃之收益或損失將按有關資產的年期分攤。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

The Group as lessee (Continued)

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Prepaid lease payments

Prepaid lease payments are carried at cost and amortised over the lease term on a straight-line basis.

4. 重大會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

經營租賃付款額應按直線法在租賃期內確認為費用，除非另有一系統的方法更能代表從租賃資產中獲取的經濟利益消耗的時間形態。經營租賃下產生的或有租金應在其發生的當期確認為費用。

物業、廠房及設備

物業、廠房及設備（包括持有作生產或供應貨品或服務用途或行政用途之樓宇）乃按成本減後之累計折舊及累計減值虧損（如有）於綜合財務狀況報表入賬。

物業、廠房及設備之項目在其估計可使用年期內按直線法確認折舊，以撇銷其成本減剩餘價值。估計可使用年期、剩餘價值及折舊方法於各報告期間結算日時檢討，任何估計變動之影響按前瞻基準入賬。

融資租賃下持有的資產按與自有資產相同的基礎，在其預計使用壽命內計提折舊。但是，如果不能合理確定在租賃期滿時將獲得資產的所有權，則該資產應在租賃期與使用壽命兩者孰短的期限內計提折舊。

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何未來經濟利益時終止確認。物業、廠房及設備項目因出售或報廢而產生之任何收益或虧損按該資產之銷售所得款項與賬面值間之差額釐定，並於損益確認。

預付租賃款項

預付租賃款項乃按成本列賬，並於租期內以直線法攤銷。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible assets and intangible assets below).

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss in the period when the asset is derecognised.

Inventories

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

Retirement benefit costs

Payments to state-managed retirement benefits schemes and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Share-based payment

Equity-settled share-based payment transactions

The fair value of services received determined by reference to the fair value of shares transferred at the date of transfer is expensed on a straight-line basis over the service period with a corresponding increase in equity (Share-based payment reserve).

4. 重大會計政策 (續)

無形資產

獨立收購且無限定可使用年期之無形資產乃按成本減任何其後累計減值虧損列賬(見下文有關有形資產及無形資產減值虧損之會計政策)。

無形資產於出售時或當使用或出售預期不會產生任何未來經濟利益時終止確認。終止確認無形資產產生之收益或虧損，乃按有關資產之出售所得款項淨額與賬面值之差額計量，並於終止確認有關資產期間在損益內確認。

存貨

存貨乃按成本及可變現淨值兩者之較低者列賬。存貨成本乃利用加權平均法計算。可變現淨值指存貨估計售價減所有估計完成成本及進行出售所需成本。

退休福利成本

對國家管理退休福利計劃及強制性公積金計劃支付之款項乃於僱員提供服務而有權獲得有關款項時確認為開支。

以股份付款之交易

以權益結算以股份付款之交易

所獲取服務之公平值乃參考所轉讓股份於轉讓日期之公平值釐定，有關數額於服務期間以直線法支銷，而權益(股份付款儲備)會相應增加。

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截至二零一三年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities 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 profit or loss.

Financial assets

The Group's financial assets are classified as available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way 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.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees 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.

Interest income is recognised on an effective interest basis for debt instruments.

4. 重大會計政策 (續)

金融工具

金融資產及金融負債乃於集團實體為工具合同條文之訂約方時在綜合財務狀況報表內確認。

金融資產及金融負債初步按公平值計量。與收購或發行金融資產及金融負債直接相關之交易成本，乃於初步確認時計入金融資產或金融負債之公平值或自當中扣除（按適用情況）。直接源自收購透過損益按公平值列賬之金融資產或金融負債之交易成本，即時於損益確認。

金融資產

本集團之金融資產分類為可供出售金融資產以及貸款及應收款項。分類視乎金融資產之性質及目的於初步確認時釐定。所有金融資產常規買賣乃按交易日基準確認及終止確認。金融資產常規買賣指須於市場常規或慣例設定之時限內交付資產之金融資產買賣。

實際利息法

實際利息法為計算債務工具攤銷成本及於有關期間分配利息收入之方法。實際利率指於債務工具之預計年期或（如適用）較短期間準確貼現估計未來現金收入（包括構成實際利率組成部分之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）至初步確認時之賬面淨值之利率。

債務工具之利息收入按實際利息基準確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or are not classified as financial assets at fair value through profit or loss ("FVTPL"), loans and receivables or held-to-maturity investments.

Equity securities held by the Group that are classified as available-for-sale and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of available-for-sale financial assets relating to interest income calculated using the effective interest method and dividends on available-for-sale equity investments are recognised in profit or loss. Other changes in the carrying amount of available-for-sale financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, pledged bank deposits and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

4. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

可供出售金融資產

可供出售金融資產為指定為可供出售或並非分類為透過損益按公平值列賬(「透過損益按公平值列賬」)之金融資產、貸款及應收款項或持至到期投資之非衍生工具。

本集團所持分類為可供出售並於活動市場上買賣之股本證券按於各報告期間結算日之公平值計量。可供出售金融資產如與可供出售股本投資之股息有關，其賬面值變動於損益確認。可供出售金融資產賬面值之其他變動則於其他全面收益內確認，並於投資重估儲備內累計。當有關投資被出售或釐定為已減值時，過往於投資重估儲備累計之累計收益或虧損會重新分類至損益(見下文有關金融資產減值虧損之會計政策)。

可供出售股本工具之股息於本集團收取有關股息之權利確立時於損益確認。

貸款及應收款項

貸款及應收款項為並無於活躍市場報價而有固定或可定付款金額之非衍生金融資產。於初步確認後，貸款及應收款項(包括應收賬款及其他應收款項、已抵押銀行存款以及銀行結餘及現金)乃以實際利息法，按攤銷成本減任何已識別減值虧損列賬(見下文有關金融資產減值虧損之會計政策)。

除了短期應收款之有關利息不重大外，利息收入均按實際利息法計算確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

Financial assets except those at FVTPL are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be 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 affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- disappearance of an active market for the financial asset because of financial difficulties.

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

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.

4. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值

金融資產於各報告期間結算日評估是否有減值跡象。倘有客觀證據證明因於初步確認金融資產後發生一項或多項事件，而導致金融資產之估計未來現金流量受到影響，則金融資產被視為已減值。

客觀減值證據可包括：

- 發行人或對手方出現嚴重財政困難；或
- 違反合約，例如拖欠或無力支付利息或本金；或
- 借款人有可能破產或進行財務重組；或
- 金融資產因財政困難而不再存在交投活躍之市場。

就按攤銷成本列賬之金融資產而言，所確認之減值虧損金額為資產賬面值與按金融資產原有實際利率貼現之估計未來現金流量現值之差額。

所有金融資產之減值虧損會直接於金融資產之賬面值中扣除，惟應收賬款除外，其賬面值乃使用撥備賬扣減。撥備賬之賬面值變動於損益內確認。倘應收賬款被視為無法收回，則於撥備賬中撇銷。其後收回過往撇銷之款項會計入損益內。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period in which the impairment takes place.

Impairment losses on available-for-sale equity investments will not be reversed through profit or loss. Any increase in fair value subsequent to impairment loss is recognised directly in other comprehensive income and accumulated in investment revaluation reserve.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

The Group's financial liabilities (including trade and other payables, bank borrowings, obligation under finance lease and amount due to a shareholder) are subsequently measured at amortised cost, using the effective interest method.

4. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

就按攤銷成本列賬之金融資產而言，倘若隨後期間減值虧損數額減少，而該減少乃客觀地與確認減值虧損後發生之事項相關，則過往確認之減值虧損透過損益撥回，惟資產於撥回減值當日之賬面值不得超過未有確認減值時應有之攤銷成本。

就可供銷售股本投資而言，投資公平值大幅或長時間低於其成本被視為減值之客觀證據。

倘可供出售金融資產被視為已減值，則之前於其他全面收益確認之累計收益或虧損於出現減值期間重新分類至損益。

可供出售股本投資之減值虧損不會透過損益撥回。減值虧損後如公平值增加，會於其他全面收益直接確認，並於投資重估儲備累計。

金融負債及股本工具

由集團實體發行之債務及股本工具乃按合約安排內容，以及金融負債及股本工具之定義分類為金融負債或權益。

股本工具

股本工具為任何證明本集團於扣除其所有負債後於資產剩餘權益之合約。由本集團發行之股本工具按收取之所得款項扣除直接發行成本確認。

金融負債

本集團之金融負債包括應付賬款及其他應付款項、銀行借貸、融資租賃的承擔及應付一名股東款項，乃利用實際利息法按攤銷成本計量。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees 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 financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. 重大會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

實際利息法

實際利息法為計算金融負債攤銷成本及於有關期間分配利息開支之方法。實際利率指於金融負債之預計年期或(如適用)較短期間準確貼現估計未來現金付款(包括構成實際利率組成部分之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)至初步確認時之賬面淨值之利率。

利息開支按實際利息基準確認。

終止確認

僅當從金融資產收取現金流量之合約權利已屆滿，或金融資產已轉讓及本集團已將其於金融資產擁有權之絕大部分風險及回報轉移至另一實體時，本集團方會終止確認金融資產。倘本集團並無轉讓或保留擁有權的絕大部分風險及回報，並繼續控制已轉讓資產，則本集團會繼續確認資產，惟以其持續參與程度為限，並確認相關負債。倘本集團保留已轉讓金融資產擁有權的絕大部分風險及回報，本集團會繼續確認該金融資產，亦會確認已收所得款項的有擔保借款。

於完全終止確認金融資產時，資產賬面值與已收及應收代價以及已於其他全面收益確認並於權益中累計之累計損益總和之間之差額在損益中確認。

當及僅當本集團之責任獲解除、取消或屆滿時，本集團終止確認金融負債。被終止確認之金融負債之賬面值與已付及應付代價之差額在損益中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment losses on tangible assets and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss.

4. 重大會計政策 (續)

有形資產及無形資產減值虧損

於報告期間結算日，本集團審閱有限定可使用年期之有形及無形資產之賬面值，以釐定有否跡象顯示該等資產出現減值虧損。倘存在任何該等跡象，會估算資產之可收回金額，以釐定減值虧損（如有）之程度。倘無法估計個別資產之可收回金額，則本集團估計該項資產所屬之現金產生單位之可收回金額。倘有可識別之合理一致分配基準，企業資產亦會分配至個別現金產生單位，或分配至有可識別之合理一致分配基準之現金產生單位之最小組別。

無限定可使用年期之無形資產及尚未可供使用之無形資產最少每年接受一次減值測試，並於有跡象顯示可能出現減值時接受減值測試。

可收回金額為公平值減出售成本及使用價值兩者之較高者。於評估使用價值時，估計未來現金流量利用稅前貼現率貼現至其現值，而該貼現率反映當前市場對貨幣時間價值及估計未來現金流量未經調整之資產之特定風險之評估。

倘若資產之可收回金額估計低於其賬面值，則資產（或現金產生單位）之賬面值減至其可收回金額。減值虧損即時於損益確認。

若其後撥回減值虧損，則資產（或現金產生單位）之賬面值增至其經修訂估計可收回金額，惟增加後之賬面值不得超逾倘若過往期間並無就該資產（或現金產生單位）確認減值虧損時釐定之賬面值。減值虧損撥回即時確認為收入。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 (when 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.

Related parties

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

4. 重大會計政策 (續)

預計負債

當本集團因過去事項而承擔了現時義務(法定義務或推定義務),並且很可能被要求履行該義務,而該義務的金額能夠可靠地估計時,本集團會對該義務確認預計負債。

確認為預計負債的金額應是在考慮到與義務相關的風險和不確定性之後,對報告期末履行現時義務所需支付對價的最佳估計。如果預計負債是以預期履行現時義務所需支出的估計現金流量來計量,其帳面金額為該等現金流量的現值(當貨幣的時間價值具有重大影響時)。

如果清償預計負債所需流出的經濟利益的一部分或全部預期會得到協力廠商補償的,補償金額只有在基本確定能夠收到及能夠可靠計量時,才確認為資產。

關聯人士

- (a) 個人或該個人之近親家庭成員,如該個人在以下情況下視為與本集團有關聯:
- (i) 可控制或共同控制本集團;
 - (ii) 對本集團有重大影響力;或
 - (iii) 是本集團或本集團之母公司的主要管理人員之成員。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

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

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

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

4. 重大會計政策 (續)

關聯人士 (續)

(b) 在以下任何情況下，一實體會視為與本集團有關聯：

- (i) 該實體及本集團皆是同一集團成員（即每一間母公司、附屬公司及同系附屬公司與其他有關聯）；
- (ii) 一實體是另一實體的聯營公司或合營公司（或該聯營公司或合營公司與該另一實體均屬同一集團）；
- (iii) 兩個實體是同一第三者的合營公司；
- (iv) 一實體是一第三者的合營公司而另一實體則是該第三者的聯營公司；
- (v) 該實體是提供福利予本集團或與本集團有關聯之實體的僱員離職後之福利計劃；
- (vi) 該實體受在(a)項中所辨別的個人所控制或共同控制；及
- (vii) 在(a)(i)項中所辨別的個人對該實體有重大影響力，或該個人是該實體（或是該實體的母公司）的主要管理人員之成員。

個人的近親家庭成員指可影響，或受該個人影響，他們與該實體交易的家庭成員。

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5. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Useful lives and impairment of property, plant and equipment

Management determines the estimated useful lives of and related depreciation charges for its property, plant and equipment. This estimate is based on the actual useful lives of assets of similar nature and functions. It could change significantly as a result of significant technical innovations and competitor actions in response to industry cycles. Management will increase the depreciation charges where useful lives are less than previously estimated lives or will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. The impairment loss for property, plant and equipment is recognised for the amount by which the carrying amount exceeds its recoverable amount. The carrying amount of property, plant and equipment at 31 December 2013 was RMB425,228,000 (2012: RMB470,717,000).

Estimated allowance for trade and other receivables

Management regularly reviews the recoverability of receivables. Allowance for these receivables is made based on the evaluation of collectability, creditability and on management's judgment by reference to the estimation of the future cash flows discounted at an effective interest rate to calculate the present value.

A considerable amount of judgment is required in assessing the ultimate realisation of these debtors, including their current creditworthiness. If the actual future cash flows were less than expected, additional allowance may be required. As at 31 December 2013, the carrying amount of receivables is RMB1,462,595,000 (net of allowance for doubtful debts of RMB27,026,000) (2012: carrying amount of RMB1,076,697,000, net of allowance for doubtful debts of RMB17,324,000).

5. 估計不明朗因素主要來源

於報告期間結算日，可能存在重大風險而導致對下個財政年度內資產及負債賬面值作出重大調整之估計不明朗因素主要來源披露如下。

物業、廠房及設備的使用年限及減值

管理層釐定物業、廠房及設備的使用年限及相關折舊。該估計乃根據相若性質及功能之資產的實際可使用年限而做出。此估計可能會因技術創新及同業競爭對手行動而出現重大變動。若可使用年期少於先前估計的可使用年期，管理層將提折舊費用，或將技術上過期或非策略的已報廢或出售資產撤銷或減值。當物業、廠房及設備之賬面值高於其可收回金額，則高出數額將於損益確認為減值損失。於二零一三年十二月三十一日，物業、廠房及設備之賬面值為人民幣425,228,000元（二零一二年：人民幣470,717,000元）。

應收賬款及其他應收款項估計撥備

管理層定期審閱應收款項之可收回程度。該等應收款項之撥備乃根據對可收回程度之評估及管理層經參考按實際利率貼現計算之估計未來現金流量現值後所作判斷而作出。

於評估該等債務人最終能否還款（包括彼等現時之信貸聲譽）時需作出大量判斷。倘實際未來現金流量少於預期，或須作出額外撥備。於二零一三年十二月三十一日，應收及其他應收賬款之賬面值為人民幣1,462,595,000元（扣除呆賬撥備人民幣27,026,000元）（二零一二年：賬面值為人民幣1,076,697,000元（扣除呆賬撥備人民幣17,324,000元））。

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5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Inventory valuation method

Inventory is valued at the lower of cost and net realisable value. The net realisable value is estimated by reference to selling price of inventory subsequent to the end of the reporting period. The Group reviews its inventory levels in order to identify slow-moving merchandise and use markdown to clear merchandise. If the actual selling prices of inventory were less than expected, additional allowance may be required.

As at 31 December 2013, the carrying amount of inventories is RMB71,751,000 (net of provision for stock of RMB15,830,000) (2012: carrying amount of RMB86,589,000 net of provision for stock of RMB12,093,000).

Deferred income tax assets

Deferred income tax assets are recognised for the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred income tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying amount of deferred income tax assets at 31 December 2013 was approximately RMB10,029,000 (2012: approximately RMB2,699,000).

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The directors of the Company are responsible in determining the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The directors of the Company work closely with the independent qualified professional valuers to establish the appropriate valuation techniques and inputs to the model. The directors regularly assess the impact and the cause of fluctuations in the fair value of the assets and liabilities.

5. 估計不明朗因素主要來源 (續)

存貨估值方法

存貨以成本及可變現淨值之較低者計值。可變現淨值乃參考報告期間結算日後存貨之售價而估計。本集團會審閱其存貨水準，以識別滯銷商品，並以減價方式清售有關商品。倘存貨實際售價低於預期，可能須作出額外撥備。

於二零一三年十二月三十一日，存貨之賬面值為人民幣71,751,000元（扣除存貨撥備人民幣15,830,000元）（二零一二年：賬面值為人民幣86,589,000元（扣除存貨撥備人民幣12,093,000元））。

遞延稅項資產

倘可能有未利用應課稅利潤，而暫時差額可用以抵銷，則有關差額會確認為遞延所得稅資產。管理層須運用大量的判斷來估計未來應納稅利潤發生的時間和金額，結合納稅籌劃策略，以決定應確認的遞延所得稅資產的金額。於二零一三年十二月三十一日，遞延稅項資產之賬面值約人民幣10,029,000元（二零一二年：約人民幣2,699,000元）。

公平值計量及估值流程

就財務呈報而言，本集團部份資產及負債按公平值計量。本公司董事負責就公平值計量釐定適當估值方法及輸入數據。

於估計資產或負債的公平值時，本集團使用可供參考的市場可觀察數據。倘並無第一級輸入數據，本集團委聘第三方合資格估值師進行估值。本公司董事與獨立合資格專業估值師緊密合作，為模式制定適當估值方法及輸入數據。董事定期評估資產及負債公平值波動的影響及原因。

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5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Fair value measurements and valuation processes

(Continued)

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments. Note 39(c) provide detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of various assets and liabilities.

6. REVENUE AND SEGMENT INFORMATION

The Group determines its operating segments based on the reports regularly reviewed by the board of directors, who are the chief operating decision makers, for the purpose of allocating resources to segments and assessing their performance.

The Group's revenue are all generated from its PRC subsidiaries which have two operating segments, the manufacture and distribution of cotton yarns and bedding products. The segments are managed separately as each business offers different products and requires different information technology systems and marketing strategies. The following summary describes the operations in each of the Group's operating segments.

The manufacture and distribution of cotton yarns segment refers to the operation of cotton yarns tailored to the specific requirements of customers, such as different texture, thickness, sheen and elasticity. Its income mainly comprises sales revenue of cotton yarns to textile manufacturers in both the domestic and overseas markets. Cotton yarns are used in the production of cotton textile which is used in garments and furnishings.

The manufacture and distribution of bedding products segment refers to the manufacture and distribution of bedding products such as bed covers, flat sheets, pillow cases, bed sheets and quilt covers, as well as combination sets of such bedding products. Its income mainly comprises sales revenue of bedding products from products sold under the "TAIFENG" brand in the Mainland People's Republic of China (the "PRC") market and products sold to overseas OEM customers under their international brands.

No segment information of liabilities is provided to the chief operating decision makers for the assessment of performance of different segments. Therefore, only segment revenue, segment profit and segment assets are presented.

5. 估計不明朗因素主要來源 (續)

公平值計量及估值流程 (續)

本集團使用包含並非基於市場可觀察數據的輸入數據的估值方法估計若干類型金融工具的公平值。附註39(c)載列於釐定不同資產及負債公平值時所使用的有關估值方法、輸入數據及主要假設的詳細資料。

6. 收益及分部資料

本集團根據董事會(即主要營運決策者)定期審閱之報告釐定經營分部,以分配分部資源及評估分部表現。

本集團之收益均來自其中國附屬公司,分為兩個經營分部,即棉紗及床品製造及分銷業務。由於各項業務提供不同產品,並需要不同資訊科技系統及市場策略,故各分部會獨立管理。下列概要載述本集團每個經營分部之業務。

製造及分銷棉紗分部指生產及分銷按照客戶特定要求(如不同質地、紗支、光澤及彈性)製造之棉紗之業務。其收入主要包括銷售予國內及海外市場紡織品製造商之棉紗銷售收益。棉紗用作生產服裝及服飾所用之棉紡織品。

製造及分銷床品分部指床鋪、床單、枕套、床單及被袋以及該等套裝床品之製造及分銷。其收入主要包括來自於中華人民共和國(「中國」)市場以「泰豐」品牌銷售之產品及以國際品牌將產品銷售予海外貼牌客戶之床品銷售收益。

並無向主要營運決策者提供分部負債資料,以評估不同分部之表現。因此,僅呈列分部收益、分部溢利及分部資產。

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6. REVENUE AND SEGMENT INFORMATION (Continued)

An analysis of the Group's segment revenue, profit and assets by operating and reportable segment is as follows:

6. 收益及分部資料 (續)

本集團按經營及報告分部劃分之分部收益、溢利及資產之分析如下：

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

		Manufacture and distribution of cotton yarns 製造及分銷棉紗 RMB'000 人民幣千元	Manufacture and distribution of bedding products 製造及分銷床品 RMB'000 人民幣千元	Segment total 分部總計 RMB'000 人民幣千元	Inter-segment elimination 分部間對銷 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Consolidated total 綜合總計 RMB'000 人民幣千元
Revenue from external customers	來自外部客戶之收益	981,452	1,166,166	2,147,618	-	-	2,147,618
Inter-segment sales	分部間銷售	-	-	-	-	-	-
Segment revenue	分部收益	981,452	1,166,166	2,147,618	-	-	2,147,618
Segment profit	分部溢利	102,129	384,762	486,891	-	-	486,891
Segment assets as at 31 December 2013	於二零一三年十二月三十一日之分部資產	831,644	592,302	1,423,946	-	-	1,423,946

Amounts regularly provided to the chief operating decision makers and included in the measure of segment profit and assets:

定期提供予主要營運決策者且在計量分部溢利及資產時計入之款項：

Addition to non-current assets (note)	添加非流動資產 (附註)	354,896	-	354,896	-	-	354,896
Depreciation of property, plant and equipment	物業、廠房及設備折舊	44,684	450	45,134	-	1,844	46,978
Release of prepaid lease payments	解除預付租賃款項	178	-	178	-	-	178
Impairment loss recognised in respect of trade receivables	就應收賬款確認之減值虧損	2,453	5,806	8,259	-	-	8,259
Impairment loss recognised in respect of prepayments	就預付款項確認之減值虧損	1,443	-	1,443	-	-	1,443
Provision for inventories written down	存貨減值撥備	-	3,737	3,737	-	-	3,737

Note: Non-current assets excluded financial instruments and deferred tax assets.

附註：非流動資產不包括金融工具及遞延稅項資產。

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6. REVENUE AND SEGMENT INFORMATION (Continued)

6. 收益及分部資料 (續)

For the year ended 31 December 2012

截至二零一二年十二月三十一日止年度

		Manufacture and distribution of cotton yarns 製造及 分銷棉紗	Manufacture and distribution of bedding products 製造及 分銷床品	Segment total 分部總計	Inter- segment elimination 分部間對銷	Unallocated 未分配	Consolidated total 綜合總計
		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
Revenue from external customers	來自外部客戶之收益	985,518	1,415,531	2,401,049	-	-	2,401,049
Inter-segment sales	分部間銷售	-	220	220	(220)	-	-
Segment revenue	分部收益	985,518	1,415,751	2,401,269	(220)	-	2,401,049
Segment profit	分部溢利	128,338	674,818	803,156	-	-	803,156
Segment assets as at 31 December 2012 (restated)	於二零一二年十二月三十一日之分部資產 (經重列)	1,217,156	469,275	1,686,431	-	-	1,686,431

Amounts regularly provided to the chief operating decision makers and included in the measure of segment profit and assets:

定期提供予主要營運決策者且在計量分部溢利及資產時計入之款項：

Addition to non-current assets (note)	添加非流動資產 (附註)	10	93	103	-	218	321
Depreciation of property, plant and equipment	物業、廠房及設備折舊	43,343	489	43,832	-	1,722	45,554
Release of prepaid lease payments	解除預付租賃款項	178	-	178	-	-	178
Impairment loss recognised in respect of trade receivables	就應收賬款確認之減值虧損	2,099	8,421	10,520	-	-	10,520

Note: Non-current assets excluded financial instruments and deferred tax assets.

附註：非流動資產不包括金融工具及遞延稅項資產。

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6. REVENUE AND SEGMENT INFORMATION (Continued)

- (a) Performance of the operating segments is measured based on segment profit. Income tax expense is not allocated to operating segments.

(b) Reconciliation of segment profit

Segment profit represents the profit earned by each segment without the allocation of central administrative costs, interest income, finance costs and impairment loss on an available-for-sale investment. This is the measure reported to the chief operating decision makers for the purpose of resource allocation and assessment of segment performance.

Segment profit is reconciled to profit before taxation of the Group as follows:

6. 收益及分部資料 (續)

- (a) 經營分部之表現乃根據分部溢利計量。所得稅開支不會分配至經營分部。

(b) 分部溢利之對賬

分部溢利指各分部於並未分配中央行政成本、利息收入、財務成本及一項可供出售投資之減值虧損前所賺取之溢利。有關數據乃為向主要營運決策者就分配資源及評估分部表現作出報告之基準。

分部溢利與本集團除稅前溢利之對賬如下：

		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
Total segment profit	分部溢利總額	486,891	803,156
Unallocated income:	未分配收入：		
Interest income	利息收入	9,830	6,212
Other income and other gains	其他收入及其他收益	290	1,151
Unallocated expenses:	未分配開支：		
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(341)	-
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(1,844)	(1,722)
Finance costs	財務成本	(41,260)	(18,327)
Impairment loss on an available-for-sale investment	一項可供出售投資之減值虧損	-	(4,452)
Central administrative costs	中央行政成本	(32,497)	(30,291)
Profit before taxation	除稅前溢利	421,069	755,727

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6. REVENUE AND SEGMENT INFORMATION (Continued)

(c) Reconciliation of segment assets

The assets of the Group are allocated to the operating segments based on the operations of the segments. However, certain property, plant and equipment, deferred tax asset, available-for-sale investment, other receivables and prepayments, pledged bank deposits and bank balances and cash, are not allocated as they relate to more than one reportable and operating segments.

Segment assets are reconciled to total assets of the Group by reportable segment as follows:

6. 收益及分部資料 (續)

(c) 分部資產之對賬

本集團之資產乃根據分部業務分配至經營分部。然而，由於若干物業、廠房及設備、遞延稅項資產、可供出售投資、其他應收款項及預付款項、已抵押銀行存款以及銀行結餘及現金涉及超過一個報告及經營分部，故該等項目未有作出分配。

分部資產與本集團總資產按報告分部之對賬如下：

		2013 二零一三年	2012 二零一二年 (Restated) (經重列)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Total segment assets	分部資產總值	1,423,946	1,686,431
Unallocated assets:	未分配資產：		
Property, plant and equipment	物業、廠房及設備	25,953	19,716
Deferred tax assets	遞延稅項資產	10,029	2,699
Available-for-sale investment	可供出售投資	6,614	6,614
Other receivables and prepayments	其他應收款項及預付款項	623,831	3,991
Pledged bank deposits	已抵押銀行存款	12,400	72,965
Bank balances and cash	銀行結餘及現金	1,443,090	1,205,905
Total assets per consolidated statement of financial position	綜合財務狀況報表所示資產總值	3,545,863	2,998,321

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6. REVENUE AND SEGMENT INFORMATION (Continued)

(d) Information about geographical areas

The following table provides an analysis of the Group's revenue from external customers by geographical markets, irrespective of the origin of the goods.

		Turnover by geographical markets 按地區市場劃分之營業額	
		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
PRC (country of the domicile)	中國(註冊地)	2,123,766	2,361,510
United States & Brazil	美國及巴西	3,423	23,896
Hong Kong & Macau	香港及澳門	19,112	10,030
Europe	歐洲	1,317	5,613
		2,147,618	2,401,049

The Group's non-current assets (excluding deferred tax assets and available-for-sale investment) are nearly all located in PRC.

(e) Information about major customers contributing over 10% of total revenue of the Group

The revenue from the Group's largest customer was approximately RMB370,440,000 and RMB388,696,000, representing 17.2% and 16.2% of the total sales of the Group for the years ended 31 December 2013 and 2012, respectively. The revenue from the largest customer was derived from cotton yarns segment (2012: from beddings products segment).

6. 收益及分部資料(續)

(d) 關於地區之資料

下表提供本集團來自外部客戶按地區市場劃分(不論貨品來源地)之收益分析。

		Turnover by geographical markets 按地區市場劃分之營業額	
		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
PRC (country of the domicile)	中國(註冊地)	2,123,766	2,361,510
United States & Brazil	美國及巴西	3,423	23,896
Hong Kong & Macau	香港及澳門	19,112	10,030
Europe	歐洲	1,317	5,613
		2,147,618	2,401,049

本集團之非流動資產(除遞延稅項資產及可供出售投資以外)主要位於中國。

(e) 關於為本集團收益總額貢獻超過10%之主要客戶資料

截至二零一三年及二零一二年十二月三十一日止年度,來自本集團最大客戶之收益分別約為人民幣370,440,000元及人民幣388,696,000元,相當於本集團銷售總額之17.2%及16.2%。此等收益來自棉紗分部(二零一二年:來自床品分部)。

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6. REVENUE AND SEGMENT INFORMATION (Continued)

(e) Information about major customers contributing over 10% of total revenue of the Group (Continued)

In addition to the above largest customer, there were two customers in bedding products segment and two customers in cotton yarns segment with revenue contributing approximately RMB252,777,000, RMB248,868,000, RMB234,871,000 and RMB224,821,000, representing about 11.8%, 11.6%, 10.9% and 10.5%, respectively, to the total revenue of the Group for the year ended 31 December 2013. For the year ended 31 December 2012, three of those customers in bedding products segment contributed revenue of approximately RMB344,619,000, RMB330,267,000 and RMB276,032,000, representing about 14.4%, 13.8% and 11.5%, respectively, to the total revenue of the Group.

Taifeng Textile Group Company Limited ("TTG") was a customer of the Group in manufacturing and distribution of cotton yarns segment, contributed sales of cotton yarns products of approximately RMB370,440,000 (2012: RMB252,615,000), representing about 17.2% (2012: 10.5%) of the revenue of the Group for the year ended 31 December 2013. TTG has been a textile enterprise incorporated in PRC since 2001. It is principally engaged in the trading of cotton and manufacturing and sales of fabrics. Before the reorganisation process of the Group for its listing in 2010, TTG and the Group had common controlling shareholders and common directors including the Chairman of the Company, Mr. Liu Qingping. As such, TTG was regarded as a related party. As part of the reorganisation, the above-mentioned common controlling shareholders had disposed of their entire interests in TTG to independent third parties. In addition, Mr. Liu and other common directors had resigned as directors of TTG by 7 July 2009.

6. 收益及分部資料 (續)

(e) 關於為本集團收益總額貢獻超過10%之主要客戶資料 (續)

除上述最大客戶外，兩名床品分部客戶及兩名棉紗分別客戶於截至二零一三年十二月三十一日止年度之收益分別為本集團收益總額貢獻約人民幣252,777,000元、人民幣248,868,000元、人民幣234,871,000元及人民幣224,821,000元，相當於11.8%、11.6%、10.9%及10.5%。截至二零一二年十二月三十一日止年度，該三名床品分部客戶之收益為本集團收益總額貢獻約人民幣344,619,000元、人民幣330,267,000元及人民幣276,032,000元，相當於14.4%、13.8%及11.5%。

泰豐紡織集團有限公司（「泰豐紡織」）為本集團製造及分銷棉紗分部其中一名客戶，於截至二零一三年十二月三十一日止年度為本集團貢獻棉紗銷售額人民幣370,440,000元（二零一二年：人民幣252,615,000元），相當於本集團收益17.2%（二零一二年：10.5%）。泰豐紡織為自二零零一年起在中國註冊成立之紡織企業，主要從事買賣棉花以及製造及銷售布料。於二零一零年本集團為上市進行重組前，泰豐紡織與本集團擁有共同控股股東及共同董事，包括本公司主席劉慶平先生。因此，泰豐紡織被視為關聯人士。於重組過程中，上述共同控股股東向獨立協力廠商出售彼等於泰豐紡織之全部權益。此外，劉先生及其他共同董事已於二零零九年七月七日或之前辭任泰豐紡織董事職務。

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7. OTHER INCOME

An analysis of the Group's other income is as follow:

		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
Bank interest income	銀行利息收入	6,466	6,212
Loan interest income	貸款利息收入	3,364	-
Others	其他	290	709
		<u>10,120</u>	<u>6,921</u>

7. 其他收入

本集團其他收入之分析如下：

		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
Bank interest income	銀行利息收入	6,466	6,212
Loan interest income	貸款利息收入	3,364	-
Others	其他	290	709
		<u>10,120</u>	<u>6,921</u>

8. OTHER GAINS AND (LOSSES)

		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
Impairment loss recognised in respect of trade receivables	就應收賬款確認之減值虧損	(8,259)	(10,520)
Impairment loss recognised in respect of prepayments	就預付款項確認之減值虧損	(1,443)	-
Provision for compensation (note 38)	賠償金撥備 (附註38)	(18,239)	-
Provision for inventories written down	存貨減值撥備	(3,737)	-
Net exchange loss	匯兌虧損	(490)	(380)
Gain on disposal of scrap materials	出售廢料之收益	1,796	1,130
		<u>(30,372)</u>	<u>(9,770)</u>

8. 其他收益及(虧損)

		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
Impairment loss recognised in respect of trade receivables	就應收賬款確認之減值虧損	(8,259)	(10,520)
Impairment loss recognised in respect of prepayments	就預付款項確認之減值虧損	(1,443)	-
Provision for compensation (note 38)	賠償金撥備 (附註38)	(18,239)	-
Provision for inventories written down	存貨減值撥備	(3,737)	-
Net exchange loss	匯兌虧損	(490)	(380)
Gain on disposal of scrap materials	出售廢料之收益	1,796	1,130
		<u>(30,372)</u>	<u>(9,770)</u>

9. FINANCE COSTS

		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
Interest on:	下列各項之利息：		
Bank and other borrowings wholly repayable within five years	須於五年內全數償還之銀行及其他借貸	39,933	16,734
Amount due to a shareholder	應付一名股東款項	1,327	1,593
		<u>41,260</u>	<u>18,327</u>

9. 財務成本

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Interest on:	下列各項之利息：		
Bank and other borrowings wholly repayable within five years	須於五年內全數償還之銀行及其他借貸	39,933	16,734
Amount due to a shareholder	應付一名股東款項	1,327	1,593
		<u>41,260</u>	<u>18,327</u>

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10. INCOME TAX EXPENSE

10. 所得稅開支

		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
Tax charge represents:	稅項開支指：		
Current tax:	即期稅項：		
The PRC Enterprise Income Tax ("EIT")	中國企業所得稅 (「企業所得稅」)	116,452	212,796
Withholding tax on dividend from a PRC subsidiary	一間中國附屬公司股息之 預扣稅	5,778	9,556
		<u>122,230</u>	<u>222,352</u>
Deferred tax (note 28):	遞延稅項(附註28)：		
Provision on withholding tax from undistributed profit from a PRC subsidiary	一間中國附屬公司未分派 溢利之預扣稅撥備	14,465	24,855
Withholding tax on dividend from a PRC subsidiary	一間中國附屬公司股息之 預扣稅	(5,778)	(9,556)
Provision for inventories written down and impairment on trade receivables	存貨減值撥備及就應收賬款確 認之減值虧損	(7,330)	-
		<u>1,357</u>	<u>15,299</u>
		<u>123,587</u>	<u>237,651</u>

No provision for Hong Kong Profits Tax has been made as the Group's income neither arises in, nor is derived from, Hong Kong.

由於本集團之收入並非於香港產生亦非來自香港，故並無計提香港利得稅撥備。

Under the Enterprise Income Tax Law of the PRC (the "EIT Law") and Detailed Implementation Rules of the EIT Law, the standard tax rate of the PRC subsidiaries is 25%.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施細則，中國附屬公司之標準稅率為25%。

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10. INCOME TAX EXPENSE (Continued)

The tax charge for the year can be reconciled to the profit per the consolidated statement of profit or loss and other comprehensive income as follows:

10. 所得稅開支 (續)

年內稅項開支與綜合損益及其他全面收益表所示溢利之對賬如下：

		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 taxation	除稅前溢利	421,069	755,727
Tax at PRC EIT rate of 25%	按中國企業所得稅稅率25% 計算之稅項	105,267	188,932
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	3,805	24,021
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(7)	(350)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	63	193
Tax effect of utilisation of tax losses previously not recognised	用前期未確認稅務虧損之稅務影響	(6)	-
Tax effect of withholding tax arising on undistributed profits of the PRC subsidiaries	中國附屬公司未分派溢利所產生預扣稅之稅務影響	14,465	24,855
Income tax expense	年內稅項開支	123,587	237,651

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11. PROFIT FOR THE YEAR

11. 年內溢利

		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 has been arrived at after charging:	年內溢利已扣除以下項目：		
Directors' emoluments (note 12)	董事酬金(附註12)	4,566	4,846
Other staff salaries and benefits	其他員工薪金及福利	115,425	112,222
Retirement benefit scheme contributions, excluding those of directors	退休福利計劃供款 (不包括就董事作出之供款)	4,373	3,590
Total staff costs	總員工成本	124,364	120,658
Auditor's remuneration	核數師酬金		
Current year	本年	1,233	2,293
Under provided in prior year	以往年度撥備不足	364	-
		1,597	2,293
Net exchange loss	匯兌虧損	490	380
Depreciation of property, plant and equipment	物業、廠房及設備折舊	46,978	45,554
Release of prepaid lease payments	解除預付租賃款項	178	178
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	341	-
Cost of inventories recognised as an expense	確認為開支之存貨成本	1,520,030	1,451,579

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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. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

12. 董事、行政總裁及僱員薪酬

Directors

Details of the emoluments paid to the directors and the chief executive of the Group for the years are as follows:

Year ended 31 December 2013

董事

兩個年度內已付予本集團董事及行政總裁之酬金詳情如下：

截至二零一三年十二月三十一日止年度

		Fees	Salaries and other allowances	Retirement benefits scheme contributions	Share-based payment	Total
	袍金	薪金及其他津貼	退休福利計劃供款	股份付款開支	總計	
	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	
Executive directors:	執行董事：					
Mr. Liu Qingping	劉慶平先生	-	1,029	19	-	1,048
Ms. Qi Tongli	齊同麗女士	-	806	15	-	821
Mr. Liu Chunwei (a)	劉純衛先生(a)	-	553	10	-	563
Mr. Li Dengxiang	李登祥先生	-	806	15	-	821
Mr. Zou Shengzhong (a)	鄒生忠先生(a)	-	814	15	-	829
Independent non-executive directors:	獨立非執行董事：					
Mr. Chan Kin Sang	陳健生先生	284	-	-	-	284
Mr. Li Yuchun	李玉春先生	100	-	-	-	100
Mr. Dai Shunlin	戴順林先生	100	-	-	-	100
		484	4,008	74	-	4,566

(a) Mr. Liu Chunwei has resigned the chief executive of the Company since 25 September 2013. On the same date, Mr. Zou Shengzhong has replaced Mr. Liu Chunwei as the chief executive of the Company and his emoluments disclosed above include those for services rendered by him as the chief executive.

(a) 劉純衛先生於二零一三年九月二十五日辭職本公司之行政總裁。鄒生忠先生替代劉純衛先生成為本公司之行政總裁，彼於上文所披露之酬金包括彼作為行政總裁提供服務之酬金。

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12. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

Directors (Continued)

Year ended 31 December 2012

	Fees	Salaries and other allowances	Retirement benefits scheme contributions	Share-based payment	Total
	袍金	薪金及其他津貼	退休福利計劃供款	股份付款開支	總計
	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

Executive directors:

執行董事：

Mr. Liu Qingping	劉慶平先生	-	1,029	18	-	1,047
Ms. Qi Tongli	齊同麗女士	-	806	14	-	820
Mr. Liu Chunwei	劉純衛先生	-	830	14	-	844
Mr. Li Dengxiang	李登祥先生	-	806	14	-	820
Mr. Zou Shengzhong	鄒生忠先生	-	806	14	-	820

Independent non-executive directors:

獨立非執行董事：

Mr. Chan Kin Sang	陳健生先生	295	-	-	-	295
Mr. Li Yuchun	李玉春先生	100	-	-	-	100
Mr. Dai Shunlin	戴順林先生	100	-	-	-	100
		<u>495</u>	<u>4,277</u>	<u>74</u>	<u>-</u>	<u>4,846</u>

12. 董事、行政總裁及僱員薪酬 (續)

董事 (續)

截至二零一二年十二月三十一日止年度

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截至二零一三年十二月三十一日止年度

12. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

Employees

During the year ended 31 December 2013, the five highest paid individuals of the Group included four executive directors (2012: four executive directors). The remuneration of the remaining one individual for the year ended 31 December 2013 is as follows:

Salaries and other allowances	薪金及其他津貼	638	1,000
Retirement benefit scheme contributions	退休福利計劃供款	8	–

	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
	646	1,000

Their emoluments paid by the Group are within the following bands:

Nil-HK\$1,000,000 (equivalent to RMB787,950)	零港元– 1,000,000港元 (相當於人民幣787,950元)	1	–
HK\$1,000,001 – HK\$1,500,000 (equivalent to RMB1,181,925)	1,000,001港元– 1,500,000港元 (相當於人民幣1,181,925元)	–	1
		1	1

During the year, no emoluments were paid by the Group to any of the directors or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors waived any emoluments during both years.

12. 董事、行政總裁及僱員薪酬 (續)

僱員

於截至二零一三年十二月三十一日止年度，本集團五名最高薪酬人士包括四名執行董事（二零一二年：四名執行董事）。截至二零一三年十二月三十一日止年度，餘下一名人士之薪酬如下：

上述僱員之酬金介乎下列範圍：

Number of the five highest paid individuals

	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	1

於年內，本集團並無向任何董事或五名最高薪酬人士（包括董事及僱員）支付酬金，作為吸引彼等加盟或加入本集團時之獎金或離職賠償。於兩個年度內，並無董事放棄收取任何酬金。

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截至二零一三年十二月三十一日止年度

13. DIVIDENDS

		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
Dividend recognised as distributions during the year	年內確認為分派之股息	-	-
2013 Interim – nil (2012: 2012 Interim, nil)	二零一三年中期 – 無 (二零一二年： 二零一二年中期，無)		
2012 Final, paid – RMB0.052 per share (2012: 2011 Final, paid RMB0.086 per share)	二零一二年末期已付 – 每股 人民幣0.052元 (二零一二年： 二零一一年末期已付每股 人民幣0.086元)	<u>52,000</u>	<u>86,000</u>
		<u>52,000</u>	<u>86,000</u>

In accordance with the voting results for the annual general meeting on 21 June 2013, the Board declared a final dividend for the year ended 31 December 2012 of RMB52,000,000 with RMB0.052 per share to the shareholders on the Register of Members of the Company on 26 July 2013.

The Board does not recommend payment of any dividend in respect of the year ended 31 December 2013.

根據於二零一三年六月二十一日舉行之股東週年大會之投票結果，董事會向於二零一三年七月二十六日名列本公司股東名冊之股東宣派截至二零一二年十二月三十一日止年度之末期股息每股人民幣0.052元，合共人民幣52,000,000元。

董事會不建議派發截至二零一三年十二月三十一日止年度之末期股息。

14. BASIC AND DILUTED EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

		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 attributable to owners of the Company	本公司擁有人應佔年內溢利	<u>297,482</u>	<u>518,076</u>
		<u>'000</u> 千股	<u>'000</u> 千股
Number of ordinary shares for the purpose of basic earnings per share	就計算每股基本盈利之普通股股份數目	<u>1,000,000</u>	<u>1,000,000</u>

The diluted earnings per share is same as basic earnings per share for both years as there were no potential dilutive ordinary shares in issue.

14. 每股基本及攤薄盈利

本公司擁有人應佔每股基本盈利乃按以下資料計算：

由於並無已發行潛在普通股股份，故兩個年度之每股攤薄盈利與每股基本盈利一致。

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Buildings 樓宇 RMB'000 人民幣千元	Plant and equipment 廠房及設備 RMB'000 人民幣千元	Office equipment 辦公設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
COST	成本					
At 1 January 2012	於二零一二年一月一日	114,341	627,466	4,981	1,721	748,509
Additions	添加	-	-	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	114,341	627,466	5,302	1,721	748,830
Additions	添加	-	354,896	-	-	354,896
Disposal	出售	(247)	(615,682)	(101)	(219)	(616,249)
At 31 December 2013	於二零一三年十二月三十一日	114,094	366,680	5,201	1,502	487,477
DEPRECIATION	折舊					
At 1 January 2012	於二零一二年一月一日	16,552	213,593	2,057	357	232,559
Charge for the year	年內撥備	3,722	40,989	525	318	45,554
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	20,274	254,582	2,582	675	278,113
Charge for the year	年內撥備	3,721	42,528	447	282	46,978
Disposal	出售	-	(262,750)	-	(92)	(262,842)
At 31 December 2013	於二零一三年十二月三十一日	23,995	34,360	3,029	865	62,249
CARRYING VALUES	賬面值					
At 31 December 2013	於二零一三年十二月三十一日	90,099	332,320	2,172	637	425,228
At 31 December 2012	於二零一二年十二月三十一日	94,067	372,884	2,720	1,046	470,717

The above items of property, plant and equipment are depreciated on a straight-line basis over the following numbers of years:

上述物業、廠房及設備項目均以下列年期以直線基準計算折舊：

Buildings	15 – 30 years	樓宇	15 – 30年
Plant and equipment	5 – 15 years	廠房及設備	5 – 15年
Office equipment	5 – 10 years	辦公設備	5 – 10年
Motor vehicles	10 years	汽車	10年

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15. PROPERTY, PLANT AND EQUIPMENT (Continued)

As at 31 December 2013, the carrying value of manufacturing equipment under plant and equipment includes an amount of approximately RMB329,839,000 in respect of assets held under finance lease.

Included in buildings, a carrying value of RMB37,428,000 (2012: RMB38,992,000) is secured to bank to obtain banking facilities to the Group (note 34).

16. PREPAID LEASE PAYMENTS

Prepaid lease payments comprise:
Leasehold land in the PRC under medium-term lease

Analysed for reporting purposes as:
Current assets
Non-current assets

預付租賃款項包括：
根據中期租賃於中國持有之租賃土地

就報告作出之分析：
流動資產
非流動資產

	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
	<u>7,103</u>	<u>7,281</u>
	<u>178</u>	<u>178</u>
	<u>6,925</u>	<u>7,103</u>
	<u>7,103</u>	<u>7,281</u>

The prepaid lease payment is amortised over the lease terms of the rights on a straight-line basis of 50 years. As at 31 December 2013, included in prepaid lease payment, a carrying value of RMB7,103,000 (2012: RMB7,281,000) is secured to obtain banking facilities of the Group (note 34).

17. DEPOSIT PAID FOR ACQUISITION OF LAND USE RIGHTS AND BUILDINGS

Shandong Taifeng entered into an acquisition agreement on 19 November 2010 with TTG, pursuant to which Shandong Taifeng agreed to acquire from TTG certain land use rights and buildings for production purposes, for a cash consideration of RMB68,800,000 in accordance with a valuation report from an independent valuer, Jones Lang Lasalle Sallmanns Limited.

On the same date, Shandong Taifeng had also entered into a supplemental agreement with TTG to reduce the original lease area and the monthly rental in respect of an existing lease agreement.

15. 物業、廠房及設備 (續)

於二零一三年十二月三十一日，廠房及設備的賬面值包括融資租賃項下的生產設備金額約人民幣329,839,000元。

本集團賬面淨值約人民幣37,428,000元（二零一二年：人民幣38,992,000元）之樓宇已抵押作為附註34所披露本集團所獲一般銀行融資額度之擔保。

16. 預付租賃款項

預付租賃款項以直線基準於使用權租賃年期50年內攤銷。於二零一三年十二月三十一日，本集團賬面淨值約人民幣7,103,000元（二零一二年：人民幣7,281,000元）之預付租賃款項已抵押作為附註34所披露本集團所獲一般銀行融資額度之擔保。

17. 購入土地使用權及樓宇之已付按金

山東泰豐與泰豐紡織於二零一零年十一月十九日訂立一項收購協議，據此，山東泰豐同意根據獨立估值師仲量聯行發出之估值報告以人民幣68,800,000元之現金代價向泰豐紡織購入若干土地使用權及樓宇，以作生產用途。

同日，山東泰豐與泰豐紡織亦訂立一項補充協議，減少原租賃面積及現有租賃協議之每月租金。

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17. DEPOSIT PAID FOR ACQUISITION OF LAND USE RIGHTS AND BUILDINGS (Continued)

A refundable deposit of RMB61,920,000 was paid by Shandong Taifeng to TTG in prior year. The acquisition, subject to relevant local authority approval, has not yet completed as at the date when these consolidated financial statements are authorised for issue, due to unexpected delay in the processing time of local government official. Nevertheless, the directors of the Company are of the opinion that the Group will be able to complete the acquisition in due course.

The remaining unpaid amount of RMB6,880,000 has been disclosed in note 37 as capital commitment.

18. TRADEMARK

The trademark represents brand name of "TAIFENG" and its logo, which was acquired during the year ended 31 December 2009 at its fair value of RMB6,934,000 in accordance with the valuation report from an independent valuer, 北京中金浩資產評估有限責任公司. The trademark has a legal life of 10 years expiring in May 2019, but is renewable every 10 years at minimal cost.

The directors of the Group are of the opinion that the upkeep of the trademark is at minimal cost and the Group would be able to renew the trademark continuously and has the ability to do so. Various studies including product life cycle studies, market, competitiveness and environmental trends, and brand extension opportunities have been performed by management of the Group, which supports that the trademark has no foreseeable limit to its legal life of 10 years expiring at May 2019 and the trademark products are expected to generate net cash inflows for the Group.

As a result, the trademark is considered as having an indefinite useful life and is not amortised. Instead, it will be tested for impairment annually and whenever there is an indication that it may be impaired.

The trademark has been allocated to the bedding cash-generating unit for impairment testing.

17. 購入土地使用權及樓宇之已付按金 (續)

山東泰豐已於去年向泰豐紡織支付人民幣61,920,000元可退還按金。此項收購，須得到當地政府的有關部門批准，但因意料之外的處理時間延誤，於該等財務報表獲批准刊發日期仍未完成。本公司董事認為本集團將有能力於適當時間完成收購。

未付餘額人民幣6,880,000元已於附註37披露作資本承擔。

18. 商標

商標指「泰豐」之品牌名稱及其標誌，乃於截至二零零九年十二月三十一日止年度內，按獨立估值師北京中金浩資產評估有限責任公司發出之估值報告所載公平值人民幣6,934,000元收購。商標之合法年期為十年，於二零一九年五月到期，惟每十年可以極少之費用重續。

本集團董事認為，這商標之維護費乃極少之費用，本集團將繼續並有能力重續商標。本集團管理層已進行多項研究，包括產品壽命週期研究、市場、競爭及環境趨勢，以及品牌拓展機會。有關研究證實對於商標於二零一九年五月到期之十年合法年期並無可預見之限制，並預期商標產品可為本集團帶來淨現金流入。

因此，本集團管理層認為，商標具無限可使用年期，故不會予以攤銷。然而，商標將每年接受減值測試，以及於出現減值跡象時進行測試。於截至二零一三年十二月三十一日止年度，本集團之管理層認為具無限可使用年期之商標並無減值。

這商標已分配至床品現金產生單位。

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17. DEPOSIT PAID FOR ACQUISITION OF LAND USE RIGHTS AND BUILDINGS (Continued)

The recoverable amounts of the bedding cash-generating unit are determined from value-in-use calculations. The key assumptions for the value-in-use calculations of the bedding cash-generating unit are those regarding the discount rate and growth rate. The Group prepares cash flow forecasts derived from the most recent budgets of 5 years and extrapolates cash flows for the following five years with a growth rate of 5% per annum assuming the existing level of sales and production remaining the same and a discount rate of 7.7% per annum which was benchmarked to Gross Domestic Product growth rate of China for year 2013.

19. AVAILABLE-FOR-SALE INVESTMENT

Available-for-sale investment comprises:

Listed investment:	上市投資：
Equity security listed in Hong Kong	於香港上市之股本證券
Analysed for reporting purposes as:	就報告而言分析為：
Non-current assets	非流動資產

20. DEFERRED EXPENSES

Loss on sale and finance leaseback	售後租回交易虧損
Analysed for reporting purposes as:	就報告作出之分析：
Current assets (note 22)	流動資產 (附註22)
Non-current assets	非流動資產

The Group entered into sale and finance leaseback transaction with an independent third party under finance lease. The loss is deferred and amortised over the lease terms of the manufacturing equipment.

17. 購入土地使用權及樓宇之已付按金 (續)

現金產生單位之可回收數額乃以使用價值計算方式確定。在計算床品現金產生單位的使用價值時，關鍵的假設有關於折現率及增長率的假設。本集團根據最近五年的財務預算案完成現金流預算，同時假定現有的銷售及生產水準保持不變，即增長率為5%，並以中國2013年的國內生產總值增長率為基準，即折現率為7.7%，從而推算出今後五年的現金流。

19. 可供出售投資

可供出售投資包括：

	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
Equity security listed in Hong Kong	6,614	6,614
Non-current assets	6,614	6,614

20. 遞延支出

	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Loss on sale and finance leaseback	11,199	-
Current assets (note 22)	2,584	-
Non-current assets	8,615	-
	11,199	-

本集團對若干生產設備進行售後租回交易，該交易認定為融資租賃。其產生的遞延支出按有關租賃期限攤銷。

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21. INVENTORIES

21. 存貨

		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 cost	按成本		
Raw materials	原材料	14,564	19,596
Work-in-progress	在製品	24,110	31,744
Finished goods	製成品	33,077	35,249
		<u>71,751</u>	<u>86,589</u>

Included in inventories of RMB14,038,000 (2012: RMB8,434,000) is secured to bank to obtain banking facilities to the Group (note 34).

存貨相當於人民幣14,038,000元(二零一二年: 人民幣8,434,000元)作為本集團所獲一般銀行融資額度之擔保(附註34)。

22. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

22. 應收賬款及其他應收款項以及預付款項

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 (Restated) (經重列) RMB'000 人民幣千元
Trade receivables	應收賬款	445,493	526,492
Less: allowance for doubtful debts	減: 呆賬撥備	<u>(25,583)</u>	<u>(17,324)</u>
		419,910	509,168
Prepayments to suppliers	向供應商預付款項	448,314	511,563
Prepayments for operating expenses	經營開支預付款項	20,321	54,601
Other receivables	其他應收款項	93,950	1,365
Loan receivables	應收借款	480,100	-
Deferred expenses (note 20)	遞延支出(附註20)	2,584	-
		<u>1,465,179</u>	<u>1,076,697</u>

Included in the trade receivables is an amount of RMB94,066,000 (2012: RMB61,307,000) from TTG, which was one of the top five customers of the Group. Further details are disclosed in note 6(e).

應收賬款包括應收泰豐紡織(本集團五大客戶之一)之賬款約人民幣94,066,000元(二零一二年: 人民幣61,307,000元)。進一步詳情於附註6(e)披露。

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22. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

(Continued)

Included in the prepayments to suppliers are prepayments of RMB30,140,000 to TTG for purchasing cottons, in which bills of RMB30,000,000 were issued to TTG before 31 December 2013. The bills will mature in July 2014 and the raw materials are expected to be delivered from February to August 2014. TTG, which was also the largest supplier of the Group in manufacturing and distribution of cotton yarns segment, contributed purchases of cottons of RMB370,905,000 (2012: RMB227,407,000), representing about 31.0% (2012: 17.9%) of the total purchases of the Group for the year ended 31 December 2013.

Loan receivables represented short-term loans to TTG and Shandong Laiwu Fengze Textile Co., Ltd (山東萊蕪豐澤紡織有限公司) of RMB237,000,000 and RMB243,100,000 respectively. These companies were incorporated in the PRC and independent third parties to the Group. Such loans bore interest at 6.9% for 6-month and the former was unsecured and the latter was secured by its inventories whereas the principal and interest thereon will mature on 15 June 2014 and 11 June 2014, respectively.

Apart from the cash sales from its retail business, the Group generally allows an average credit period of 30 to 120 days to its trade customers. The aged analysis of the Group's trade receivables (net of allowance for doubtful debts) presented based on the invoice dates at the end of the reporting period, which approximated the respective revenue recognition dates is as follows:

Trade receivables
0 – 30 days
31 – 60 days
61 – 90 days
91 – 180 days
Over 180 days

應收賬款：
0至30日
31至60日
61至90日
91至180日
超過180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
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87,425	136,497
111,184	171,193
77,161	94,676
75,753	89,204
68,387	17,598

419,910	509,168
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22. 應收賬款及其他應收款項以及預付款項 (續)

向供應商預付之款項包括就採購棉花向泰豐紡織預付之款項人民幣30,140,000元，本集團已於二零一三年十二月三十一日前就此向泰豐紡織發出票據人民幣30,000,000元。該等票據將於二零一四年七月到期，原材料預期於二零一四年二月至八月交付。泰豐紡織亦為本集團製造及分銷棉紗分部之最大供應商，於截至二零一三年十二月三十一日止年度為本集團貢獻棉花購貨額人民幣370,905,000元（二零一二年：人民幣227,407,000元），相當於總購貨額31.0%（二零一二年：17.9%）。

應收借款為向泰豐集團及山東萊蕪豐澤紡織有限公司提供的短期借款，金額分別為人民幣237,000,000元和人民幣243,100,000元。該等公司於中國註冊成立，並為集團之獨立第三方，該等借款固定半年利率均為6.9厘，前者為無抵押，後者由該公司的存貨作抵押，兩項借款（本金及利息）分別於二零一四年六月十五日及二零一四年六月十一日到期。

除來自其零售業務之現金銷售外，本集團一般給予其貿易客戶30至120日之平均信貸期。本集團應收賬款（扣除呆賬撥備）於報告期間結算日基於發票日期（與收益確認日期相若）呈列之賬齡分析如下：

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22. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

(Continued)

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines its credit limits based on results from investigation of historical credit records of these customers. Majority of trade receivables that are neither past due nor impaired have no default payment history. It is the Group's policy to make provision against debts which normally aged over 90 days, except for some specific customers granted with longer credit period, because historical experience is such that receivables that are past due beyond 90 days are generally not recoverable.

However, included in the Group's trade receivables are debtors with an aggregate carrying amount of RMB144,140,000 (2012: RMB24,562,000) which were past due at the end of the reporting date but for which the Group has not provided for impairment loss, as there has not been a significant change in credit quality of the relevant customers and the Group believes that the amounts are still recoverable as there are subsequent settlement. The Group does not hold any collateral over the above balances.

Aging (based on the invoice date) of trade receivables which are past due but not impaired:

		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
91 – 180 days	91至180日	75,753	6,964
Over 180 days	超過180日	68,387	17,598
		144,140	24,562

Movement in the allowance for doubtful debts of trade receivables and prepayments.

		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
Balance at beginning of the year	年初結餘	17,324	6,804
Impairment loss recognised in respect of prepayments	就預付款項確認之減值虧損	1,443	-
Impairment loss recognised on trade receivables	就應收賬款確認之減值虧損	8,259	10,520
Balance at end of the year	年終結餘	27,026	17,324

22. 應收賬款及其他應收款項以及預付款項 (續)

本集團接納任何新客戶前會評估該潛在客戶之信貸質素，並根據對該等客戶過往信貸記錄之調查結果設定信貸限額。大部份未逾期且未減值之應收賬款過往均無拖欠付款。本集團之政策為除若干獲授較長信貸期之特定客戶外，通常就賬齡超過90日之債項計提撥備，原因為過往經驗顯示逾期超過90日之應收款項通常不可收回。

然而，本集團之應收賬款中包括總賬面值人民幣144,140,000元（二零一二年：人民幣24,562,000元）之應收款項，該等款項於報告日期已逾期，惟本集團並無計提減值虧損撥備，原因為相關客戶之信貸質素並無重大變化，而基於其後能收到還款，本集團亦相信相關款項仍可收回。本集團並無就上述結餘持有任何抵押品。

已逾期但未減值之應收賬款賬齡（基於發票日期）：

	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
91 – 180 days	75,753	6,964
Over 180 days	68,387	17,598
	144,140	24,562

應收賬款及預付款項呆賬撥備之變動。

	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
Balance at beginning of the year	17,324	6,804
Impairment loss recognised in respect of prepayments	1,443	-
Impairment loss recognised on trade receivables	8,259	10,520
Balance at end of the year	27,026	17,324

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22. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

(Continued)

Included in trade and other receivables as at 31 December 2013 are amounts of RMB18,024,000 and RMB69,000 denominated in United States Dollars ("US\$") and HK\$, respectively, which were other than the functional currency of the respective group entities. As at 31 December 2012, there were approximately RMB17,790,000 and RMB69,000 denominated in US\$ and HK\$, respectively.

23. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

Bank balances carry interest at variable rates as follows:

Range of interest rates per annum 年利率範圍

Pledged bank deposits mainly represent deposits pledged to banks to secure the bills of RMB62,000,000 (2012: RMB182,000,000).

The pledged bank deposits of the Group carrying fixed interest rates at the following various interest rates per annum:

Interest rates per annum 年利率

22. 應收賬款及其他應收款項以及預付款項 (續)

於二零一三年十二月三十一日，應收賬款及其他應收款項分別有約人民幣18,024,000元及人民幣69,000元以美元（「美元」）及港元（並非各集團實體之功能貨幣）計值之款項。於二零一二年十二月三十一日，分別有約人民幣17,790,000元及人民幣69,000元以美元及港元計值之款項。

23. 已抵押銀行存款／銀行結餘及現金

銀行結餘按下列浮動利率計息：

	2013 二零一三年	2012 二零一二年
Range of interest rates per annum	0.01% to 0.350% 0.01厘至0.350厘	0.01% to 0.385% 0.01厘至0.385厘

已抵押銀行存款主要指作為於二零一三年十二月三十一日前發出之人民幣62,000,000元（二零一二年：人民幣182,000,000元）票據之抵押而抵押予銀行之存款。

本集團已抵押銀行存款按下列不同固定年利率計息：

	2013 二零一三年	2012 二零一二年
Interest rates per annum	0.01% to 0.350% 0.01厘至0.350厘	0.01% to 0.385% 0.01厘至0.385厘

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23. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

(Continued)

Included in the Group's bank balances is a bank balance with Laishang Bank Co., Ltd. ("Laishang Bank"), which is a local commercial bank that is registered in Laiwu City of Shandong Province and operates in the PRC, amounted to RMB1,386,557,000 (2012: RMB1,204,439,000) that carries an interest of 0.350% per annum (2012: 0.385% per annum). Based on the records of Laishang Bank, the Chairman of the Company, Mr. Liu Qingping, is one of the 14 directors of Laishang Bank as at 31 December 2012. Mr. Liu has declared that he does not hold any equity interest in the bank, and has tendered resignation of directorship in March 2010. In March 2013, the bank has issued a confirmation stating that the resignation of Mr. Liu was approved and Mr. Liu has formally resigned the director of the Laishang Bank. Further details in relation to the Group's credit risk are disclosed in note 39(b).

Included in bank balances and pledged bank deposits as at 31 December 2013, which were approximately RMB20,000 and RMB211,000 denominated in US\$ and HK\$, respectively, other than the functional currency of the respective group entities (2012: Approximately RMB117,000 and RMB1,093,000 denominated in US\$ and HK\$ respectively).

24. TRADE AND OTHER PAYABLES AND ACCRUALS

The analysis of the trade and other payables and accruals of the Group is as follow:

Trade payables	應付賬款
Bills payables	應付票據
Accruals	應計費用
Receipts in advance	預收款項
Other tax payables	其他應付稅項
Others	其他

23. 已抵押銀行存款／銀行結餘及現金

(續)

本集團銀行結餘中有人民幣1,386,557,000元(二零一二年:人民幣1,204,439,000元)存入萊商銀行股份有限公司(「萊商銀行」,於山東省萊蕪市註冊並於中國經營之地方商業銀行)之銀行結餘按年利率0.350厘(二零一二年:年利率0.385厘)計息。根據萊商銀行之記錄,於二零一二年,本公司主席劉慶平先生為萊商銀行14名董事之一。劉先生已聲明,彼並無持有該行任何股權,並已於二零一零年三月提呈辭任董事職務。於二零一三年三月,該行發出確認書,表示劉先生之辭呈已獲批准。有關本集團信貸風險之進一步詳情於附註39(b)披露。

於二零一三年十二月三十一日,銀行結餘及已抵押銀行存款中分別有約人民幣20,000元及人民幣211,000元以美元及港元(並非相關集團實體之功能貨幣)計值之款項(二零一二年:約人民幣117,000元以美元及人民幣1,093,000元以港元計值)。

24. 應付賬款及其他應付款項以及應計費用

本集團之應付賬款及其他應付款項以及應計費用分析如下:

	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
Trade payables	54,493	85,611
Bills payables	62,000	182,000
Accruals	115,955	82,016
Receipts in advance	17,238	12,103
Other tax payables	26,461	21,154
Others	78,016	35,489
	354,163	418,373

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24. TRADE AND OTHER PAYABLES AND ACCRUALS

(Continued)

The aged analysis of the Group's trade payables based on the invoice date at the end of the reporting period is as follows:

0 – 30 days	0至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
91 – 180 days	91至180日
Over 180 days	超過180日

All bills payables of the Group are aged between 91 to 180 days and are not yet due at the end of the reporting period.

Included in trade and other payables and accruals as at 31 December 2013 were approximately RMB5,584,000 and RMB10,208,000 denominated in US\$ and HK\$, which were other than the functional currency of the respective group entities. There were approximately RMB29,286,000 and RMB5,199,000 denominated in US\$ and HK\$, other than the functional currency of the respective group entities as at 31 December 2012.

25. AMOUNT DUE TO A SHAREHOLDER

The amount due to a shareholder represents an amount of HK\$32,000,000, which is equivalent to approximately RMB27,200,000 (2012: HK\$32,000,000, which is equivalent to approximately RMB27,200,000) advanced by Harvest Sun to the Group and carries fixed interest at the rate of 5.25% (2012: 5.25%) per annum and repayable, renewable within one year.

24. 應付賬款及其他應付款項以及應計費用 (續)

本集團於報告期間結算日基於發票日期之應付賬款賬齡分析如下：

	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
	33,788	29,963
	741	3,692
	283	17,428
	659	13,939
	19,022	20,589
	54,493	85,611

本集團所有應付票據之賬齡均介乎91至180日，於報告期間結算日均仍未到期。

於二零一三年十二月三十一日，應付賬款及其他應付款項以及應計費用中分別有約人民幣5,584,000元及人民幣10,208,000元以美元及港元（並非各集團實體之功能貨幣）計值之款項。於二零一二年十二月三十一日，分別有約人民幣29,286,000元及人民幣5,199,000元以美元及港元（並非各集團實體之功能貨幣）計值之款項。

25. 應付一名股東款項

應付一名股東款項指富盈墊付予本集團之一筆32,000,000港元（相等於約人民幣27,200,000元）（二零一二年：32,000,000港元（相等於約人民幣27,200,000元））款項，固定年利率為5.25厘（二零一二年：5.25厘），並可於一年內重新簽定。

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26. BANK BORROWINGS

26. 銀行借貸

		2013 二零一三年	2012 二零一二年 (Restated) (經重列)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Bank borrowings	銀行貸款	428,100	316,100
Analysed as:	分析為:		
Secured	有抵押	50,000	50,000
Unsecured	無抵押	378,100	266,100
		428,100	316,100
The exposure of the Group's borrowings are as follows:	本集團借貸如下:		
Fixed-rate borrowings	定息借貸	378,100	311,100
Variable-rate borrowings	浮息借貸	50,000	5,000
		428,100	316,100

The range of effective interest rates (which are also equal to contracted interest rates) of the Group's borrowings are as follows:

本集團借貸之實際利率(相等於已訂約利率)範圍載列如下:

		2013 二零一三年	2012 二零一二年 (Restated) (經重列)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Fixed-rate borrowings	定息借貸	6.72% to 7.80% per annum 年利率 6.72厘至7.80厘	6.00% to 7.80% per annum 年利率 6.00厘至7.80厘
Variable-rate borrowings	浮息借貸	100% of 1-year benchmark lending rate of the People's Bank of China 中國人民銀行 一年期貸款基準 利率之100%	120% of 1-year benchmark lending rate of the People's Bank of China 中國人民銀行 一年期貸款基準 利率之120%
Denominated in:	以下列貨幣計值:		
RMB	人民幣	428,100	316,100

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26. BANK BORROWINGS (Continued)

All borrowings are repayable within one year from the end of the reporting year except for RMB30,000,000 (2012: RMB30,000,000) which are repayable on demand due to the breach of loan covenants (see the note below for details).

The effective interest rates for the bank borrowings are 6.87% and 7.00% per annum as at 31 December 2013 and 2012, respectively.

Included in the above bank borrowings are unsecured borrowings of RMB48,000,000 from Laishang Bank that carry interest at a fixed rate of 7.8% per annum. The borrowings will mature on September 2014. Further details are disclosed in note 39(b).

26. 銀行借貸 (續)

所有借貸均須於報告年度結算日起計一年內償還，惟人民幣30,000,000元（二零一二年：人民幣30,000,000元）須於違反借貸契諾後於要求時償還（詳情請參閱下文附註）。

於二零一三年及二零一二年十二月三十一日之銀行借貸實際年利率分別為6.87厘及7.00厘。

上述銀行借貸包括來自萊商銀行之無抵押借貸人民幣48,000,000元，按固定年利率7.8厘計息。該筆借貸將於二零一四年九月到期。進一步詳情於附註39(b)披露。

		2013 二零一三年	2012 二零一二年 (Restated) (經重列)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Unsecured bank borrowings guaranteed by:	由以下各方擔保之無抵押銀行借貸：		
萊蕪泰興城市資產運營有限公司 （「萊蕪泰興」）	萊蕪泰興城市資產運營有限公司 （「萊蕪泰興」）	48,000	48,000
山東萬潤達紙業有限公司 （「山東萬潤達」）	山東萬潤達紙業有限公司 （「山東萬潤達」）	111,600	-
萊蕪泰興投資建設有限公司 （「泰興投資」）	萊蕪泰興投資建設有限公司 （「泰興投資」）	50,000	-
TTG	泰豐紡織	84,730	111,600
Mr. Liu Qingping	劉慶平先生	50,000	-

萊蕪泰興，山東萬潤達，泰興投資and TTG are independent third parties.

萊蕪泰興、山東萬潤達、萊蕪市及泰豐紡織均為獨立協力廠商。

Note: Approximately RMB30,000,000 (2012: RMB30,000,000) of the Group's bank borrowings as at 31 December 2013 are required to be secured by certain inventories of approximately RMB44,795,000 (2012: RMB50,222,000) pursuant to relevant bank borrowing agreements. However, as at 31 December 2013, the carrying amount of the relevant pledged inventories was only approximately RMB14,038,000 (2012: RMB8,434,000), which is lower than the amount required, resulting in these bank borrowings being immediately repayable due to their breach of covenants. These bank borrowings have been presented in the earliest time band in the liquidity table in note 39(b).

附註： 於二零一三年十二月三十一日，根據相關銀行借貸協議，本集團銀行借貸其中約人民幣30,000,000元（二零一二年：人民幣30,000,000元）需要以約人民幣44,795,000元（二零一二年：人民幣50,222,000元）之若干存貨作為抵押。然而，於二零一三年十二月三十一日，相關已抵押存貨之賬面值僅約為人民幣14,038,000元（二零一二年：人民幣8,434,000元），低於所需金額，導致該等銀行借貸須於違反契諾後即時償還。該等銀行借貸已列入附註39(b)之流動資金表中最早之時限內。

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27. OBLIGATIONS UNDER FINANCE LEASE

The Group leased certain of its manufacturing equipment under sale and finance leaseback agreement. The lease term is 5 years. At the end of the lease period of the Finance Lease Contract, the Group will have the right to purchase the Equipment at a nominal purchase price of RMB100. The Group's obligations under finance leases are secured by a refundable lease guarantee deposit of RMB27,000,000. Furthermore, Mr. Liu Qingping and his wife, as well as each of the other directors of Shandong Taifeng, namely Mr. Li Dengxiang, Ms. Qi Tongli, Mr. Liu Chunwei and Mr. Zou Shengzhong, have provided joint and several unlimited personal guarantee in favour of CDB Leasing Co., Ltd (國銀金融租賃有限公司) on the performance of the obligations of Shandong Taifeng under the Finance Lease Arrangement.

Interest rate under all obligations under finance lease are variable at 90 basis points over the 3 to 5 year base lending rate of the People's Bank of China, which if based on the rate of 6.4% per annum on the date of the execution of the Finance Lease Contract, will be 7.3% per annum.

27. 融資租賃承擔

本集團以出售後融資租賃回租形式租用部份製造設備。該租賃為期五年，於租賃期間結束後，本集團有權按象徵式購買價人民幣100元購置該等設備。可退回租賃保證金約人民幣27,000,000元作為本集團之融資租賃承擔的抵押品。另外，劉慶平先生及其夫人，與其他山東泰豐之董事，包括李登祥先生、亓同麗女士、劉純衛先生及鄒生忠先生提供聯合無上限的個人保證予國銀金融租賃有限公司，作為山東泰豐根據融資租賃需履行之承擔。

融資租賃承擔下的租賃利息，根據中國人民銀行公佈之三至五年期基準借貸利率加90個基點計算，倘按於融資租賃合約簽立日期之年利率6.4%計算，其將為每年7.3%。

		Minimum lease payments 融資租賃負債		Present value of minimum lease payments 融資租賃負債現值	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Not later than one year	一年內	61,742	-	40,000	-
Later than one year and not later than five years	超過一年但不超過五年	88,159	-	70,000	-
Later than five years	五年後	219,344	-	200,000	-
		369,245	-	310,000	-
Less: future finance charges	減：融資租賃之未來融 資開支	(59,245)	-	-	-
Present value of minimum lease payments	融資租賃負債現值	310,000	-	310,000	-

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27. OBLIGATIONS UNDER FINANCE LEASE (Continued)

27. 融資租賃承擔 (續)

		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
Included in the consolidated financial statements as:	於綜合財務報表內：		
Current liabilities	流動負債	40,000	-
Non-current liabilities	非流動負債	270,000	-
		<u>310,000</u>	<u>-</u>

28. DEFERRED TAX

28. 遞延稅項

The following table shows the major deferred tax liabilities (assets) recognised by the Group and movements thereon during the current and prior years:

下表列示本集團於本年度及過往年度確認之主要遞延稅項負債(資產)及其變動:

		Allowance on inventories 存貨撥備 RMB'000 人民幣千元	Allowance on trade receivables 應收賬款撥備 RMB'000 人民幣千元	Undistributed earnings of PRC's subsidiaries from 1 January 2008 中國附屬公司自二零零八年一月一日起之未分派盈利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2012	於二零一二年一月一日	(2,699)	-	31,132	28,433
Charge to profit or loss	扣自損益	-	-	24,855	24,855
Credit to profit or loss	計入損益	-	-	(9,556)	(9,556)
At 31 December 2012 and 1 January 2013	於二零一二年十二月三十一日及二零一三年一月一日	<u>(2,699)</u>	<u>-</u>	<u>46,431</u>	<u>43,732</u>
Charge to profit or loss	扣自損益	-	-	14,465	14,465
Credit to profit or loss	計入損益	(934)	(6,396)	(5,778)	(13,108)
At 31 December 2013	於二零一三年十二月三十一日	<u>(3,633)</u>	<u>(6,396)</u>	<u>55,118</u>	<u>45,089</u>

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28. DEFERRED TAX (Continued)

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

Deferred tax assets	遞延稅項資產
Deferred tax liabilities	遞延稅項負債

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

10,029	2,699
(55,118)	(46,431)
(45,089)	(43,732)

Deferred tax has been provided for allowance on trade receivables, inventories for the slow moving but not damaged inventories and withholding tax in respect of the undistributed profits attributable to the Group as earned by the Group's PRC subsidiaries starting from 1 January 2008. Under the New Law, distribution of such profits to their shareholders outside the PRC are subject to withholding tax.

The Group has unused tax losses of RMB12,013,000 and RMB13,689,000 available to offset against future profits at 31 December 2013 and 2012, respectively. No deferred tax asset has been recognised in respect of such tax losses due to the unpredictability of future profit streams. The tax losses of RMB1,715,000, RMB3,367,000, RMB1,976,000, RMB772,000 and RMB253,000 will expire in 2014, 2015, 2016, 2017 and 2018 respectively. The remaining tax losses have no expiry date.

28. 遞延稅項 (續)

下表為就財務報告所作之遞延稅項結餘分析：

已就計提撥備的應收賬款滯銷但未損壞存貨之存貨撥備及本集團應佔本集團中國附屬公司自二零零八年一月一日起所賺取之未分派溢利之預扣稅作出遞延稅項撥備。根據新稅法，向中國境外股東分派該等溢利須繳納預扣稅。

於二零一三年及二零一二年十二月三十一日，本集團分別有未動用稅項虧損人民幣12,013,000元及人民幣13,689,000元可用於抵銷未來溢利。由於未能預測未來溢利來源，故並無就有關稅項虧損確認遞延稅項資產。人民幣1,715,000元、人民幣3,367,000元、人民幣1,976,000元、人民幣772,000元及人民幣253,000元之稅項虧損將分別於二零一四年、二零一五年、二零一六年、二零一七年及二零一八年屆滿。餘下稅項虧損並無屆滿日期。

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29. SHARE CAPITAL

		Number of shares 股份數目	Amount 金額 RMB 人民幣
Ordinary shares of RMB0.088 (HK\$0.1) each:	每股面值人民幣0.088元 (0.1港元)之普通股:		
Authorised:	法定:		
At 1 January 2012, 31 December 2012 and 2013	於二零一二年一月一日、 二零一二年及二零一三年 十二月三十一日	1,500,000,000	132,000,000
Issued and fully paid:	已發行及繳足:		
At 1 January 2012, 31 December 2012 and 2013	於二零一二年一月一日、 二零一二年及二零一三年 十二月三十一日	1,000,000,000	88,000,000

30. SPECIAL RESERVE/PRC GENERAL RESERVE

The special reserve relates to Shandong Taifeng and represents the difference between registered capital and the net assets contributed by its shareholders prior to 1 January 2007.

According to the relevant requirements in the memorandum of the Group's PRC subsidiaries, a portion of their profits after taxation is transferred to PRC general reserve. The transfer to this reserve must be made before the distribution of a dividend to equity owners. The general reserve fund can be used to offset the previous years' losses, if any. The general reserve fund is non-distributable other than upon liquidation.

29. 股本

30. 特別儲備／中國一般儲備

特別儲備與山東泰豐有關，指註冊資本與其股東於二零零七年一月一日前注入之資產淨值間之差額。

根據本集團中國附屬公司組織章程大綱內相關規定，須將其部分除稅後溢利轉撥至中國一般儲備。是項儲備轉撥必須於向權益持有人分派股息前作出。一般儲備基金可用於抵銷過往年度虧損（如有）。除清盤外，一般儲備基金不得用作分派。

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31. SHARE-BASED PAYMENT RESERVE/CAPITAL RESERVE

Prior to the completion of a corporate reorganisation in 2009, Mr. Liu, a director and a shareholder of the Company, acquired an additional 5.14% equity interest in Shandong Taifeng from the original shareholders of Shandong Taifeng at a nominal consideration of US\$100 as token of appreciation of his standing commitment, continuous support and contribution to the Group, upon the completion of a two-year service as a director of Shandong Taifeng from 17 April 2009.

The fair value of the additional 5.14% equity interest at the date of transfer was approximately RMB17,476,000 according to the valuation report from an independent valuer, Jones Lang LaSalle Sallmanns Limited. The share-based payment reserve represents the amount recognised as share-based payment expense which is calculated with reference to the difference between the above nominal consideration paid by Mr. Liu and fair value of the shares at the date of transfer, and is expensed on a straight-line basis over two years service period commencing 17 April 2009. As no further share-based payments arose since 2012, no charge to profit or loss for the current year.

The capital reserve represents the difference between the fair value of the interest-free advances from shareholders in previous years and the principal amounts at inception, as adjusted by the effect of the early repayment.

32. RETIREMENT BENEFIT PLANS

According to the relevant laws and regulations in the PRC, the Company's PRC subsidiaries are required to participate in defined contribution retirement schemes administrated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated on certain percentage of the average employee salary as required by local municipal government to the scheme to fund the retirement benefits of the employees. The principal obligation of the Group with respect to the retirement benefit scheme is to make the required contributions under the scheme.

The Group also operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustee. The Group contributes 5% of relevant payroll costs to the scheme, which contribution is matched by employees.

For the year ended 31 December 2013, the Group's total retirement benefit scheme contributions were approximately RMB4,449,000 (2012: RMB3,664,000).

31. 股份付款儲備／資本儲備

在二零零九年之企業重組完成前，劉先生（本公司董事兼股東）於完成自二零零九年四月十七日起出任山東泰豐董事之兩年服務期後，以象徵式代價100美元向山東泰豐之原始股東收購山東泰豐額外5.14%股本權益，以感謝其對本集團之奉獻及多年來之支持及貢獻。

根據獨立估值師仲量聯行西門有限公司發出之估值報告，該額外5.14%股本權益於轉讓日期之公平值約為人民幣17,476,000元。股份付款儲備即參考上述由劉先生支付之象徵式代價與股份於轉讓日期之公平值之差額計算，確認為股份付款開支之金額，並自二零零九年四月十七日起之兩年服務期內以直線法支銷。自2012年度起，本集團並沒有以股份付款，因此，綜合損益及其他全面收益表沒有有關費用支銷。

資本儲備指股東於過往年度所提供免息墊款之公平值與開始時之本金額間之差額，並就提前償還之影響予以調整。

32. 退休福利計劃

根據中國相關法律及法規，本公司的中國附屬公司須參與地方市政府推行的界定供款退休計劃。本集團的中國附屬公司按地方市政府所規定平均僱員薪金的若干百分比向計劃供款，以就僱員的退休福利撥付資金。本集團有關退休福利計劃的主要責任為根據計劃作出所需供款。

本集團亦為香港所有合資格僱員參與強制性公積金計劃。該計劃的資產與本集團資產分開，存放於受託人管理的基金。本集團向該計劃作出的供款為有關薪金成本的5%，而僱員亦須作出同樣供款。

截至二零一三年十二月三十一日止年度，本集團之供款總額約為人民幣4,449,000元（二零一二年：人民幣3,664,000元）。

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33. RELATED PARTY DISCLOSURES

(I) Related party transactions

During the year, the Group entered into the following transactions with related parties:

Name of related party 關聯人士名稱/姓名	Relationship 關係	Nature of transactions 交易性質	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
Harvest Sun 富盈	Substantial shareholder 主要股東	Interest expense 利息開支	1,327	1,378
Liu Qingping 劉慶平	Executive director 執行董事	Interest expense 利息開支	-	215

(II) Related party balance

Details of the balance with a related party are set out in note 25.

(III) Compensation of key management personnel

The emoluments of directors who are also identified as members of key management of the Group during the year were as follows:

		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
Short-term benefits	短期福利	4,492	4,772
Post-employment benefit	離職後福利	74	74
		4,566	4,846

33. 關聯人士披露

(I) 關聯人士交易

年內，本集團與關聯人士進行下列交易：

		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
Harvest Sun 富盈	Substantial shareholder 主要股東	1,327	1,378
Liu Qingping 劉慶平	Executive director 執行董事	-	215

(II) 關聯人士結餘

與一名關聯人士之結餘詳情載於附註25。

(III) 主要管理人員報酬

年內董事（同時被認為本集團主要管理層成員）之酬金如下：

		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
Short-term benefits	短期福利	4,492	4,772
Post-employment benefit	離職後福利	74	74
		4,566	4,846

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34. PLEDGE OF ASSETS

At the end of the reporting period, the following assets were pledged to banks to secure the Group's bank borrowings and bills of RMB62,000,000 before 31 December 2013.

In addition, as required by a bank, the Group needs to maintain certain inventories at a level at least equal to approximately RMB44,795,000 and RMB50,222,000 to secure the relevant bank borrowings as at 31 December 2013 and 2012, respectively. However, as at 31 December 2013, the carrying amount of the relevant pledged inventories was only approximately RMB14,038,000 (2012: RMB8,434,000), which is lower than the amount required, resulting in these bank borrowings being immediately repayable due to the breach of borrowing covenants. Further details are disclosed in note 26.

34. 資產抵押

於報告期間結算日，下列資產已抵押予銀行，以作為本集團之銀行借貸及於二零一三年十二月三十一日前為數人民幣62,000,000元之應付票據之抵押。

此外，應一間銀行要求，本集團於二零一三年及二零一二年十二月三十一日需要將若干存貨分別維持於最少相等於約人民幣44,795,000元及人民幣50,222,000元之水準，以作為相關銀行借貸之抵押。然而，於二零一三年十二月三十一日，相關已抵押存貨之賬面值僅約為人民幣14,038,000元（二零一二年：人民幣8,434,000元），低於所需金額，導致該等銀行借貸須於違反借貸契諾後即時償還。進一步詳情於附註26披露。

		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
Inventories (note 21)	存貨 (附註21)	14,038	8,434
Bank deposits (note 23)	銀行存款 (附註23)	12,400	72,965
Buildings, net book value (note 15)	樓宇 (賬面淨值) (附註15)	37,428	38,992
Leasehold land, net book value (note 16)	租賃土地 (賬面淨值) (附註16)	7,103	7,281
		70,969	127,672

35. OPERATING LEASES

The Group as lessee

The minimum lease payments paid under operating leases during the year.

35. 經營租賃

本集團作為承租人

年內根據經營租賃支付之最低租賃款項如下。

		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
Premises	物業	11,746	12,232

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35. OPERATING LEASES (Continued)

The Group as lessee (Continued)

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		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
Within one year	一年內	11,360	11,962
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	19,956	27,751
Over five years	超過五年	45,045	49,245
		76,361	88,958

Operating lease payments represent rentals payable by the Group for certain of its office premises and production plants. Leases are negotiated and rentals are fixed for a period of one to twenty years.

36. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the group companies will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of amount due to a shareholder disclosed in note 25, bank borrowings disclosed in note 26, obligations under finance lease disclosed in note 27 and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Group review the capital structure regularly. As part of this review, the directors consider the cost and the risks associates with the capital. Based on the recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends and new share issues as well as the issue of new debt or the redemption of existing debt.

35. 經營租賃(續)

本集團作為承租人(續)

於報告期間結算日,本集團根據不可註銷經營租賃於下列日期到期之未來最低租賃款項承擔如下:

	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
Within one year	11,360	11,962
In the second to fifth year inclusive	19,956	27,751
Over five years	45,045	49,245
	76,361	88,958

經營租賃款項指本集團就其若干辦公室物業及生產廠房應付之租金。租約釐訂為1至20年,並已釐訂期間之租金。

36. 資金風險管理

本集團管理資金的目標為透過維持債項與權益間之最佳平衡,確保集團旗下公司可持續經營,同時盡量提升持份人之回報。本集團此整體策略與去年比較維持不變。

本集團之資本結構包括附註25所披露之應付一名股東款項、附註26所披露之銀行借貸、附註27所披露之融資租賃承擔以及本公司擁有人應佔權益(包括已發行股本及儲備)。

本集團董事定期檢討資本結構。檢討過程中董事會考慮各類資金之成本及所附帶之風險。本集團會根據董事之推薦意見,藉派付股息、發行新股份及發行新債項或贖回現有債項來平衡本集團整體資本結構。

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

37. CAPITAL COMMITMENTS

37. 資本承擔

	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
Capital expenditure in respect of the acquisition of land use rights and buildings contracted for but not provided in the consolidated financial statements	6,880	6,880

就收購土地使用權及樓宇
已訂約但尚未於綜合財務報表
內計提撥備之資本開支

38. LITIGATION

38. 訴訟

On 6 March 2013, the Group received an adjudication made by The Shanghai No.2 Intermediate People's Court. Pursuant to the adjudication, the Company was ordered to pay Allenberg Cotton Co. USA ("Allenberg"), damages amounted to US\$2,962,000; the arbitration expenses charged by International Cotton Association amounted to GBP5,000; and any interest incurred. Furthermore, the Company was responsible for the court expenses for RMB86,000.

於二零一三年三月六日，本集團收到由中華人民共和國上海市第二中級人民法院發出的民事裁定書，該裁定書裁定本集團需向艾倫寶棉花公司（「艾倫寶」）支付2,962,000美元、國際棉花協會的仲裁費用5,000英鎊、相關利息及遲延履行期間的債務利息。此外，本集團須承擔案件執行費用人民幣86,000元。

On 27 November 2013, the Group further received an execution order issued by The Shanghai No.2 Intermediate People's Court for the immediate payment of the above mentioned amount.

於二零一三年十一月二十七日，本集團收到中華人民共和國上海市第二中級人民法院發出的執行通知，該執行通知頒令立即履行支付上述金額。

In view of the execution order, the Group's directors are in the opinion that provision for damages and other related legal expenses (the "provision amount") thereof is necessary and RMB18,239,000 has been provided. Furthermore, an impairment loss in respect of the prepayment to Allenberg, amounted to RMB1,443,000, has been made.

有見及此，本集團董事認為有需要為上述的賠償以及其他相關費用進行撥備，金額為人民幣18,239,000元。此外，本集團已就向艾倫寶支付的人民幣1,443,000元預付款作出減值虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2013

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39. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		2013 二零一三年	2012 二零一二年 (Restated) (經重列)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Financial assets	金融資產		
Available-for-sale investment	可供出售投資	6,614	6,614
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)	2,538,370	1,789,403
Financial liabilities	金融負債		
Amortised cost	攤銷成本	1,114,274	651,908

(b) Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investment, trade and other receivables, pledged bank deposits, bank balances and cash, trade and other payables, amount due to a shareholder and bank borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with certain of these financial instruments include market risk (interest rate risk and currency risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

The Group's activities expose primarily to the market risks of changes in interests rates and foreign currency exchange rates (see below).

There has no significant change to the Group's exposure to market risks or the manner in which it manages and measures the risk over the year.

39. 金融工具

(a) 金融工具之類別

		2013 二零一三年	2012 二零一二年 (Restated) (經重列)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Financial assets	金融資產		
Available-for-sale investment	可供出售投資	6,614	6,614
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)	2,538,370	1,789,403
Financial liabilities	金融負債		
Amortised cost	攤銷成本	1,114,274	651,908

(b) 財務風險管理目標及政策

本集團之主要金融工具包括可供出售投資、應收賬款及其他應收款項、已抵押銀行存款、銀行結餘及現金、應付賬款及其他應付款項、應付一名股東款項以及銀行借貸。該等金融工具之詳情於各自之附註披露。與若干該等金融工具相關之風險包括市場風險 (利率風險及貨幣風險)、信貸風險及流動資金風險。減低該等風險之政策載於下文。管理層管理及監察有關風險，以確保能及時有效地採取適當措施。

市場風險

本集團的業務主要面對利率、外幣匯率變動的市場風險及其他價格風險 (參見下文)。

本集團於年內面對的市場風險或其管理及衡量風險的方式概無重大變動。

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綜合財務報表附註

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39. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies

(Continued)

Market risk (Continued)

(i) Interest rate risk

The Group's fair value interest rate risk relates primarily to pledged bank deposits, amount due to a shareholder and fixed-rate bank borrowings. In addition, the Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances, pledged bank deposits and bank borrowings. The Group currently does not use any derivative contracts to hedge its exposure to interest rate risk. However, the management will consider hedgings significant interest rate exposure should the need arise.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to variable interest rates for bank balances in saving accounts of Laishang Bank which the Group has deposited over 95% (2012: over 90%) of its bank balances at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 10 basis point (2012: 10 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 10 basis points (2012: 10 basis points) higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2013 would increase/decrease by approximately RMB1,083,000 (2012: increase/decrease by RMB1,156,000).

The directors consider that the exposure to interest risk on pledged bank deposits and bank borrowings are insignificant, so there is no sensitivity analysis presented.

39. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

(i) 利率風險

本集團之公平值利率風險主要與已抵押銀行存款、應付一名股東款項及定息銀行借貸相關。此外，本集團亦需就浮息銀行結餘、已抵押銀行存款及銀行借貸承受現金流量利率風險。本集團現時並無利用任何衍生工具合約對沖其面對的利率風險。然而，管理層於有需要時會考慮對沖重大利率風險。

敏感度分析

以下敏感度分析乃根據存入萊商銀行儲蓄賬戶之銀行結餘之浮動利率風險而釐定。於報告期間結算日，本集團逾95% (二零一二年：逾90%)之銀行結餘存入萊商銀行。該分析乃假設於報告期間結算日未平倉之金融工具於全年均未平倉而編製。上升或下跌10個基點 (二零一二年：10個基點)為內部向主要管理人員呈報利率風險所用之比率，為管理層對利率合理可能變動之評估。

倘利率上升/下跌10個基點 (二零一二年：10個基點)，而所有其他變數均維持不變，則本集團截至二零一三年十二月三十一日止年度之除稅後溢利將增加/減少約人民幣1,083,000元 (二零一二年：增加/減少人民幣1,156,000元)。

董事認為就已抵押銀行存款及銀行借貸所承受之利率風險不大，所以並無呈列任何敏感度分析。

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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. FINANCIAL INSTRUMENTS (Continued)

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

Market risk (Continued)

(ii) Currency risk

The Group has certain trade and other receivables, pledged bank deposits, bank balances, trade and other payables, amount due to a shareholder and bank borrowings denominated in foreign currencies, hence risk exposure to exchange rate fluctuations arise.

The Group has not entered into any foreign exchange forward contract to hedge against these foreign currencies risk exposure. However, management of the Group will consider to hedge these balances should the need arises.

The carrying amount of the Group's foreign currency denominated monetary assets at the reporting date is as follows:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Trade and other receivables	應收賬款及其他應收款項		
US\$	美元	18,024	17,790
HK\$	港元	69	69
Bank balances and pledged bank deposits	銀行結餘及已抵押銀行存款		
US\$	美元	20	117
HK\$	港元	211	1,093
Trade and other payables	應付賬款及其他應付款項		
US\$	美元	5,584	29,286
HK\$	港元	12,208	5,199
Amount due to a shareholder	應付一名股東款項		
HK\$	港元	27,200	27,200

39. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

(ii) 貨幣風險

本集團有若干以外幣計值之應收賬款及其他應收款項、已抵押銀行存款、銀行結餘、其他應付款項、應付一名股東款項以及銀行借貸，因此需面對匯率波動之風險。

本集團並無就對沖有關外匯風險訂立任何外匯遠期合約。然而，本集團管理層將於有需要時考慮對沖該等結餘。

於報告日期，本集團以外幣計值之貨幣資產之賬面值如下：

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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. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies

(Continued)

Market risk (Continued)

(ii) Currency risk (Continued)

Sensitivity analysis

The Group is mainly exposed to exchange rate fluctuation on US\$. The following table details the Group's sensitivity to a 5% strengthening of RMB against US\$ and HK\$. 5% is the rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in US\$ and HK\$. For a 5% weakening of RMB against US\$ and HK\$, there would be an equal and opposite impact on the post-tax profit.

Increase in post-tax profit 除稅後溢利增加

In the opinion of the directors of the Company, the sensitivity analysis is not necessarily representative of the inherent foreign exchange risk as the exposure at the end of the reporting period does not reflect the exposure during the periods.

Credit risk

As at 31 December 2013, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

39. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

(ii) 貨幣風險 (續)

敏感度分析

本集團主要面對美元匯率波動之風險。下表詳述本集團對人民幣兌美元及港元升值5%之敏感度。5%為內部向主要管理人員呈報外幣風險所用之比率，為管理層對美元及港元可能變動之評估。倘人民幣兌美元及港元貶值5%，將對除稅後溢利但相反之影響。

	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
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2,860 **3,028**

本公司董事認為，由於報告期間結算日之風險並不反映於期內所面對之風險，故敏感度分析不一定反映內在外匯風險。

信貸風險

於二零一三年十二月三十一日，本集團所承擔可能因交易對手無法履行責任而導致本集團蒙受財務虧損之最大信貸風險，乃產生自綜合財務狀況報表內所示已確認金融資產之賬面值。

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截至二零一三年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies

(Continued)

Credit risk (Continued)

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

As mentioned in note 23, the Group has deposited more than 95% of its bank balances with Laishang Bank. The directors of the Company believe that these bank balances are fully recoverable after considering the financial position and credit rating of Laishang Bank. Moreover, there is no special restriction on withdrawal of the balances from the bank.

Other than concentration of credit risk on liquid funds which are deposited with Laishang Bank with high credit ratings, the Group is also exposed to concentration of credit risk as a substantial portion of its trade receivables is generated from a limited number of customers including TTG. As at 31 December 2013, the top ten customers of the Group which are all located in and carrying on business in PRC accounted for about 65% (2012: 95%) of the Group's trade receivables. These customers are private enterprises engaged in manufacturing or trading business in textile industry with no history of default. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the management reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Group consider that the Group's credit risk is significantly reduced.

39. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險 (續)

為將信貸風險減至最低，本集團管理層已指派小組負責釐定信貸限額、批准信貸及進行其他監察程式，確保採取跟進程式收回逾期債項。此外，本集團會於報告期間結算日審閱每項獨立貿易債項之可收回金額，以確保已就不可收回金額作出足夠減值虧損。就此，本公司董事認為本集團及本公司之信貸風險已大幅減低。

如附註23所述，本集團逾95%之銀行結餘存入萊商銀行。經考慮萊商銀行之財務狀況及信貸評級後，本公司董事認為，該等銀行結餘可全數收回。

除存入具高信貸評級之萊商銀行之流動資金信貸風險集中外，本集團亦因其大部分應收賬款來自有限數量之客戶（包括泰豐紡織）而面臨集中信貸風險。於二零一三年十二月三十一日，本集團前十名客戶（均位於中國並於中國經營）佔本集團應收賬款之約65%（二零一二年：95%）。該等客戶為從事製造或貿易業務之民營紡織企業，並無拖欠記錄。為將信貸風險減至最低，本集團管理層已指派小組負責釐定信貸限額、批准信貸及進行其他監察程式，確保採取跟進程式收回逾期債項。此外，管理層會於報告期間結算日審閱每項獨立貿易債項之可收回金額，以確保已就不可收回金額作出足夠減值虧損。就此，本集團董事認為本集團之信貸風險已大幅減低。

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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

39. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies

(Continued)

Credit risk (Continued)

The credit risk on prepayments to suppliers is considered low. These suppliers are private enterprises engaged in manufacturing or trading business in textile industry with no history of default.

The credit risk on other receivables is limited given the financial position of the counter-parties as well as on time repayment history from the past.

The credit risk in respect of loan receivables is considered low. Taking into consideration of the financial position of the counter-parties, the Group's directors are in the view that the risk of non-recoverability of the carrying amount is minimal.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

As set out in note 26, there are breach of covenants for certain bank borrowings. However, the directors of the Company believe that these bank borrowing facilities will continue to be available and will not be withdrawn until the maturity date.

The Group relies on bank borrowings as a significant source of liquidity. As at 31 December 2013, the Group has available unutilised bank borrowing facilities of approximately RMB290,330,000 (31 December 2012: RMB109,605,000), details of the bank borrowings are set out in note 26.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

39. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險 (續)

本集團向供應商預付款項之信貸風險被視為較低。該等供應商為從事製造或貿易業務之民營紡織企業，過去並無拖欠記錄。

基於對手方的財務狀況以及對手按時還款的記錄，故其他應收款項之信貸風險被視為較低。

應收借款之信貸風險被視為較低。基於對手方的財務狀況，本集團的董事認為不可收回的可能性較低。

流動資金風險

於管理流動資金風險方面，本集團監察並將現金及現金等價物維持於管理層視為足以應付本集團營運及減低現金流量波動影響之水準。管理層監察銀行借貸之運用，並確保其符合貸款契諾。

如附註26所載，若干銀行借貸之契諾已遭違反。然而，本公司董事認為該等銀行借貸融資於到期日前將繼續可供提取，不會被撤回。

銀行借貸為本集團流動資金之主要來源。於二零一三年十二月三十一日，本集團可運用之未動用銀行借貸額度約人民幣290,330,000元（二零一二年十二月三十一日：人民幣109,605,000元），銀行借貸詳情載於附註26。

下表詳述本集團金融負債之剩餘合約期。該表乃根據本集團可能被要求付款之最早日期計算之金融負債未貼現現金流量而編製。該表包括利息及本金現金流量。倘利息流量為浮動利率，則於報告期間結算日未貼現金額按利率曲線計算。

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39. FINANCIAL INSTRUMENTS (Continued)

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

Liquidity risk (Continued)

Liquidity table

As at 31 December 2013

	Weighted average of contractual interest rate	Repayable on demand	Less than 1 month	1 – 3 months	3 months to 1 year	1 year to 5 years	Total undiscounted cash flows	Carrying amount at 31.12.2013
	加權平均合約利率	應要求償還	少於一個月	1-3個月	3個月至1年	1年至5年	未貼現現金流量總額	於二零一三年十二月三十一日之賬面值
	%	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
Trade and other payables	應付賬款及其他應付款項	-	73,635	90,971	93,223	81,682	9,463	348,974
Bank borrowings	銀行借貸							
Fixed rate	固定利率	6.96	-	-	-	389,499	-	389,499
Variable rate	浮動利率	6.18	30,000	-	-	20,323	-	50,323
Amount due to a shareholder	應付一名股東款項	5.25	-	-	-	28,628	-	28,628
Obligation under finance lease	融資租賃承擔	7.30	-	-	14,966	46,776	307,503	310,000
			103,635	90,971	108,189	566,908	316,966	1,186,669
								1,114,274

Note: The trade and other payables with maturity above one year represent payables for renovation expenses.

註：期限為一年以上的應付賬款及其他應付款項為應計之裝修費用。

As at 31 December 2012

於二零一二年十二月三十一日

	Weighted average of contractual interest rate	Repayable on demand	Less than 1 month	1 – 3 months	3 months to 1 year	1 year to 5 years	Total undiscounted cash flows	Carrying amount at 31.12.2012
	加權平均合約利率	應要求償還	少於一個月	1-3個月	3個月至1年	1年至5年	未貼現現金流量總額	於二零一二年十二月三十一日之賬面值
	%	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
Trade and other payables	應付賬款及其他應付款項	-	-	96,646	29,962	182,000	-	308,608
Bank borrowings	銀行借貸							
Fixed rate (restated)	固定利率 (經重列)	6.80	30,000	134,683	-	154,158	-	318,841
Variable rate	浮動利率	7.20	-	-	-	5,360	-	5,360
Amount due to a shareholder	應付一名股東款項	5.25	-	-	-	28,628	-	28,628
			30,000	231,329	29,962	370,146	-	661,437
								651,908

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39. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies

(Continued)

Liquidity risk (Continued)

Liquidity table (Continued)

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

(c) Fair value

The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

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

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 based on the degree to which the fair value is observable. Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.

	2013	2012
	二零一三年	二零一二年
	Level 1	Level 1
	第一層	第一層
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Available-for-sale investment	6,614	6,614

There were no transfers between levels in the current and prior years.

39. 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)

流動資金表 (續)

倘浮動利率變動與該等於報告期間結算日釐定之估算利率出現差異，則計入上述非衍生金融負債之浮息工具之金額將會變動。

(c) 公平值

金融資產及金融負債之公平值乃按照普遍接納之定價模式根據貼現現金流量分析釐定。

董事認為，綜合財務報表內按攤銷成本入賬之金融資產及金融負債之賬面值與其公平值相若。

下表提供於首次確認後按公平值計量，並依據可觀察公平值之程度分為第一層之金融工具之分析。第一層公平值計量乃源自相同資產或負債於活躍市場之報價（未調整）。

	2013	2012
	二零一三年	二零一二年
	Level 1	Level 1
	第一層	第一層
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Available-for-sale investment	6,614	6,614

於本年度及過往年度內並無於各層之間進行轉撥。

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截至二零一三年十二月三十一日止年度

40. FINANCIAL INFORMATION OF THE COMPANY

Financial information of the Company at the end of the reporting period includes:

		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		
Investment in a subsidiary	一間附屬公司投資	180,007	180,007
Amount due from subsidiaries	應收附屬公司款項	417,184	420,180
Bank balances	銀行結餘	187	1,057
Liabilities	負債		
Accruals	應計費用	(8,723)	(4,711)
Amount due to a subsidiary	應付一間附屬公司款項	(3,501)	(2,727)
		585,154	593,806
Capital and reserves	資本及儲備		
Share capital	股本	88,000	88,000
Reserves (note)	儲備 (附註)	497,154	505,806
		585,154	593,806

Note:

Reserves of the Company:

40. 有關本公司之財務資料

本公司於報告期間結算日之財務資料包括：

		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		
Investment in a subsidiary	一間附屬公司投資	180,007	180,007
Amount due from subsidiaries	應收附屬公司款項	417,184	420,180
Bank balances	銀行結餘	187	1,057
Liabilities	負債		
Accruals	應計費用	(8,723)	(4,711)
Amount due to a subsidiary	應付一間附屬公司款項	(3,501)	(2,727)
		585,154	593,806
Capital and reserves	資本及儲備		
Share capital	股本	88,000	88,000
Reserves (note)	儲備 (附註)	497,154	505,806
		585,154	593,806

附註：

本公司之儲備：

		Share premium 股份溢價 RMB'000 人民幣千元	Merger reserve 合併儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2012	於二零一二年一月一日	342,054	180,000	(8,649)	513,405
Profit and total comprehensive income for the year	年內溢利及全面收益總額	-	-	78,401	78,401
Dividend recognised and paid as distribution	確認為分派及已付之股息	-	-	(86,000)	(86,000)
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	342,054	180,000	(16,248)	505,806
Profit and total comprehensive income for the year	年內溢利及全面收益總額	-	-	43,348	43,348
Dividend recognised and paid as distribution	確認為分派及已付之股息	-	-	(52,000)	(52,000)
At 31 December 2013	於二零一三年十二月三十一日	342,054	180,000	(24,900)	497,154

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截至二零一三年十二月三十一日止年度

41. PARTICULARS OF SUBSIDIARIES

Particulars of the principal subsidiaries at 31 December 2013 and 2012 are set out below:

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立／經營地點	Registered capital/issued share capital 註冊資本／已發行股本	Held by the Company % 本公司持有%		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Yong Xin 信發展	British Virgin Islands 英屬處女群島	US\$1,000 1,000美元	100	–	Investment holding 投資控股
Ever Link Creation Limited 永興創建有限公司	Hong Kong 香港	HK\$2 2港元	–	100	Investment holding 投資控股
Shandong Taifeng (note) 山東泰豐(附註)	The PRC 中國	RMB500,000,000 人民幣500,000,000元	–	100	Production and distribution of cotton yarns and bedding products 生產及分銷棉紗及床品
Shanghai Taifeng Home Textile Co., Ltd. ("Shanghai Taifeng") (note) 上海泰豐家紡有限公司 ([上海泰豐])(附註)	The PRC 中國	RMB1,000,000 人民幣1,000,000元	–	100	Distribution of cotton yarns and bedding products 分銷棉紗及床品

Note: Shandong Taifeng is a wholly-foreign owned enterprise while Shanghai Taifeng is a domestic enterprise with limited liability.

41. 附屬公司詳情

於二零一三年及二零一二年十二月三十一日，主要附屬公司之詳情載列如下：

附註：山東泰豐為外商獨資企業，而上海泰豐為一間境內有限責任企業。

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

於年終或年內任何時間，概無附屬公司擁有任何已發行債務證券。

42. EVENTS AFTER THE REPORTING PERIOD

No significant events occurred after the end of the reporting period and up to the approval date of the financial statements.

42. 報告年末日後事項

報告年末後及截至本報告批准日止期間，無重大事項發生。

43. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified and restated to conform to the current year's presentation for better presentation of the financial statements.

43. 比較數額

部分比較數位已跟據本年度的呈列方式進行相應調整及重列以更好呈列該財務報告。



China Taifeng Beddings Holdings Limited
中國泰豐床品控股有限公司