



天虹紡織集團有限公司 TEXHONG TEXTILE GROUP LIMITED

(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 : 2678

ANNUAL REPORT
年報

2015



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財務摘要

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經營表現數據

		2015	2014		2013	2012	2011
		二零一五年	二零一四年		二零一三年	二零一二年	二零一一年
For the year ended 31 December		RMB '000	RMB '000	Change	RMB '000	RMB '000	RMB '000
截至十二月三十一日止年度		人民幣千元	人民幣千元	變動	人民幣千元	人民幣千元	人民幣千元
Revenue	收入	10,574,854	10,470,321	1.0%	8,228,533	7,341,474	6,872,713
Gross profit	毛利	1,905,832	1,294,214	47.3%	1,583,383	1,124,116	555,585
Profit for the year	年度溢利	588,968	306,721	92.0%	1,126,027	486,306	61,275
Profit attributable to shareholders	股東應佔溢利	590,826	306,721	92.6%	1,125,890	486,538	61,256
Earnings per share	每股盈利						
— Basic	— 基本	RMB 人民幣 0.67 元	RMB 人民幣 0.35 元	91.4%	RMB 人民幣 1.27 元	RMB 人民幣 0.55 元	RMB 人民幣 0.07 元
— Diluted	— 攤薄	RMB 人民幣 0.67 元	RMB 人民幣 0.35 元	91.4%	RMB 人民幣 1.27 元	RMB 人民幣 0.55 元	RMB 人民幣 0.07 元

FINANCIAL POSITION DATA

財務狀況數據

		2015	2014		2013	2012	2011
		二零一五年	二零一四年		二零一三年	二零一二年	二零一一年
As at 31 December		RMB '000	RMB '000	Change	RMB '000	RMB '000	RMB '000
於十二月三十一日		人民幣千元	人民幣千元	變動	人民幣千元	人民幣千元	人民幣千元
Total assets	總資產	11,401,097	9,138,546	24.8%	8,944,315	5,625,025	4,930,351
Non-current assets	非流動資產	5,773,867	4,753,644	21.5%	4,389,588	2,602,043	2,273,671
Current assets	流動資產	5,627,230	4,384,902	28.3%	4,554,727	3,022,982	2,656,680
Total liabilities	總負債	7,462,528	5,683,914	31.3%	5,563,897	3,066,816	2,858,448
Current liabilities	流動負債	4,625,335	2,490,947	85.7%	2,685,985	1,443,751	1,093,772
Non-current liabilities	非流動負債	2,837,193	3,192,967	-11.1%	2,877,912	1,623,065	1,764,676
Net current assets	流動資產淨值	1,001,895	1,893,955	-47.1%	1,868,742	1,579,231	1,562,908
Net assets	資產淨值	3,938,569	3,938,569	14.0%	3,380,418	2,558,209	2,071,903
Equity attributable to shareholders	股東應佔權益	3,911,155	3,454,632	13.2%	3,380,418	2,558,346	2,071,808

財務摘要 FINANCIAL HIGHLIGHTS

FINANCIAL INDICATORS

財務指標

For the year ended 31 December 截至十二月三十一日止年度		2015 二零一五年	2014 二零一四年	2013 二零一三年	2012 二零一二年	2011 二零一一年
Inventory turnover days 存貨周轉天數		73	77	100	78	76
Trade and bill receivables turnover days 應收貿易及票據款項 周轉天數		40	39	39	36	27
Trade and bill payables turnover days 應付貿易及票據款項 周轉天數		82	72	78	40	39
Current ratio 流動比率		1.2	1.8	1.7	2.1	2.4
Net debt to equity ratio (Note 1) 負債淨額權益比率 (附註1)		0.48	0.54	0.55	0.48	0.66
Return on equity (Note 2) 權益回報率(附註2)		16%	9%	38%	21%	3%

Note 1: Based on total borrowings net of cash and cash equivalents and pledged bank deposits over equity attributable to shareholders at each year end.

附註1: 根據各年終時的借貸總額扣除現金及現金等值物以及已抵押銀行存款除以股東應佔權益計算得出。

Note 2: Based on each year's profit attributable to shareholders over the average of the equity attributable to shareholders at the beginning and ending of the financial year.

附註2: 根據各年的股東應佔溢利除以該財政年度年初及年終股東應佔權益之平均數計算得出。

企業簡介及架構

CORPORATE PROFILE AND STRUCTURE

CORPORATE PROFILE

Texhong Textile Group Limited (the “Company”, together with its subsidiaries, the “Group”) (stock code: 2678) is one of the largest cotton textile manufacturers in the People’s Republic of China (“China” or the “PRC”) and is a leading textile enterprise focusing on manufacturing high value-added core-spun cotton textile products. The Group is principally engaged in the manufacture and distribution of quality yarn, grey fabrics and garment fabrics as well as garments, especially high value-added core-spun yarn. Since 1997, the Group has grown rapidly and has over 3,000 customers in China and overseas, with its sales network spanning across the PRC, Brasil, Turkey, Bangladesh, Japan and South Korea. With its sales headquarter established in Shanghai, the Group has 13, three and one production bases in the PRC, Vietnam and Cambodia respectively, with total annual production capacity of about 2.20 million spindles and 572 looms.

企業簡介

天虹紡織集團有限公司(「本公司」，連同其附屬公司統稱「本集團」)(股份編號: 2678)是中華人民共和國(「中國」)最大的棉紡織品製造商之一，更是中國領先的高附加值棉包芯紡織產品生產企業。本集團的主要業務為製造及銷售優質紗線、坯布及面料和服裝，尤其專注生產具有高附加值的棉包芯紗線。自一九九七年始，本集團業務發展迅速，更擁有超過3,000個國內外客戶，銷售網絡遍及中國、巴西、土耳其、孟加拉、日本及南韓。本集團以上海為銷售總部，於中國、越南和柬埔寨分別設有13個、三個與一個生產基地，具備等同220萬個紗錠及572台織機的總年產能。

主席報告書

CHAIRMAN'S STATEMENT



On behalf of the Company's board of directors (the "Board"), I am pleased to present the annual results of the Group for the year ended 31 December 2015 to the shareholders of the Company.

RESULTS

Development in Chinese cotton textile industry slowed down in 2015. While production volume remained stable, there was a dip in China's exports. Despite the continuous decreasing trend in both raw material and product prices during the year, adjustments to raw material and product prices were relatively moderate compared to last year. Besides, depreciation of RMB and smaller gap between domestic and overseas cotton prices, to a certain extent, have helped to ease the hardship faced by domestic cotton spinning enterprises in the past year.

本人謹代表本公司董事會（「董事會」），欣然向本公司股東呈列本集團截至二零一五年十二月三十一日止年度的全年業績。

業績

二零一五年度，中國棉紡織行業發展步伐減緩，產量維持，但中國的出口下降。年內雖然原料與產品的價格均呈持續下跌趨勢，但價格調整相比去年都較緩和；另外，人民幣貶值及國內外棉花價差縮小，也在一定程度上緩解了國內棉紡織企業去年的困難局面。

主席報告書 CHAIRMAN'S STATEMENT

Well-served by our spindle capacity, the Group's yarn sales volume hit a record high of 477,000 tonnes, representing an increase of approximately 10.5% when compared to last year. Sales income also increased to RMB9.835 billion. With domestic cotton price becoming more stable during 2015, the selling prices of yarns had also been stabilized. Moreover, our raw material cost had been lowered and we had undergone a product mix enhancement. All these had contributed to an increase in yarn's gross profit margin from 12.7% for last year to 18.4%. Driven by such increase in the gross profit margin, the Group's profitability improved significantly. During the year, the Group's profit attributable to shareholders and basic earnings per share amounted to RMB590.8 million and RMB0.67 respectively, representing an increase of 92.6% and 91.4% respectively when compared to last year.

In mid-2015, we acquired the yarn spinning business, together with all of its yarn spinning related technologies and patents, of Central Textiles (Hong Kong) Group. The acquisition has strengthened the professional yarn spinning technology of the Group to a great extent, and created further room for positioning of our differentiated products in the new Xinjiang production base. By the end of the year, we entered into a cooperation framework agreement with Ms. Lo Mo-ching, the present chairman of Hong Kong General Chamber of Textiles and Mr. Shiu King Wah. In addition to a proposed investment in the Wah Fung Group, the parties also agreed on jointly developing knitting and dyeing business in Vietnam, which would be a key step forward by the Group to implement its strategy to build a textile industrial chain platform. Besides, we also took the opportunity to acquire part of the workforce and equipment from a financially-distressed jeans wear manufacturing corporation situated in the PRC and Cambodia, which would enable us to accumulate experience for the preparation of developing jeans wear business in Vietnam.

於本年，本集團充分利用紗錠產能，紗線銷量再次創出歷史新高達到47.7萬噸，相比去年增長約10.5%，銷售收入也達到人民幣98.35億元。隨着國內棉花價格在二零一五年漸趨穩定，紗線銷售價格也穩定下來，加上原料成本的降低及產品結構的調整，紗線毛利率從去年的12.7%增至18.4%，並帶動本集團的盈利水平大幅提升。於本年，本集團的股東應佔溢利為人民幣5.908億元，每股基本盈利人民幣0.67元，分別較去年增長92.6%及91.4%。

於二零一五年年中，我們收購了香港中央紡織集團的紡紗業務以及所有與紡紗有關之生產技術及專利，大大加強了本集團的專業紡紗技術，也為我們新疆新生產基地的差異化產品定位創造了更大的空間。年底前，我們與應屆香港紡織商會會長蕭盧慕貞女士及蕭勁樺先生簽訂了合作框架協議，除計劃入股現有華峰集團外，並達成雙方共同在越南發展針織染整業務的意向，對本集團實現在越南打造紡織產業鏈平台的戰略邁出關鍵性的一步。除此以外，我們也得到機會吸收了一家陷於財困的牛仔服裝集團部分在國內及柬埔寨的人員與裝備，使我們可為準備在越南發展牛仔服裝業務積累經驗。

主席報告書 CHAIRMAN'S STATEMENT

OUTLOOK

Taking into consideration of the weak momentum in the sales market and surging costs in manufacturing industry, the overall development of China's cotton textile industry remains rather gloomy. Textile and apparel enterprises in China are expected to enhance their competitive edge in export due to depreciation of RMB. However, the execution of the Trans-Pacific Partnership Agreement ("TPP") will pose new challenges to China's textile and apparel enterprises at the same time.

On the front of revenue sources expansion, the Group will, on one hand, make full use of its existing production capacity potential, develop product types that can adapt to market changes and cater for customers' needs, consolidate its existing market position and reinforce endogenous growth, while continue to expand production capacity through self-development and merger and acquisition. By the end of 2015, the Group had a total of approximately 2.20 million spindles and 572 looms. Following the expected commencement of operation of the Vietnam Galaxy and China Xinjiang yarn projects in the second and third quarters of 2016 respectively, the Group's spindles capacity will further increase by approximately 28% to 2.81 million spindles, with 1.57 million in China and 1.24 million in Vietnam.

On market strategic position, the Group will, on one hand, continue to consolidate its leading position in China's market, expand its investment in China as and when appropriate by leveraging on the opportunities created by policy adjustment in China's textile industry, and acquire industrial technologies and talents that are important for development in Vietnam. On the other hand, with respect to the cost advantages and prospect for TPP, we will develop by means of internally-funded investment, cooperation or mutual support with industry players, taking advantage of our current position as the largest professional yarn manufacturer in Vietnam in order to accelerate the implementation of our strategies towards the layout for the international industrial chain platform in Vietnam, capturing any substantial business opportunity that TPP may bring. The construction of phase 2 weaving factory, dyeing factory and apparel factory for the Vietnam Galaxy project will commence in 2016, which targets to begin its phase 1 of full integrated industrial chain production and sales target in 2017, which would boost confidence of and play an exemplary role in participation in various kinds of textile production base development investments in the industrial park where we are located for customers and leading market players interested in jointly investing in the growth of Vietnam.

展望

鑒於銷售市場的疲弱態勢及製造業成本上升等因素，中國棉紡織行業的整體狀況仍不樂觀。隨著人民幣貶值，國內紡織服裝企業的出口競爭力有望增強。但《跨太平洋夥伴關係協定》(「TPP」)的簽署，將給中國紡織服裝企業的長期發展提出了新的挑戰。

在收入拓展上，一方面本集團將充分發揮現有產能的潛力，開發適應市場變化和客戶需求的品種，鞏固現有的市場地位，強化內生式增長；另一方面本集團將繼續通過自建及併購擴充產能。於二零一五年底，本集團共擁有約220萬紗錠及572台織機。隨著越南銀河和中國新疆兩個紗線項目預計分別在二零一六年二季度及三季度正式投產，本集團的紗錠產能將進一步提高約28%至281萬錠，在中國及越南將分別擁有157萬錠及124萬錠。

在產業布局上，一方面本集團將繼續鞏固在中國市場的領先地位，借助中國紡織產業調整的政策機遇，適量擴大在中國的投資及吸收對越南發展至關重要的產業技術及人才；另一方面鑒於成本優勢及TPP前景，我們以目前越南最大的專業紗線生產企業的優勢，透過自身投資建設、友好協助同業或與其共同合作，冀望加快實現在越南的國際化產業鏈平台布局的戰略，把握TPP可能帶來的巨大商機。於二零一六年，我們將動工建設越南銀河二期布廠、染整工廠以及服裝廠，目標二零一七年開始第一階段全產業鏈一體化生產銷售目標，為有興趣共同在越南投資發展的客戶及行業內的領先企業於我們所在的工業園區投資建設各式各樣的紡織生產基地增添信心並起示範作用。

主席報告書 CHAIRMAN'S STATEMENT

On the front of profitability enhancement, the Group will, on one hand, continue to step up its efforts in research and development, product mix enhancement, production of more differentiated and high-value varieties, providing diversified innovative product portfolio, and will also endeavour to enhance its operating profits. On the other hand, the Group will be committed to building an integrated platform in Vietnam for downstream industrial chain by business acquisition, joint ventures and recruiting suitable professionals, with an aim to alleviate the fluctuation in its profitability through in-depth industrial development.

ACKNOWLEDGEMENT

Last but not least, I would like to express my sincere appreciation on behalf of the Board to all our shareholders for their long-term care and support towards the Group.

Hong Tianzhu
Chairman

8 March 2016

在盈利水平提升上，一方面本集團將繼續加強研發力量，優化產品組合，生產更多的差異化品種和高增值品種，提供多樣化的創新產品組合，努力提高現有業務的利潤水平；另一方面，本集團將通過業務併購、合資合作、招聘有關專業人才等方式致力於在越南打造下游產業鏈一體化平台，以期通過產業縱深發展，減少本集團的盈利水平波動。

鳴謝

最後，本人謹代表董事會對全體股東一直以來對本集團的關注和支持致以由衷的感謝！

洪天祝
主席

二零一六年三月八日

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

We are pleased to present the annual results of the Group for the year ended 31 December 2015 to our shareholders. During the year, the Group's revenue grew by 1.0% to RMB10.57 billion when compared to last year. Profit attributable to shareholders increased by 92.6% to RMB590.8 million when compared to last year. Basic earnings per share also increased from RMB0.35 last year to RMB0.67. The increase in the profit attributable to shareholders was mainly due to the increase in gross profit margin, which was mainly attributable to the lower raw material cost and product mix enhancement.

INDUSTRY REVIEW

With gap between domestic and foreign cotton prices narrowed as a result of the decrease in domestic cotton price in 2014, operating performance of cotton textile enterprises in the PRC improved in 2015. However, domestic textile enterprises showed polarization in their respective operating conditions. Small and medium-sized enterprises generally experienced a drop in capacity utilization rate and recorded loss, whereas large corporations were gradually relocating their capacities.

According to the statistics from the National Bureau of Statistics of the PRC, during 2015, enterprises with sizeable capacity in the textile industry realized an aggregate sales for principal activities of RMB7,071.3 billion, representing a year-on-year growth of 5.0%. Total profit amounted to RMB386.0 billion, representing a year-on-year growth of 5.4%. Proportion of loss-making enterprises was 11.4%, down by 0.1 percentage point from previous year with total loss decreased by 4.6%. During 2015, the export in textiles and garments in the PRC was US\$291.1 billion, representing a year-on-year decrease of 4.8%. Among them, US\$115.3 billion was attributable to textile export and US\$175.9 billion to garments export, decreased by 2.3% and 6.4% respectively.

綜覽

我們欣然向股東報告本集團截至二零一五年十二月三十一日止年度的全年業績。年內，本集團之收入較去年上升1.0%至人民幣105.7億元。股東應佔溢利較去年增加92.6%至人民幣5.908億元。每股基本盈利亦由去年的人民幣0.35元增加至人民幣0.67元。股東應佔溢利同比上升的主要原因是毛利率的提升，此乃主要由於原料成本的降低及產品結構的調整。

行業回顧

二零一五年，由於國內棉花價格於二零一四年的下跌，國內外棉花價差有所縮小，中國棉紡織企業的經營情況有所改善。但國內紡織企業的生存狀態呈兩極分化，中小企業開機率普遍下降，虧損企業居多；大型企業則逐步進行產能轉移。

根據中國國家統計局的數據顯示，二零一五年紡織行業具一定規模企業累計實現主營業務銷售額70,713億元，同比增長5.0%；實現利潤總額3,860億元，同比增長5.4%；企業虧損面11.4%，比上年低0.1個百分點，虧損企業虧損總額同比下降4.6%。二零一五年，我國出口紡織品服裝2,911億美元，同比下降4.8%。其中我國紡織品出口1,153億美元，同比下降2.3%，服裝出口1,759億美元，同比下降6.4%。

INDUSTRY REVIEW (Continued)

According to the statistics from the Customs of Vietnam, sales volume of yarn and staple in Vietnam grew by 12.1% to 962,000 tonnes in 2015 while sales slightly dropped by 0.1% from 2014 to US\$2.54 billion. Garments export grew by 9.1% to US\$22.81 billion.

Backed by favourable state policies, investment by cotton textile enterprises in Xinjiang has seen rapid growth during the year. It is expected to reshape the landscape of the PRC cotton textile industry.

BUSINESS REVIEW

For the year ended 31 December 2015, the revenue of the Group amounted to RMB10.57 billion, representing an increase of 1.0% when compared to last year, principally driven by the growth in sales volume of yarn.

Revenue of the Group comprises sales of yarns, grey fabrics and garment fabrics as well as garments. During the year, yarns continued to be the major products of the Group, which contributed to 93.0% of the Group's total revenue for the year, amounting to RMB9,835 million and representing an increase of 2.2% when compared to last year. The increase was mainly driven by sales volume growth. New capacity of approximately 258,000 spindles for the second phase of the Northern Vietnam production plant commenced full production in the second half of 2014. For the year ended 31 December 2015, driven by such production expansion, the Group's yarn sales volume increased by 10.5% to a historical record of about 477,000 tonnes when compared to last year. Revenue from grey fabrics and garment fabrics as well as garments was RMB739 million, accounting for 7.0% of the Group's total revenue for the year.

The overall gross profit margin of the Group increased from 12.4% for last year to 18.0% for the year ended 31 December 2015. Increase in gross profit margin was mainly attributable to the lower raw material cost and product mix enhancement.

For the year ended 31 December 2015, the Group recorded profit attributable to shareholders of RMB590.8 million, with basic earnings per share of RMB0.67, representing an increase of 92.6% and 91.4% respectively when compared to last year. The increase in profit attributable to shareholders was mainly contributed by the improvement in gross profit margin. However, such increase was partly offset by the exchange loss arising from depreciation of RMB against US Dollar.

行業回顧(續)

根據越南海關數據顯示，二零一五年越南紗線及短織銷售量增加12.1%至962,000噸，銷售額較二零一四年略微降低0.1%至25.4億美元。服裝出口額增加9.1%至228.1億美元。

在國家政策的大力支持下，於本年度新疆棉紡織企業投資快速增長，預計將改寫國內棉紡織產業的格局。

業務回顧

截至二零一五年十二月三十一日止年度，本集團的收入達到人民幣105.7億元，比去年上升1.0%，主要由於紗線銷量增長帶動。

本集團的收入包括紗線、坯布及面料和服裝的銷售。年內紗線繼續成為本集團的重點產品，其收入佔集團本年度總收入的93.0%，達到人民幣98.35億元，相比去年增長2.2%。增幅主要受銷量增加所帶動。在越南北部生產廠房的二期新增產量約25.8萬紗錠，已於二零一四年下半年全面投產。截至二零一五年十二月三十一日止年度，在產能擴張的帶動下，本集團紗線銷量相較去年增加10.5%至約47.7萬噸，打破歷年銷量記錄。坯布與面料和服裝產品的收入為人民幣7.39億元，佔集團本年度總收入的7.0%。

截至二零一五年十二月三十一日止年度，本集團整體毛利率由去年的12.4%提升至18.0%。毛利率的上升主要是由於原料成本的降低及產品結構的調整所致。

截至二零一五年十二月三十一日止年度，本集團的股東應佔溢利為人民幣5.908億元，每股基本盈利人民幣0.67元，較去年分別上升92.6%及91.4%。股東應佔溢利上升主要是由於毛利率的改善，但有關上升部份被人民幣對美元貶值所引起的匯兌虧損所抵銷。

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW (Continued)

The Group will continue to implement our established corporate strategies, optimize product mix and develop new products that meet the market trends and needs. We target to further improve our financial performance by taking full advantage of the existing international presence of our production operation.

The Group has also continued to strengthen the cooperation with INVISTA, an international core-spun spandex fibre manufacturer of LYCRA® Brand, and Lenzing Fibers, the manufacturer of TENCEL® lyocell fibre and Modal® fibre in order to establish a prolonged strategic partnership with them, and use innovative fibre technology to produce trendy functional yarns to cater for the development in the differentiated high-end market. The Group has also further reinforced cooperative relationship with Toray of Japan. In reaction to market demand, our research and development centre in Changzhou has been improving on product quality and developing products in order to maintain a leading position in the industry and to meet the demand of quality customers for different high-end products.

PROSPECT

International cotton prices are expected to continue to be under pressure in 2016 due to high level of China cotton inventory. The “destocking” policy in respect of supply reform in the PRC is driving its national cotton reserve closer to the teeth of the storm. It is anticipated that both domestic and foreign cotton prices will remain at a low level in 2016. If selling price of domestic cotton reserve drops substantially, or Renminbi continues to depreciate significantly, operation of the Group will take a blow in the short term.

The TPP agreement was officially signed in February 2016, although it is still subject to approval by the congress in certain countries, and is expected to take effect by around 2018. In the coming years, Vietnam will remain the key region for high-quality textile enterprises in the PRC seeking expansion into foreign markets.

As of the end of 2015, the Group had a total of approximately 2.20 million spindles in operation, of which approximately 1.21 million spindles and approximately 990,000 spindles were located in the PRC and Vietnam respectively. Additionally, 250,000 spindles at phase 1 of our Galaxy project in Vietnam and 450,000 spindles at phase 1 of the Xinjiang project in the PRC are expected to commence commercial operation in the second and third quarters of 2016 respectively. Upon commencement of operation of the abovementioned Galaxy project and Xinjiang project, the Group will have a total of approximately 2.81 million spindles.

業務回顧(續)

本集團將繼續執行既有企業策略，優化產品組合，開發迎合市場趨勢及需要的新產品，充分利用現有國際化的生產佈局優勢，致力進一步改善本集團的財務表現。

本集團持續與包芯用氨綸纖維全球「萊卡®」品牌製造商「英威達」及纖維素纖維「天絲®」、 「木代爾®」纖維品牌製造商「蘭精纖維」深入合作，建立了全面的戰略合作夥伴關係，使創新科技纖維轉化為時尚功能紗線，迎合差異化高端市場的開發。本集團亦進一步強化與日本東麗公司的合作關係。本集團位於常州的研發中心也不斷應市場需求而改良產品質素及開發新產品，銳意在業界保持領先地位，並主攻在不同高端產品領域上最優質的客戶群。

前景

由於中國棉花庫存高企，二零一六年國際棉花價格預期依然承壓。而國內供給側改革的「去庫存」任務更是將中國的儲備棉推至風口浪尖。預計二零一六年國內外棉花價格仍將在低位運行。若國內儲備棉銷售價格大幅下跌，或人民幣進一步大幅貶值，將會給本集團的經營帶來短期壓力。

二零一六年二月TPP協定正式簽署，縱使該協議仍然有待若干國家的國會批准，預計將在二零一八年左右正式生效。未來幾年越南仍將是國內優質紡織企業海外擴張的重點區域。

截至二零一五年底，本集團共有約220萬紗錠正在運行，其中中國及越南分別為約121萬及約99萬。另外，我們的越南銀河一期項目的25萬紗錠及中國新疆一期項目的45萬紗錠預計將在二零一六年二季度及三季度分別開始商業化運營。上述銀河項目和新疆項目正式投產後，本集團將擁有共約281萬紗錠。

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

PROSPECT (Continued)

With regard to downstream business expansion, the Group will establish an integrated downstream industrial chain platform in Vietnam by business merger and acquisition, joint venture and cooperation and recruiting industry professionals. We plan to construct a grey fabric factory, a dyeing factory and a garment factory in 2016 with respective estimated annual capacities of 60 million meters of grey fabrics, 40 million meters of woven dyed fabrics and 7 million pieces of trousers related garments. We also plan to invest in the renovation and construction of a jeans wear manufacturing plant in Shandong Province, the PRC, with estimated annual capacity of 2.4 million pieces of jeans wear. In 2016, the above investments net of the estimated subsidies and rewards from the local government are expected to amount to approximately RMB1.25 billion in total.

In July 2015, the Group was named by the revered international magazine Fortune as one of its “Fortune 500 Chinese Companies 2015”, a proof that the Group’s continuing expansion and its business model have gained wide recognition. The Group will dedicate unremitting efforts to strive for stronger operating results in order to bring long term and sustainable return to the shareholders.

前景(續)

在下游業務的拓展方面，本集團將通過業務併購、合資合作、招聘行業內的專業人才等方式致力於在越南打造下游產業鏈一體化平台。二零一六年計劃在越南開始興建一個坯布廠、一個印染廠和一個服裝廠，年產能預計將分別達到6,000萬米坯布、4,000萬米梭織染色布及700萬件褲料服裝。在中國山東改造投資建設牛仔服裝生產基地，預計年產240萬件牛仔服裝。二零一六年扣除預計獲取的當地政府補貼及獎勵後，以上有關總投資預計共需約人民幣12.5億元。

於二零一五年七月，本集團晉身為國際知名雜誌——《財富》之「2015年中國企業500強排行榜」，足以證明我們的企業不斷壯大，業務模式獲得廣泛認同。本集團將繼續努力不懈，全力為股東帶來長遠及可持續的回報。

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

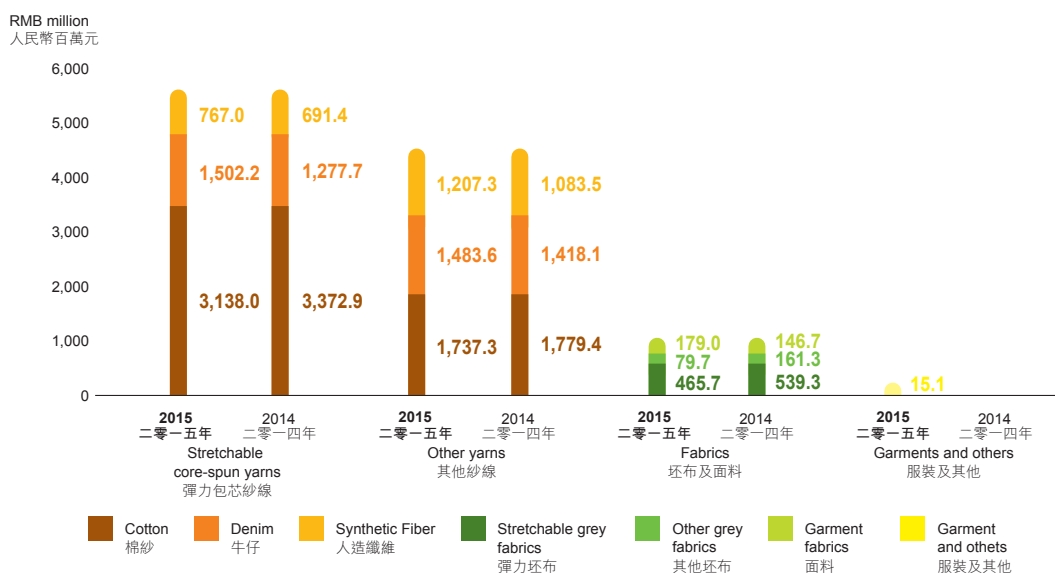
Sales

The Group's sales mainly comprises the sales of yarns, grey fabrics and garment fabrics as well as garments. With the commencement of operation of our new production facilities in the PRC and Vietnam, along with the company-wide efforts, the sales of yarn increased by about 2.2% in 2015 as compared to that of 2014. Sales analyses of the Group by products are shown below.

財務回顧

銷售

本集團的銷售主要來自銷售紗線、坯布及面料與服裝。由於本集團於中國及越南新建的生產設施投產及全體人員的努力，二零一五年集團紗線銷售額較二零一四年增長約2.2%。下列為本集團各種產品的銷售分析。



		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	Sales change between 2015 and 2014 二零一五年 銷售額對比 二零一四年 之轉變
Stretchable core-spun yarns	彈力包芯紗線			
— Cotton	— 棉紗	3,137,988	3,372,853	-7.0%
— Denim	— 牛仔	1,502,160	1,277,689	17.6%
— Synthetic fiber	— 人造纖維	767,034	691,410	10.9%
Other yarns	其他紗線			
— Cotton	— 棉紗	1,737,316	1,779,430	-2.4%
— Denim	— 牛仔	1,483,649	1,418,092	4.6%
— Synthetic fiber	— 人造纖維	1,207,254	1,083,502	11.4%
Fabrics	坯布及面料			
— Stretchable grey fabrics	— 彈力坯布	465,706	539,313	-13.6%
— Other grey fabrics	— 其他坯布	79,675	161,359	-50.6%
— Garment fabrics	— 面料	178,978	146,673	22%
Garments and others	服裝及其他	15,094	—	100%
Total	總計	10,574,854	10,470,321	1.0%

管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

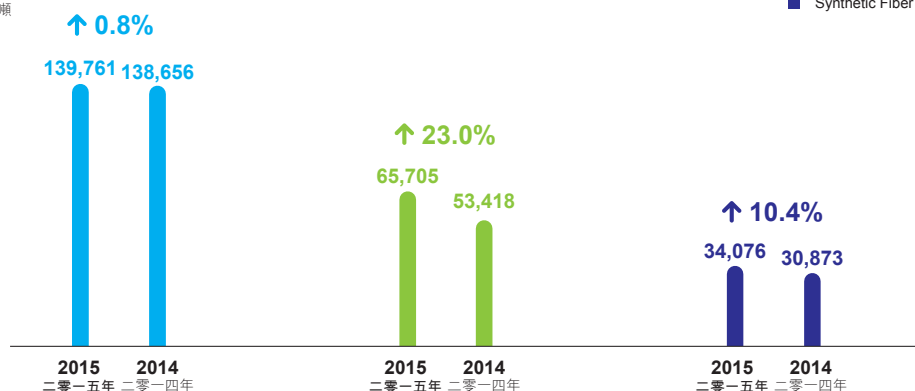
FINANCIAL REVIEW (Continued) Sales (Continued)

財務回顧(續) 銷售(續)

Sales Volume 銷量

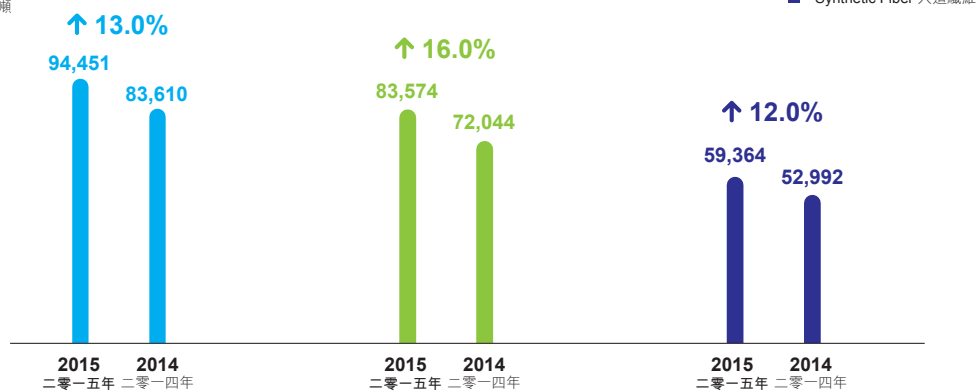
Stretchable core-spun yarns 彈力包芯紗線

Ton 噸



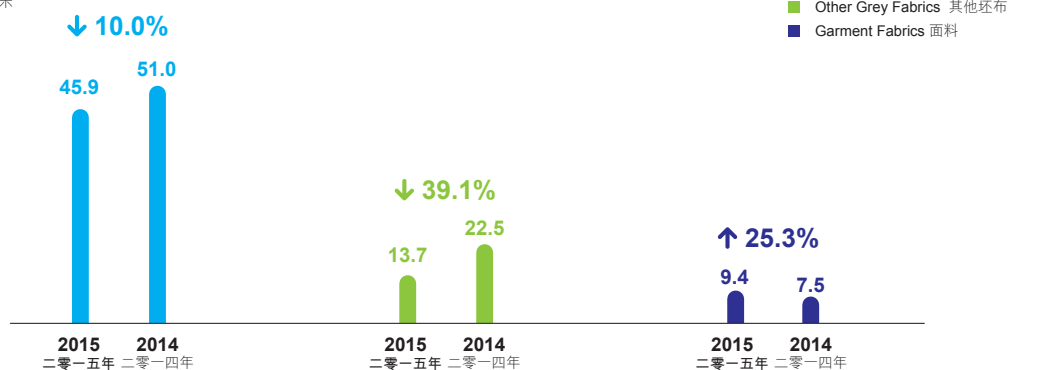
Other yarns 其他紗線

Ton 噸



Fabrics 坯布及面料

Million Meters
百萬米



管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW (Continued) Sales (Continued)

財務回顧(續) 銷售(續)

		Sales volume		Selling price		Gross profit margin	
		銷量		售價		毛利率	
		2015	2014	2015	2014	2015	2014
		二零一五年	二零一四年	二零一五年	二零一四年	二零一五年	二零一四年
Stretchable core-spun yarns (Ton/RMB per ton)	彈力包芯紗線 (噸/人民幣每噸)						
— Cotton	— 棉紗	139,761	138,656	22,453	24,325	18.3%	13.7%
— Denim	— 牛仔	65,705	53,418	22,862	23,919	23.0%	16.8%
— Synthetic fiber	— 人造纖維	34,076	30,873	22,510	22,395	17.4%	13.4%
Other yarns (Ton/RMB per ton)	其他紗線 (噸/人民幣每噸)						
— Cotton	— 棉紗	94,451	83,610	18,394	21,283	18.9%	9.2%
— Denim	— 牛仔	83,574	72,044	17,753	19,684	16.6%	12.6%
— Synthetic fiber	— 人造纖維	59,364	52,992	20,336	20,447	15.1%	10.0%
Fabrics (Million meters/ RMB per meter)	坯布及面料 (百萬米/ 人民幣每米)						
— Stretchable grey fabrics	— 彈力坯布	45.9	51.0	10.1	10.6	12.0%	8.5%
— Other grey fabrics	— 其他坯布	13.7	22.5	5.8	7.2	10.4%	1.9%
— Garment fabrics	— 面料	9.4	7.5	19.0	19.6	17.5%	16.9%

The Chinese textile market is the Group's major market, accounting for 86% of our total sales of 2015. The ten largest customers of the Group for 2015 are as follows:

Shaoguan Shunchang Weaving Factory Co., Ltd.
Ningbo Daqian Textile Co., Ltd.
Toray International, Inc.
Guangdong Qianjin Jeans Co., Ltd.
Zhejiang Jiaermei Textile Co., Ltd.
Yixing Lucky G And L Denim Co., Ltd.
Zhejiang Limayunshan Textile Co., Ltd.
Zhejiang Seven Star Textile Co., Ltd.
Haining Denim Weaving Co., Ltd.
Zhejiang Xinhai Textile Co., Ltd.

The Group has more than 3,000 customers. As the Group produces differentiated products, the Group does not rely on the orders from any single customer. The ten largest customers only accounted for 19.3% of the total sales of 2015. The ten largest customers mentioned above have more than 3 years' business relationship with the Group.

中國紡織市場是本集團的主要市場，佔本集團二零一五年總銷售額的86%，以下是本集團於二零一五年度的十大客戶：

韶關市順昌布廠有限公司
寧波大千紡織品有限公司
Toray International, Inc.
廣東前進牛仔布有限公司
浙江佳而美紡織有限公司
宜興樂威牛仔布有限公司
浙江立馬雲山紡織股份有限公司
浙江七星紡織有限公司
海寧牛仔織造有限公司
浙江鑫海紡織有限公司

本集團擁有客戶逾3,000家，由於本集團以生產差異化產品為重點，且本集團並不依賴單一客戶的訂單，因此二零一五年十大客戶僅佔總銷售額的19.3%。以上十大客戶與本集團的業務往來均超過3年以上。

管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW (Continued)

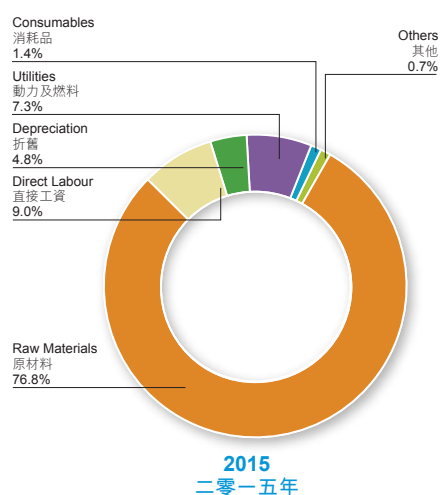
Gross profit and gross profit margin

Gross profit of the Group increased from RMB1.29 billion to RMB1.91 billion, representing an increase of 47.3% as compared to that of 2014. The overall gross profit margin also increased by 5.6 percentage point to 18.0% as compared to that of 2014. Increase in gross profit margin was mainly due to the lower raw material cost and product mix enhancement.

Cost structure

Cost of sales decreased by 5.5% to RMB8.67 billion when compared to that of 2014. Raw material cost accounted for about 76.8% of the total cost of sales of 2015. Cotton is our major raw material.

The breakdown of our cost of sales is shown below:



財務回顧(續)

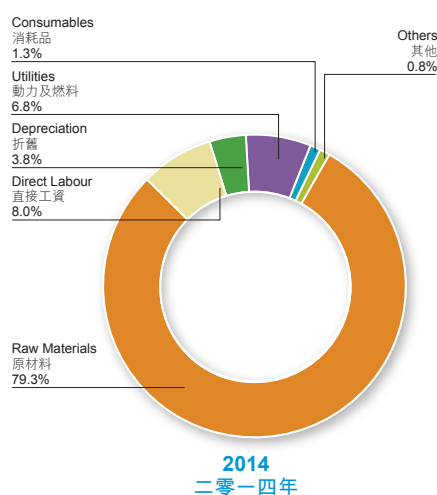
毛利及毛利率

本集團的毛利由二零一四年人民幣12.9億元增加47.3%至人民幣19.1億元。整體毛利率亦較二零一四年上升5.6個百分點至18.0%。毛利率增加主要由於原料成本下降及改良產品結構。

成本架構

銷售成本較二零一四年減少5.5%至人民幣86.7億元。於二零一五年之原材料成本佔總銷售成本約76.8%。棉花為我們的主要原材料。

下列為本集團銷售成本的明細：



Selling and distribution costs

For the year ended 31 December 2015, the Group's selling and distribution costs amounted to RMB369.0 million, representing an increase of 4.9% when compared to that of 2014. The increase was attributable to the increase in salaries and transportation costs due to increase in sales volume.

General and administrative expenses

During 2015, the Group's general and administrative expenses increased by 16.0% to RMB380.9 million when compared to that of 2014, which represented 3.6% of the Group's sales. The increase was mainly due to the increase in salaries and other management costs.

銷售及分銷開支

於截至二零一五年十二月三十一日止年度，本集團之銷售及分銷開支較二零一四年上升4.9%至人民幣3.690億元。升幅是由於銷量增加，令薪金及運輸成本上漲所致。

一般及行政開支

本集團於二零一五年之一般及行政開支較二零一四年上升16.0%至人民幣3.809億元，佔本集團銷售額3.6%。增幅乃主要由於薪金及其他管理成本增加所致。

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW (Continued)

Cash flows

財務回顧(續)

現金流量

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Net cash generated from operating activities	經營活動所得現金淨額	1,696,945	1,045,410
Net cash used in investing activities	投資活動所耗現金淨額	(1,118,844)	(584,858)
Net cash generated from/(used in) financing activities	融資活動所得/(所耗)現金淨額	267,724	(285,462)
Cash and cash equivalents at end of the year	於年末的現金及現金等值物	1,940,022	1,094,197

For the year ended 31 December 2015, net cash generated from operating activities amounted to RMB1,697.0 million, which was mainly contributed by the increase in sales and decrease of working capital. Net cash used in investing activities amounted to RMB1,118.8 million, which was mainly used for the payment of capital expenditures for capacity expansion. During the year under review, net cash generated from financing activities amounted to RMB267.7 million, which was mainly contributed by the project financing in the PRC near the end of 2015.

Liquidity and financial resources

As at 31 December 2015, the Group's bank and cash balances (including pledged bank deposits) amounted to RMB2,187.7 million (as at 31 December 2014: RMB1,138.2 million). The Group's inventories increased by RMB256.8 million to RMB1,893.1 million and our trade and bills receivables decreased by RMB288.0 million to RMB1,031.8 million (as at 31 December 2014: RMB1,636.3 million and RMB1,319.8 million respectively). The inventory turnover days and trade and bills receivable turnover days were 73 days and 40 days respectively, compared to 77 days and 39 days in 2014. Decrease in inventory turnover days was mainly attributable to the growth in sales of yarn, which led to the decrease of finished goods inventories.

Trade and bills payables increased by RMB629.0 million to RMB2,294.6 million as at 31 December 2015 (as at 31 December 2014: RMB1,665.6 million), the payable turnover days was 82 days, compared to 72 days in 2014. Increase in the payable turnover days was mainly due to financing of increase in raw material inventories as compared to last year.

截至二零一五年十二月三十一日止年度，本集團錄得經營活動所得現金淨額人民幣16.970億元，主要由於銷售增加及壓縮營運資金所致。本集團投資活動所耗現金淨額為人民幣11.188億元，主要用於擴充產能的資本開支之付款。於回顧年度內，融資活動所得現金淨額為人民幣2.677億元，主要由於二零一五年年底中國項目融資所致。

流動資金及財務資源

於二零一五年十二月三十一日，本集團的銀行及現金結餘(包括已抵押銀行存款)為人民幣21.877億元(於二零一四年十二月三十一日：人民幣11.382億元)。本集團的存貨及應收貿易及票據款項分別增加人民幣2.568億元至人民幣18.931億元及減少人民幣2.880億元至人民幣10.318億元(於二零一四年十二月三十一日：分別為人民幣16.363億元及人民幣13.198億元)。存貨周轉天數及應收貿易及票據款項周轉天數分別為73天及40天，而二零一四年則分別為77天及39天。存貨周轉天數減少主要由於紗線銷售增加而導致成品庫存減少。

於二零一五年十二月三十一日，應付貿易及票據款項增加人民幣6.290億元至人民幣22.946億元(於二零一四年十二月三十一日：人民幣16.656億元)，其付款周轉天數為82日，而二零一四年則為72日。應付款項周轉天數增加主要因為對比去年較高的原材料庫存所需資金所致。

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW (Continued)

Liquidities and financial resources (Continued)

The Group increased the total bank borrowings by RMB1,037.9 million to RMB4,053.1 million as at 31 December 2015. Increase in bank borrowings was mainly prepared for redemption of the senior notes matured in January 2016 and financing for capital expenditure. Current bank borrowings increased by RMB1,311.4 million to RMB1,547.8 million while non-current bank borrowings decreased by RMB273.5 million to RMB2,505.3 million.

As at 31 December 2015 and 2014, the Group's financial ratios were as follows:

		2015 二零一五年	2014 二零一四年
Current ratio	流動比率	1.22	1.76
Debt to equity ratio	負債權益比率	1.04	0.87
Net debt to equity ratio	負債淨額權益比率	0.48	0.54

Borrowings

As at 31 December 2015, the Group's total bank borrowings amounted to RMB4,053.1 million, among which RMB864.4 million (21.3%) was denominated in Renminbi and RMB3,188.7 million (78.7%) was denominated in United States dollars ("US\$" or "USD"). These bank borrowings borne interest at rates ranging from 3.4% to 7.625% per annum (2014: 2% to 7.625%).

As at 31 December 2015, the Group has outstanding current bank borrowings of RMB1,547.8 million (2014: RMB236.3 million). Increase in current bank borrowings was mainly due to the reclassification of the 2011 Notes due in January 2016.

In respect of the Group's borrowings, the Group has to comply with certain restrictive financial covenants.

Bank borrowings of RMB282.0 million (2014: RMB392.6 million) were secured by the pledge of the Group's land use rights with a net book amount of RMB45.1 million (2014: RMB46.1 million) and the pledge of the Group's property, plant and equipment with a net book amount of approximately RMB352.7 million (2014: RMB393.5 million) as at 31 December 2015.

財務回顧(續)

流動資金及財務資源(續)

本集團於二零一五年十二月三十一日的銀行借貸總額增加人民幣10.379億元至人民幣40.531億元。銀行借貸增加主要為贖回於二零一六年一月到期的優先票據及為資本開支提供資金。流動銀行借貸增加人民幣13.114億元至人民幣15.478億元，而非流動銀行借貸則減少人民幣2.735億元至人民幣25.053億元。

於二零一五年及二零一四年十二月三十一日，本集團之財務比率如下：

借貸

於二零一五年十二月三十一日，本集團的銀行借貸總額為人民幣40.531億元，其中人民幣8.644億元(21.3%)以人民幣列值，及人民幣31.887億元(78.7%)則以美元(「美元」)列值。該等銀行借貸按年利率3.4%至7.625%(二零一四年：2%至7.625%)計息。

於二零一五年十二月三十一日，本集團之未償還流動銀行借貸為人民幣15.478億元(二零一四年：人民幣2.363億元)。流動銀行借貸增加主要由於重新分類二零一六年一月到期之二零一一年票據所致。

本集團須就其借貸遵守若干財務限制條款。

人民幣2.820億元(二零一四年：人民幣3.926億元)的銀行借貸已以本集團於二零一五年十二月三十一日賬面淨值為人民幣4,510萬元(二零一四年：人民幣4,610萬元)的土地使用權及賬面淨值約為人民幣3,527億元(二零一四年：人民幣3,935億元)的物業、廠房及設備作抵押。

FINANCIAL REVIEW (Continued)

Foreign exchange risk

The Group mainly operates in the PRC and Vietnam. Most of the Group's transactions, assets and liabilities are denominated in RMB and US\$. Foreign exchange risk may arise from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. The Group's exposure to foreign exchange risk is mainly attributable to its borrowings and raw material procurement denominated in US\$. The Group manages its foreign exchange risks by performing regular reviews and closely monitoring its foreign exchange exposures.

To mitigate the risk of depreciation of Renminbi, the Group has taken steps to reduce its USD indebtedness exposure by cutting down its USD-denominated borrowings, converting part of its RMB liquid assets to USD assets and purchasing a suitable amount of currency option contracts. As at 31 December 2015, the net exposure of USD indebtedness of the Group was US\$307 million and this exposure is expected to be reduced further in 2016.

Capital expenditure

For the year ended 31 December 2015, the capital expenditure of the Group amounted to RMB1,331 million (2014: RMB765 million). It was mainly comprised of the investments in fixed assets in Vietnam and Mainland China.

Contingent liabilities

As at 31 December 2015, the Group had no material contingent liabilities.

Disclosure pursuant to Rule 13.18 of the Rules (the "Listing Rules") Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange")

As announced by the Company on 12 January 2011 and 12 April 2013, the Company and certain of its subsidiaries entered into (i) a purchase agreement with Deutsche Bank AG, Singapore Branch, in connection with the issue of US\$200 million 7.625% senior notes ("2011 Notes") due 2016; and (ii) a purchase agreement with Deutsche Bank AG, Singapore Branch, J.P. Morgan Securities plc and Standard Chartered Bank in connection with the issue of US\$200 million 6.500% senior notes ("2013 Notes", together with the 2011 Notes, the "Notes") due 2019. The respective indenture (collectively, the "Indentures") governing the Notes provides that upon the occurrence of a change of control triggering event, the Company will make an offer to purchase all outstanding Notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to (but not including) the offer to purchase payment date.

財務回顧(續)

外匯風險

本集團主要在中國及越南營運。本集團大部分交易、資產及負債以人民幣及美元計值。外匯風險可能來自於未來海外業務中的商業貿易、已確認資產及負債及投資淨額。本集團所面對的外匯風險主要來自其以美元計值的借貸及原料採購貨款。本集團進行定期檢討及密切關注其外匯風險程度以管理其外匯風險。

為應對人民幣貶值風險，本集團透過削減美元借款、轉換部分人民幣流動資產為美元資產以及購入適量的貨幣期權合約以減低美元負債敞口。於二零一五年十二月三十一日，本集團淨美元負債敞口為3.07億美元，此敞口預期在二零一六年將進一步減少。

資本開支

於截至二零一五年十二月三十一日止年度，本集團之資本開支為人民幣13.31億元(二零一四年：人民幣7.65億元)，主要為越南及中國內地的固定資產投資。

或然負債

於二零一五年十二月三十一日，本集團並無重大或然負債。

根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)第13.18條作出之披露

誠如本公司於二零一一年一月十二日及二零一三年四月十二日所公佈，本公司及其若干附屬公司(i)與德意志銀行新加坡分行訂立購買協議，內容有關發行於二零一六年到期的200,000,000美元7.625%優先票據(「二零一一年票據」)；及(ii)與德意志銀行新加坡分行、摩根大通及渣打銀行訂立購買協議，內容有關發行於二零一九年到期的200,000,000美元6.500%優先票據(「二零一三年票據」，連同二零一一年票據統稱「票據」)。監管票據的各份契約(統稱「契約」)訂明在發生觸發控制權變動之事件之情況下，本公司將按相等於本金額之101%之購買價另加計至購買付款日期(惟不包括當日)之應計及未付利息(如有)，提出購買所有未償還票據。

FINANCIAL REVIEW (Continued)

Disclosure pursuant to Rule 13.18 of the Rules (the “Listing Rules”) Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (Continued)

A change of control under the Indentures includes, among others, any transaction that results in either (i) the Permitted Holders (as defined below), which include Mr. Hong Tianzhu (“Mr. Hong”), the controlling shareholder of the Company and companies controlled by him, being the beneficial owners (as such term is used in the Indentures) of less than 50.1% of the total voting power of the voting stock of the Company; or (ii) any person or group (as such terms are used in the Indentures) is or becomes the beneficial owner, directly or indirectly, of total voting power of the voting stock of the Company greater than such total voting power held beneficially by the Permitted Holders. “Permitted Holders” means any or all of (1) Messrs. Hong Tianzhu and Zhu Yongxiang; (2) any affiliate of the persons specified in paragraph (1); and (3) any person both the capital stock and the voting stock of which (or in the case of a trust, the beneficial interests in which) are owned 80% by persons specified in paragraphs (1) and (2) above.

As announced by the Company on 14 July 2011, by an agreement dated 13 July 2011 (“2011 Facility Agreement”) entered into by, among others, Texhong Renze Textile Joint Stock Co. (the “Borrower”), formerly known as “Texhong Vietnam Textile Joint Stock Company”, a wholly-owned subsidiary of the Company as borrower, the Company as one of the guarantors and a syndicate of banks and financial institutions as lenders, the lenders have agreed to grant a term loan facility (“2011 Facility”) of up to the aggregate principal amount of US\$60 million to finance the Phase III expansion of the Borrower’s factory in Vietnam. The 2011 Facility shall be fully repaid in July 2018 and is secured by a mortgage of the Borrower’s equipment and machinery. The amount of the 2011 Facility represents approximately 17% of the total amount of banking/credit facilities (including the 2011 Facility) presently available to the Group. The 2011 Facility Agreement contains the usual cross default provisions and a further requirement that Mr. Hong shall remain the chief executive officer of the Group, the single largest shareholder of the Company and own, directly or indirectly, more than 25% of the total issued share capital of the Company. A breach of such requirement will constitute an event of default under the 2011 Facility Agreement, and as a result, the 2011 Facility is liable to be declared immediately due and payable. The occurrence of such circumstance may trigger the cross default provisions of other banking/credit facilities available to the Group and, as a possible consequence, these other facilities may also be declared to be immediately due and payable.

財務回顧(續)

根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)第13.18條作出之披露(續)

契約內所指的控制權變動包括(其中包括)引致以下後果的任何交易：(i)許可持有人(定義見下文)(包括本公司控股股東洪天祝先生(「洪先生」)及彼控制的公司)成為本公司具投票權股份中總投票權少於50.1%的實益擁有人(按該等詞條用於契約中的涵義)；或(ii)任何人士或組別(按該等詞條用於契約中的涵義)為或成為直接或間接擁有超過許可持有人實益持有的該等總投票權的本公司具投票權股份中總投票權的實益擁有人。「許可持有人」指下列任何或全部人士：(1)洪天祝先生及朱永祥先生；(2)(1)段指明之人士之任何聯屬人士；及(3)其股本及具投票權股份均(或如為信託，則當中之實益權益)由上文(1)及(2)段指明之人士擁有80%之任何人士。

誠如本公司於二零一一年七月十四日所公佈，根據由(其中包括)本公司全資附屬公司Texhong Renze Textile Joint Stock Co.(前稱「Texhong Vietnam Textile Joint Stock Company」)(作為借款人)、本公司(作為擔保人之一)及由銀行及金融機構組成之銀團(作為貸款人)訂立日期為二零一一年七月十三日之協議(「二零一一年信貸協議」)，貸款人已同意授出有期貨貸融資(「二零一一年信貸融資」)，本金總額高達6,000萬美元，以為借款人位於越南之廠房之第三期擴充撥支。二零一一年信貸融資須於二零一八年七月全數償還，且以借款人之設備及機器按揭作抵押。二零一一年信貸融資之金額相當於現時本集團可供動用之銀行/信貸融資額度(包括二零一一年信貸融資)總額約17%。二零一一年信貸協議載有一般交叉違約條文，以及有關洪先生須留任本集團行政總裁、繼續為本公司最大單一股東，及直接或間接擁有本公司已發行股本總額25%以上之進一步規定。違反有關規定將構成二零一一年信貸協議項下之違約事項，並因此二零一一年信貸融資須即時宣佈為到期及應付。發生有關情況可能導致觸發本集團其他銀行/信貸融資額度之交叉違約條文，並因此，該等其他信貸額度亦可能即時宣佈為到期及應付。

FINANCIAL REVIEW (Continued)

Disclosure pursuant to Rule 13.18 of the Rules (the “Listing Rules”) Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (Continued)

As announced by the Company on 18 March 2014, the Company entered into a master lease agreement (the “Master Lease Agreement”) with Australia And New Zealand Banking Group Limited (the “Lessor”), pursuant to which the Lessor shall from time to time lease and the Company shall take on lease various textile equipment including any accessories, replacements, additions, improvements, attachments, tools, spare parts and any other items to be used with such equipment (the “Equipment”) with not more than five individual leases entered into under the Master Lease Agreement. The leases shall be for a maximum term of 84 months commencing from the date of the Master Lease Agreement for Equipment at the principal lease amount not exceeding US\$50 million. In addition and as one of the conditions precedent for the Lessor to purchase the Equipment and lease the Equipment to the Company, the Company shall also pay the difference between the purchase price of the Equipment and the principal lease amount as advance rental payments, which was expected to amount to approximately US\$23.2 million, together with interest on the lease payment and other fees payable to the Lessor.

The Master Lease Agreement contains an undertaking that the Company shall ensure and procure that Mr. Hong, the chairman and an executive director, shall remain the chairman of the Company. A breach of such requirement will constitute an event of default under the Master Lease Agreement, and as a result, the Lessor shall have the right to, among others, cancel and terminate the Master Lease Agreement and any lease thereunder, demand that the Equipment be returned to the Lessor and declare that all amounts accrued or outstanding under the Master Lease Agreement to be immediately due and payable. The occurrence of such circumstance may also trigger the cross default provisions of other banking/credit facilities available to the Group and, as a possible consequence, these other facilities may also be declared to be immediately due and payable.

財務回顧(續)

根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)第13.18條作出之披露(續)

誠如本公司於二零一四年三月十八日宣佈，本公司已與澳新銀行集團股份有限公司(「出租人」)訂立總租賃協議(「總租賃協議」)，據此，出租人將不時出租，而本公司將承租任何配件、替代裝置、新添裝置、改進裝置、附加裝置、工具、後備零件及可與該裝備一併使用之任何其他項目(「紡織設備」)，惟在總租賃協議下，不可訂立超過五份獨立租約。租期最長由紡織設備總租賃協議日期起計為期八十四個月，總租賃額不超過50,000,000美元。此外，作為出租人購買紡織設備及出租紡織設備予本公司的先決條件之一，本公司亦須支付紡織設備購買價與總租賃額的差額作為租金預付款，金額預期約為23,200,000美元，連同租金付款的利息及應付出租人其他費用。

總租賃協議載有承諾，內容有關本公司將確保及促使主席兼執行董事洪先生留任本公司主席。違反該項規定將構成總租賃協議項下之違約事項，因此出租人有權(其中包括)撤銷及終止總租賃協議以及其項下任何租約、要求向出租人退還紡織設備以及宣佈總租賃協議項下所有累計或尚未償還之款項即時到期及須予支付。出現該情況亦可能觸發本集團其他適用銀行／信貸融資產生相互違約條文，及(作為可能產生的後果)該等其他融資亦可能宣佈即時為到期或須予支付。

FINANCIAL REVIEW (Continued)

Disclosure pursuant to Rule 13.18 of the Rules (the “Listing Rules”) Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (Continued)

As announced by the Company on 18 May 2015, by an agreement dated 18 May 2015 (“2015 Facility Agreement”) entered into by, among others, the Company as borrower and a syndicate of banks and financial institutions as lenders, the lenders have agreed to grant a term loan facility (“2015 Facility”) of up to the aggregate principal amount of US\$110 million for any refinancing, repayment, redemption, purchase or repurchase of the 2011 Notes due in January 2016 issued by the Company, in whole or part, at or before their maturity. The 2015 Facility shall be fully repaid in May 2018 and is guaranteed by certain subsidiaries of the Company. The amount of the 2015 Facility represents approximately 27% of the total amount of banking/credit facilities (including the 2015 Facility) presently available to the Group. The 2015 Facility Agreement contains the usual cross default provisions and a further requirement that Mr. Hong shall be and continue to be the chairman of the Company, directly or indirectly beneficially own not less than 25% of the total voting shares issued by the Company, and be and remain the single largest holder of the voting shares issued by the Company. A breach of such requirement will constitute an event of default under the 2015 Facility Agreement, and as a result, the 2015 Facility is liable to be declared immediately due and payable. The occurrence of such circumstance may trigger the cross default provisions of other banking/credit facilities available to the Group and, as a possible consequence, these other facilities may also be declared to be immediately due and payable.

As at the date of this annual report, the Company is in compliance with the Indentures, the 2011 Facility Agreement, the Master Lease Agreement and the 2015 Facility Agreement. As of 31 December 2015, the Company repurchased and cancelled in the aggregate notional amount of US\$44.5 million of the 2011 Notes, and repurchased notional amount of US\$15.8 million of the 2013 Notes.

財務回顧(續)

根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)第13.18條作出之披露(續)

誠如本公司於二零一五年五月十八日所公佈，根據由(其中包括)本公司(作為借款人)及由銀行及金融機構組成之銀團(作為貸款人)於二零一五年五月十八日訂立之協議(「二零一五年信貸協議」)，貸款人同意授出有期信貸融資(「二零一五年信貸融資」)，本金總額達110,000,000美元，用於任何再融資、在本公司所發行於二零一六年一月到期之二零一一年票據到期之時或之前償還、贖回、購買或購回全部或部份票據。二零一五年信貸融資須於二零一八年五月悉數償還，並以本公司若干附屬公司作擔保。二零一五年信貸融資之金額相當於現時本集團可供動用之銀行/信貸融資額度(包括二零一五年信貸融資)總額約27%。二零一五年信貸協議載有一般交叉違約條文，以及另一項有關洪先生須繼續為本公司主席之規定，而其直接或間接實益擁有不少於本公司已發行表決股份總額25%，並將繼續為本公司已發行表決股份之單一最大持有人。違反有關規定將構成二零一五年信貸協議之違約事項，因此二零一五年信貸融資須即時宣佈為到期及須予償還。發生有關情況可能導致觸發本集團其他銀行/信貸融資額度之交叉違約條文，因此該等其他信貸額度亦可能即時宣佈為到期及須予償還。

於本年報日期，本公司持守契約、二零一一年信貸協議、總租賃協議及二零一五年信貸協議。截至二零一五年十二月三十一日止，本公司購回並註銷總數為面額44,500,000美元的二零一一年票據，以及購回面額15,800,000美元的二零一三年票據。

FINANCIAL REVIEW (Continued)

Human resources

As at 31 December 2015, the Group had a total workforce of 23,265 (as at 31 December 2014: 20,576), of whom 14,091 were located in the PRC, 9,154 were located at the Group's production base in Vietnam and 20 were based in Hong Kong and Macao. New employees were recruited to cater for the Group's business expansion during the year. The Group offers its staff competitive remuneration schemes. In addition, discretionary bonuses and share options may also be granted to eligible staff based on individual and Group's performance. The Group is committed to nurturing a learning and sharing culture in the organization. Heavy emphasis is placed on the training and development of individual staff and team building, as the Group's success is dependent on the contribution of all functional divisions comprising skilled and motivated staff.

Dividend policy

The Board intends to maintain a long term, stable dividend payout ratio of about 30% of the Group's net profit for the year attributable to owners of the Company, providing shareholders with an equitable return. The Board has resolved to distribute a final dividend of 12 HK cents per share in respect of the year ended 31 December 2015 to shareholders whose names appear on the register of member on 22 April 2016 and will be payable on or about 9 May 2016, subject to the approval by the shareholders at the forthcoming annual general meeting of the Company on 18 April 2016. An interim dividend of 12 HK cents per share was paid by the Company on 10 September 2015.

財務回顧(續)

人力資源

於二零一五年十二月三十一日，本集團員工合共23,265名(於二零一四年十二月三十一日：20,576名)，其中14,091名位於中國大陸，另外9,154名位於本集團在越南之生產基地以及20名駐於香港及澳門。新聘僱員為應付本集團於年度內擴充的業務。本集團向其員工提供具競爭力的酬金計劃。此外，合資格員工亦可按其個人及本集團的表現獲授酌情花紅及購股權。本集團致力於組織內建立學習及分享文化。本集團的成功有賴由技巧純熟且士氣高昂的員工組成各職能部門，故此本集團重視員工的個人培訓及發展，以及建立團隊。

股息政策

董事會旨在維持長期、穩定的派息率，即本集團年內歸屬於本司擁有人淨利潤約30%，為股東提供合理回報。董事會已決議就截至二零一五年十二月三十一日止年度分派每股12港仙之末期股息，予名列二零一六年四月二十二日股東名冊內之股東，並將於二零一六年五月九日或前後派發，惟須得到股東於二零一六年四月十八日本公司應屆股東週年大會上批准後，方可作實。本公司於二零一五年九月十日派付每股12港仙之中期股息。

企業管治報告

CORPORATE GOVERNANCE REPORT

The Group is committed to maintaining a high level of corporate governance within a sensible framework with an emphasis on the principles of transparency, accountability and independence. The Board believes that good corporate governance is essential to the success of the Group and the enhancement of shareholders' value.

CORPORATE GOVERNANCE CODE (the "CG CODE")

The Company was committed to maintaining high level of corporate governance and has steered its development and protected the interests of its shareholders in an enlightened and open manner. The Board comprises five executive Directors and three independent non-executive Directors. The Board has adopted the code provisions of the Corporate Governance Code (the "Code Provisions") set out in Appendix 14 to the Listing Rules. During the reporting period, the Company had complied with the Code Provisions.

THE BOARD

The Board currently comprises eight Directors and its composition is set out as follows:

Executive Directors:

Hong Tianzhu (*Chairman and Chief Executive Officer*)
Zhu Yongxiang (*Co-Chief Executive Officer*)
Tang Daoping
Hui Tsz Wai (appointed on 1 February 2015)
Ji Zhongliang (appointed on 10 August 2015)

Independent non-executive Directors ("INEDs"):

Tao Xiaoming
Cheng Longdi
Ting Leung Huel, Stephen MH, FCCA, FCPA
(PRACTISING), ACA, CTA(HK), FHKIoD

本集團致力於切合實際之範圍內維持高水平之企業管治，以強調高透明度、問責性及獨立性為原則。董事會相信優良之企業管治對本集團之成功及提升股東價值至為重要。

企業管治守則(「企業管治守則」)

本公司一直致力保持高水平企業管治，以開明和開放的理念維護本集團的發展及保障股東們的權益。董事會由五名執行董事及三名獨立非執行董事組成。董事會已採納載於上市規則附錄十四內企業管治守則的《守則條文》(「《守則條文》」)。於報告期內，本公司已遵守《守則條文》。

董事會

董事會目前由八名董事組成，其成員載列如下：

執行董事：

洪天祝(主席兼行政總裁)
朱永祥(聯席行政總裁)
湯道平
許子慧(於二零一五年二月一日獲委任)
吉忠良(於二零一五年八月十日獲委任)

獨立非執行董事：

陶肖明
程隆棣
丁良輝 MH, FCCA, FCPA
(PRACTISING), ACA, CTA(HK), FHKIoD

企業管治報告

CORPORATE GOVERNANCE REPORT

THE BOARD (Continued)

The brief biographical details of the Directors are set out in the “Directors and Senior Management” section on pages 44 to 47. There was no relationship (including financial, business, family or other material/relevant relationship) among members of the Board.

The Company has three INEDs representing more than one-third of the Board. At least one of the INEDs has appropriate professional qualifications or accounting or related financial management expertise under Rule 3.10 of the Listing Rules. The Board has received from each INED an annual confirmation of his independence and considers that all the INEDs are independent under the guidelines set out in Rule 3.13 of the Listing Rules.

The Board meets regularly to discuss the overall strategy as well as the operation and financial performance of the Group, and to review and approve the Group’s annual and interim results. During the year, seven Board meetings and one general meeting were held and attendance of each Director at the Board meetings and the general meeting is set out as follows:

董事會(續)

董事之履歷詳情載於第44至47頁之「董事及高級管理層」一節內。董事會成員間概無任何關係(包括財務、業務、家庭或其他重大/相關關係)。

本公司之三名獨立非執行董事佔董事會人數多於三分之一。根據上市規則第3.10條，至少一名獨立非執行董事必須具備適當之專業資格或會計或相關財務管理專業知識。董事會已接獲每名獨立非執行董事有關其獨立性之年度確認書，並認為所有獨立非執行董事均具備上市規則第3.13條所載之指引下之獨立性。

董事會定期召開會議，討論本集團之整體策略以及營運及財政表現，並審閱及批准本集團之全年及中期業績。於年內，已舉行七次董事會會議及一次股東大會，各董事出席董事會會議及股東大會之情況如下：

		Number of Board meetings attended/held	Number of General meetings attended/held
		出席／舉行董事會會議次數	出席／舉行股東大會次數
Executive Directors:	執行董事：		
Hong Tianzhu (chairman and chief executive officer)	洪天祝 (主席兼行政總裁)	7/7	1/1
Zhu Yongxiang (co-chief executive officer)	朱永祥(聯席行政總裁)	7/7	0/1
Tang Daoping	湯道平	7/7	0/1
Hui Tsz Wai (appointed on 1 February 2015)	許子慧(於二零一五年 二月一日獲委任)	5/5	1/1
Ji Zhongliang (appointed on 10 August 2015)	吉忠良(於二零一五年 八月十日獲委任)	1/1	0/0
Independent Non-Executive Directors:	獨立非執行董事：		
Cheng Longdi	程隆棣	7/7	0/1
Ting Leung Huel, Stephen MH, FCCA, FCPA (PRACTISING), ACA, CTA(HK), FHKIoD	丁良輝 MH, FCCA, FCPA (PRACTISING), ACA, CTA(HK), FHKIoD	7/7	1/1
Tao Xiaoming	陶肖明	7/7	1/1

企業管治報告

CORPORATE GOVERNANCE REPORT

THE BOARD (Continued)

The Board has reserved for its decision or consideration matters covering mainly the Group's overall strategy, investment plans, annual and interim results, recommendations on Directors' appointment or reappointment, material contracts and transactions as well as other significant policies and financial matters. The Board has delegated the day-to-day responsibility to the senior management under the supervision of the Board.

Board meetings are scheduled to be held at approximately quarterly intervals and as required by business needs. At least 14 days' notice of a Board meeting is normally given to all Directors who are given an opportunity to include matters for discussion in the agenda. The company secretary assists the chairman of the Board in preparing the agenda for meetings and ensures that all applicable rules and regulations are complied with. The agenda and the accompanying Board papers are normally sent to all Directors at least three days before the intended date of a regular Board meeting (and so far as practicable for other Board meetings). Draft minutes of each Board meeting are circulated to all Directors for their comment before the same will be tabled at the following Board meeting for approval. All minutes are kept by the company secretary and are open for inspection at any reasonable time on reasonable notice by any Director.

Every Director is entitled to have access to Board papers and related materials and has access to the advice and services of the company secretary. The Board and each Director also have separate and independent access to the Company's senior management. Directors will be continuously updated on the major development of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeep of good corporate governance practices.

董事會(續)

經董事會決定或考慮之事宜包括本集團整體策略、投資計劃、全年及中期業績、董事委任或重新委任之建議、重大合約及交易，以及其他重大政策及財務等事宜。董事會已將日常職責委派予高級管理層，並由董事會監督。

董事會會議預定為約每季及按業務需要而舉行。召開董事會會議一般會給予全體董事至少十四天之通知，以便彼等皆有機會提出商討事項列入會議議程。公司秘書協助董事會主席編製會議議程，以及確保已遵守所有適用規則及規例。議程及隨附之董事會文件一般在舉行定期董事會會議（及就可行情況下，其他董事會會議）前至少三天發呈全體董事。每份董事會會議記錄之初稿於提交下一次董事會會議審批前，先供全體董事傳閱並提出意見。所有會議記錄均由公司秘書保存，並供任何董事於發出合理通知時，於任何合理時間內查閱。

每名董事有權查閱董事會文件及相關資料，及可向公司秘書尋求意見及服務。董事會及各董事亦可個別及獨立地接觸本公司之高級管理層。董事將獲持續提供上市規則及其他適用監管規定之最新發展之資料，以確保彼等遵守及秉持優秀企業管治常規。

企業管治報告

CORPORATE GOVERNANCE REPORT

DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT

To ensure the Directors' contribution to the Board remains informed and relevant and in compliance with paragraph A.6.5 of the CG Code, the Company would arrange and fund suitable continuous professional development for the Directors to participate in order to develop and refresh their knowledge and skills.

During the year ended 31 December 2015, the Company had provided all the Directors with regular updates regarding the Company's performance as well as updates on latest amendments and developments to the Listing Rules and other relevant legal and regulatory requirements from time to time.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct ("the Securities Code") regarding securities transactions by Directors and officers on terms no less exacting than the required standard set out in the Model Code ("Model Code") for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules.

A copy of the Securities Code has been sent to each Director of the Company first on his/her appointment and thereafter twice annually, 30 days and 60 days before the date of the Board meetings to approve the Company's interim result and annual result respectively, with a reminder that the Director cannot deal in the securities and derivatives of the Company until after such results have been published, and that all his dealings must be conducted in accordance with the Securities Code.

Under the Securities Code, Directors are required to notify Mr. Hong Tianzhu or Mr. Zhu Yongxiang or a Director (other than himself/herself) designated by the Board for the specific purpose (the "Designated Director") and receive a dated written acknowledgement from such Designated Director before dealing in the securities and derivatives of the Company.

During the year, the Company, having made specific enquiry on all the Directors, confirms that all the Directors have complied with the required standard set out in the Securities Code and the Model Code.

董事之持續專業發展

為確保董事在具備全面資訊及切合所需之情況下對董事會作出貢獻，符合企業管治守則第A.6.5條，本集團為董事安排及出資支持適合之持續專業發展項目，供學習及更新知識及技能。

於截至二零一五年十二月三十一日止年度，本公司向全體董事提供有關本公司表現之定期更新，亦不時向全體董事提供有關上市規則以及其他相關法律及監管規定之最新修訂及發展之最新資料。

董事進行之證券交易

本公司已就有關董事及主要人員進行之證券交易採納一套操守守則(「《證券守則》」)，條款不遜於上市規則附錄十上市發行人董事進行證券交易的標準守則(「《標準守則》」)所載之要求標準。

《證券守則》之副本已於本公司每名董事首次獲委任時，及其後每年兩次(分別於批准本公司中期業績及全年業績而召開之董事會會議日期前30日及60日送交各董事，連同之備忘錄列明，在有關業績刊發前，董事不得買賣本公司證券及衍生工具，而一切買賣均須根據《證券守則》進行。

根據《證券守則》，董事在買賣本公司之證券及衍生工具前，須知會洪天祝先生或朱永祥先生或董事會就特定目的而指定之一名董事(「指定董事」)(除該董事本身外)，並接獲該指定董事發出具有日期之書面確認。

年內，本公司經向全體董事作出特定查詢後，確認所有董事已一直遵守《證券守則》及《標準守則》所載之標準。

企業管治報告

CORPORATE GOVERNANCE REPORT

ROLES OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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

Mr. Hong Tianzhu is the chairman and chief executive officer of the Company. Mr. Zhu Yongxiang is the co-chief executive officer of the Company.

TERM OF APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Each of Mr. Ting Leung Huel Stephen, Professor Cheng Longdi, Professor Tao Xiaoming has been appointed as an independent non-executive Director for an initial term of one year commencing from their respective date of appointment as an INED renewable automatically for successive term of one year each commencing from the next day after the expiry of the then current term of appointment, unless terminated by not less than three months' notice in writing served by either the independent non-executive Director or the Company expiring at the end of the initial term or at any time thereafter. The Company has paid an annual director's fee of HKD300,000 to Mr. Ting Leung Huel Stephen, HKD150,000 to Professor Cheng Longdi, and HKD180,000 to Professor Tao Xiaoming for the year ended 31 December 2015. Save for the above directors' fees, none of the independent non-executive Directors has received any other remuneration for holding their office as an independent non-executive Director.

BOARD COMMITTEES

The Board has established a remuneration committee (the "Remuneration Committee"), an audit committee (the "Audit Committee") and the nomination committee (the "Nomination Committee"), each of which has its specific written terms of reference. Copies of minutes of all meetings and resolutions of the committees, which are kept by the company secretary, are circulated to all Board members and the committees are required to report back to the Board on their decision and recommendations where appropriate. The procedures and arrangements for a Board meeting, as mentioned on page 27 in the section "The Board" above, have been adopted for the committee meetings so far as practicable.

主席及行政總裁之角色

守則A.2.1規定主席與行政總裁的角色應有區分，並不應由一人同時兼任。

洪天祝先生為本公司的主席兼行政總裁。朱永祥先生為本公司聯席行政總裁。

獨立非執行董事之委任任期

丁良輝先生、程隆棣教授及陶肖明教授已獲委任為獨立非執行董事，首任年期為一年，由彼等各自獲委任為獨立非執行董事之日期開始，自當時委任任期屆滿翌日起自動連任一年，惟獨立非執行董事或本公司於首任到期時或之後任何時間以不少於三個月書面通知終止委任除外。本公司已就截至二零一五年十二月三十一日止年度分別向丁良輝先生、程隆棣教授及陶肖明教授分別為支付年度董事袍金300,000港元、150,000港元及180,000港元。除上述董事袍金外，並無任何獨立非執行董事預期可就擔任其獨立非執行董事的職位收取任何其他酬金。

董事委員會

董事會已成立薪酬委員會（「薪酬委員會」）、審核委員會（「審核委員會」）及提名委員會（「提名委員會」），並以書面具體列明其職權範圍。所有委員會之會議記錄及決議案均由公司秘書保存，並提供副本予全體董事會成員傳閱，而各委員會需按其決定及建議（倘適合）向董事會匯報。董事會會議之程序及安排（於上文第27頁「董事會」一節提述）已按可行情況下在每次委員會會議上採納。

企業管治報告

CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES (Continued)

Remuneration Committee

The Company has established the Remuneration Committee since November 2004, which currently comprises three independent non-executive Directors of the Company, namely Mr. Ting Leung Huel, Stephen, Professor Tao Xiaoming and Professor Cheng Longdi and the chairman and an executive Director of the Company, namely Mr. Hong Tianzhu. The chairman of the Remuneration Committee is Mr. Ting Leung Huel, Stephen. The Remuneration Committee has adopted terms of reference which are in line with the code provisions of the CG Code. The Remuneration Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice in accordance with the Company's policy if considered necessary.

The major roles and functions of the Remuneration Committee are:

- (a) to make recommendations to the Board on the Company's policy and structure for all directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (b) to review and approve the management's remuneration proposals with reference to the board's corporate goals and objectives;
- (c) to make recommendations to the board on the remuneration packages of individual executive Directors and senior management, this should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- (d) to make recommendations to the Board on the remuneration of non-executive Directors;
- (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- (f) to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;

董事委員會(續)

薪酬委員會

本公司自二零零四年十一月起已成立薪酬委員會，現時該委員會由本公司三名獨立非執行董事組成，包括丁良輝先生、陶肖明教授及程隆棣教授及本公司主席兼執行董事洪天祝先生。薪酬委員會主席為丁良輝先生。薪酬委員會已採納符合《企業管治守則》守則條文的職權範圍。薪酬委員會獲提供充裕資源以履行其職務，並可按本公司政策在有需要時尋求獨立專業意見。

薪酬委員會之主要角色及職能如下：

- (a) 就董事及本公司高級管理人員的全體薪酬政策及架構，及就設立正規而具透明度的程序制訂薪酬政策，向董事會提出建議；
- (b) 因應董事會所訂企業方針及目標而檢討及批准管理層的薪酬建議；
- (c) 就個別執行董事及高級管理人員的薪酬待遇向董事會提供推薦建議。此應包括非金錢利益、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）；
- (d) 就非執行董事的薪酬向董事會提出建議；
- (e) 考慮同類公司支付的薪酬、須付出的時間及職責以及本集團內其他職位的僱用條件；
- (f) 檢討及批准向執行董事及高級管理人員就其喪失或終止職位或委任而須支付的賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，賠償亦須公平合理，不致過多；

企業管治報告

CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES (Continued) Remuneration Committee (Continued)

- (g) 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; and
- (h) to ensure that no director or any of his associates is involved in deciding his own remuneration.

The Remuneration Committee shall meet at least once a year. Three committee meetings were held in 2015 to review and discuss the existing policy and structure for the remuneration of Directors, the remuneration packages of both the executive and non-executive Directors and the attendance of each member is set out as follows:

Committee member	委員會成員	Number of committee meeting attended/held 出席／舉行委員會會議之次數
Ting Leung Huel, Stephen	丁良輝	3/3
Hong Tianzhu	洪天祝	3/3
Tao Xiaoming	陶肖明	3/3
Cheng Longdi	程隆棣	3/3

In addition to the Committee meetings, the Remuneration Committee also dealt with matters by way of circulation during 2015. The remuneration payable to Directors will depend on their respective contractual terms under their employment or service contracts as approved by the Board on the recommendation of the Remuneration Committee.

In order to attract, retain and motivate the senior executives and key employees of the Group, including the executive Directors, the Company adopted a share option scheme (the "Share Option Scheme") in April 2014 for a term of ten years. Details of the share option scheme are set out in the Directors' Report on pages 52 to 54 and note 15 to the financial statements.

董事委員會(續) 薪酬委員會(續)

- (g) 檢討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；若未能與合約條款一致，有關賠償亦須合理適當；及
- (h) 確保任何董事或其任何聯繫人不得參與釐定他自己的薪酬。

薪酬委員會每年須至少召開一次會議。於二零一五年已舉行三次委員會會議，以審議及討論董事之現行薪酬政策及架構，執行董事及非執行董事之薪酬待遇，而各成員之出席情況如下：

除委員會會議外，薪酬委員會亦於二零一五年內透過傳閱方式處理事宜。應付董事之薪酬將視乎薪酬委員會向董事會提供之建議獲批准後，並按各自之僱傭或服務合約內之條款而釐定。

本公司已於二零一四年四月採納一項購股權計劃(「購股權計劃」)以吸引、延攬及推動本集團高級行政人員及主要僱員(包括執行董事)，為期十年。購股權計劃詳情載於董事會報告第52至54頁及財務報表附註15。

企業管治報告

CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES (Continued)

Audit Committee

The Audit Committee has been established since November 2004, the current members of the Audit Committee are Mr. Ting Leung Huel, Stephen, Professor Tao Xiaoming and Professor Cheng Longdi. The chairman of the Audit Committee is Mr. Ting Leung Huel, Stephen. To retain independence and objectivity, the Audit Committee has been chaired by an INED with appropriate professional qualifications or accounting or related financial management expertise. The Audit Committee has adopted terms of reference, which are in line with the code provisions of the CG Code. The Audit Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice according to the Company's policy if considered necessary.

The major roles and functions of the Audit Committee are:

- (a) to be primarily responsible for making recommendation to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of that auditor;
- (b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standard;
- (c) to develop and implement policy on the engagement of an external auditor to supply non-audit services;
- (d) to monitor integrity of financial statements of the Company and the Company's annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgments contained in them, and to review the Company's annual report and accounts, half-year report and, if prepared for publication, quarterly reports before submission to the Board;
- (e) to discuss problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss;
- (f) to review the Company's financial controls, risk management and internal control systems;

董事委員會(續)

審核委員會

審核委員會自二零零四年十一月成立，現有成員為丁良輝先生、陶肖明教授及程隆棣教授。審核委員會主席為丁良輝先生。為保持獨立性及客觀性，審核委員會由一名具備合適專業資格或會計或相關財務管理專業知識之獨立非執行董事擔任主席。審核委員會已採納符合《企業管治守則》守則條文的職權範圍。審核委員會獲提供充裕資源以履行其職務，並可按本公司之政策在有需要時尋求獨立專業意見。

審核委員會之主要角色及職能：

- (a) 主要負責向董事會就委任、重新委任及罷免外聘核數師提出建議，以及批准外聘核數師之薪酬及聘用條款，並處理任何有關該核數師辭任或辭退該核數師之問題；
- (b) 根據適用準則檢討及監察外聘核數師之獨立性及客觀性及審核程序之效率；
- (c) 研究及實施委任外聘核數師提供非審核服務的政策；
- (d) 監察本公司財務報表及本公司年度報告及賬目、中期報告及季度報告(倘編製供刊發之用)的完整性，並審核其中的重大財務報告判斷，及於本公司的年度報告及賬目、中期報告及季度報告(倘編製供刊發之用)呈交董事會之前先行審核；
- (e) 商議就中期審閱及年終審核而產生之任何問題及保留事項，及核數師擬商討之任何事宜；
- (f) 檢討本集團之財務監控、風險管理及內部監控系統；

企業管治報告

CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES (Continued)

Audit Committee (Continued)

- (g) to discuss with the management the risk management and internal control systems and ensure that management has discharged its duty to have effective systems;
- (h) to consider any findings of major investigations of risk management and internal control matters as delegated by the Board or on its own initiative and management's response;
- (i) to review the Group's financial and accounting policies and practices; and
- (j) to review the external auditor's management letter, any material queries raised by the auditor to management in respect of the accounting records, financial accounts or systems of control and management's response.

The Audit Committee shall meet at least twice a year. Two committee meetings were held in 2015 and the attendance of each member is set out as follows:

董事委員會(續)

審核委員會(續)

- (g) 與管理層討論風險管理及內部監控系統及確保管理層已盡其職責以達至有效之系統；
- (h) 考慮董事會授予或自發進行之風險管理內部監控事項之主要調查之任何發現以及管理層之回應；
- (i) 審核本集團的財務及會計政策及常規；及
- (j) 審核外聘核數師的管理函件、核數師就會計記錄、財務賬目或控制系統向管理層提出的任何重大提問，及管理層的回應。

審核委員會每年須至少召開兩次會議。於二零一五年已舉行兩次委員會會議，而各成員之出席情況如下：

Committee member	委員會成員	Number of committee meeting attended/held 出席／舉行委員會會議之次數
Ting Leung Huel, Stephen	丁良輝	2/2
Tao Xiaoming	陶肖明	2/2
Cheng Longdi	程隆棣	2/2

During the meetings held in 2015, the Audit Committee had performed the work as summarised below:

- (i) reviewed and approved the audit scope and fees proposed by the external auditor regarding the final audit of the Group for the year ended 31 December 2014 (the "2014 Final Audit");
- (ii) reviewed the external auditor's report of findings in relation to the 2014 Final Audit;

於二零一五年舉行之會議，審核委員會已履行之工作概述如下：

- (i) 檢討及批准外聘核數師建議之本集團截至二零一四年十二月三十一日止年度之年終審核(「二零一四年年終審核」)之核數範圍及費用；
- (ii) 檢討外聘核數師之二零一四年年終審核結果之報告；

企業管治報告

CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES (Continued)

Audit Committee (Continued)

- (iii) reviewed the financial reports for the year ended 31 December 2014 and for the six months ended 30 June 2015; and
- (iv) reviewed the effectiveness of internal control system of the Group including financial, operational and compliance control and risk management functions of the Group.

There was no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the external auditors.

Nomination Committee

On 19 March 2012, the Board has approved the establishment of the Nomination Committee which became effective on 1 April 2012. The current members of Nomination Committee comprises an executive Director and the chairman of the Company, Mr. Hong Tianzhu and three independent non-executive Directors, namely Professor Tao Xiaoming, Professor Cheng Longdi and Mr. Ting Leung Huel, Stephen. The chairman of the Nomination Committee is Mr. Hong Tianzhu. The Nomination Committee has adopted terms of reference which are in line with the code provisions of the CG Code. The Nomination Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice in accordance with the Company's policy if considered necessary.

The major roles and functions of the Nomination Committee are:

- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the board to complement the Company's corporate strategy;
- (b) to identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (c) to assess the independence of the independent non-executive Directors;

董事委員會(續)

審核委員會(續)

- (iii) 檢討截至二零一四年十二月三十一日止年度及截至二零一五年六月三十日止六個月之財務報告；及
- (iv) 檢討本集團內部監控制度，包括本集團的財務、營運及合規控制情況及風險管理功能的有效性。

董事會及審核委員會就甄選、委聘、退任或罷免外聘核數師並無意見分歧。

提名委員會

於二零一二年三月十九日，董事會批准成立提名委員會，於二零一二年四月一日生效。提名委員會現任成員包括執行董事兼本公司主席洪天祝先生，及三名獨立非執行董事，即陶肖明教授、程隆棣教授及丁良輝先生。提名委員會主席為洪天祝先生。提名委員會已採納與企業管治守則的守則條文一致的職權範圍。提名委員會提供足夠資源履行職務，並已考慮在適當情況下，根據本公司政策尋求獨立專業意見。

提名委員會的主要職位及功能如下：

- (a) 至少每年檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，並為配合本公司的策略而擬對董事會作出調整向董事會提出建議；
- (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) 評估獨立非執行董事的獨立性；

企業管治報告

CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

- (d) to make recommendations to the Board on:
- (i) the role, responsibilities, capabilities, skills, knowledge and experience required from members of the Board;
 - (ii) the policy on the terms of employment of non-executive Directors;
 - (iii) the composition of the Audit Committee, Remuneration Committee and other board committees of the Company;
 - (iv) proposed changes to the structure, size and composition of the Board;
 - (v) candidates suitably qualified to become members of the Board;
 - (vi) the selection of individuals nominated for directorship;
 - (vii) the re-election by shareholders of the Company of any Directors who are to retire by rotation having regard to their performance and ability to continue to contribute to the Board;
 - (viii) the continuation (or not) in service of any independent non-executive Director serving more than nine years and to provide recommendation to the shareholders of the Company as to how to vote in the resolution approving the re-election of such independent non-executive Director;
 - (ix) the appointment or re-appointment of Directors;
 - (x) succession planning for Directors in particular the chairman and the chief executive; and
 - (xi) the policy concerning diversity of Board members;

董事委員會(續)

提名委員會(續)

- (d) 向董事會就下列事宜作出推薦建議：
- (i) 作為董事會成員所應有的角色、責任、能力、技能、知識及經驗；
 - (ii) 委聘非執行董事條件的政策；
 - (iii) 審核委員會、薪酬委員會及其他董事會委員會的組成；
 - (iv) 董事會的架構、人數及組成擬作出的變動；
 - (v) 具備合適資格擔任董事的候選人；
 - (vi) 挑選被提名人士出任董事；
 - (vii) 由本公司股東重新委任輪流退任董事，於此，須考慮其工作表現及對董事會繼續作出貢獻的能力；
 - (viii) 在任多於九年的獨立非執行董事的去留問題，並就該等獨立非執行董事的繼續委任與否向本公司股東就審議有關決議案贊成與否提供建議；
 - (ix) 委任或重新委任董事；
 - (x) 董事接替計畫(尤其是主席及行政總裁)；及
 - (xi) 有關董事會成員多元化的政策；

企業管治報告

CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

- (e) to give full consideration to the following in the discharge of its duties as mentioned above or elsewhere in these terms of reference:
- (i) succession planning of Directors;
 - (ii) leadership needs of the Group with a view of maintaining or fostering the competitive edge of the Group over others;
 - (iii) changes in market environment and commercial needs of the market in which the Group operates;
 - (iv) the skills and expertise required from members of the Board;
 - (v) the Board's policy concerning diversity of Board members adopted from time to time; and
 - (vi) the relevant requirements of the Listing Rules with regard to directors of a listed issuer;
- (f) in respect of any proposed service contracts to be entered into by any members of the Group with its director or proposed director, which require the prior approval of the shareholders of the Company at general meeting under rule 13.68 of the Listing Rules, to review and provide recommendations to the shareholders of the Company (other than shareholders who are directors with a material interest in the relevant service contracts and their respective associates) as to whether the terms of the service contracts are fair and reasonable and whether such service contracts are in the interests of the Company and the shareholders as a whole, and to advise shareholders on how to vote;
- (g) to ensure that on appointment to the Board, non-executive Directors receive a formal letter of appointment setting out what is expected of them in terms of time commitment, committee service and involvement outside meetings of the Board;
- (h) to conduct exit interviews with any Director upon their resignation in order to ascertain the reasons for his departure; and
- (i) to consider other matters, as defined or assigned by the Board from time to time.

董事委員會(續)

提名委員會(續)

- (e) 在履行上述責任或本職權範圍項下的其他責任，對下列各項給予充份考慮：
- (i) 董事繼任計劃；
 - (ii) 本集團為保持或加強本集團的競爭優勢所需要的領導才能；
 - (iii) 市場環境的轉變及本集團營運市場的商業需要；
 - (iv) 董事會成員所須具備的技能及專才；
 - (v) 不時採納有關董事會成員多元化的政策；及
 - (vi) 上市規則對上市發行人的董事的相關要求；
- (f) 檢討及就所有按上市規則第 13.68 條須事先取得本公司股東於股東大會上批准的現董事或建議委任董事與集團成員的擬定服務合同，向本公司股東就該議定服務合同條款的公平及合理性、服務合同對本公司及整體股東而言是否有利及本公司股東應怎樣作出表決，向本公司股東（而身為董事並在該等服務合同中有重大利益的股東和其連繫人士除外）提呈建議；
- (g) 確保非執行董事獲邀加入董事會時收到正式的聘書，其中列明公司期望非執行董事投入的時間、應盡的服務和在董事會會議以外的參與；
- (h) 會見辭去本公司董事職責的董事並瞭解其離職原因；及
- (i) 考慮董事會不時確定或委派的其他事項。

企業管治報告

CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

On 5 August 2013, the Board adopted a board diversity policy (the "Policy") which aims to set out the approach to achieve diversity on the Board. All Board appointments will be based on merit while taking into account diversity including gender diversity. The Nomination Committee will discuss and agree annually measurable objectives for implementing diversity on the Board and recommend them to the Board for adoption. The Board has adopted the following measurable objectives during the year ended 31 December 2015:

- inclusion of candidates for Board members with overseas working experience (outside of PRC);
- ensuring that there is no limitation on gender on selection of Directors;
- inclusion of candidates for Board members with working experience in other industries; and
- inclusion of candidates for Board members with knowledge and skills in different aspects.

During the year, the Board achieved the above measurable objectives by which the Board had appointed an executive Director with extensive working experience in finance related area in Hong Kong.

The Nomination Committee shall meet at least once a year. Two committee meetings were held in 2015 to review the structure and composition of the Board and the re-election of the retiring Directors and the attendance of each member is set out as follows:

董事委員會(續)

提名委員會(續)

董事會於二零一三年八月五日採納董事會成員多元化政策(「該政策」)，旨在羅列達成董事會成員多元化的進路方法。董事會內任命的原則是任人唯才，亦考慮到多元性，包括性別多元。提名委員會將每年討論並協商出實踐董事會多元化的可計量目標，並建議董事會採納。於截至二零一五年十二月三十一日止年度，董事會已採納以下可計量目標：

- 董事會的候選董事應包括具備海外(中國境外)工作經驗者；
- 應確保不限性別地選任董事；
- 董事會的候選董事應包括具備其他行業工作經驗者；及
- 董事會的候選董事應具備不同領域的知識及技術。

年內，董事會已達致上述可計量目標，據此，董事會已委任在香港金融相關範圍具有豐富工作經驗之執行董事。

提名委員會每年須至少召開一次會議。於二零一五年已舉行兩次委員會會議，以檢討董事會的架構及組織，以及重選退任董事，而各成員之出席情況如下：

Committee member	委員會成員	Number of committee meeting attended/held 出席／舉行委員會會議之次數
Hong Tianzhu	洪天祝	2/2
Tao Xiaoming	陶肖明	2/2
Cheng Longdi	程隆棣	2/2
Ting Leung Huel, Stephen	丁良輝	2/2

企業管治報告

CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

The Nomination Committee has adopted a written nomination procedure (the “Nomination Procedure”) specifying the process and criteria for the selection and recommendation of candidates for directorship of the Company. The Nomination Committee shall, based on those criteria as set out in the Nomination Procedure (such as appropriate experience, personal skills and time commitment etc.), identify and recommend the proposed candidate to the Board for approval of an appointment.

New Directors, on appointment, will be given an induction package containing all key legal and Listing Rules’ requirements as well as guidelines on the responsibilities and obligations to be observed by a Director. The package will also include the latest published financial reports of the Company and the documentation for the corporate governance practices adopted by the Board. The senior management will subsequently conduct such briefing as is necessary to give the new Directors more detailed information on the Group’s businesses and activities.

CORPORATE GOVERNANCE PRACTICES

The Company has not set up any corporate governance committee. Since April 2012, the Board has adopted written terms of reference in compliance with the code provisions of the CG Code.

The Board is mainly responsible for keeping the effectiveness of the corporate governance and system of internal non-financial controls of the Group. The Board shall introduce and propose relevant principles concerning corporate governance and to review and determine the corporate governance policy, so as to enhance and to ensure a high standard of corporate governance practices in the Group.

During the year, the Board reviewed and monitored the training and continuous professional development of the Directors, and the Company’s policies and practices on compliance with legal and regulatory requirements.

董事委員會(續)

提名委員會(續)

提名委員會已採納一套以書面列載之提名程序(「提名程序」)，具體列明本公司董事候選人之挑選及推薦程序及準則。提名委員會會根據提名程序所載之該等準則(如恰當資歷、個人專長及投放時間等)作為基礎向董事會物色及建議人選以予批准委任。

新董事在獲委任後將會取得一套入職資料文件，載有所有主要法律及上市規則規定，以及有關董事應遵守之責任及義務之指引。資料文件亦包括本公司最新公佈之財務報告及董事會採納之企業管治常規文件。高級管理層其後將於有需要時提供說明，並為新董事提供本集團業務及活動之詳細資料。

企業管治常規

本公司並無設立任何企業管治委員會。由二零一二年四月起，董事會採納符合企業管治守則內各項守則條文的書面職權範圍。

董事會主要負責維持本集團的企業管治及內部非財務監控系統的有效性。董事會將就企業管治引用及建議相關守則，並審閱及釐定企業管治政策，以提高及確保本集團的高標準企業管治常規。

年內，董事會已檢討並審視董事的培訓及持續專業發展，以及本公司遵行法定及監管要求的政策及常規。

企業管治報告

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Directors acknowledge their responsibility for preparing, with the support from finance department, the financial statements of the Group. In preparing the financial statements for the year ended 31 December 2015, the requirements of the Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of the Listing Rules and the Companies Ordinance were complied with.

The reporting responsibilities of the Company's external auditor, Messrs. PricewaterhouseCoopers, are set out in the Auditor's Report on pages 70 and 71.

Internal Control

The Board is responsible for maintaining a sound and effective system of internal control. During the financial year under review, the Board has reviewed the effectiveness of the internal control system of the Group through the Audit Committee.

External Auditor's Remuneration

During the year, the remuneration paid and payable to the Company's external auditor, Messrs. PricewaterhouseCoopers, is set out as follows:

問責及核數

財務匯報

於財務部之協助下，董事確認彼等編製本集團財務報表之責任。截至二零一五年十二月三十一日止年度之財務報表已按照香港會計師公會頒佈之香港財務報告準則、香港會計準則及詮釋，以及上市規則及公司條例之適用披露規定而編製。

本公司外聘核數師羅兵咸永道會計師事務所之匯報責任載於第70及71頁之核數師報告。

內部監控

董事會負責維持良好及有效的內部監控系統。於回顧財政年度，董事會已透過審核委員會檢討本集團的內部監控制度。

外聘核數師之酬金

於年內，已付及應付本公司外聘核數師羅兵咸永道會計師事務所之酬金載列如下：

Services rendered to the Group	向本集團提供之服務	Paid/Payable 已付/應付費用 RMB'000 人民幣千元
Annual audit service	年度審核服務	3,848
Non-audit services (including consulting service for transfer pricing and agreed-upon procedures for selected financial information of the Group and preliminary announcement of results)	非審核服務(包括轉移訂價的顧問服務及本集團特選財務資料及初步業績公佈的協定程序)	520
Total:	合計：	4,368

企業管治報告

CORPORATE GOVERNANCE REPORT

COMMUNICATION WITH SHAREHOLDERS

The Board recognizes the importance of good communication with shareholders. Information in relation to the Group is disseminated to shareholders in a timely manner through a number of formal channels, which include interim and annual reports, announcements and circulars.

The Company's annual general meeting (the "AGM") is a valuable forum for the Board to communicate directly with the shareholders. The chairman actively participated in the AGM held during the year and personally chaired the meeting to answer any questions from the shareholders. A separate resolution had been proposed by the chairman in respect of each issue to be considered at the AGM. An AGM circular and AGM notice had been distributed to all shareholders in accordance with the requirements of the articles of association of the Company and the Listing Rules, setting out details of each proposed resolution, voting procedures and other relevant information. The chairman explained the procedures for conducting a poll at the beginning of the AGM, and answered any questions from shareholders regarding voting by way of poll.

SHAREHOLDERS' RIGHTS

Procedures for shareholders to convene an extraordinary general meeting

The following procedures for shareholders (the "Shareholders", each a "Shareholder") of the Company to convene an extraordinary general meeting (the "EGM") of the Company are prepared in accordance with Article 64 of the articles of association of the Company:

1. One or more Shareholders (the "Requisitionist(s)") holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings shall have the right, by written notice (the "Requisition"), to require an EGM to be called by the Directors for the transaction of any business specified therein.
2. Such Requisition shall be made in writing to the Board or the company secretary of the Company via email at the email address of the Company at main@texhong.com.

與股東之溝通

董事會瞭解與股東保持良好聯繫之重要性。有關本集團之資料乃按時透過多種正式途徑向股東傳達，包括中期報告及年報、公佈及通函。

本公司股東週年大會（「股東週年大會」）乃董事會直接與股東聯繫之寶貴機會。主席於年內舉行之股東週年大會上積極回應任何股東之查詢。主席已就每項在股東週年大會上審議之議題提呈個別之決議案。股東週年大會通函及通告已根據本公司組織章程細則及上市規則之規定發送予全體股東，該通函及通告載列每項擬提呈決議案之詳情、投票程序及其他相關資料。主席於股東週年大會開始時，已解釋以投票方式進行表決之程序，已回答股東就按股數投票之任何提問。

股東權利

股東召開股東特別大會之程序

下列本公司股東（「股東」，各為一名「股東」）召開股東特別大會（「股東特別大會」）之程序，乃根據本公司組織章程細則第 64 條所編製：

1. 於遞呈要求日期持有不少於本公司繳足股本十分之一的任何一名或多名有權於股東大會上投票的股東（「呈請人」）通過書面通知有權要求董事會召開股東特別大會（「呈請」），以處理有關要求中指明的任何事項。
2. 有關呈請須以書面形式並透過發送電郵至本公司電郵地址 main@texhong.com 向本公司董事會或公司秘書提出。

企業管治報告

CORPORATE GOVERNANCE REPORT

SHAREHOLDERS' RIGHTS (Continued)

Procedures for shareholders to convene an extraordinary general meeting (Continued)

3. The EGM shall be held within two months after the deposit of such Requisition.
4. If the Directors fail to proceed to convene such meeting within 21 days of the deposit of such Requisition, 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 Directors shall be reimbursed to the Requisitionist(s) by the Company.

Procedures for raising enquiries

1. Shareholders should direct their questions about their shareholdings, share transfer, registration and payment of dividend to the Company's branch share registrar in Hong Kong, details of which are set out in the section headed "Corporate Information" of this annual report.
2. Shareholders may at any time raise any enquiry in respect of the Company via email at the email address of the Company at main@texhong.com.
3. Shareholders are reminded to lodge their questions together with their detailed contact information for the prompt response from the Company if it deems appropriate.

Procedures and contact details for putting forward proposals at shareholders' meetings

1. To put forward proposals at a general meeting of the Company, a Shareholder should lodge a written notice of his/her/its proposal (the "Proposal") with his/her/its detailed contact information via email at the email address of the Company at main@texhong.com.
2. The identity of the Shareholder and his/her/its request will be verified with the Company's branch share registrar in Hong Kong and upon confirmation by the branch share registrar that the request is proper and in order and made by a Shareholder, the Board will include the Proposal in the agenda for the general meeting.

股東權利(續)

股東召開股東特別大會之程序(續)

3. 股東特別大會將於遞呈呈請後兩個月內召開。
4. 倘董事未能在呈請遞交後21天內召開股東特別大會，則呈請人以同樣方式可自行召開股東特別大會，而因董事未能召開該大會令呈請人產生的所有合理費用，本公司須向呈請人進行償付。

提出查詢的程序

1. 股東如對名下股權、股份轉讓、登記及派付股息有任何疑問，應向本公司香港股份過戶登記分處提出，其詳情載於本年報「公司資料」一節內。
2. 股東可隨時透過發送電郵本公司電郵地址 main@texhong.com 提出任何有關本公司的查詢。
3. 倘股東提出問題時，務請留下彼等詳細聯絡資料以便本公司適時迅速回應。

於股東大會提呈建議的程序及詳細聯絡資料

1. 為於本公司股東大會上提呈建議，股東須以書面提交該建議（「建議」），連同詳細聯絡資料，透過電郵傳送至本公司電郵地址 main@texhong.com。
2. 本公司會向本公司之香港股份過戶登記分處核實股東身份及其要求，於獲得股份過戶登記分處確認股東作出的要求為恰當及適當後，董事會將在股東大會的議程內加入建議。

企業管治報告

CORPORATE GOVERNANCE REPORT

SHAREHOLDERS' RIGHTS (Continued)

Procedures and contact details for putting forward proposals at shareholders' meetings (Continued)

3. The notice period to be given to all the Shareholders for consideration of the Proposal raised by the Shareholder concerned at the general meeting varies according to the nature of the Proposal as follows:
- (i) Notice of not less than 21 days in writing if the Proposal requires approval by way of an ordinary resolution in an annual general meeting or a special resolution of the Company;
 - (ii) Notice of not less than 14 days in writing if the Proposal requires approval in meeting other than an annual general meeting or approval by way of a special resolution of the Company.

CORPORATE GOVERNANCE ENHANCEMENT

Enhancing corporate governance is not simply a matter of applying and complying with the CG Code but about promoting and developing an ethical and healthy corporate culture. We will continue to review and, where appropriate, improve our current practices on the basis of our experience, regulatory changes and development. Any views and suggestions from our Shareholders are also welcome to promote our transparency.

On behalf of the Board

Hong Tianzhu
Chairman

Hong Kong, 8 March 2016

股東權利 (續)

於股東大會提呈建議的程序及詳細聯絡資料 (續)

3. 就上述股東提出於股東大會考慮之建議而向全體股東發出通告之通知期因應建議之性質有所不同，詳情如下：
- (i) 倘建議須於本公司股東週年大會上以普通決議案方式獲得批准或以特別決議案方式獲得批准，則須不少於21日之書面通知；
 - (ii) 倘建議須於本公司大會而非於股東週年大會上獲得批准，或以本公司特別決議案方式獲得批准，則須不少於14日之書面通知。

提升企業管治水平

提升企業管治水平並非只為應用及遵守聯交所之《企業管治守則》，乃為推動及建立道德與健全之企業文化為依歸。吾等將不斷檢討並按經驗、監管變動及發展，於適當時候改善現行常規。本公司歡迎股東提供任何意見及建議以提高本公司之透明度。

代表董事會

洪天祝
主席

香港，二零一六年三月八日

董事及高級管理層

DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

Executive Directors

Mr. Hong Tianzhu, aged 48, is an executive Director and chairman of the Group. He is the founder of the Group. He is responsible for the overall business development strategy of the Group. Mr. Hong is currently an executive vice chairman of the Hong Kong General Chamber of Textiles Limited. He has over 20 years of experience in the textile industry. Prior to establishing the Group, Mr. Hong was a vice general manager of 晉江藝豐服裝織造有限公司 (Jinjiang Yifeng Garment Weaving Company Limited).

Mr. Zhu Yongxiang, aged 49, is an executive Director and co-chief executive officer of the Group. He is responsible for the daily operations of the Group. Mr. Zhu graduated from the 南通紡織工學院 (Nantong Textile Industry College) in 1987. Prior to joining the Group in 1997, Mr. Zhu was an assistant to the general manager of 南通第二棉紡織廠 (Nantong No. 2 Cotton Textile Factory).

Mr. Tang Daoping, aged 50, is an executive Director, chief operation officer and vice president of the Group. He is responsible for the operations of the Group's yarn business. Mr. Tang is also a director and the chairman of Jiangsu Century Texhong, Xuzhou Century Texhong, Xuzhou Texhong Times, Nantong Century Texhong, Nantong Texhong Yinhai and Xuzhou Texhong Yinfeng. Mr. Tang graduated from 徐州廣播電視大學 (Xuzhou Radio and TV University) in 1996 majoring in accounting. Mr. Tang has over 30 years of experience in the textile industry. He was a workshop manager of 睢寧棉紡織廠 (Suining Cotton Textile Factory) prior to joining the Group in 1998 as a vice general manager. Mr. Tang was promoted and became a director of Jiangsu Century Texhong in September 2002.

董事

執行董事

洪天祝先生，48歲，本集團的執行董事及主席。洪先生是本集團創始人，負責本集團的整體業務發展策略。洪先生是現任香港紡織商會常務副主席。彼於紡織業擁有逾二十年經驗，在成立本集團前，彼曾任晉江藝豐服裝織造有限公司的副總經理。

朱永祥先生，49歲，本集團的執行董事兼聯席行政總裁。彼負責本集團的日常營運。朱先生於一九八七年畢業於南通紡織工學院。於一九九七年加入本集團前，朱先生曾任南通第二棉紡織廠的總經理助理。

湯道平先生，50歲，本集團執行董事兼營運總裁及副總裁。彼負責本集團的紗線業務。湯先生亦為江蘇世紀天虹、徐州世紀天虹、徐州天虹時代、南通世紀天虹、南通天虹銀海及徐州天虹銀豐的董事兼董事長。彼於一九九六年畢業於徐州廣播電視大學，主修會計，並於紡織業擁有逾三十年經驗。湯先生曾於睢寧棉紡織廠出任工廠經理，後於一九九八年加入本集團為副總經理。湯先生於二零零二年九月晉升為江蘇世紀天虹的董事。

董事及高級管理層

DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS (Continued)

Executive Directors (Continued)

Mr. Hui Tsz Wai, aged 42, is an executive Director. He is responsible for the financial operations of the Group. Mr. Hui graduated from the Chinese University of Hong Kong with a bachelor of business administration (honours) degree. He is a fellow member of the Association of Chartered Certified Accountants and a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants. He is also a Chartered Financial Analyst and a Certified Fraud Examiner. He has more than 20 years' working experience in finance related area. Prior to first joining the Group in November 2004, Mr. Hui had been working at one of the big four international accounting firms for about nine years. Mr. Hui had been the company secretary of the Company and the chief financial officer of the Group.

Mr. Ji Zhongliang, aged 52, is an executive Director. He is responsible for the operations of the Group's garment fabric and garment business. Mr. Ji graduated from Jiangsu College of Engineering and Technology of the PRC (江蘇工程職業技術學院) (formerly known as Nantong Textile Industry School (南通紡織工業學校)) in July 1982. Prior to joining the Group in August 2015, he had been the vice president of Black Peony (Group) Co. Ltd. (黑牡丹(集團)股份有限公司) (stock code: 600510), the shares of which are listed on the Shanghai Stock Exchange from December 2011 to May 2015. He had been the general manager of Chanzhou K&J Import and Export Co., Ltd. (常州凱杰進出口有限公司), which is principally engaged in import and export of cotton and fabrics in the PRC from October 1997 to May 2011, the general manager of Black Peony Group Import and Export Co., Ltd. (黑牡丹集團進出口有限公司), which is principally engaged in import and export of textile, garments and daily necessities in the PRC from May 2011 to December 2011, and the chairman of the board of directors of Black Peony (HK) Limited, which is principally engaged in manufacture of denim in the PRC, from December 2011 to May 2015. Mr. Ji has more than 30 years' working experience in the textile industry. Mr. Ji is a director of Celestial Ease Holdings Limited, Texhong Dyeing and Printing Technology Limited and Hongyan Cambodia Holdings Limited, indirect non-wholly owned subsidiaries of the Company.

董事(續)

執行董事(續)

許子慧先生，42歲，執行董事。彼負責本集團之財務營運。許先生畢業於香港中文大學，獲頒工商管理(榮譽)學士學位。彼為英國特許公認會計師公會資深會員及香港會計師公會執業會計師。彼亦為特許財務分析員兼舞弊查核師。彼於財務相關領域擁有逾二十年工作經驗。許先生於二零零四年十一月首次加盟本集團前，一直於其中一家四大國際會計師行任職約九年。許先生曾任本公司公司秘書及本集團財務總監。

吉忠良先生，52歲，執行董事。彼負責本集團的面料及服裝業務。吉先生於一九八二年七月畢業於中國江蘇工程職業技術學院(前稱南通紡織工業學校)。於二零一五年八月加入本集團前，彼自二零一一年十二月至二零一五年五月擔任上海證券交易所上市公司黑牡丹(集團)股份有限公司(股份代號：600510)之副總裁。彼亦自一九九七年十月至二零一一年五月擔任常州凱杰進出口有限公司(該公司主要在中國從事棉及布料進出口業務)之總經理；自二零一一年五月至二零一一年十二月擔任黑牡丹集團進出口有限公司(該公司主要在中國從事紡織品、成衣及日用品進出口業務)之總經理；及自二零一一年十二月至二零一五年五月擔任黑牡丹(香港)有限公司(該公司主要在中國生產牛仔布)之董事會主席。吉先生在紡織業累積逾30年工作經驗。吉先生為本公司間接非全資附屬公司天逸控股有限公司、天虹染整科技有限公司及鴻雁柬埔寨控股有限公司之董事。

董事及高級管理層

DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS (Continued)

Independent Non-executive Directors

Professor Tao Xiaoming, aged 58, was appointed as an independent non-executive Director on 3 March 2014. Professor Tao is an elected fellow of The Textile Institute, the American Society of Mechanical Engineers, the Royal Academy of Arts and Design and Commerce of the United Kingdom, and has been the chair professor in Textile Technology at the Institute of Textiles and Clothing of the Hong Kong Polytechnic University since April 2002. She was elected as the world president of The Textile Institute for a tenure of three years from May 2007. Professor Tao received a bachelor's degree in textile engineering from China Textile University (中國紡織大學) (currently known as Donghua University (東華大學)) of the PRC in January 1982 and a doctorate degree in textile physics from University of New South Wales in August 1987. From September 1987 to September 1988 and from October 1990 to September 1994, she had been a scientist of the Commonwealth Scientific and Industrial Research Organisation of Australia. From October 1988 to January 1990, she had been a lecturer of Donghua University. Professor Tao was the recipient of two prestigious individual awards of the field: the honorary fellowship by The Textile Institute in November 2010 and the founder award of the Fiber Society of the United States in November 2013. With seven academic monographs, over 700 research papers published and over 20 patents granted, she has been internationally recognised in particular for her pioneering work on smart textiles and clothing and textile engineering such as low-twist yarns, solospun yarns and fabric sensing technology which have been widely applied in the textile industry.

Professor Cheng Longdi, aged 56, was appointed as an independent non-executive Director on 21 November 2004. Professor Cheng obtained his doctorate degree in textile engineering from Donghua University in 2002. He is currently a professor (2nd grade) in College of Textiles and a deputy director of the Key Laboratory of Textile Science and Technology of Donghua University. Professor Cheng is a member of the expert committee of each of the following institutions: Cotton Textile Committee of the China Textile Engineering Society, the China Cotton Textile Association, the China Knitting Industrial Association, the China Bast And Leaf Fibers Textile Association and the China Textile Machinery Association. Professor Cheng was an engineer of the China Textile Academy (formerly known as Textile Academy of Textile Ministry). Professor Cheng is currently an independent director of Jiangsu Lianfa Textile Co., Ltd. (stock code: 002394) and Luolai Lifestyle Technology Co., Ltd. (stock code: 002293), both companies are listed on the Shenzhen Stock Exchange.

董事(續)

獨立非執行董事

陶肖明教授，58歲，於二零一四年三月三日獲委任為獨立非執行董事。陶教授為國際紡織學會院士、美國機械工程師學會院士，以及英國皇家藝術、設計及商業研究院(Royal Academy of Arts and Design and Commerce of the United Kingdom)院士，並由二零零二年四月起，擔任香港理工大學紡織及製衣學系紡織技術講座教授。自二零零七年五月起，陶教授獲選為國際紡織學會世界會長，任期三年。陶教授於一九八二年一月獲中國紡織大學(現稱為東華大學)頒授紡織工程學士學位，並於一九八七年八月獲頒新南威爾士大學紡織物理學博士學位。由一九八七年九月至一九八八年九月，以及由一九九零年十月至一九九四年九月，為澳洲聯邦科學及工業研究組織之科研人員。由一九八八年十月至一九九零年一月期間，為東華大學講師。陶教授曾獲頒業內兩個地位崇高的個人獎項，分別於二零一零年十一月獲國際紡織學會頒授榮譽院士，以及於二零一三年十一月獲美國纖維學會頒授創始人獎項。陶教授曾出版七部學術專著，發表超過700篇研究論文，並獲得超過20項專利，成就廣受國際認同，尤其以其於智能紡織品及服裝與纖維工程方面的創舉(例如低捻紗、分束紡紗及織物傳感技術)最為突出，而該等技術已廣泛應用於紡織業內。

程隆棣教授，56歲，於二零零四年十一月二十一日獲委任為獨立非執行董事。程教授於二零零二年取得東華大學的紡織工程博士學位，亦為東華大學紡織學科二級教授、紡織面料技術教育部重點實驗室常務副主任。程教授為中國紡織工程學會棉紡專家委員會委員、中國棉紡織行業協會專家委員會委員、中國針織行業協會專家委員會委員、中國麻紡織行業協會專家委員會委員、中國紡織機械與器材行業協會專家委員會委員等。程教授曾為中國紡織科學研究院(前稱紡織工業部紡織科學研究院)的工程師。程教授現為深圳證券交易所上市公司江蘇聯發紡織股份有限公司(股份代號：002394)及羅萊生活科技股份有限公司(股份代號：002293)之獨立董事。

董事及高級管理層

DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS (Continued)

Independent Non-executive Directors (Continued)

Mr. Ting Leung Huel, Stephen, MH, FCCA, FCPA (PRACTISING), ACA, CTA (HK), FHKIoD, aged 62, was appointed as independent non-executive Director of the Company on 21 November 2004. Mr. Ting is an accountant in public practice and has more than 30 years' experience in this field. Currently he is the managing partner and Director of Messrs Ting Ho Kwan & Chan, Certified Public Accountants (Practising) and Ting Ho Kwan & Chan CPA Limited respectively. Mr. Ting is a member of the 9th, 10th and 11th Chinese People Political & Consultative Conference, Fujian. He is currently an independent non-executive director of six other listed companies in Hong Kong, namely China SCE Property Holdings Limited (stock code: 01966), Computer and Technologies Holdings Limited (stock code: 00046), Dongyue Group Limited (stock code: 00189), New Silkroad Culturaltainment Limited (stock code: 00472), Tong Ren Tang Technologies Company Limited (stock code: 01666) and Tongda Group Holdings Limited (stock code: 00698) respectively. He is also a non-executive director of Chow Sang Sang Holdings International Limited (stock code: 00116), a listed company in Hong Kong.

SENIOR MANAGEMENT

Mr. Sha Tao, aged 50, is a vice president of the Group and responsible for the production and purchase of the Group's grey fabric operations. He is also a director and the chairman of Taizhou Texhong Weaving and Taizhou Century Texhong. Mr. Sha obtained his bachelor's degree in textile from 無錫輕工業學院 (Wuxi Light Industry University) in 1986. Mr. Sha has over 26 years of experience in the textile industry. Prior to joining the Group in 1998, he was a factory manager of one of the factories of 南通第二棉紡織廠 (Nantong No. 2 Cotton Textile Factory).

Mr. Hu Zhiping, aged 52, is a vice president of the Group and responsible for the grey fabric sales operations of the Group. Mr. Hu graduated from 無錫職業大學 (Wuxi Professional University) in textile in 1984. Mr. Hu has over 26 years of experience in the textile industry. He was a vice general manager of 無錫協達織造有限公司 (Wuxi Xieda Weaving Company Limited) prior to joining the Group in 1998.

Ms. Sze Fung Ting, aged 40, is the company secretary of the Company. She graduated from the Chinese University of Hong Kong with a bachelor of business administration (honours) degree. She is a fellow member of the Association of Chartered Certified Accountants and a certified public accountant of the Hong Kong Institute of Certified Public Accountants. She has 18 years of working experience in finance related area. Ms. Sze joined the Group in 2012 and had been an accountant of the Company.

董事(續)

獨立非執行董事(續)

丁良輝先生，MH, FCCA, FCPA (PRACTISING), ACA, CTA (HK), FHKIoD, 62歲，於二零零四年十一月二十一日獲委任為本公司之獨立非執行董事。丁先生為執業會計師，於該行業積逾三十年經驗。彼現為丁何關陳會計師行及丁何關陳會計師事務所有限公司之執行合夥人及董事總經理。丁先生為中國人民政治協商會議第九屆、第十屆及第十一屆福建省委員會委員。現為其他六家香港上市公司之獨立非執行董事，分別為中駿置業控股有限公司(股份代號：01966)、科聯系統集團有限公司(股份代號：00046)、東岳集團有限公司(股份代號：00189)、新絲路文旅有限公司(股份代號：00472)、北京同仁堂科技發展股份有限公司(股份代號：01666)及通達集團控股有限公司(股份代號：00698)。彼亦擔任一家香港上市公司周生生集團國際有限公司(股份代號：00116)之非執行董事。

高級管理層

沙淘先生，50歲，本集團的副總裁並負責本集團的坯布生產及物流採購。彼亦為泰州天虹織造及泰州世紀天虹的董事兼主席。沙先生於一九八六年畢業自無錫輕工業學院紡工系，並取得學士學位。沙先生於紡織業擁有逾二十六年經驗。彼於一九九八年加入本集團前，曾出任南通第二棉紡織廠其中一家廠房的廠長。

胡志平先生，52歲，本集團副總裁並負責本集團的坯布營銷業務。胡先生於一九八四年畢業自無錫職業大學紡織系。彼於紡織業擁有逾二十六年經驗。彼於一九九八年加入本集團前，胡先生曾出任無錫協達織造有限公司的副總經理。

施鳳婷女士，40歲，本公司之公司秘書。彼畢業於香港中文大學，獲頒工商管理(榮譽)學士學位。彼為英國特許公認會計師公會資深會員及香港會計師公會之執業會計師。彼在金融相關領域累積十八年工作經驗。施女士於二零一二年加入本集團，曾任本公司會計師。

公司資料

CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Mr. Hong Tianzhu (*Chairman and chief executive officer*)
Mr. Zhu Yongxiang (*Co-chief executive officer*)
Mr. Tang Daoping
Mr. Hui Tsz Wai
Mr. Ji Zhongliang

INDEPENDENT NON-EXECUTIVE DIRECTORS AND AUDIT COMMITTEE

Mr. Ting Leung Huel, Stephen MH, FCCA, FCPA (PRACTISING), ACA, FTIHK, FHKIoD (*Chairman*)
Professor Tao Xiaoming
Professor Cheng Longdi

REMUNERATION COMMITTEE

Mr. Ting Leung Huel, Stephen MH, FCCA, FCPA (PRACTISING), ACA, FTIHK, FHKIoD (*Chairman*)
Mr. Hong Tianzhu
Professor Tao Xiaoming
Professor Cheng Longdi

NOMINATION COMMITTEE

Mr. Hong Tianzhu (*Chairman*)
Mr. Ting Leung Huel, Stephen MH, FCCA, FCPA (PRACTISING), ACA, FTIHK, FHKIoD
Professor Tao Xiaoming
Professor Cheng Longdi

COMPANY SECRETARY

Ms. Sze Fung Ting

AUTHORISED REPRESENTATIVES

Mr. Hong Tianzhu
Ms. Sze Fung Ting

HEAD OFFICE

Unit 9, 31st Floor
Dorset House, Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

REGISTERED OFFICE

Cricket Square
Hutchins Drive, PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

執行董事

洪天祝先生 (*主席兼行政總裁*)
朱永祥先生 (*聯席行政總裁*)
湯道平先生
許子慧先生
吉忠良先生

獨立非執行董事及審核委員會

丁良輝先生 MH, FCCA, FCPA (PRACTISING), ACA, FTIHK, FHKIoD (*主席*)
陶肖明教授
程隆棣教授

薪酬委員會

丁良輝先生 MH, FCCA, FCPA (PRACTISING), ACA, FTIHK, FHKIoD (*主席*)
洪天祝先生
陶肖明教授
程隆棣教授

提名委員會

洪天祝先生 (*主席*)
丁良輝先生 MH, FCCA, FCPA (PRACTISING), ACA, FTIHK, FHKIoD
陶肖明教授
程隆棣教授

公司秘書

施鳳婷女士

授權代表

洪天祝先生
施鳳婷女士

總辦事處

香港
鰂魚涌
英皇道979號
太古坊多盛大廈
31樓9室

註冊辦事處

Cricket Square
Hutchins Drive, PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

公司資料

CORPORATE INFORMATION

PRINCIPAL BANKERS

Bank of China (Hong Kong)
Citibank (China) Co., Ltd. Shanghai Branch
Australia and New Zealand Banking Group Limited
Standard Chartered Bank
Deutsche Bank AG, Hong Kong Branch
Crédit Agricole Corporate & Investment Bank
BNP Paribas
The Hong Kong and Shanghai Banking Corporation Limited
China Merchants Bank
Bank of China
Hang Seng Bank Limited
Export-Import Bank of China

AUDITOR

PricewaterhouseCoopers

LEGAL ADVISORS AS TO HONG KONG LAW

Chiu & Partners

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited
31st Floor
148 Electric Road
North Point
Hong Kong

WEBSITE

www.texhong.com

STOCK CODE

2678

主要往來銀行

中國銀行(香港)
花旗銀行(中國)有限公司上海分行
澳新銀行
渣打銀行
德意志銀行香港分行
東方滙理銀行
法國巴黎銀行
滙豐銀行
招商銀行
中國銀行
恒生銀行有限公司
中國進出口銀行

核數師

羅兵咸永道會計師事務所

法律顧問(香港法律)

趙不渝馬國強律師事務所

主要股份過戶登記處

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

香港股份過戶登記分處

寶德隆證券登記有限公司
香港
北角
電氣道148號
31樓

互聯網址

www.texhong.com

股份編號

2678

董事會報告

REPORT OF THE DIRECTORS

The Directors of the Company submit their report together with the audited financial statements of the Company for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The Company is an investment holding company. The Group is principally engaged in the manufacture and sale of yarn, grey fabrics and garment fabrics as well as garments. The principal activities of each of the subsidiaries of the Company are set out in note 37 to the accompanying financial statements.

Business segments

The Group is engaged in the manufacturing and sale of yarns, grey fabrics and garment fabrics as well as garments. Business analysis of sales, segment results, total assets and capital expenditure are set out in note 5 to the accompanying financial statements.

Geographical segments

The Group operates in three main geographical areas, the PRC, Vietnam and Macao. Geographical analysis of sales, segment results, total assets, and capital expenditure are set out in note 5 to the accompanying financial statements.

BUSINESS REVIEW

For details of business review in relation to the development, performance or position of the Company's business, please refer to the section headed "Management Discussion and Analysis" of this annual report.

ENVIRONMENTAL, SOCIAL AND CORPORATE RESPONSIBILITY

As a responsible corporation, the Group is committed to maintaining the highest environmental and social standards to ensure sustainable development of its business. To the best knowledge of the Directors, the Group has complied with all the relevant laws and regulations that have a significant impact on the Group in relation to its business including health and safety, workplace conditions, employment and the environment. The Group understands that a better future depends on everyone's participation and contribution. It has encouraged all employees to participate in environmental and social activities which benefit the community as a whole.

本公司董事會同寅謹將其截至二零一五年十二月三十一日止年度之報告連同經已審核之本公司財務報表呈覽。

主要業務及營運地區分析

本公司為一間投資控股公司。本集團主要從事生產及銷售紗線、坯布及面料和服裝。本公司各附屬公司之主要業務活動載於隨附之財務報表附註37。

業務分類

本集團主要製造及銷售紗線、坯布及面料和服裝。營業額、分類業績、資產總額及資本開支業務分析載於隨附之財務報表附註5。

地區分類

本集團主要於中國、越南及澳門這三個地區經營業務。營業額、分類業績、資產總額及資本開支之地區分析載於隨附之財務報表附註5。

業務回顧

關於本公司業務發展、表現或狀況之業務回顧詳情，請參閱本年報「管理層討論及分析」一節。

環境、社會及企業責任

作為一間具社會責任的企業，本集團致力維持最高要求之環境及社會標準，以確保其業務可持續發展。據董事所知本集團已遵守所有與其業務有關有重大影響的相關法例及法規，包括健康及安全、工作環境條件、就業及環境。本集團明白有賴所有人的參與及貢獻才能成就美好將來，亦因此鼓勵所有僱員參與環境及社會活動，惠及整個社區。

董事會報告

REPORT OF THE DIRECTORS

ENVIRONMENTAL, SOCIAL AND CORPORATE RESPONSIBILITY (Continued)

Thanks to its active engagement in the enhancement of management measures and technology improvement, the Group incurred less unit electricity consumption and expenses in production as compared to that of last year. The Group also advocated conservation of resources in office and encouraged employees to develop good habits, conserve resources and energy to build a green and comfortable office environment.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2015 are set out in the consolidated income statement on page 74 of this annual report.

The board recommended the payment of a final dividend of HK\$0.12 per share in respect of the financial year ended 31 December 2015.

RESERVES

Details of movements in the reserves of the Group during the year ended 31 December 2015 are set out in note 16 to the accompanying financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended 31 December 2015 are set out in note 7 to the accompanying financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Company are set out in note 14 to the accompanying financial statements.

DISTRIBUTABLE RESERVES

The Company's distributable reserves as at 31 December 2015 is set out in note 35 to the accompanying financial statements.

PRE-EMPTIVE RIGHTS

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

環境、社會及企業責任(續)

本集團積極推進管理措施和技術改造，生產用電單耗用量及開支均比去年有所節約。本集團亦引導各項辦公室減耗措施，鼓勵員工養成良好習慣，節約資源和能源，建設綠色舒適的辦公環境。

業績及分派

本集團於截至二零一五年十二月三十一日止年度之業績載列於本年報第74頁之綜合收益表。

董事會建議派發截至二零一五年十二月三十一日止財政年度之末期股息每股0.12港元。

儲備

本集團截至二零一五年十二月三十一日止年度之儲備變動詳情載於隨附之財務報表附註16。

物業、廠房及設備

本集團截至二零一五年十二月三十一日止年度之物業、廠房及設備變動詳情載於隨附之財務報表附註7。

股本

本公司之股本變動詳情載於隨附之財務報表附註14。

可供分派儲備

本公司於二零一五年十二月三十一日之可供分派儲備詳情載於隨附之財務報表附註35。

優先購買權

本公司組織章程細則中並無優先購股權之條文，而開曼群島之法例亦無規定本公司須按比例向現有股東發售新股的限制。

董事會報告

REPORT OF THE DIRECTORS

TAX RELIEF

The Company is not aware of any tax relief or exemption available to the shareholders of the Company by reason of their holding of the Company's securities.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 3 of this annual report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Save for the repurchase and/or cancellation of the 2011 Notes and the 2013 Notes, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2015.

SHARE OPTIONS

The Share Option Scheme was adopted by the shareholders of the Company at the annual general meeting on 7 April 2014 (the "Adoption Date").

The purpose of the Share Option Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contributions to the Group. All directors, employees, suppliers of goods or services, customers, persons or entities that provide research, development or other technological support to the Group, shareholders of any member of the Group, advisers or consultants of the Group and any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement and growth of the Group are eligible to participate in the Share Option Scheme.

The Share Option Scheme will remain in force for a period of 10 years after the Adoption Date.

The total number of Shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 88,468,117 Shares, representing 10% of the Shares in issue on the Adoption Date and as at the date of this annual report (the "General Scheme Limit"). The Company may renew the General Scheme Limit with shareholders' approval provided that each such renewal may not exceed 10% of the Shares in the Company in issue as at the date of the shareholders' approval.

稅務減免

本公司並不知悉任何因持有本公司證券而提供予本公司股東之稅務寬減或減免。

財務概要

本集團過去五個財政年度之業績及資產負債摘要載於本年報第3頁。

購買、出售或購回上市證券

除購回及／或註銷二零一一年票據及二零一三年票據外，於截至二零一五年十二月三十一日止年度內，本公司或其附屬公司概無購買、出售或購回本公司上市證券。

購股權

購股權計劃於二零一四年四月七日（「採納日期」）舉行之股東週年大會獲本公司當時全體股東以書面決議案通過採納。

購股權計劃之目的乃讓本集團向指定參與者授予購股權，作為向此等人士對本集團作出之貢獻予以嘉獎或酬謝。所有董事、僱員、貨物或服務供應商、客戶、向本集團提供研究、發展或其他技術支援之人士或實體、本集團任何成員公司之股東、本集團之顧問或專業顧問及任何其他對本集團之發展曾作出貢獻或可透過合營企業、業務聯盟或其他業務安排作出貢獻之團體或類別之參與者均合資格參與購股權計劃。

購股權計劃自採納日期後十年內有效。

於購股權計劃及獲本集團採納之任何其他購股權計劃項下授出之全部購股權倘獲行使而可予配發及發行之股份總數不得超過88,468,117股股份，即採納日期及於本年報日期已發行股份之10%（「一般計劃上限」）。本公司可於獲得股東批准下重訂該一般計劃上限，惟該重訂不得超過於獲股東通過之日本公司已發行股份之10%。

董事會報告

REPORT OF THE DIRECTORS

SHARE OPTIONS *(Continued)*

The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 30% of the Shares in issue from time to time.

Unless approved by shareholders of the Company, the total number of Shares issued and to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each participant in any 12-months period shall not exceed 1% of the issued share capital of the Company for the time being (the "Individual Limit").

An option may be accepted by a participant within 21 days from the date of the offer of grant of the option. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on a day after the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the option, subject to the provisions for early termination thereof. Unless otherwise determined by the Directors and stated in the offer of the grant of options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an option before it can be exercised.

The subscription price for the Shares under the Share Option Scheme will be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a business day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the Shares.

購股權 *(續)*

於購股權計劃及獲本集團採納之任何其他購股權計劃項下發行在外而尚未行使之全部購股權倘獲行使而可予發行之股份數目不得超過當時已發行股份之30%。

除獲得本公司股東批准外，於購股權計劃及本集團之任何其他購股權計劃項下於任何十二個月內向各參與者授出之購股權(包括已行使或尚未行使者)倘獲行使而發行或可予發行之股份總數不得超過當時本公司已發行股份之1%「個人上限」。

參與者可於授出購股權要約日期起二十一日內接納購股權。於接納授出之購股權時，須繳付1港元之象徵代價。

購股權可按照購股權計劃之條款於董事會釐定及通知各承授人之期限(期限由授出購股權要約當日之後一日開始，惟無論如何不得遲於購股權授出日期起計十年結束，並受購股權有關提早終止之條文限制)內隨時行使。除董事另有釐定並於向承授人發出之要約函件註明外，購股權計劃並無規定其行使前必須持有之最短時限。

根據購股權計劃，股份之認購價將由董事釐定，惟不得少於(以較高者為準)(i)授出購股權要約日期(須為營業日)在聯交所每日報價表上所示股份之收市價；(ii)緊接授出購股權要約日期前之五個交易日在聯交所每日報價表上所示股份之平均收市價；及(iii)股份之面值。

董事會報告

REPORT OF THE DIRECTORS

SHARE OPTIONS (Continued)

During the year ended 31 December 2015, 6,500,000 share options (each entitling the holder to subscribe for one Share) were granted under the Share Option Scheme. Movements of these share options during the year ended 31 December 2015 are summarised as follows and details of which are set out in note 15 to the consolidated financial statements:

購股權(續)

於截至二零一五年十二月三十一日止年度，6,500,000份購股權(每份賦予持有人權利可認購一股股份)已根據購股權計劃授出。於截至二零一五年十二月三十一日止年度，該等購股權之變動之概要如下，詳情載於綜合財務報表附註15：

List of grantees	Date of grant (Note)	Exercise period	Number of share options 購股權數目							
			Closing price per Share immediately before the date of grant 緊接授出日期前之每股收市價 HK\$ 港元	Exercise price per share 每股行使價 HK\$ 港元	Outstanding as at 1 January 2015 於二零一五年一月一日未行使	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	Cancelled during the year 於年內註銷	Outstanding as at 31 December 2015 於二零一五年十二月三十一日未行使
Directors										
董事										
Mr. Tang Daoping 湯道平先生	23 March 2015 二零一五年三月二十三日	1 January 2016 to 22 March 2025 二零一六年一月一日至 二零二五年三月二十二日	8.27	8.70	-	670,000	-	-	-	670,000
	23 March 2015 二零一五年三月二十三日	1 January 2017 to 22 March 2025 二零一七年一月一日至 二零二五年三月二十二日	8.27	8.70	-	670,000	-	-	-	670,000
	23 March 2015 二零一五年三月二十三日	1 January 2018 to 22 March 2025 二零一八年一月一日至 二零二五年三月二十二日	8.27	8.70	-	660,000	-	-	-	660,000
					-	2,000,000	-	-	-	2,000,000
Mr. Hui Tsz Wai 許子慧先生	23 March 2015 二零一五年三月二十三日	1 January 2016 to 22 March 2025 二零一六年一月一日至 二零二五年三月二十二日	8.27	8.70	-	1,000,000	-	-	-	1,000,000
	23 March 2015 二零一五年三月二十三日	1 January 2017 to 22 March 2025 二零一七年一月一日至 二零二五年三月二十二日	8.27	8.70	-	1,000,000	-	-	-	1,000,000
	23 March 2015 二零一五年三月二十三日	1 January 2018 to 22 March 2025 二零一八年一月一日至 二零二五年三月二十二日	8.27	8.70	-	1,000,000	-	-	-	1,000,000
	28 December 2015 二零一五年十二月二十八日	1 January 2017 to 27 December 2025 二零一七年一月一日至 二零二五年十二月二十七日	5.84	5.70	-	300,000	-	-	-	300,000
	28 December 2015 二零一五年十二月二十八日	1 January 2018 to 27 December 2025 二零一八年一月一日至 二零二五年十二月二十七日	5.84	5.70	-	300,000	-	-	-	300,000
	28 December 2015 二零一五年十二月二十八日	1 January 2019 to 27 December 2025 二零一九年一月一日至 二零二五年十二月二十七日	5.84	5.70	-	300,000	-	-	-	300,000
	28 December 2015 二零一五年十二月二十八日	1 January 2020 to 27 December 2025 二零二零年一月一日至 二零二五年十二月二十七日	5.84	5.70	-	300,000	-	-	-	300,000
	28 December 2015 二零一五年十二月二十八日	1 January 2021 to 27 December 2025 二零二一年一月一日至 二零二五年十二月二十七日	5.84	5.70	-	300,000	-	-	-	300,000
					-	4,500,000	-	-	-	4,500,000
Total 總計					-	6,500,000	-	-	-	6,500,000

Note: The vesting period of the share options is from the date of grant until the commencement of the exercise period.

附註：購股權之歸屬期由授出日期起直至行使期間始為止。

董事會報告

REPORT OF THE DIRECTORS

DIRECTORS

The Directors during the year were:

Mr. Hong Tianzhu
Mr. Zhu Yongxiang
Mr. Tang Daoping
Mr. Hui Tsz Wai (appointed on 1 February 2015)
Mr. Ji Zhongliang (appointed on 10 August 2015)
Mr. Ting Leung Huel, Stephen*
Professor Cheng Longdi*
Professor Tao Xiaoming*

* Independent non-executive Directors

As announced by the Company on 2 February 2015, Mr. Hui Tsz Wai was appointed as an executive Director with effect from 1 February 2015. As announced by the Company on 10 August 2015, Mr. Ji Zhongliang was appointed as an executive Director with effect from 10 August 2015.

In accordance with articles 108(A), 108(B) and 112 of the articles of association of the Company, Professor Cheng Longdi, Professor Tao Xiaoming, Mr. Ting Leung Huel, Stephen and Mr. Ji Zhongliang will retire from office by rotation. Professor Cheng Longdi, Professor Tao Xiaoming, Mr. Ting Leung Huel, Stephen and Mr. Ji Zhongliang, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' SERVICE CONTRACTS

Each of Mr. Hong Tianzhu, Mr. Zhu Yongxiang and Mr. Tang Daoping, all being executive Directors, has entered into a service contract with the Company for an initial term of one year commencing from 21 November 2015 for an initial term of one year, and will continue thereafter for successive terms of one year until terminated by not less than three months' notice in writing served by either party on the other expiring at the end of the initial term or at any time thereafter. Mr. Hui Tsz Wai and Mr. Ji Zhongliang, both being executive Directors, has entered into a service contract with the Company for an initial term of three years commencing from their respective dates of appointment as an executive Director, and will continue thereafter for successive term of one year until terminated by not less than three month's notice in writing served by either party on the other expiring at the end of the initial term or at any time thereafter.

董事

年內在任之董事如下：

洪天祝先生
朱永祥先生
湯道平先生
許子慧先生(於二零一五年二月一日獲委任)
吉忠良先生(於二零一五年八月十日獲委任)
丁良輝先生*
程隆棣教授*
陶肖明教授*

* 獨立非執行董事

誠如本公司於二零一五年二月二日宣佈，許子慧先生獲委任為執行董事，由二零一五年二月一日起生效。誠如本公司於二零一五年八月十日宣佈，吉忠良先生獲委任為執行董事，由二零一五年八月十日起生效。

根據本公司組織章程細則第108(A)、108(B)及112條，程隆棣教授、陶肖明教授、丁良輝先生及吉忠良先生將輪值告退。程隆棣教授、陶肖明教授、丁良輝先生及吉忠良先生符合資格並願意於即將舉行的股東週年大會上膺選連任。

董事服務合約

執行董事洪天祝先生、朱永祥先生及湯道平先生已各自與本公司訂立服務合約，由二零一五年十一月二十一日起計，初步為期一年，將其後將繼續期一年，直至於初始期間末時或其後任何時間，其中一方向另一方發出不少於三個月之書面通知終止為止。許子慧先生及吉忠良先生(均為執行董事)已各自與本公司訂立服務合約，自彼等各自獲委任為執行董事之日期起計，初步為期三年，其後按年續約，直至任何一方於初步年期屆滿前或其後任何時間向另一方發出不少於三個月之書面通知終止合約。

董事會報告

REPORT OF THE DIRECTORS

DIRECTORS' SERVICE CONTRACTS

(Continued)

Each of Mr. Ting Leung Huel, Stephen, Professor Tao Xiaoming and Professor Cheng Longdi, all being independent non-executive directors, has been appointed for an initial term of one year commencing from their respective dates of appointment as an INED renewable automatically for a successive term of one year each commencing from the next day after the expiry of the then current term, unless terminated by not less than three months' notice in writing at the end of the initial term or at any time thereafter.

None of the Directors 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.

DISCLOSURE PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Pursuant to the service contracts entered into by each of Mr. Hong Tianzhu, Mr. Zhu Yongxiang and Mr. Tang Daoping as disclosed in the paragraph headed "Directors' services contracts" above, each of Mr. Hong Tianzhu, Mr. Zhu Yongxiang and Mr. Tang Daoping is entitled to a monthly salary of RMB85,000, RMB128,000, RMB62,000, respectively. In addition, pursuant to the above service contracts, each of them is also entered to a management bonus in respect of each financial year in such sum as the Board may in its absolute discretion determine provided that the aggregate amount of management bonuses payable to all directors for the time being of the Company in respect of any financial year of the Company shall not exceed 5% of the audited consolidated or combined net profit of the Company (after taxation and minority interests and payment of such bonuses but excluding extraordinary and exceptional items) in respect of each financial year.

董事服務合約(續)

丁良輝先生、陶肖明教授及程隆棣教授均為獨立非執行董事，分別獲委以一年初步任期，由獲委任為獨立非執行董事之日期起計，可於現有委任期屆滿後翌日自動續約一年，直至任何一方於初步年期屆滿前或其後任何時間向另一方發出不少於三個月之書面通知終止合約。

概無董事與本公司或其任何附屬公司訂立服務合同，而有關服務合同在未有支付法定賠償以外之賠償則不得由本集團於一年內予以終止。

根據上市規則第13.51B(1)條作出之披露

根據上文「董事服務合約」一段披露洪天祝先生、朱永祥先生及湯道平先生各自訂立之服務合約，洪天祝先生、朱永祥先生及湯道平先生分別有權獲得月薪人民幣85,000元、人民幣128,000元及人民幣62,000元。此外，根據上述服務合約、彼等各人亦可就各財政年度獲得管理層花紅，金額由董事會全權酌情釐定，惟於本公司任何財政年度，本公司其時應付全體董事的管理層花紅總額，不應超過本公司就各財政年度之經審核綜或合併淨利潤(除稅及少數股東權益及支付該等花紅但並未扣除特殊及非經常性項目)

董事會報告

REPORT OF THE DIRECTORS

PERMITTED INDEMNITY PROVISION

The service contracts entered into by the Company with each of the Directors, which are currently in force and were in force during the year ended 31 December 2015, contain indemnity provisions which are permitted indemnity provisions under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) subject to the limitations specified in sections 468 and 469 thereof, for the benefit of the executive Directors. Pursuant to such provisions, the Company shall indemnify and hold harmless any Directors on demand from and against any and all losses, claims, damages, liabilities, and expenses, including without limitation, any proceedings brought against such Directors, arising from the performance of his duties pursuant to or his appointment under the service contracts, so far as permitted by law, except in any case where the matter in respect of which indemnification is sought was caused by the default, neglect, omission or fraud of the executive Directors. The Company has also taken out and maintained appropriate insurance cover to indemnify the Directors for liabilities that may arise out of corporate activities. The insurance coverage is reviewed on an annual basis. During the year ended 31 December 2015, no claims were made against the Directors.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of its independent non-executive Directors confirmation of his/her independence and the Company considers that each of them to be independent based on the guidelines set out in Rule 3.13 of the Listing Rules.

獲准許的彌償條文

本公司與各董事訂立之服務合約(目前生效及於截至二零一五年十二月三十一日止年度生效)載有的彌償條文，屬香港法例第622章公司條例的獲准許彌償條文，惟受當中第468及469條列明的若干限制所限，並以董事為受益人。根據該等條文，本公司應就任何董事在法律允許情況下，根據服務合約下的委任履行職務所產生的任何及所有損失、申索、損害、責任及開支，包括但不限於向該董事提出的任何訴訟，向該董事作出彌償及應要求使該董事免受其損害，惟倘因執行董事違約、疏忽、遺漏或欺詐而索取彌償的任何情況，則作別論。本公司亦已投購及維持適當保險，保障董事不承擔公司活動可能產生的責任。保險保障獲每年檢討。於截至二零一五年十二月三十一日止年度，概無對董事作出申索。

獨立非執行董事之獨立性

本公司已獲得各獨立非執行董事確認其獨立性，而根據上市規則第3.13條所載指引，本公司認為其各人均為獨立。

董事會報告

REPORT OF THE DIRECTORS

EMOLUMENTS OF DIRECTORS, FIVE HIGHEST PAID DIRECTORS/EMPLOYEES AND SENIOR MANAGEMENT

Details of the emoluments of the Directors on a named basis during the year under review are set out in note 36 to the accompanying financial statements.

Details of the five highest paid individuals during the year under review are set out in note 25 to the accompanying financial statements.

During the year, the remuneration of the senior management by band is set out as follows:

Remuneration bands 薪酬範圍		Number of senior management 高級管理層人數
Below RMB1,000,000	人民幣 1,000,000 以下	3
RMB1,000,001 to RMB2,000,000	人民幣 1,000,001 元至人民幣 2,000,000 元	0
RMB2,000,001 to RMB3,000,000	人民幣 2,000,001 元至人民幣 3,000,000 元	0
RMB3,000,001 to RMB4,000,000	人民幣 3,000,001 元至人民幣 4,000,000 元	0
RMB4,000,001 to RMB5,000,000	人民幣 4,000,001 元至人民幣 5,000,000 元	0

REMUNERATION POLICY

Remuneration policy of the Group is reviewed regularly, making reference to the legal framework, market condition and performance of the Group and individual staff including the Directors). The remuneration policy and remuneration packages of the executive Directors and member of the senior management of the Group are reviewed by the Remuneration Committee, which are detailed in the paragraph headed "Remuneration Committee" under the section headed "Corporate Governance Report" of this annual report.

RETIREMENT BENEFIT SCHEMES

Particulars of the Group's retirement benefit schemes are set out in note 25 to the accompanying financial statements.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of directors and senior management as at the date of this annual report are set out on pages 44 to 47 of this annual report.

董事、五位最高薪之董事／僱員及高級管理層之酬金

有關回顧年度內根據指名基準之董事酬金詳情載於隨附之財務報表附註 36。

有關回顧年度內之五位最高薪人士之詳情載於隨附之財務報表附註 25。

以下為本年度高級管理層之薪酬範圍分析：

薪酬政策

本集團參考法定架構、市場狀況及本集團及個別員工(包括董事)之表現，定期檢討其薪酬政策。薪酬委員會負責檢討本集團執行董事及高級管理層成員之薪酬政策及薪酬組合，詳情載於本年度報告「企業管治報告」一節「薪酬委員會」一段內。

退休福利計劃

本集團退休福利計劃之詳情載於隨附之財務報表附註 25。

董事及高級管理人員之個人簡歷

董事及高級管理人員於本年報日期之個人簡歷載於本年報第 44 至第 47 頁。

董事會報告

REPORT OF THE DIRECTORS

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

At 31 December 2015, the interests and short positions of each Director and 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, Chapter 571 of the laws of Hong Kong (the "SFO"), as recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules, were as follows:

董事及行政總裁於本公司或任何相聯法團之股份、相關股份及債權證之權益及淡倉

於二零一五年十二月三十一日，本公司各董事及行政總裁於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債權證中擁有根據證券及期貨條例第352條，紀錄於本公司須予存置之登記冊內之權益或淡倉，或根據上市規則所載的標準守則規定須以其他方式通知本公司及聯交所之權益及淡倉如下：

Name of directors of the Company 本公司董事姓名	Name of Group member/ associated corporation 本集團成員公司/ 相聯法團名稱	Nature of interest 權益性質	Number of ordinary shares (Note 1) 普通股數目 (附註1)	Percentage 百分比
Mr. Hong Tianzhu 洪天祝先生	the Company 本公司	Interest of controlled corporation(s) 所控制法人的權益	544,742,400(L) (Note 2) (附註2)	61.57%
	the Company 本公司	Beneficial owner 實益擁有人	5,400,000(L)	0.61%
Mr. Zhu Yongxiang 朱永祥先生	the Company 本公司	Interest of controlled corporation(s) 所控制法人的權益	219,900,000(L) (Note 3) (附註3)	24.86%
Mr. Tang Daoping 湯道平先生	the Company 本公司	Beneficial owner 實益擁有人	3,700,000(L) (Note 4) (附註4)	0.42%
Mr. Hui Tsz Wai 許子慧先生	the Company 本公司	Beneficial owner 實益擁有人	4,500,000(L) (Note 5) (附註5)	0.51%
Mr. Ji Zhongliang 吉忠良先生	Celestial Ease Holdings Limited 天逸控股有限公司	Interest of controlled corporation(s) 所控制法人的權益	750(L) (Note 6) (附註6)	9.80%

董事會報告

REPORT OF THE DIRECTORS

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

Notes:

1. The letter "L" denotes the person's long position in the Shares.
2. Among these 544,742,400 Shares, as to 392,842,400 Shares are registered in the name of and beneficially owned by New Green Group Limited, the entire issued share capital of which is beneficially owned by Texhong Group Holdings Limited, a company wholly owned by Mr. Hong Tianzhu and as to 151,900,000 Shares are registered in the name of and beneficially owned by Trade Partner Investments Limited, the entire issued share capital of which is beneficially owned as to 57.44% by Mr. Hong Tianzhu through New Green Group Limited. Under the SFO, Mr. Hong Tianzhu is deemed to be interested in all the Shares held by New Green Group Limited and Trade Partner Investments Limited. Mr. Hong Tianzhu is a director of Texhong Group Holdings Limited, New Green Group Limited and Trade Partner Investments Limited.
3. Among these 219,900,000 Shares, as to 68,000,000 Shares are registered in the name of and beneficially owned by Wisdom Grace Investments Limited, the entire issued share capital of which is beneficially owned by Mr. Zhu Yongxiang and as to 151,900,000 Shares are registered in the name of and beneficially owned by Trade Partner Investments Limited, the entire issued share capital of which is beneficially owned as to 42.56% by Mr. Zhu Yongxiang through Wisdom Grace Investments Limited. Under the SFO, Mr. Zhu Yongxiang is deemed to be interested in all the Shares held by Wisdom Grace Investments Limited and Trade Partner Investments Limited. Mr. Zhu Yongxiang is a director of Wisdom Grace Investments Limited and Trade Partner Investments Limited.
4. These interests represent share options granted to Mr. Tang Daoping pursuant to the share option scheme of the Company.
5. These interests represent share options granted to Mr. Hui Tsz Wai pursuant to the share option scheme of the Company.
6. These 750 shares are registered in the name of and beneficially owned by Weide Global Limited, the entire issued share capital of which is beneficially owned by Mr. Ji Zhongliang. Under the SFO, Mr. Ji Zhongliang is deemed to be interested in all the shares held by Weide Global Limited.

董事及行政總裁於本公司或任何相聯法團之股份、相關股份及債權證之權益及淡倉 (續)

附註：

1. 「L」代表該人士於股份之好倉。
2. 該544,742,400股股份中392,842,400股以New Green Group Limited (New Green Group Limited全部已發行股本由Texhong Group Holdings Limited實益擁有，洪天祝先生實益擁有後者100%權益)名義及作為實益擁有人登記；151,900,000股以Trade Partner Investments Limited (洪天祝先生透過New Green Group Limited實益擁有其全部已發行股份的57.44%權益)名義及作為實益擁有人登記。根據證券及期貨條例，洪天祝先生被視為於New Green Group Limited及Trade Partner Investments Limited持有之所有股份佔有權益。洪天祝先生為Texhong Group Holdings Limited、New Green Group Limited及Trade Partner Investments Limited之董事。
3. 該219,900,000股股份中68,000,000股以Wisdom Grace Investments Limited (其全部已發行股本由朱永祥先生實益擁有)名義及作為實益擁有人登記；151,900,000股以Trade Partner Investments Limited (朱永祥先生透過Wisdom Grace Investments Limited實益擁有其全部已發行股份的42.56%權益)名義及作為實益擁有人登記。根據證券及期貨條例，朱永祥先生被視為於Wisdom Grace Investments Limited及Trade Partner Investments Limited持有之所有股份佔有權益。朱永祥先生為Wisdom Grace Investments Limited及Trade Partner Investments Limited之董事。
4. 該等權益代表根據本公司購股權計劃授予湯道平先生的購股權。
5. 該等權益代表根據本公司購股權計劃授予許子慧先生的購股權。
6. 該等750股股份以偉德環球有限公司之名義登記及由其擁有，而該公司之全部已發行股本由吉中良先生實益擁有。根據證券及期貨條例，吉中良先生被視為於偉德環球有限公司持有之所有股份中擁有權益。

董事會報告 REPORT OF THE DIRECTORS

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

So far as the Directors are aware, as at 31 December 2015, the interests or short position of the persons other than a Director or chief executive of the Company in the Shares, underlying shares or debentures of the Company or its associated corporations which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Ordinary Shares of the Company:

主要股東在本公司股份、相關股份及債權證之權益及淡倉

就董事所知悉，於二零一五年十二月三十一日，於本公司股份或其聯屬法團或相關股份或債權證中擁有根據證券及期貨條例第336條紀錄於本公司須予存置之登記冊內之權益或淡倉的人士（惟本公司之董事或行政總裁除外）如下：

本公司之普通股：

Name of the substantial shareholders 主要股東姓名／名稱	Nature of interests 權益性質	Number of ordinary shares (Note 1) 普通股數目 (附註1)	Percentage 百分比
New Green Group Limited	Beneficial owner 實益擁有人	392,842,400(L) (Note 2) (附註2)	44.40%
	Interest of controlled corporation(s) 所控制法人權益	151,900,000(L) (Note 3) (附註3)	17.17%
Trade Partner Investments Limited	Beneficial owner 實益擁有人	151,900,000(L) (Note 3) (附註3)	17.17%
Wisdom Grace Investments Limited	Beneficial owner 實益擁有人	68,000,000(L) (Note 4) (附註4)	7.69%
	Interest of controlled corporation(s) 所控制法人權益	151,900,000(L) (Note 3) (附註3)	17.17%
Texhong Group Holdings Limited	Interest of controlled corporation(s) 所控制法人的權益	544,742,400(L) (Notes 2 and 3) (附註2及3)	61.57%
Ms. Ke Luping 柯綠萍女士	Interest of spouse 配偶權益	550,142,400(L) (Note 5) (附註5)	62.18%
Ms. Zhao Zhiyang 趙志揚女士	Interest of spouse 配偶權益	219,900,000 (L) (Note 6) (附註6)	24.86%

董事會報告

REPORT OF THE DIRECTORS

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY (Continued)

Notes:

1. The letter "L" denotes the person's long position in the Shares.
2. These 392,842,400 Shares are registered in the name of and beneficially owned by New Green Group Limited, the entire issued share capital of which is beneficially owned by Texhong Group Holdings Limited, a company wholly beneficially owned by Mr. Hong Tianzhu. Under the SFO, each of Texhong Group Holdings Limited and Mr. Hong Tianzhu is deemed to be interested in all the Shares held by New Green Group Limited.
3. These 151,900,000 Shares are registered in the name of and beneficially owned by Trade Partner Investments Limited, the entire issued share capital of which is beneficially owned as to 57.44% by Mr. Hong Tianzhu through New Green Group Limited and 42.56% by Mr. Zhu Yongxiang through Wisdom Grace Investments Limited. Under the SFO, each of Mr. Hong Tianzhu and Mr. Zhu Yongxiang is deemed to be interested in all the Shares held by Trade Partner Investments Limited.
4. These 68,000,000 Shares are registered in the name of and beneficially owned by Wisdom Grace Investments Limited, the entire issued share capital of which is beneficially owned by Mr. Zhu Yongxiang. Under the SFO, Mr. Zhu Yongxiang is deemed to be interested in all the Shares held by Wisdom Grace Investments Limited.
5. Ms. Ke Luping is the spouse of Mr. Hong Tianzhu. Under the SFO, Ms. Ke Luping is deemed to be interested in the same number of Shares in which Mr. Hong Tianzhu is interested.
6. Ms. Zhao Zhiyang is the spouse of Mr. Zhu Yongxiang. Under the SFO, Ms. Zhao Zhiyang is deemed to be interested in the same number of Shares in which Mr. Zhu Yongxiang is interested.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed under the section headed "Share Options" above, at no time during the 12 months ended 31 December 2015 was the Company, its holding company or its subsidiaries a party to any arrangements which enabled the Directors (including their spouses or children under 18 years of age), to acquire benefits by means of acquisition of Shares in or debenture of the Company or any other body corporate.

主要股東在本公司股份、相關股份及債權證之權益及淡倉(續)

附註：

1. 「L」代表該人士於股份之好倉。
2. 該392,842,400股股份以New Green Group Limited (New Green Group Limited全部已發行股本由Texhong Group Holdings Limited實益擁有，洪天祝先生實益擁有後者100%權益)名義及作為實益擁有人登記。根據證券及期貨條例，Texhong Group Holdings Limited及洪天祝先生均被視為於New Green Group Limited持有之所有股份佔有權益。
3. 該151,900,000股股份以Trade Partner Investments Limited (其全部已發行股本由洪天祝先生(透過New Green Group Limited)及朱永祥先生(透過Wisdom Grace Investments Limited)分別實益擁有57.44%及42.56%)名義及作為實益擁有人登記。根據證券及期貨條例，洪天祝先生及朱永祥先生分別被視為於Trade Partner Investments Limited持有之所有股份佔有權益。
4. 該68,000,000股股份以Wisdom Grace Investments Limited (其全部已發行股本由朱永祥先生實益擁有)名義及作為實益擁有人登記。根據證券及期貨條例，朱永祥先生被視為於Wisdom Grace Investments Limited持有之所有股份佔有權益。
5. 柯綠萍女士為洪天祝先生之配偶。根據證券及期貨條例，柯綠萍女士被視為於洪天祝先生佔有權益之同樣數目股份佔有權益。
6. 趙志揚女士為朱永祥先生之配偶。根據證券及期貨條例，趙志揚女士被視為於朱永祥先生佔有權益之同樣數目股份佔有權益。

購買股份或債權證之安排

除上述「購股權」一節披露者外，截至二零一五年十二月三十一日止十二個月內，本公司、其控股公司或其附屬公司概無參與訂立安排讓董事(包括其配偶或未滿十八歲之子女)以透過收購本公司或任何其他法人團體之股份或債權證之方法獲得利益。

董事會報告

REPORT OF THE DIRECTORS

CONTRACTS OF SIGNIFICANCE

No contracts of significance in relation to the Group's business to which the Company or any of 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 contract of significance has been entered into between the Company or any of its subsidiaries and the controlling shareholder (as defined in the Listing Rules) of the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company which were not contracts of service with any Director or any person engaged in full time employment of the Company were entered into or subsisted during the year.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

Purchases	
– the largest supplier	27.2%
– five largest suppliers combined	40.0%
Sales	
– the largest customer	3.6%
– five largest customers combined	13.0%

None of the Directors, their close associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in the major suppliers or customers noted above.

重大合約

概無任何與本集團業務有重大關係且本公司及其附屬公司為訂約方及董事擁有重大權益(不論直接或間接)之合約於年終或年內任何時間存在。

本公司或其任何附屬公司及本公司或其任何附屬公司之控股股東(定義見上市規則)之間概無訂立重大合約。

管理層合約

年內概無有關本公司整體或任何重大部分業務之管理及行政之合約(並非與任何董事或獲本公司委聘擔任全職工作之任何人士)獲訂立或存續。

主要客戶及供應商

本集團主要供應商及客戶佔本年度之採購額及銷售額百分比如下：

採購額	
– 最大供應商	27.2%
– 五位最大供應商合計	40.0%
銷售額	
– 最大客戶	3.6%
– 五位最大客戶合計	13.0%

董事、彼等之緊密聯繫人或任何股東(指據董事所知擁有本公司5%以上股本權益之股東)並無於上述之主要供應商或客戶中擁有任何權益。

董事會報告

REPORT OF THE DIRECTORS

CONNECTED TRANSACTIONS

Certain related party transactions as disclosed in note 33 to the consolidated financial statements also constituted connected transactions within the meaning of the Listing Rules. Details of such transactions have been disclosed in compliance with the disclosure requirements in accordance with Chapter 14A of the Listing Rules and are summarised below:

Acquisition of land use right in Vietnam for construction of production base

On 21 January 2015, Texhong Industrial Park Vietnam Limited (天虹工業園區越南有限公司) (formerly known as Texhong Haiha Industrial Park Vietnam Company Limited (越南天虹海河工業區有限公司) (“Texhong Industrial Park”) and Texhong Galaxy Technology Limited (天虹銀河科技有限公司) (“Texhong Galaxy”), an indirectly wholly-owned subsidiary of the Company, entered into an agreement (the “January Acquisition Agreement”) in relation to the acquisition (the “January Transaction”) of the land use right of a parcel of industrial land located at Texhong Haiha Industrial Park, Hai Ha District, Quang Ninh Province, Vietnam with a site area of approximately 225,000 square meters and the infrastructure erected thereon (the “January Land”). The January Land will be used for constructing production base of the Group in Quang Ninh Province, Vietnam for the manufacture of yarn. The consideration was VND210,020,175,000 (equivalent to approximately RMB61.1 million), which was calculated based on VND933,423 (equivalent to approximately RMB272) per square meter of the January Land.

On 5 November 2015, Texhong Industrial Park and Texhong Galaxy entered into an agreement (the “November Acquisition Agreement”) in relation to the acquisition (the “November Transaction”) of the land use right of a parcel of industrial land located at Texhong Haiha Industrial Park, Hai Ha District, Quang Ninh Province, Vietnam with a site area of approximately 215,000 square meters and the infrastructure erected thereon (the “November Land”). The November Land will be used for constructing production base of the Group in Quang Ninh Province, Vietnam for the manufacture of grey fabrics. The consideration was VND232,200,000,000 (equivalent to approximately RMB66.1 million), which was calculated based on VND1,080,000 (equivalent to approximately RMB307) per square meter of the November Land.

關連交易

綜合財務報表附註 33 披露之若干關連交易亦構成上市規則界定之關連交易。該等交易之詳情已根據上市規則第 14A 章之披露規定予以披露，概要列載如下：

收購越南之土地使用權以興建生產基地

於二零一五年一月二十一日，天虹工業園區越南有限公司(前稱越南天虹海河工業區有限公司)(「天虹工業園區」)與天虹銀河科技有限公司(「天虹銀河」)(本公司之間接全資附屬公司)訂立協議(「一月收購協議」)，以收購(「一月交易」)一幅位於越南廣寧省海河區天虹海河工業區、地盤面積約 225,000 平方米之工業用地之土地使用權及其上興建之基礎設施(「一月地塊」)。一月地塊將用於興建本集團於越南南寧省生產紗線之生產基地。代價為 210,020,175,000 越南盾(相當於約人民幣 61,100,000 元)乃按地塊每平方米 933,423 越南盾(相當於約人民幣 272 元)計算。

於二零一五年十一月五日，天虹工業園區與天虹銀河訂立協議(「十一月收購協議」)，以收購(「十一月交易」)一幅位於越南廣寧省海河區天虹海河工業區、地盤面積約 215,000 平方米之工業用地及其上興建之基礎設施(「十一月地塊」)。十一月地塊將用作興建本集團於越南南寧省生產坯布之生產基地。代價 232,200,000,000 越南盾(相當於約人民幣 66,100,000 元)乃按十一月地塊每平方米 1,080,000 越南盾(相當於約人民幣 307 元)計算。

董事會報告

REPORT OF THE DIRECTORS

CONNECTED TRANSACTIONS (Continued)

Acquisition of land use right in Vietnam for construction of production base (Continued)

Texhong Industrial Park is a connected person of the Company by virtue of its being an associate of Mr. Hong Tianzhu, the chairman of the Group and an executive Director. The entering into of the January Acquisition Agreement and the November Acquisition Agreement between Texhong Industrial Park and Texhong Galaxy therefore constituted connected transactions of the Company under Chapter 14A of the Listing Rules. The January Transaction and the November Transaction were aggregated and treated as one transaction under Chapter 14A of the Listing Rules.

Further details of the January Acquisition Agreement and the November Acquisition Agreement are set out in the announcements of the Company dated 21 January 2015 and 5 November 2015 respectively.

Formation of joint venture

On 2 June 2015, the Company entered into an investment framework agreement (the “Investment Framework Agreement”) with Mr. Hong Tianzhu and Mr. Zhu Yongxiang in relation to the formation of a joint venture to be established in the PRC (the “Project Company”). The Project Company will be formed for the purpose of the establishment of yarn production bases in Xinjiang. The Project Company will be established with registered capital of RMB400 million, which will be contributed by the Group as to RMB200 million in cash and by the investment holding company to be held by Mr. Hong Tianzhu and Mr. Zhu Yongxiang (or their respective associates), as to RMB200 million in cash.

As both Mr. Hong Tianzhu and Mr. Zhu Yongxiang are executive Directors, they are connected persons of the Company under the Listing Rules, therefore the transaction contemplated under the Investment Framework Agreement constituted a connected transaction of the Company under Chapter 14A of the Listing Rules.

Further details of the Investment Framework Agreement are set out in the announcement of the Company dated 2 June 2015.

關連交易 (續)

收購越南之土地使用權以興建生產基地 (續)

天虹工業園區為本集團主席兼執行董事洪天祝先生之聯繫人士，故屬本公司之關連人士。因此，天虹工業園區與天虹銀河訂立一月收購協議及十一月收購協議協議構成上市規則第14A章項下本公司之關連交易。根據上市規則第14A一月交易及十一月交易已合併計算及當作一項交易處理。

有關一月收購協議及十一月收購協議之更多詳情載於本公司日期二零一五年一月二十一日及二零一五年十一月五日之公告。

成立合營企業

於二零一五年六月二日，本公司與洪天祝先生及朱永祥先生訂立投資框架協議（「投資框架協議」），內容有關於中國成立之合營企業（「項目公司」）。成立項目公司之目的為於新疆設立紗線生產基地。項目公司之成立註冊資本為人民幣400,000,000元，將由本集團以現金注入人民幣200,000,000元及將由洪天祝先生及朱永祥先生持有之投資控股公司以現金注入人民幣200,000,000元。

由於洪天祝先生及朱永祥先生均為執行董事，故彼等根據上市規則屬本公司之關連人士，因此，根據上市規則第14A章，投資框架協議項下擬進行交易構成本公司之關連交易。

有關投資框架協議之更多詳情載於本公司日期二零一五年六月二日之公告。

董事會報告

REPORT OF THE DIRECTORS

CONNECTED TRANSACTIONS (Continued)

Investment in joint venture

On 6 August 2015, Texhong Western Investment (Hong Kong) Limited (天虹西部投資(香港)有限公司) (“Texhong Western”), an indirect wholly-owned subsidiary of the Company, entered into a cooperation agreement (the “Cooperation Agreement”) with Texhong Xinjiang Holdings Limited (天虹新疆控股有限公司) (“Texhong Xinjiang”), Yihua Ventures (Hong Kong) Limited (益華創投(香港)有限公司) (“Yihua Ventures”), and Huixin Global (Hong Kong) Limited (匯新環球(香港)有限公司) (“Huixin Global”) in relation to the investment in 上海虹慧投資管理有限公司 (“上海虹慧”) for the purpose of the establishment of yarn production bases in Xinjiang. 上海虹慧 shall have an aggregate registered capital of RMB40 million, which shall be contributed as to RMB20 million by the Group, as to RMB12.8 million by Texhong Xinjiang, as to RMB3.2 million by Yihua Ventures and as to RMB4 million by Huixin Global. Pursuant to the Cooperation Agreement, 上海虹慧 shall be owned as to 50% by the Group, 32% by Texhong Xinjiang, 8% by Yihua Ventures and 10% by Huixin Global.

Mr. Hong Tianzhu is indirectly interested in the entire issued share capital of Texhong Xinjiang and Huixin Global. Mr. Zhu Yongxiang is indirectly interested in the entire issued share capital of Yihua Ventures. As both Mr. Hong Tianzhu and Mr. Zhu Yongxiang are executive Directors, Texhong Xinjiang, Yihua Ventures and Huixin Global are connected persons of the Company under the Listing Rules, therefore the transaction contemplated under the Cooperation Agreement constituted a connected transaction of the Company under Chapter 14A of the Listing Rules.

Further details of the Cooperation Agreement are set out in the announcement of the Company dated 6 August 2015.

Acquisition of equity interests and loans in joint venture

On 13 October 2015, Texhong Western, Texhong Xinjiang and Yihua Ventures entered into (i) an agreement (the “S&P Agreement”) in relation to the acquisition of an aggregate of 40% equity interests in 上海虹慧 (the “Equity Interests Acquisition”) at a consideration of RMB1,600,000, and (ii) a supplemental agreement to the S&P Agreement (the “Supplemental Agreement”) in relation to the acquisition of loans in the amount of RMB31,424,000 and RMB7,856,000 owed by 上海虹慧 to Texhong Xinjiang and Yihua Ventures respectively (the “Loans Acquisition”) at a consideration of RMB39,280,000.

關連交易(續)

投資合營企業

於二零一五年八月六日，本公司間接全資附屬公司天虹西部投資(香港)有限公司(「天虹西部」)與天虹新疆控股有限公司(「天虹新疆」)、益華創投(香港)有限公司(「益華創投」)及匯新環球(香港)有限公司(「匯新環球」)訂立合作協議(「合作協議」)，內容有關投資於上海虹慧投資管理有限公司(「上海虹慧」)以於新疆設立紗線生產基地。上海虹慧之註冊資本總額為人民幣40,000,000元，其中分別人民幣20,000,000元、人民幣12,800,000元、人民幣3,200,000元及人民幣4,000,000元將由本集團、天虹新疆、益華創投及匯新環球注資。根據合作協議，上海虹慧將由本集團、天虹新疆、益華創投及匯新環球分別擁有50%、32%、8%及10%。

洪天祝先生間接擁有天虹新疆及匯新環球全部已發行股本權益，而朱永祥先生則間接擁有益華創投全部已發行股本權益。由於洪天祝先生及朱永祥先生均為執行董事，故天虹新疆、益華創投及匯新環球為上市規則所界定本公司之關連人士。因此，根據上市規則第14A章，合作協議項下擬進行交易構成本公司之關連交易。

有關合作協議之更多詳情載於本公司日期二零一五年八月六日之公告。

收購合營企業之股權及貸款

於二零一五年十月十三日，本公司間接全資附屬公司天虹西部與天虹新疆及益華創投就收購事項訂立：(i)一份協議(「買賣協議」)，內容有關收購上海虹慧合共40%股權，股權代價總額為人民幣1,600,000元；及(ii)買賣協議之補充協議(「補充協議」)，內容有關收購上海虹慧分別結欠天虹新疆及益華創投為數人民幣31,424,000元及人民幣7,856,000元之貸款(「貸款收購事項」)，代價為人民幣39,280,000元。

董事會報告

REPORT OF THE DIRECTORS

CONNECTED TRANSACTIONS (Continued)

Acquisition of equity interests and loans in joint venture (Continued)

In addition, Mr. Hong Tianzhu transferred all of his indirect interest in Huixin Global to not less than 20 key employees of the Group, including Mr. Tang Daoping for incentive purpose.

Upon completion of the Equity Interests Acquisition and the Loans Acquisition, 上海虹慧 is held as to 90% and 10% by Texhong Western and Huixin Global respectively.

Mr. Hong Tianzhu is indirectly interested in the entire issued share capital of Texhong Xinjiang. Mr. Zhu Yongxiang is indirectly interested in the entire issued share capital of Yihua Ventures. As both Mr. Hong Tianzhu and Mr. Zhu Yongxiang are executive Directors, Texhong Xinjiang and Yihua Ventures are connected persons of the Company under the Listing Rules, therefore the transaction contemplated under the S&P Agreement and the Supplemental Agreement constituted a connected transaction of the Company under Chapter 14A of the Listing Rules.

Further details of the S&P Agreement and the Supplemental Agreement are set out in the announcement of the Company dated 13 October 2015.

Subscription of shares in a connected subsidiary

On 17 December 2015, Celestial Ease Holdings Limited (天逸控股有限公司) (“Celestial Ease”), an indirect non wholly-owned subsidiary of the Company, has allotted and issued, and Prosperous Time Holdings Limited (好景創投有限公司) (“Prosperous Time”), a wholly-owned subsidiary of the Company, and Weide Global Limited (偉德環球有限公司) (“Weide Global”), the entire issued share capital of which is owned by Mr. Ji Zhongliang, have subscribed for 6,818 shares and 735 shares respectively, of US\$1 each in Celestial Ease (the “Subscription”) at a subscription price of US\$10,792,260 and US\$1,172,556 respectively.

Celestial Ease is a connected person of the Company by virtue of its being a connected subsidiary which was indirectly owned as to 85% by the Company and 15% by Mr. Ji Zhongliang, an executive Director, before the Subscription. Mr. Ji Zhongliang is a connected person of the Company by virtue of his being an executive Director. The Subscription therefore constituted a connected transaction of the Company under Chapter 14A of the Listing Rules. The Subscription was made by Prosperous Time and Weide Global in the share capital of Celestial Ease on the same day. Pursuant to Rules 14A.81 and 14A.82 of the Listing Rules, the Subscription was aggregated and treated as one transaction.

關連交易 (續)

收購合營企業之股權及貸款 (續)

此外，洪天祝先生將其於匯新環球的所有間接權益轉讓予本集團不少於20名主要僱員，包括湯道平先生，以作獎勵。

完成股權收購事項及貸款收購事項後，上海虹慧由天虹西部及匯新環球分別擁有90%及10%。

洪天祝先生間接擁有天虹新疆全部已發行股本權益。朱永祥先生間接擁有益華創投全部已發行股本權益。由於洪天祝先生及朱永祥先生均為執行董事，故天虹新疆及益華創投為上市規則所界定本公司之關連人士。因此，根據上市規則第14A章，買賣協議及補充協議項下擬進行交易構成本公司之關連交易。

有關買賣協議及補充協議之更多詳情載於本公司日期二零一五年十月十三日之公告。

認購關連附屬公司之股份

於二零一五年十二月十七日，天逸控股有限公司(「天逸」)已配發及發行，而本公司全資附屬公司好景創投有限公司(「好景創投」)及偉德環球有限公司(「偉德環球」)，其全部已發行股本由吉忠良先生擁有已分別按認購價10,792,260美元及1,172,556美元，認購天逸6,818股及735股每股面值1美元之股份(「認購事項」)。

由於在認購事項前，天逸為本公司及執行董事吉忠良先生分別間接擁有85%及15%之關連附屬公司，故其為本公司之關連人士。由於吉忠良先生為執行董事，故彼亦為本公司之關連人士。因此，認購事項構成上市規則第14A章項下本公司之關連交易。同日，好景創投及偉德環球就天逸之股本進行認購事項。根據上市規則第14A.81條及第14A.82條，認購事項將予合併及被視為一項交易。

董事會報告

REPORT OF THE DIRECTORS

CONNECTED TRANSACTIONS (Continued)

Subscription of shares in a connected subsidiary (Continued)

Following the Subscription, Celestial Ease is indirectly owned as to 90.2% by the Company and 9.8% by Mr. Ji Zhongliang, and has ceased to be a connected subsidiary of the Company.

Further details of the Subscription are set out in the announcement of the Company dated 17 December 2015.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors at the latest practicable date prior to the issue of this annual report, there was sufficient prescribed public float of the issued shares of the Company under the Listing Rules at any time during the financial year ended 31 December 2015.

AUDIT COMMITTEE

The Company has established the Audit Committee pursuant to a resolution of the Directors passed on 21 November 2004. The Audit Committee comprises three independent non-executive Directors, namely Mr. Ting Leung Huel, Stephen, Professor Tao Xiaoming and Professor Cheng Longdi. Mr. Ting Leung Huel, Stephen is the chairman of the Audit Committee. The rights and duties of the Audit Committee comply with the code provisions of the CG Code. The Audit Committee is responsible for reviewing and supervising the Group's financial reporting process and internal control system and providing advice and recommendations to the Board.

The Audit Committee had reviewed the audited results of the Group for the financial year ended 31 December 2015.

NOMINATION COMMITTEE

The Company has established the Nomination Committee pursuant to a resolution of the Directors passed on 19 March 2012. The Nomination Committee comprises an executive Director and the chairman of the Company, Mr. Hong Tianzhu and three independent non-executive Directors, namely Professor Tao Xiaoming, Professor Cheng Longdi and Mr. Ting Leung Huel, Stephen. The chairman of the Nomination Committee is Mr. Hong Tianzhu. The Nomination Committee has adopted terms of reference which are in line with the code provisions of the CG Code. The Nomination Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice in accordance with the Company's policy if considered necessary.

關連交易 (續)

認購關連附屬公司之股份 (續)

於認購事項後，天逸由本公司及吉忠良先生分別間接擁有90.2%及9.8%，不再為本公司之關連附屬公司。

有關認購事項之更多詳情載於本公司日期二零一五年十二月十七日之公告。

公眾持股量

根據於本年報刊發前之最後實際可行日期本公司獲得之公開資料及據董事所知，本公司於截至二零一五年十二月三十一日止財政年度任何時間已發行股份均有充份之指定公眾持股量，符合上市規則。

審核委員會

根據董事於二零零四年十一月二十一日通過的一項決議案，本公司已成立審核委員會。審核委員會由三名獨立非執行董事組成，包括丁良輝先生、陶肖明教授及程隆棣教授，丁良輝先生為審核委員會主席。審核委員會所採納的權力及職責符合企業管治守則之《守則條文》。審核委員會負責審閱及監督本集團之財務匯報程序及內部監控制度，並向董事會提供意見及推薦建議。

審核委員會已審閱本集團截至二零一五年十二月三十一日止財政年度之經審核業績。

提名委員會

根據董事於二零一二年三月十九日通過的一項決議案，本公司已成立提名委員會。提名委員會由執行董事兼本公司主席洪天祝先生及三名獨立非執行董事組成，三名董事分別為陶肖明教授、程隆棣教授及丁良輝先生。洪天祝先生為提名委員會主席。提名委員會所採納的職權範圍符合企業管治守則之《守則條文》。提名委員會獲提供充分資源以履行其職務，並可按本公司政策在有需要時尋求獨立專業意見。

董事會報告

REPORT OF THE DIRECTORS

REMUNERATION COMMITTEE

The Company has established the Remuneration Committee pursuant to a resolution of the Directors passed on 21 November 2004. The Remuneration Committee comprises three independent non-executive Directors, namely Mr. Ting Leung Huel, Stephen, Professor Tao Xiaoming and Professor Cheng Longdi and the chairman and executive Director, namely Mr. Hong Tianzhu. Mr. Ting Leung Huel, Stephen is the chairman of the Remuneration Committee. The Remuneration Committee has rights and duties consistent with those set out in the code provisions of the CG Code. The Remuneration Committee is principally responsible for formulating the Group's policy and structure for all remunerations of the Directors and senior management and providing advice and recommendations to the Board.

CHARITABLE CONTRIBUTIONS

During the year, the Group made charitable contributions amounted to approximately RMB2,665,000.

LITIGATION

Neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against the Company or any of its subsidiaries during the year under review.

AUDITOR

The financial statements have been audited by PricewaterhouseCoopers who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting.

On behalf of the Board

Hong Tianzhu
Chairman

Hong Kong, 8 March 2016

薪酬委員會

根據董事於二零零四年十一月二十一日通過的一項決議案，本公司已成立薪酬委員會。薪酬委員會由三名獨立非執行董事丁良輝先生、陶肖明教授、程隆棣教授及主席兼執行董事洪天祝先生組成。丁良輝先生為薪酬委員會主席。薪酬委員會已採納與企業管治守則之《守則條文》一致的權力及職責。薪酬委員會主要負責擬訂本集團董事及高級管理層的所有酬金政策及架構，向董事會提供意見及建議。

慈善捐款

於本年度，本集團作出慈善捐款約人民幣2,665,000元。

訴訟

於回顧年度，本公司或其任何附屬公司概無牽涉於任何重大訴訟或仲裁，而據董事所知，本公司或其任何附屬公司並無涉及待決或面臨威脅之重大訴訟或索償。

核數師

財務報表已經由羅兵咸永道會計師事務所審核。該核數師將任滿告退，其合資格並願意於即將舉行的股東週年大會上獲續聘。

承董事會命

洪天祝
主席

香港，二零一六年三月八日

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

To the shareholders of Texhong Textile Group Limited

(incorporated in Cayman Islands with limited liability)

We have audited the consolidated financial statements of Texhong Textile Group Limited (the "Company") and its subsidiaries set out on pages 72 to 184, which comprise the consolidated balance sheet as at 31 December 2015, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

致天虹紡織集團有限公司全體股東

(於開曼群島註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核列載於第72至184頁天虹紡織集團有限公司(「貴公司」)及其附屬公司的綜合財務報表,此綜合財務報表包括於二零一五年十二月三十一日的綜合資產負債表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表和綜合現金流量表,以及重要會計政策摘要及其他解釋資料。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及按照香港公司條例的披露規定編製真實而公平的綜合財務報表,以及董事釐定屬必要的內部監控,以使編製的綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見,並僅向全體股東報告,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

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

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獨立核數師報告 INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

AUDITOR'S RESPONSIBILITY (Continued)

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

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Company and its subsidiaries as at 31 December 2015, and of their financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 8 March 2016

核數師的責任(續)

審核涉及執行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真實而公平的綜合財務報表相關的內部監控，以設計適當的審核程序，但並非為對公司的內部監控的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映貴公司及其附屬公司於二零一五年十二月三十一日的財務狀況及彼等截至該日止年度的財務表現及現金流量，並已按照香港公司條例的披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零一六年三月八日

綜合資產負債表

CONSOLIDATED BALANCE SHEET

As at 31 December 2015
於二零一五年十二月三十一日

As at 31 December
於十二月三十一日

			2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
	Note 附註			
ASSETS		資產		
Non-current assets		非流動資產		
Freehold land and land use rights	6	永久產權土地及土地使用權	551,618	384,753
Property, plant and equipment	7	物業、廠房及設備	4,997,844	4,157,691
Investment in an associate	8	於聯營公司的投資	63,674	59,546
Deferred income tax assets	20	遞延所得稅資產	160,731	151,654
			5,773,867	4,753,644
Current assets		流動資產		
Inventories	10	存貨	1,893,107	1,636,261
Trade and bills receivables	11	應收貿易及票據款項	1,031,779	1,319,756
Prepayments, deposits and other receivables	12	預付款項、按金及其他 應收賬款	453,572	290,663
Derivative financial instruments	18	衍生金融工具	61,087	-
Pledged bank deposits	13	已抵押銀行存款	247,663	44,025
Cash and cash equivalents	13	現金及現金等值物	1,940,022	1,094,197
			5,627,230	4,384,902
Total assets		總資產	11,401,097	9,138,546
EQUITY		股東權益		
Equity attributable to owners of the Company		本公司擁有人應佔股東權益		
Share capital: nominal value	14	股本：面值	94,064	94,064
Share premium		股份溢價	189,218	189,218
Other reserves	16	其他儲備	509,922	480,049
Retained earnings	16	保留溢利	3,117,951	2,691,301
			3,911,155	3,454,632
Non-controlling interests		非控制性權益	27,414	-
Total equity		總股東權益	3,938,569	3,454,632

綜合資產負債表

CONSOLIDATED BALANCE SHEET

As at 31 December 2015
於二零一五年十二月三十一日

		As at 31 December 於十二月三十一日	
		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
		Note 附註	
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Borrowings	借貸	17	2,505,306
Deferred income tax liabilities	遞延所得稅負債	20	96,341
Finance lease obligations	融資租賃承擔	19	235,546
			2,837,193
Current liabilities	流動負債		
Trade and bills payables	應付貿易及票據款項	21	2,294,638
Accruals and other payables	預提費用及其他應付賬款	22	618,767
Current income tax liabilities	當期所得稅負債		27,988
Borrowings	借貸	17	1,547,754
Derivative financial instruments	衍生金融工具	18	12,688
Finance lease obligations	融資租賃承擔	19	123,500
			4,625,335
Total liabilities	總負債		7,462,528
Total equity and liabilities	總股東權益及負債		11,401,097

The notes on pages 79 to 184 are an integral part of these consolidated financial statements.

於第79至184頁之附註為此等綜合財務報表之一部分。

The consolidated financial statements on pages 72 to 184 were approved by the Board of Directors on 8 March 2016 and the consolidated balance sheet was signed on its behalf by:

於第72至184頁之綜合財務報表已於二零一六年三月八日獲董事會批准，並由下列董事代表董事會簽署其中的綜合資產負債表：

Hong Tianzhu
Director

Zhu Yongxiang
Director

洪天祝
董事

朱永祥
董事

綜合收益表

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2015
截至二零一五年十二月三十一日止年度

		Year ended 31 December 截至十二月三十一日止年度	
		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
	Note 附註		
Revenue	收入	10,574,854	10,470,321
Cost of sales	銷售成本	(8,669,022)	(9,176,107)
Gross profit	毛利	1,905,832	1,294,214
Selling and distribution costs	銷售及分銷開支	(368,989)	(351,612)
General and administrative expenses	一般及行政開支	(380,865)	(328,235)
Other income	其他收入	10,196	15,633
Other losses – net	其他虧損 — 淨額	(15,748)	(30,066)
Operating profit	經營溢利	1,150,426	599,934
Finance income	財務收入	12,775	4,836
Finance costs	財務費用	(431,515)	(253,840)
Finance costs – net	財務費用 — 淨額	(418,740)	(249,004)
Share of profit of an associate	分佔聯營公司溢利	4,128	4,020
Profit before income tax	除所得稅前溢利	735,814	354,950
Income tax expense	所得稅開支	(146,846)	(48,229)
Profit for the year	年度溢利	588,968	306,721
Attributable to:	由以下各方應佔：		
Owners of the Company	本公司擁有人	590,826	306,721
Non-controlling interests	非控制性權益	(1,858)	—
		588,968	306,721
Earnings per share for profit attributable to owners of the Company	本公司擁有人應佔溢利之每股盈利		
– Basic earnings per share	— 每股基本盈利	RMB0.67 人民幣 0.67 元	RMB0.35 人民幣 0.35 元
– Diluted earnings per share	— 每股攤薄盈利	RMB0.67 人民幣 0.67 元	RMB0.35 人民幣 0.35 元

The notes on pages 79 to 184 are an integral part of these consolidated financial statements.

於第 79 至 184 頁之附註為此等綜合財務報表之一部分。

綜合全面收益表

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2015

截至二零一五年十二月三十一日止年度

		Year ended 31 December 截至十二月三十一日止年度	
		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
	Note 附註		
Profit for the year	年度溢利	588,968	306,721
Other comprehensive income/(loss)	其他全面收益/(虧損)		
<i>Items that may be reclassified subsequently to profit or loss</i>	其後或會重新分類至損益之項目		
Currency translation differences	貨幣兌換差額 16	(1,024)	(777)
Total comprehensive income for the year	年度全面收益總額	587,944	305,944
Attributable to:	由以下各方應佔：		
Owners of the Company	本公司擁有人	589,802	305,944
Non-controlling interests	非控制性權益	(1,858)	—
		587,944	305,944

The notes on pages 79 to 184 are an integral part of these consolidated financial statements.

於第79至184頁之附註為此等綜合財務報表之一部分。

綜合權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015
截至二零一五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					Total equity
		Share capital 股本	Share premium 股份溢價	Other reserves 其他儲備	Retained earnings 保留溢利	Total equity 總股東權益	
	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	RMB'000 人民幣千元	
Balance at 1 January 2014	於二零一四年一月一日的結餘	94,064	189,218	481,704	2,615,432	3,380,418	
Comprehensive income	全面收益						
Profit for the year	年度溢利	—	—	—	306,721	306,721	
Other comprehensive loss:	其他全面虧損：						
Currency translation differences	貨幣匯兌差額	16	—	(777)	—	(777)	
Total comprehensive income for the year	年度全面收益總額	—	—	(777)	306,721	(305,944)	
Transactions with owners	與股權持有人之交易						
Dividend relating to 2013	二零一三年股息	30	—	—	(196,608)	(196,608)	
Dividend relating to 2014	二零一四年股息	30	—	—	(35,122)	(35,122)	
Transfer to statutory reserves	轉撥至法定儲備	16	—	8,901	(8,901)	—	
Transfer from revaluation reserve to retained earnings	由重估儲備轉撥至保留溢利						
— gross	— 總額	—	—	(13,224)	13,224	—	
— deferred income tax	— 遞延所得稅	—	—	3,445	(3,445)	—	
Total transactions with owners	與股權持有人之交易總額	—	—	(878)	(230,852)	(231,730)	
Balance at 31 December 2014	於二零一四年十二月三十一日的結餘	94,064	189,218	480,049	2,691,301	3,454,632	

綜合權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015

截至二零一五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					Non-Controlling interests 非控制性權益	Total equity 總股東權益
	Note 附註	Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元	Retained earnings 保留溢利 RMB'000 人民幣千元		RMB'000 人民幣千元	
Balance at 1 January 2015	於二零一五年一月一日的結餘	94,064	189,218	480,049	2,691,301	-	3,454,632	
Comprehensive income	全面收益	-	-	-	590,826	(1,858)	588,968	
Profit for the year	年度溢利	-	-	-	590,826	(1,858)	588,968	
Other comprehensive loss:	其他全面虧損：							
Currency translation differences	貨幣匯兌差額	-	-	(1,024)	-	-	(1,024)	
	16	-	-	(1,024)	-	-	(1,024)	
Total comprehensive income for the year	年度全面收益總額	-	-	(1,024)	590,826	(1,858)	587,944	
Transactions with owners	與股權持有人之交易							
Capital injection from non-controlling shareholders of subsidiaries	附屬公司非控股股東注資	-	-	-	-	7,900	7,900	
Non-controlling interests arising on business combination	業務合併產生之非控股權益	-	-	-	-	21,372	21,372	
Dividend relating to 2014	二零一四年股息	-	-	-	(55,848)	-	(55,848)	
Dividend relating to 2015	二零一五年股息	-	-	-	(87,329)	-	(87,329)	
Employee share option scheme	僱員購股權計劃	-	-	9,898	-	-	9,898	
Transfer to statutory reserves	轉撥至法定儲備	-	-	26,276	(26,276)	-	-	
Transfer from revaluation reserve to retained earnings	由重估儲備轉撥至保留溢利	-	-	(7,221)	7,221	-	-	
— gross	— 總額	-	-	(7,221)	7,221	-	-	
— deferred income tax	— 遞延所得稅	-	-	1,944	(1,944)	-	-	
Total transactions with owners	與股權持有人之交易總額	-	-	30,897	(164,176)	29,272	(104,007)	
Balance at 31 December 2015	於二零一五年十二月三十一日的結餘	94,064	189,218	509,922	3,117,951	27,414	3,938,569	

The notes on pages 79 to 184 are an integral part of these consolidated financial statements.

於第79至184頁之附註為此等財務報表之一部分。

綜合現金流量表

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2015
截至二零一五年十二月三十一日止年度

		Year ended 31 December 截至十二月三十一日止年度	
		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
	Note 附註		
Cash flows from operating activities	來自經營活動的現金流量		
Cash generated from operations	經營所產生之現金	1,796,526	1,118,731
Interest received	已收利息	12,775	4,836
Income tax paid	已付所得稅	(112,356)	(78,157)
Net cash generated from operating activities	經營活動所得現金淨額	1,696,945	1,045,410
Cash flows from investing activities	來自投資活動的現金流量		
Purchases of property, plant and equipment	購買物業、廠房及設備	(935,344)	(606,656)
Purchases of land use rights	購買土地使用權	(171,016)	-
Proceeds from sale of property, plant and equipment	出售物業、廠房及設備所得款項	6,665	21,798
Acquisitions of subsidiaries, net of cash and cash equivalents paid	收購附屬公司，扣除已付現金及現金等值物	(2,393)	-
Deposits for investment	投資按金	(16,756)	-
Net cash used in investing activities	投資活動所耗現金淨額	(1,118,844)	(584,858)
Cash flows from financing activities	來自融資活動的現金流量		
Proceeds from borrowings	借貸所得款項	1,542,685	416,923
Repayments of borrowings	償還借貸	(701,142)	(200,587)
Dividends paid	已付股息	(143,177)	(231,730)
Interest paid	已付利息	(234,904)	(252,687)
Proceeds from capital injection by non-controlling interests	非控制性權益注資所得款項	7,900	-
Increase in pledged bank deposits	已抵押銀行存款增加	(203,638)	(17,381)
Net cash generated from/(used in) financing activities	融資活動所得/(所耗)現金淨額	267,724	(285,462)
Net increase in cash and cash equivalents	現金及現金等值物增加淨額	845,825	175,090
Cash and cash equivalents at beginning of year	年初之現金及現金等值物	1,094,197	919,107
Cash and cash equivalents at end of the year	年終之現金及現金等值物	1,940,022	1,094,197

The notes on pages 79 to 184 are an integral part of these consolidated financial statements.

於第79至184頁之附註為此等綜合財務報表之一部分。

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2015

截至二零一五年十二月三十一日止年度

1. GENERAL INFORMATION

Texhong Textile Group Limited (the “Company”) and its subsidiaries (together the “Group”) are principally engaged in the manufacturing and sales of yarn, grey fabrics and garment fabrics as well as garments.

The Company was incorporated in the Cayman Islands on 12 July 2004 as an exempted company with limited liability under the Companies Law of Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 9 December 2004.

These consolidated financial statements are presented in Chinese Renminbi (“RMB”), unless otherwise stated. These consolidated financial statements have been approved and authorised for issue by the Board of Directors of the Company on 8 March 2016.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRS). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of buildings, financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss, which are carried at fair value.

1. 一般資料

天虹紡織集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要業務為製造及銷售紗線、坯布及面料和服裝。

本公司乃於二零零四年七月十二日在開曼群島根據開曼群島公司法註冊成立為一間獲豁免有限公司。其註冊辦事處之地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

自從二零零四年十二月九日起，本公司股份已經在香港聯合交易所有限公司(「聯交所」)主板上市。

除非另有指明，該等綜合財務報表以中國人民幣(「人民幣」)呈列。本公司董事會於二零一六年三月八日批准及授權刊發該等綜合財務報表。

2. 重要會計政策摘要

編製該等綜合財務報表採用的主要會計政策載於下文。除另有說明外，此等政策在所呈報的所有年度內已被貫徹應用。

2.1 編製基準

本公司之綜合財務報表已根據所用適用香港財務報告準則(「香港財務報告準則」)編製，綜合財務報表按照歷史成本法編製，並就按公平值計入損益之樓宇、金融資產及金融負債(包括衍生工具)的重估(均按公平值列賬)而作出修訂。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

Changes in accounting policies and disclosures

(a) *New amendments of HKFRS adopted by the Group in 2015*

The following amendments to existing standards have been adopted by the Group for the first time for the financial year beginning on 1 January 2015.

Amendment to HKAS 19 regarding defined benefit plans is effective for annual periods beginning on or after 1 July 2014. It applies to contributions from employees or third parties to defined benefit plans. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period. The amendment allows contributions that are linked to service, and do not vary with the length of employee service, to be deducted from the cost of benefits earned in the period that the service is provided. Contributions that are linked to service, and vary according to the length of employee service, must be spread over the service period using the same attribution method that is applied to the benefits.

2. 重要會計政策摘要(續)

2.1 編製基準(續)

編製符合香港財務報告準則之財務報表需要使用若干關鍵會計估計。這亦需要管理層在應用本集團會計政策過程中行使其判斷。涉及高度判斷或複雜性之範疇，或涉及對綜合財務報表屬重大假設和估計之範疇，於附註4披露。

會計政策變更及披露

(a) 本集團於二零一五年採納之香港財務報告準則新修訂

本集團於二零一五年一月一日開始之財政年度首次採納以下現有準則之修訂。

香港會計準則第19號(修訂本)有關定額福利計劃，於二零一四年七月一日或之後開始的年度期間生效。其適用於由職工或第三方向定額福利計劃供款的情況。此項修訂區分了僅與當期服務相關的供款以及與超過一段期間服務相關的供款的情況。該項修訂允許與服務相關，但是並不根據服務期限的長短而變動的供款，可以在該項服務提供期間所得福利成本中抵減。與服務相關，並且根據服務期限的長短而變動的供款，必須在服務期間內，按照與定額福利供款計劃相同的分配方法進行分攤。

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2015
截至二零一五年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Changes in accounting policies and disclosures (Continued)

(a) New amendments of HKFRS adopted by the Group in 2015 (Continued)

Annual improvements 2012 include changes from the 2010–2012 cycle of the annual improvements project, that affect 7 standards, some of which were effective and adopted by the Group in 2014 while the remaining changes as set out below are effective for annual periods beginning on or after 1 July 2014:

- HKFRS 8 ‘Operating Segments’ is amended to require disclosure of the judgements made by management in aggregating operating segments and a reconciliation of segment assets to the entity’s assets when segment assets are reported.
- HKAS 16 ‘Property, Plant and Equipment’ and HKAS 38 ‘Intangible Assets’ are both amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.
- HKAS 24 ‘Related Party Disclosures’ is amended to clarify that a reporting entity is not required to disclose the compensation paid by the management entity (as a related party) to the management entity’s employees or directors, but it is required to disclose the amounts charged to the reporting entity by the management entity for services provided.

2. 重要會計政策摘要(續)

2.1 編製基準(續)

會計政策變更及披露(續)

(a) 本集團於二零一五年採納之香港財務報告準則新修訂(續)

二零一二年年度改進，包括二零一零年至二零一二年週期的年度改進專案提出的變動，並對七項準則具有影響，其中部份已於二零一四年度生效而本集團已採納，餘下於二零一四年七月一日或之後開始之財政年度生效的變動列示如下：

- 香港財務報告準則第8號「經營分部」已作出修訂，要求披露管理層在合併經營分部時採用的判斷以及在匯報分部資產時須披露分部資產與實體資產之間的對賬。
- 香港會計準則第16號「物業、廠房及設備」及香港會計準則第38號「無形資產」已同時作出修訂，澄清當主體採納重估價模型時，總賬面價值以及累計折舊的處理方法。
- 香港會計準則第24號「關聯方披露」已作出修訂，澄清報告主體不需要披露管理公司(作為關聯方)向管理公司的員工或董事支付的報酬，但是需要披露管理公司向報告主體收取的服務費用。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Changes in accounting policies and disclosures (Continued)

(a) New amendments of HKFRS adopted by the Group in 2015 (Continued)

Annual improvements 2013 include the changes from the 2011-2013 cycle of the annual improvements project, and the following changes are effective for annual periods beginning on or after 1 July 2014:

- HKFRS 3 'Business Combinations' is amended to clarify that HKFRS 3 does not apply to the accounting for the formation of any joint arrangement under HKFRS 11 in the financial statements of the joint arrangement.
- HKFRS 13 'Fair Value Measurement' is amended to clarify that the portfolio exception in HKFRS 13, which allows an entity to measure the fair value of a group of financial assets and financial liabilities on a net basis, applies to all contracts (including non-financial contracts) within the scope of HKAS 39 or HKFRS 9.
- HKAS 40 'Investment Property' is amended to clarify the interrelationship between HKAS 40 and HKFRS 3 when classifying property as investment property or owner-occupied property.

The adoption of the above new amendments did not give rise to any significant impact on the Group's results of operations and financial position for the year ended 31 December 2015.

2. 重要會計政策摘要(續)

2.1 編製基準(續)

會計政策變更及披露(續)

(a) 本集團於二零一五年採納之香港財務報告準則新修訂(續)

二零一三年年度改進，包括二零一一年至二零一三年週期的年度改進專案提出的變動，其中的以下變動於二零一四年七月一日或之後開始之財政年度生效：

- 香港財務報告準則第3號「業務合併」已作出修訂，澄清香港財務報告準則第3號並不適用於在合營安排財務報表中對設立符合香港財務報告準則第11號規定的合營安排的會計處理。
- 香港財務報告準則第13號「公平值計量」已作出修訂，澄清香港財務報告準則第13號所允許的將一組金融資產和金融負債按照淨額基準進行公平值計量的這一例外情況，適用於所有符合香港會計準則第39號或香港財務報告準則第9號規定的合同（包括非金融合同）。
- 香港會計準則第40號「投資物業」已作出修訂，澄清於分類物業為投資物業或業主佔用物業時香港會計準則第40號及香港財務報告準則第3號之關係。

採納上述新修訂並無對本集團截至二零一五年十二月三十一日止年度的經營業績及財務狀況產生任何重大影響。

綜合財務報表附註

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For the year ended 31 December 2015
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Changes in accounting policies and disclosures (Continued)

(b) *New Hong Kong Companies Ordinance (Cap. 622)*

In addition, the requirements of Part 9 “Accounts and Audit” of the new Hong Kong Companies Ordinance (Cap. 622) come into operation during the financial year, as a result, there are changes to presentation and disclosures of certain information in the consolidated financial statements.

(c) *New standards and amendments of HKFRS issued but are not effective for the financial year beginning on 1 January 2015 and have not been early adopted by the Group*

A number of new standards and amendments to existing standards have been issued but are not yet effective for the financial year beginning on 1 January 2015, and have not been early adopted by the Group in preparing these consolidated financial statements. The Group is yet to assess the full impact of these new standards and amendments and intends to adopt them no later than the respective effective dates of these new standards and amendments. These new standards and amendments are set out below:

HKFRS 14 ‘Regulatory Deferral Accounts’, effective for annual periods beginning on or after 1 January 2016.

Amendment to HKFRS 11 ‘Accounting for Acquisitions of Interests in Joint Operations’, effective for annual periods beginning on or after 1 January 2016.

Amendments to HKAS 16 and HKAS 38 ‘Clarification of Acceptable Methods of Depreciation and Amortisation’, effective for annual periods beginning on or after 1 January 2016.

2. 重要會計政策摘要 (續)

2.1 編製基準 (續)

會計政策變更及披露 (續)

(b) 香港法例第622章新香港公司條例

此外，香港法例第622章新香港公司條例第9部「帳目及審計」之規定於本財政年度生效，因此，綜合財務報表若干資料的呈列及披露有所變動。

(c) 已頒佈但尚未於二零一五年一月一日開始之財政年度生效之香港財務報告準則之新訂準則及修訂而本集團並無提早採納

多項新訂準則及現有準則修訂已頒佈但尚未於二零一五年一月一日開始之財政年度生效，而本集團於編製此等綜合財務報表時並無提早採納。本集團尚未評估該等新訂準則及修訂之全面影響，並擬不遲於該等新訂準則及修訂各自之生效日期時予以採納。該等新訂準則及修訂列示如下：

香港財務報告準則第14號「監管遞延賬目」，於二零一六年一月一日或之後開始之財政年度生效。

香港財務報告準則第11號(修訂本)「收購合營權益」，於二零一六年一月一日或之後開始之財政年度生效。

香港會計準則第16號及香港會計準則第38號(修訂本)「澄清折舊及攤銷之可接受方法」，於二零一六年一月一日或之後開始之財政年度生效。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Changes in accounting policies and disclosures (Continued)

- (c) *New standards and amendments of HKFRS issued but are not effective for the financial year beginning on 1 January 2015 and have not been early adopted by the Group (Continued)*

Amendments to HKAS 16 and HKAS 41 'Agriculture: Bearer Plants', effective for annual periods beginning on or after 1 January 2016.

Amendments to HKFRS 10 and HKAS 28 'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture', originally intended to be effective for annual periods beginning on or after 1 January 2016. The effective date has now been deferred/removed.

Amendment to HKAS 27 'Equity Method in Separate Financial Statements', effective for annual periods beginning on or after 1 January 2016.

Annual improvements 2014 that affect the following standards: HKFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', HKFRS 7 'Financial Instruments: Disclosures', HKAS 19 'Employee Benefits' and HKAS 34 'Interim Financial Reporting', effective for annual periods beginning on or after 1 January 2016.

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 'Investment Entities: Applying the Consolidation Exception', effective for annual periods beginning on or after 1 January 2016.

2. 重要會計政策摘要(續)

2.1 編製基準(續)

會計政策變更及披露(續)

- (c) *已頒佈但尚未於二零一五年一月一日開始之財政年度生效之香港財務報告準則之新訂準則及修訂而本集團並無提早採納(續)*

香港會計準則第16號及香港會計準則第41號(修訂本)「農業：結果植物」，於二零一六年一月一日或之後開始之財政年度生效。

香港財務報告準則第10號及香港會計準則第28號(修訂本)「投資者與其聯營公司或合營企業之間出售或注入資產」，原定於二零一六年一月一日或之後開始之財政年度生效。生效日期現已延後/移除。

香港會計準則第27號(修訂本)「獨立財務報表之權益法」，於二零一六年一月一日或之後開始之財政年度生效。

二零一四年年改進影響以下準則：香港財務報告準則第5號「持作出售非流動資產及已終止經營業務」、香港財務報告準則第7號「金融工具：披露」、香港會計準則第19號「僱員福利」及香港會計準則第34號「中期財務報告」，於二零一六年一月一日或之後開始之財政年度生效。

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28號(修訂本)「投資實體：應用綜合入賬例外情況」，於二零一六年一月一日或之後開始之財政年度生效。

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2015
截至二零一五年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Changes in accounting policies and disclosures (Continued)

- (c) *New standards and amendments of HKFRS issued but are not effective for the financial year beginning on 1 January 2015 and have not been early adopted by the Group (Continued)*
Amendments to HKAS 1 'Disclosure Initiative', effective for annual periods beginning on or after 1 January 2016.

HKFRS 15 'Revenue from Contracts with Customers', effective for annual periods beginning on or after 1 January 2018.

HKFRS 9 'Financial Instruments', effective for annual periods beginning on or after 1 January 2018.

2.2 Subsidiaries

2.2.1 Consolidation

- (a) A subsidiary is an entity (including a structured entity) over which the group has control. The Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

2. 重要會計政策摘要 (續)

2.1 編製基準 (續)

會計政策變更及披露 (續)

- (c) 已頒佈但尚未於二零一五年一月一日開始之財政年度生效之香港財務報告準則之新訂準則及修訂而本集團並無提早採納 (續)
香港會計準則第1號(修訂本)「披露計劃」，於二零一六年一月一日或之後開始之財政年度生效。

香港財務報告準則第15號「來自客戶合約之收入」於二零一八年一月一日或之後開始之財政年度生效。

香港財務報告準則第9號「金融工具」於二零一八年一月一日或之後開始之財政年度生效。

2.2 附屬公司

2.2.1 綜合賬目

- (a) 附屬公司指本集團對其有控制權之實體(包括結構實體)。於本集團藉對實體之參與而面臨可變回報之風險或取得可變回報之權利，並藉對該實體行使權力而有能力影響該等回報時，則本集團控制該實體。附屬公司自控制權轉移予本集團當日起綜合入賬，並由控制權終止當日起停止綜合入賬。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

(b) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

Acquisition-related costs are expensed as incurred.

2. 重要會計政策摘要(續)

2.2 附屬公司(續)

2.2.1 綜合賬目(續)

(b) 業務合併

本集團採用收購法就業務合併入賬。收購附屬公司的轉讓代價為所轉讓資產、對被收購方前擁有人所產生負債及本集團所發行股權的公平值。轉讓代價包括或然代價安排產生的任何資產或負債的公平值。於業務合併時所收購的可識別資產及所承擔的負債及或然負債，初步按收購日的公平值計量。

本集團按逐項收購基準已確認收購對象任何非控股權益。收購對象的非控股權益為現時擁有權權益及賦予其持有人按實體資產淨值應佔比例之權益，且非控股權益於清盤時可按公平值或按已確認收購對象可識別資產淨值中現時擁有權之比例計量。非控股權益之所有其他部分乃按彼等之收購日期公平值計量，惟按香港財務報告準則要求之另一計量基準除外。

收購相關成本於產生時支銷。

綜合財務報表附註

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截至二零一五年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

(b) Business combinations (Continued)

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

2. 重要會計政策摘要(續)

2.2 附屬公司(續)

2.2.1 綜合賬目(續)

(b) 業務合併(續)

若業務合併分階段進行，則收購方先前所持被收購方權益於收購日期的賬面值按收購日期公平值重新計量，源於有關重新估值之任何收益或虧損於損益中確認。

集團所轉讓的任何或然代價於收購日期按公平值確認。或然代價(視作一項資產或負債)公平值的其後變動根據香港會計準則第39號於損益確認，或計作其他全面收益變動。歸類為權益而並無重新計量之或然代價及其後續償付於權益中入賬。

所轉讓代價、被收購方的任何非控制性權益金額及任何先前於被收購方的股權於收購日期的公平值高於所收購可辨認資產淨值的公平值時，其差額以商譽列賬。就議價購買而言，如轉讓代價、已確認非控制性權益及先前持有的權益計量總額低於所收購附屬公司資產淨值的公平值，其差額將直接在收益表中確認。

綜合財務報表附註

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截至二零一五年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

(b) Business combinations (Continued)

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the group's accounting policies.

(c) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2. 重要會計政策摘要(續)

2.2 附屬公司(續)

2.2.1 綜合賬目(續)

(b) 業務合併(續)

集團內部交易、結存及集團內公司間的交易之未變現收益，均予以對銷。未變現虧損亦予撇銷，除非文易提供已轉讓資產的減值證據。如有需要，附屬公司所呈報之金額已經調整，以貫徹本集團之會計政策。

(c) 不導致控制權改變之附屬公司所有者權益變動

不導致失去控制權之非控制性權益交易入賬列作權益交易，即以彼等為擁有人之身分與擁有人進行交易。任何已付代價公平值與所收購相關應佔附屬公司資產淨值賬面值之差額於權益入賬。向非控制性權益出售之盈虧亦於權益入賬。

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2015

截至二零一五年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

(d) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.2.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

Impairment testing of the investments in subsidiaries is also required according to Note 2.8.

2. 重要會計政策摘要(續)

2.2 附屬公司(續)

2.2.1 綜合賬目(續)

(d) 出售附屬公司

本集團失去控制權時，於實體之任何保留權益按失去控制權當日之公平值重新計量，有關賬面值變動在損益確認。就其後入賬列作聯營公司、合營企業或金融資產之保留權益，其公平值為初始賬面值。此外，先前於其他全面收益確認與該實體有關之任何金額，按猶如本集團已直接出售有關資產或負債之方式入賬。此可能意味先前在其他全面收益確認之金額重新分類至損益。

2.2.2 獨立財務報表

於附屬公司的投資乃按成本扣除減值入賬。成本亦包括投資直接應佔成本。附屬公司業績由本公司按已收及應收股息基準入賬。

倘自附屬公司收取的股息超出宣派股息期間該附屬公司的全面收益總額，或倘獨立財務報表的投資賬面值超出合併財務報表所示被投資公司資產淨值(包括商譽)的賬面值，則於自該等投資收取股息時須對於該等附屬公司的投資進行減值測試。

於附屬公司的投資亦需根據附註2.8所述進行減值測試。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carry amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

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

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit of investments accounted for using equity method' in the consolidated income statement.

2. 重要會計政策摘要(續)

2.3 聯營公司

聯營公司指所有本集團對其有重大影響力而無控制權之實體，通常附帶有20%至50%投票權之股權。聯營公司投資以權益會計法入賬。根據權益法，投資初始以成本確認，而賬面值則予以增加或減少，以確認投資者在收購日期後佔被投資方損益之比例。本集團於聯營公司之投資包括收購時識別之商譽。收購聯營公司之擁有權權益時，聯營公司之成本與集團應佔聯營公司可識別資產及負債公平淨值間之差額入賬為商譽。

如果對聯營公司的擁有權減少但仍存在重大影響，則先前於其他全面收益確認的金額僅有按比例計算的份額重新分類至損益(如適用)。

本集團收購後應佔的溢利或虧損於收益表內確認，而收購後應佔其他全面收益變動於其他全面收益確認，並就投資賬面值作相應調整。倘本集團應佔聯營公司的虧損等於或超逾所持聯營公司的權益(包括任何其他無抵押應收款項)，除非本集團承擔法定或推定責任或已代聯營公司付款，否則不會確認進一步虧損。

本集團在每個報告日期釐定於聯營公司的投資是否存在客觀減值證據。一旦存在減值證據，本集團會按聯營公司可收回金額與其賬面值之間的差額計算減值金額，並於綜合收益表「應佔以權益法入賬之投資」確認有關金額。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Associates (Continued)

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

Gains or losses on dilution of equity interests in associates are recognised in the consolidated income statement.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Committee of Executive Directors of the Company that makes strategic decisions.

2. 重要會計政策摘要(續)

2.3 聯營公司(續)

本集團及其聯營公司之間之上游及下游交易所產生溢利及虧損於本集團財務報表確認，惟僅以非關連投資者於聯營公司之權益為限。除非有關交易提供已轉讓資產減值證據，否則未變現虧損予以對銷。在必要的時候，聯營公司的會計政策會作出改變，以確保與本集團所採納的政策保持一致。

聯營公司股權被攤薄時之盈虧於綜合收益表確認。

2.4 分部報告

經營分部以向主要經營決策者提供內部呈報一致的形式呈報。負責分配資源及評估經營分部表現之主要經營決策者已確定為作出策略決策之本公司之執行董事委員會。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RMB, which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated income statement within 'finance costs – net'. All other foreign exchange gains and losses are presented in the consolidated income statement within 'other losses – net'.

Changes in the fair value of debt securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

2. 重要會計政策摘要(續)

2.5 外幣換算

(a) 功能及呈報貨幣

本集團旗下每個實體之財務報表所包括之項目，均以該實體之主要營運地區之貨幣(「功能貨幣」)計算。本綜合財務報表乃以人民幣呈報，人民幣為本公司功能貨幣及本集團呈報貨幣。

(b) 交易及結餘

外幣交易均按交易當日或估值當日(倘項目再計量)之匯率換算為功能貨幣。此等交易結算以及按年結日之匯率換算外幣資產和負債而產生的匯兌收益及虧損，均於綜合收益表內確認。

有關借貸和現金及現金等值物之匯兌收益及虧損於綜合收益表中「財務費用—淨額」一項中呈列。所有其他匯兌收益及虧損於綜合收益表中「其他虧損—淨額」中呈列。

以外幣為單位且分類為可供出售的債務證券的公平值變動，按照證券的攤銷成本變動以及該證券賬面值的其他變動所產生的匯兌差額分析。與攤銷成本變動有關的匯兌差額於損益內確認，而賬面值的其他變動於其他全面收益內確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Foreign currency translation (Continued)

(b) Transactions and balances (Continued)

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

(c) Group companies

The results and financial position of all the Group's entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each consolidated income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

2. 重要會計政策摘要(續)

2.5 外幣換算(續)

(b) 交易及結餘(續)

非貨幣財務資產及負債(例如按公平值計入損益之股本)之匯兌差額於損益內確認為公平值盈虧之一部份。非貨幣財務資產(例如分類為可供出售之股本)之匯兌差額計入其他全面收益內。

(c) 集團公司

功能貨幣與呈報貨幣不同的所有本集團內實體(當中沒有嚴重通脹貨幣)的業績和財務狀況按如下方法換算為呈報貨幣：

- (i) 每份呈報的資產負債表內的資產和負債按該資產負債表日期的收市匯率換算；
- (ii) 每份綜合收益表內的收入和費用按平均匯率換算(除非此平均匯率並不代表交易日期匯率的累計影響的合理約數；在此情況下，收支項目按交易日期的匯率換算)；及
- (iii) 所有由此產生的貨幣兌換差額於其他全面收益內確認。

收購國外實體產生之商譽及公平值調整，作為國外實體之資產及負債處理，並按收市匯率兌換。所產生之貨幣兌換差額於其他全面收入確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Property, plant and equipment

Buildings comprise mainly factories and offices. Buildings are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Increases in the carrying amount arising on revaluation of buildings are recognised in other comprehensive income. Decreases that offset previous increases of the same asset are charged to other comprehensive income; all other decreases are charged to the consolidated income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the consolidated income statement and depreciation based on the asset's original cost is transferred from 'revaluation reserve' to 'retained earnings'.

2. 重要會計政策摘要(續)

2.6 物業、廠房及設備

樓宇主要包括工廠和辦公室。樓宇根據外部獨立估值師定期(但最少每三年一次)進行的估值按公平值減其後的折舊列賬。在重估日期的任何累計折舊與資產的賬面值總額對銷，而淨額則重列至資產的重估金額。所有其他物業、廠房及設備按歷史成本減折舊列賬。歷史成本包括收購該等項目直接應佔的開支。

只有在與項目相關的未來經濟效益有可能流入本集團，並能夠可靠地計量項目成本的情況下，本集團才會將其後成本計入為資產賬面值之一部分或確認為獨立資產項目(如適用)。所替換之部分的賬面值乃撇除確認。所有其他維護及保養費用均需於產生時於該財務期間之綜合收益表扣除。

樓宇重估後之賬面增值於其他全面收益確認。與同一資產先前增值對銷的減值部分，於其他全面收益中扣除；餘下之所有減值額則於綜合收益表內扣除。每年，根據於綜合收益表扣除之資產的重估賬面值得出之折舊，與根據資產原來成本得出之折舊的差額乃從「重估儲備」撥轉至「保留溢利」。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Property, plant and equipment (Continued)

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their costs or revalued amounts to their residual values over their estimated useful lives, as follows:

– Buildings	15 to 40 years
– Machinery and equipment	6 to 15 years
– Furniture and fixtures	3 to 10 years
– Motor vehicles	5 to 7 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.8).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other losses – net' in the consolidated income statement.

When revalued assets are sold, the amounts included in revaluation reserve are transferred to retained earnings.

Construction-in-progress, representing buildings on which construction work has not been completed and machinery pending installation, is stated at cost, which includes construction expenditures incurred, cost of machinery, interest capitalised and other direct costs capitalised during the construction and installation period, less accumulated impairment losses, if any. No depreciation is provided in respect of construction-in-progress until the construction and installation work is completed and put into use. On completion, construction-in-progress is transferred to appropriate categories of property, plant and equipment.

2. 重要會計政策摘要 (續)

2.6 物業、廠房及設備 (續)

物業、廠房及設備的折舊以直線法計算，以分配其成本值或重估值至其於估計可使用年期之剩餘價值如下：

— 樓宇	15至40年
— 機器及設備	6至15年
— 傢俬及裝置	3至10年
— 汽車	5至7年

本集團在各報告期末重檢資產的剩餘價值及可使用年期，並已按適當情況作出調整。

倘資產的賬面值大於其估計可收回金額，資產的賬面值即時撇減至其可收回金額(附註2.8)。

出售之盈利及虧損是按出售所得款項與有關資產賬面值之差額而釐定，並於綜合收益表中「其他虧損 – 淨額」中確認。

重估資產售出後，重估儲備內的金額轉移至保留溢利。

在建工程指未完成建築工程的樓宇及未安裝的機器，按成本入賬，包括所產生建築開支、機器成本、資本化利息及建築與安裝期間其他直接資本化成本，而扣減累計減值虧損(如有)。於建築及安裝工程完成及投入使用前不會就在建工程作出折舊。當工程完成後，在建工程轉撥至適當物業、廠房及設備類別。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Freehold land and land use rights
Freehold land is not amortized.

The premiums paid to acquire land use rights are recorded as prepayment for operating lease, and are amortised using the straight-line method over the period of the land use rights of 45 to 50 years.

2.8 Impairment of investments in subsidiaries, associates and non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2. 重要會計政策摘要(續)

2.7 永久產權土地及土地使用權
永久產權土地並無攤銷。

就收購土地使用權支付的溢價視作經營租賃的預付款項，並按直線法於土地使用權的45至50年期間內攤銷。

2.8 附屬公司及聯營公司的投資及非金融資產減值

可使用年期不確定之資產不予攤銷並每年進行減值測試。當任何事件發生或環境變化預示其賬面值可能無法收回時，會對須予攤銷之資產進行減值測試。若某項資產的賬面值超過其可收回金額時，會就其差額確認減值虧損。資產的可收回金額為公平值減出售成本與其可使用價值中較高者。評估資產減值時，資產按可單獨分辨的最小現金流量(現金產生單位)予以分類。除商譽外減值的非金融資產將於各報告日期檢討撥回減值的可能性。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Financial assets

2.9.1 Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets are acquired. Management determines the classification of its financial assets at initial recognition.

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

(b) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period which are classified as non-current assets. The Group's loans and receivables comprise 'trade and bills receivables', deposits and other receivables' and 'cash and cash equivalents' in the balance sheet (Notes 2.15 and 2.16).

2. 重要會計政策摘要 (續)

2.9 金融資產

2.9.1 分類

本集團將其金融資產分類為以下類別：以公平值計量且其變動計入損益的金融資產和貸款及應收款項。分類視乎購入金融資產的目的而定。管理層在初始確認時釐定金融資產的分類。

(a) *以公平值計量且其變動計入損益的金融資產*

以公平值計量且其變動計入損益的金融資產為持作買賣的金融資產。倘購入之主要目的為於短期內出售，則金融資產會分類為此類別。衍生工具亦分類為持作買賣，惟彼等獲指定為對沖除外。倘該類別之資產預期將於12個月內結算，則分類為流動資產；否則分類為非流動資產。

(b) *貸款及應收款項*

貸款及應收款項為有固定或可確定付款額且沒有在活躍市場上報價的非衍生金融資產。此等項目包括在流動資產內，但將於或預期將於報告期末起計超過12個月結算的數額則分類為「非流動資產」。本集團的貸款及應收款項由資產負債表「應收貿易及票據款項」、「按金及其他應收賬款」及「現金及現金等值物」組成(附註2.15及2.16)。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Financial assets (Continued)

2.9.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the consolidated income statement within 'other losses – net', in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the consolidated income statement as part of 'other income' when the Group's right to receive payments is established.

2. 重要會計政策摘要(續)

2.9 金融資產(續)

2.9.2 確認和計量

常規購買及出售的金融資產在交易日確認 — 交易日指本集團承諾購買或出售該資產之日。對於所有並非以公平值計量且其變動並非計入損益的金融資產，其投資初始按其公平值加交易成本確認。以公平值計量且其變動計入損益的金融資產初始按公平值確認，交易成本則於綜合收益表內列為開支。當從投資收取現金流量的權利已到期或已轉讓，而本集團已實質上將所有權的所有風險和報酬轉讓時，金融資產即終止確認。以公平值計量且其變動計入損益的金融資產其後按公平值列賬。貸款及應收款項其後利用實際利率法按攤銷成本列賬。

「以公平值計量且其變動計入損益的金融資產」此類別因公平值變動而產生的收益或虧損，會於產生期間在綜合收益表的「其他虧損 — 淨額」內呈列。以公平值計量且其變動計入損益的金融資產的股息收入，在本集團收取付款的權利確立時，於綜合收益表確認為其他收入部分。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.11 Impairment of financial assets

Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2. 重要會計政策摘要 (續)

2.10 抵銷金融工具

當有可合法強制執行權力抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產及結算負債時，金融資產與負債可互相抵銷，並在資產負債表呈報有關淨額。可合法強制執行權利不得取決於未來事件而定，且須在一般業務過程中以及倘本公司或對手方一旦出現拖欠還款、無償債能力或破產時可強制執行。

2.11 金融資產減值

按攤銷成本列賬之資產

本集團會於各報告期末評估是否有客觀證據顯示某一項金融資產或某一組金融資產已減值。當有客觀證據顯示於初次確認資產後曾發生一宗或多宗導致減值的事件（「虧損事件」），而該宗或該等虧損事件對該項或該組金融資產的估計未來現金流量構成能可靠地估計的影響，則該項或該組金融資產已減值及產生減值虧損。

減值證據可包括有跡象顯示債務人或一組債務人遇上嚴重財政困難、拖欠款項或逾期償還利息或本金、債務人可能破產或進行其他財務重組，以及有可觀察數據顯示估計未來現金流量有可計量的下跌，例如與違約有相互關連的拖欠情況或經濟狀況改變。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**2.11 Impairment of financial assets (Continued)****Assets carried at amortised cost***(Continued)*

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

2.12 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designed as a hedging instrument, and if so, the nature of item being hedged. Derivative instruments held by the Group do not qualify for hedge accounting and are accounted for at fair value through profit or loss. Changes in fair value of these derivative instruments that do not qualify for hedge accounting are recognised immediately in the consolidated income statement within 'other losses – net'.

2. 重要會計政策摘要(續)**2.11 金融資產減值(續)****按攤銷成本列賬之資產(續)**

就貸款及應收賬款而言，虧損的金額乃以資產的賬面值與按金融資產原定實際利率貼現之估計未來現金流量現值(不包括尚未產生之未來信貸虧損)之差額計算。資產賬面值減少，而虧損金額則於綜合收益表內確認。倘貸款以浮動利率計息，則用作計量任何減值虧損的貼現率為根據合約釐定的當期實際利率。在實際運作上，本集團可採用可觀察市價按工具的公平值為基準計量減值。

倘於其後期間減值虧損金額下跌，而下跌在客觀上與一項於確認減值後發生之事件(如債務人之信貸評級改善)有關，則先前已確認之減值虧損撥回會於綜合收益表內確認。

2.12 衍生金融工具

衍生工具最初於訂立衍生工具合同當日按公平值確認，其後按公平值重新計量。確認所得盈虧方法，取決於衍生工具是否界定為對沖工具及倘屬對沖工具，則取決於被對沖項目性質。本集團持有之衍生工具並不符合對沖會計所指的衍生工具，並透過損益以公平值列賬。任何不符合對沖會計的衍生工具的公平值變動，會即時於綜合收益表中「其他虧損—淨額」確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Government grants/subsidies

Grants/subsidies from government authorities are recognised at their fair value where there is a reasonable assurance that the grant/subsidies will be received and the Group will comply with all attached conditions.

Government grants/subsidies relating to assets are presented in the balance sheet by deducting the grant in arriving at the carrying amount of the asset.

Government grants/subsidies relating to compensation for relocation are deferred and recognised in the income statements over the period when the relocation takes place.

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.15 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2. 重要會計政策摘要 (續)

2.13 政府補助／補貼

假若可合理地確定本集團將獲得政府補助／補貼，以及符合所有附帶之條件，政府補助／補貼以公平值確認入賬。

與資產有關之政府補助／補貼乃於扣減補助以得出資產賬面值後在資產負債表呈列。

有關搬遷賠償之政府補助／補貼遞延處理，並於搬遷進行之期間在損益表中確認。

2.14 存貨

存貨以成本或可變現淨值兩者之較低者入賬。成本以加權平均法釐定。製成品及在製品之成本包括原材料、直接勞工、其他直接成本及相關間接生產成本（按一般營運能力）。這不包括借貸成本。可變現淨值則以日常業務過程中估計出售價格減應用可變銷售開支計算。

2.15 應收貿易款項及其他應收賬款

應收貿易款項為在日常業務過程中就售出商品或所提供服務應收客戶之款項。倘應收貿易款項及其他應收賬款預期可於一年或之內收款（或倘時間更長，則在業務正常營運周期），則分類為流動資產。倘未能於一年或之內收款，則以非流動資產呈列。

應收貿易款項及其他應收賬款最初按公平值確認，其後以實際利率法按攤銷成本減減值撥備計量。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.16 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

2.17 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.18 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.19 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2. 重要會計政策摘要(續)

2.16 現金及現金等值物

在綜合現金流量表中，現金及現金等值物包括手頭現金、銀行通知存款、其他到期日為三個月或以下的短期高流動性投資及銀行透支。

2.17 股本

普通股分類為權益。

與發行新股或購股權直接有關的增量成本，列入權益作為所得款項的減值(扣除稅項)。

2.18 應付貿易款項

應付貿易款項為在日常業務過程中自供應商收購商品或服務之付款責任。倘應付賬款於一年或之內到期(或倘時間更長，則在業務正常營運周期)，則分類為流動負債。倘並非於一年或之內到期，則以非流動負債呈列。

應付貿易款項最初按公平值確認，其後以實際利率法按攤銷成本計量。

2.19 借貸

借貸最初按公平值(扣除已產生之交易成本)確認。借貸其後按攤銷成本列賬，如扣除交易成本後之所得款項及贖回價值出現差額，則於借貸期內以實際利率法在綜合收益表內確認。

除非本集團有權無條件將債務結算日期遞延至報告期末後至少十二個月，否則借貸分類為流動負債。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Borrowing costs

General and specific 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.

2.21 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2. 重要會計政策摘要 (續)

2.20 借貸成本

直接歸屬於購建或生產合資格資產(該等資產需經較長時間方能達至擬定用途或出售狀態)的一般及特定借款成本，計入該等資產之成本，直至大致達至其擬定用途或出售狀態為止。

在特定借貸撥作合資格資產支出前之暫時投資所賺取之投資收入，須自合資格資本化之借貸成本中扣除。

所有其他借貸成本於其產生期間於損益確認。

2.21 即期及遞延所得稅

期內稅項開支包括即期及遞延稅項。稅項在綜合收益表中確認，除非其涉及其他全面收益或直接在權益中確認之項目。在此情況下，稅項亦分別在其他全面收益或直接在權益中確認。

(a) 即期所得稅

即期所得稅費用根據於結算日本公司之附屬公司經營並獲得應課稅收入所在的國家已經頒佈或實際上已頒佈的稅法計算。管理層定期評估適用稅法規定之情況下的納稅申報情況，並且就應付稅務機關的金額作出適當撥備。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Current and deferred income tax (Continued)

(b) Deferred income tax

Inside basis differences

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill and deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2. 重要會計政策摘要(續)

2.21 即期及遞延所得稅(續)

(b) 遞延所得稅

內在基準差異

遞延所得稅以負債法就資產及負債的評稅基準與其於綜合財務報表內的賬面值兩者間的暫時差異予以確認。然而，倘遞延稅項負債源自初步確認商譽則不予確認。此外，倘遞延所得稅來自進行交易時初始確認的資產或負債(如屬業務合併則除外)而於進行交易之時並不影響會計或應課稅溢利或虧損，則不確認遞延所得稅。遞延所得稅乃根據於結算日前已頒佈或實際上已頒佈而預期當有關遞延所得稅資產已變現後或遞延所得稅負債已清償後將應用的有關稅率(及法例)釐定。

遞延所得稅資產只會在未來應課稅溢利有可能用作抵銷暫時差異時才會確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Current and deferred income tax (Continued)

(b) Deferred income tax (Continued)
Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from associate's undistributed profits is not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries and associates only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

2. 重要會計政策摘要 (續)

2.21 即期及遞延所得稅 (續)

(b) 遞延所得稅 (續)

外在基準差異

遞延所得稅負債須就投資於附屬公司及聯營公司而引致的應課稅暫時差異作出撥備，惟集團可控制暫時差異會在何時轉回，且暫時差異很可能不會在可見的未來轉回的遞延所得稅負債則除外。本集團一般無法控制聯營公司臨時差異之撥回，僅於可見將來訂立協議賦予本集團能力，可控制臨時差異之撥回，源於聯營公司未分派溢利之應課稅臨時差異之遞延稅項負債不予確認。

僅於暫時差額可能將於日後撥回，且有充足之應課稅溢利而動用暫時差額，方會就於附屬公司及聯營公司投資產生之可扣減暫時差額，確認遞延所得稅資產。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Pension obligations (defined contribution plans)

A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. The group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(c) Bonus plan

The Group recognises a provision for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

2. 重要會計政策摘要(續)

2.22 僱員福利

(a) 僱員所享有假期

僱員所享有的年假當僱員可享有時確認，並因應僱員截至結算日所提供服務而就年假的估計承擔金額作出撥備。僱員所享有的病期及產假於休假時方會確認。

(b) 退休金承擔(定額供款計劃)

界定供款計劃為一項本集團向一個獨立實體支付固定供款之退休金計劃。倘該基金並無持有足夠資產，向所有僱員就其在當期及以往期間之僱用服務提供福利，則本集團亦無法定或推定責任作出進一步供款。

本集團以強制、合約或自願基準向公營或私營管理的退休保險計劃作出供款。一旦作出供款，本集團並無進一步付款責任。該等供款於到期時確認為僱員福利開支。預繳供款確認為資產，惟須以可獲現金退款或扣減日後供款為限。

(c) 花紅計劃

本集團於合同規定或由過往做法產生推定責任時就花紅確認撥備。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Share-based payments

Equity-settled share-based payment transactions

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holding shares for a specified period of time).

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (and share premium).

2. 重要會計政策摘要(續)

2.23 以股份為基礎之付款

以權益結算以股份為基礎之付款交易

本集團設有一項以權益結算以股份為基礎之酬金計劃，據此，實體視僱員所提供服務為本集團權益工具(購股權)的代價。僱員就獲授購股權所提供服務的公平值確認為開支。將予支銷總金額參照所授出購股權的公平值而釐定：

- 包括任何市場表現條件，例如實體的股價；
- 不包括任何服務及非市場表現歸屬條件的影響，例如盈利能力、銷售增長目標及在特定時限內留聘實體僱員；及
- 包括任何非歸屬條件的影響，例如在特定時限內規定僱員儲蓄或持有股份。

於各報告期末，本集團根據非市場表現及服務條件修訂對預期歸屬之購股權數目所作之估計，並在收益表確認修訂原來估計產生之影響(如有)，並對權益作出相應調整。

此外，在部分情況下，僱員可在授出日期之前提供服務，故授出日期的公平值就確認服務開始期與授出日期的期間內的開支作出估計。

本公司於購股權獲行使時發行新股份。所收款項(扣除任何直接應計交易成本)會撥入股本(及股份溢價)。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.24 Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.25 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimates of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

2. 重要會計政策摘要(續)

2.24 撥備

倘本集團因過往事件而有現時法律或推定責任，並可能須動用資源履行有關責任，且能可靠估計相關金額，則確認撥備。撥備不就未來營運虧損確認。

如有多項類似責任，其需要在償付中流出資源的可能性根據責任的類別整體考慮。即使同一責任類別所包含的任何一個項目相關的資源流出的可能性極低，仍須確認撥備。

撥備以預期用以償付責任的開支，按反映當時市場對金錢時間價值的評估及該責任的特有風險的稅前費率計算的現值計量。因時間過去而增加的撥備確認為利息開支。

2.25 收入確認

收入按已收或應收代價之公平值計量，並包括出售的貨品及已供應的服務的款項，以扣除回扣及增值稅後金額列值。當收入的數額能夠可靠計量、未來經濟利益有可能流入有關實體，而本集團每項活動均符合具體條件時(如下文所述)，本集團便會確認收入。本集團會根據其往績並考慮客戶類別、交易種類和每項安排的特點作出回扣估計。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Revenue recognition (Continued)

(a) Sales of goods

Sales of goods are recognised when a Group entity has delivered products to the customer and the risk and reward of the goods has been transferred, the customer has accepted the products and collectibility of the related receivables is reasonably assured.

(b) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income.

2.26 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

2. 重要會計政策摘要(續)

2.25 收入確認(續)

(a) 貨品銷售

貨品銷售在本集團實體已將貨品交付予顧客及貨品的風險及回報已轉移後，顧客接收產品後，以及有關應收款項的收回可合理確保時確認。

(b) 利息收入

利息收入採用實際利率法按時間比例基準確認。倘貸款及應收款項已減值，本集團將賬面值削減至可收回金額，即按該工具之原有效利率折現之估計未來現金流量，並繼續解除折現，作為利息收入。

2.26 租賃

凡擁有權的大部分風險及回報仍歸出租人所有的租賃，均列作經營租賃。根據經營租賃的付款(扣除出租人給予的任何優惠)在租期內以直線基準自損益表扣除。

本集團租賃若干物業、廠房及設備。如本集團大致上承受擁有權的所有風險和回報，則物業、廠房及設備的租賃歸類為融資租賃。融資租賃在租賃開始時，按租賃物業的公平值與最低租賃付款現值兩者之中較低者資本化。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.26 Leases (Continued)

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in finance lease obligations. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

2.27 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, when appropriate.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain of its risk exposures on changes in interest rates.

2. 重要會計政策摘要(續)

2.26 租賃(續)

每項租金均分攤為負債及財務支出。相應租金責任在扣除財務支出後計入融資租賃承擔。財務成本的利息部分於租賃期內在損益表中支銷，以計算出每期剩餘負債的固定周期利率。根據融資租賃而獲得的物業、廠房及設備按資產的使用年期與租賃期兩者之中較短者進行折舊。

2.27 股息分派

向本公司股東分派的股息在股息獲本公司股東或董事(倘適用)批准的期間於本集團及本公司的財務報表內確認為負債。

3 財務風險管理

3.1 財務風險因素

本集團的業務面對多種財務風險：市場風險(包括外匯風險、價格風險、現金流量及公平值利率風險)、信貸風險及流動資金風險。本集團的風險管理著重金融市場的不可預計因素，並尋求將可能對本集團財政表現產生負面影響的因素降至最低。本集團利用衍生金融工具以對沖利率變動而產生的若干風險。

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3. FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(a) Market risk

(i) Foreign exchange risk

The Group mainly operates in Mainland China and Vietnam. Most of the Group's transactions, assets and liabilities are dominated in RMB or United States dollars ("USD"). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. The Group is exposed to foreign exchange risk primarily through the bank borrowings that are denominated in a currency other than the functional currency of the Company and its subsidiaries. It manages its foreign exchange risks by performing regular review and monitoring of its foreign exchange exposures and purchase of foreign currency forward contracts (Note 18). In 2015, the Group has entered into the forward exchange contracts to manage the expected depreciation of RMB against USD.

At 31 December 2015, if RMB had weakened/strengthened by 6.1% against USD with all other variable held constant, post-tax profit for the year would have been RMB228,731,000 (2014: RMB324,291,000) lower/higher, mainly as a result of the net foreign exchange losses/gains on translation of USD-denominated pledged bank deposits, cash and cash equivalents, trade and bills receivables, trade and bills payables, finance lease obligations and borrowings.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險

(i) 外匯風險

本集團主要在中國大陸及越南營運。本集團大部分交易、資產及負債以人民幣或美元(「美元」)計值。外匯風險來自於未來海外業務中的商業貿易、已確認資產及負債及投資淨額。本集團主要因非以本公司及其附屬公司之功能貨幣結算之銀行借貸而面對外匯風險。本集團進行定期檢討及監察其外匯敞口和購買遠期外匯合約(附註18)以管理其外匯風險。於二零一五年，本集團已簽訂遠期外匯合約以管理人民幣兌美元的預期貶值。

於二零一五年十二月三十一日，倘人民幣兌美元的匯率貶值／升值6.1%，而所有其他可變因素維持不變，則年內稅後溢利將會減少／增加人民幣228,731,000元(二零一四年：人民幣324,291,000元)，主要由於匯兌以美元列示的已抵押銀行存款、現金及現金等值物、應收貿易及票據款項、應付貿易及票據款項、融資租賃承擔以及借貸產生的外匯虧損／收益淨額所致。

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3. FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Price risk

The Group is exposed to raw material price risk because of the volatility of the price of main raw material, cotton. The management of the Group analyze the trend of raw material price on weekly basis. To manage its price risk, the Group may decide to enter long term contracts to mitigate the impact from raw material price changes, and diversify the suppliers if they expect significant fluctuation in the future.

(iii) Cash flow and fair value interest rate risk

Except for pledged bank deposits and cash at bank (Note 13), the Group has no significant interest-bearing assets. The Group's income and operating cash flows are substantially independent of changes in market interest rates. Management does not anticipate significant impact resulted from changes in interest rates on interest bearing assets.

The Group's interest-rate risk arises from borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest-rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest-rate risk. As at 31 December 2015, approximately 80% (2014: 81%) of the Group's borrowings were at fixed rates and the remaining were at floating rates.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 價格風險

本集團所面對的原材料價格風險乃由於主要原材料 — 棉花的價格波動所致。本集團管理層每週分析原材料的價格趨勢。倘彼等預期日後將出現大幅波動，為控制該價格風險，本集團可決定訂立長期合約，以降低原材料價格變動及供應商分散的影響。

(iii) 現金流量及公平值利率風險

除已抵押銀行存款及銀行現金(附註13)外，本集團並無其他重大計息資產。大部分本集團的收入及經營現金流量均獨立於市場利率變動。管理層預期計息資產的利率變動將不會產生重大影響。

本集團的利率風險來自借貸。按浮息計息的借貸令本集團面對現金流量利率風險，按定息計息的借貸則令本集團面對公平值利率風險。於二零一五年十二月三十一日，本集團約80%(二零一四年：81%)之借貸為定息，其餘為浮息。

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3. FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(iii) Cash flow and fair value interest rate risk (Continued)

The Group manages certain of its cash flow and fair value interest rate risk by purchasing interest swap contracts. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates or from fixed rates to floating rates. As at 31 December 2015, the Group converted borrowings of RMB178,574,000 (2014: RMB271,600,000) and finance lease obligation of RMB227,276,000 (2014: RMB275,355,000) from floating rate to fixed rate and converted borrowings of RMB1,009,846,000 (2014: RMB1,147,313,000) from fixed rate to floating rate through interest rate swap (Note 18).

As at 31 December 2015, if interest rates on USD-denominated borrowings had been 1 percentage point lower/higher with all other variables held constant, post-tax profit for the year would have been RMB210,000 (2014: RMB190,000) higher/lower, mainly as a result of lower/higher interest expense on floating rate borrowings.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(iii) 現金流量及公平值利率風險(續)

本集團透過購買利率掉期合約而管理其若干現金流量及公平值利率風險。利率掉期之經濟影響為將借貸由浮息轉為定息或由定息轉為浮息。於二零一五年十二月三十一日，本集團將人民幣178,574,000元(二零一四年：人民幣271,600,000元)之借貸及財務租賃承擔人民幣227,276,000元(二零一四年：人民幣275,355,000元)透過利率掉期由浮息轉為定息，並將人民幣1,009,846,000元(二零一四年：人民幣1,147,313,000元)之借貸由定息轉為浮息(附註18)。

於二零一五年十二月三十一日，倘以美元列示的借貸利率下跌／上升1個百分點，而所有其他可變因素維持不變，則年內稅後溢利將增加／減少人民幣210,000元(二零一四年：人民幣190,000元)，主要由於浮息借貸的利息開支減少／增加所致。

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3. FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

The Group has more than 3,000 customers and does not rely on the orders from certain customers. So the Group has no significant concentration of credit risk. The carrying amounts of pledged bank deposits, cash and cash equivalents, trade and bills receivables and prepayments, deposits and other receivables represent the Group's maximum exposure to credit risk in relation to its financial assets.

The Group generally grants credit terms of less than 90 days to its customers in Mainland China and 120 days to its customers in other countries. The Group's management performs periodic credit evaluations/reviews of its customers and ensure that sales are made to customers with an appropriate credit history. The Group places deposits with major banks in Mainland China and Hong Kong, and limits the amount of credit exposure to any financial institution.

To lower the Group's exposure to credit risk, the Group may request 5% deposits from certain of their customers before delivery of goods. In addition, 100% (2014:100%) of the bills receivable of the Group are endorsed by banks as at 31 December 2015.

The Group believes that adequate provision for doubtful debts has been made in the consolidated financial statements. To the extent that information is available, management has properly reflected revised estimates of expected future cash flows in their impairment assessments.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

本集團有超過3,000名客戶，並不倚賴若干客戶的訂單。故此，本集團並無重大集中信貸風險。已抵押銀行存款、現金及現金等值物、應收貿易及票據款項以及預付款項、按金及其他應收賬款的賬面值指本集團就其金融資產所須面對的最大信貸風險。

本集團通常授出少於90日的信貸期予中國內地的客戶，以及授出少於120日的信貸期予其他國家的客戶。本集團管理層定期對其客戶進行信貸評估/檢討，並確保僅向具良好信貸記錄之客戶銷貨。本集團將存款存於中國大陸及香港的主要銀行，並限制承擔任何一間金融機構的信貸風險。

為降低本集團所面對之信貸風險，本集團可能在交付貨品前要求若干客戶提供5%之按金。另外，於二零一五年十二月三十一日，100% (二零一四年：100%) 之本集團應收票據由銀行背書。

本集團相信已在綜合財務報表中就呆賬作出充足撥備。管理層根據現有資料，已在其減值評估中妥善反映預期未來現金流量的經修訂估計。

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3. FINANCIAL RISK MANAGEMENT

(Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group aims to maintain flexibility in funding by keeping committed credit lines available. Details of the undrawn borrowing facilities available to the Group are disclosed in Note 17 to the consolidated financial statements.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險

本集團採取審慎的流動資金風險管理，透過高質素的充裕信貸融資保持足夠現金及可動用的資金。本集團旨在透過維持充裕信貸融資，以保持資金之靈活彈性。有關本集團的未動用借貸融資詳情於綜合財務報表附註17中披露。

下表載列本集團的金融負債分析，此乃按相關到期組別並根據由結算日至合約到期日的剩餘期間進行分析。表內披露的金額為合約性未貼現的現金流量。

		Less than 1 year 少於一年 RMB'000 人民幣千元	Between 1 and 2 years 一年至兩年 RMB'000 人民幣千元	Between 2 and 5 years 兩年至五年 RMB'000 人民幣千元	More than 5 years 五年以上 RMB'000 人民幣千元
At 31 December 2015	於二零一五年 十二月三十一日				
Borrowings	借貸	1,547,754	286,906	2,033,971	197,553
Interest payable on borrowings	借貸應付利息	149,711	132,419	172,055	-
Derivative financial instruments	衍生金融工具	12,688	-	-	-
Trade and bills payables	應付貿易及票據款項	2,294,638	-	-	-
Accruals and other payables	預提費用及其他應付賬款	391,534	-	-	-
Finance lease obligations	融資租賃承擔	132,706	112,847	118,048	16,355
		4,529,031	532,172	2,324,074	213,908
At 31 December 2014	於二零一四年 十二月三十一日				
Borrowings	借貸	236,316	1,307,850	1,470,956	-
Interest payable on borrowings	借貸應付利息	193,699	102,095	180,958	-
Derivative financial instruments	衍生金融工具	26,851	-	-	-
Trade and bills payables	應付貿易及票據款項	1,665,591	-	-	-
Accruals and other payables	預提費用及其他應付賬款	244,181	-	-	-
Finance lease obligations	融資租賃承擔	128,526	125,049	186,052	46,934
		2,495,164	1,534,994	1,837,966	46,934

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3. FINANCIAL RISK MANAGEMENT

(Continued)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less pledged bank deposits and cash and cash equivalents. Total capital is calculated as 'total equity' as shown in the consolidated balance sheet less non-controlling interests plus net debt.

The net gearing ratios at 31 December 2015 and 2014 are as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Total borrowings (Note 17)	借貸總額(附註 17)	4,053,060	3,015,122
Less: pledged bank deposits and cash and cash equivalents (Note 13)	減：已抵押銀行存款及現金及現金等值物(附註 13)	(2,187,685)	(1,138,222)
Net debt	負債淨額	1,865,375	1,876,900
Total equity excluding non-controlling interests	總股東權益，扣除非控制性權益	3,911,155	3,454,632
Total capital	資本總額	5,776,530	5,331,532
Net gearing ratio	淨資產負債比率	32%	35%

3 財務風險管理(續)

3.2 資金風險管理

本集團管理資金的目標為保障本集團持續經營的能力，為股東帶來回報及為其他權益持有人帶來利益，並維持理想資本結構以減少資本成本。

為維持或調整資本結構，本集團或會調整向股東派付股息金額或發行新股份。

與業內其他公司一樣，本集團利用資產負債比率監察資本。此比率以負債淨額除以資本總額計算。負債淨額以已抵押銀行存款及借貸總額(包括綜合資產負債表內列示之「流動及非流動借貸」)減現金及現金等值物計算。資本總額以綜合資產負債表內列示之「總股東權益」扣除非控制性權益加負債淨額計算。

於二零一五年及二零一四年十二月三十一日之淨資產負債比率如下：

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3. FINANCIAL RISK MANAGEMENT

(Continued)

3.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

As at 31 December 2015 and 2014, the Group held interest rate swap contracts and forward foreign exchange contracts. The interest rate swap contracts and forward foreign exchange contracts are classified under level 2. The fair value of interest rate swap contracts are calculated as the present value of the estimated future cash flows based on observable yield curves.

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2015 and 2014:

3 財務風險管理(續)

3.3 公平值估計

下表以估值法分析按公平值列賬之金融工具，各等級分析如下：

- 相同資產或負債之活躍市場報價(未經調整)(第一級)。
- 除所報價格(計入第一級)外，資產或負債之直接(如價格)或間接(如源自價格者)可觀察輸入資料(第二級)。
- 並非根據可觀察市場數據釐定之資產或負債輸入資料(即不可觀察輸入資料)(第三級)。

於二零一五年及二零一四年十二月三十一日，本集團持有利率掉期合約及遠期外匯合約，而利率掉期合約及遠期外匯合約分類為第二級。利率掉期合約之公平值乃基於可觀察收益率曲線並按估計日後現金流量的現值計量。

下表載列本集團於二零一五年及二零一四年十二月三十一日按公平值計量之資產及負債：

		Level 1 第一級 RMB'000 人民幣千元	Level 2 第二級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 31 December 2015	於二零一五年 十二月三十一日				
Assets	資產				
Derivative financial instruments	衍生金融工具	-	61,087	-	61,087
Liabilities	負債				
Derivative financial instruments	衍生金融工具	-	12,688	-	12,688
At 31 December 2014	於二零一四年 十二月三十一日				
Liabilities	負債				
Derivative financial instruments	衍生金融工具	-	26,851	-	26,851

3. FINANCIAL RISK MANAGEMENT*(Continued)***3.3 Fair value estimation (Continued)**

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

4.1 Estimated useful lives and residual values of property, plant and equipment

The Group's management determines the estimated useful lives and residual values and consequently the related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change as a result of technical innovations and competitors action in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives, and actual residual values may differ from estimated residual values. Periodic reviews could result in a change in depreciable lives and residual values and therefore changes in depreciation expenses in the future periods.

3 財務風險管理(續)**3.3 公平值估計(續)**

未有在活躍市場上交易的金融工具(如場外衍生工具)的公平值乃使用估值技術釐定。該等估值技術盡可能使用可觀察市場數據，並盡可能減少依賴實體獨有估計。倘估計工具公平值的所有重大輸入數據為可觀察，則工具計入第二級。

4. 關鍵會計估計及判斷

各項估計及判斷均持續評估，並根據歷史經驗及其他因素(包括於各種情況下對未來事件被認為合理之預期)評估。

本集團作出有關未來情況的估計及假設，按照定義，會計估計結果一般將不會相等於有關實際結果。估計及假設對於就下一個財政年度內的資產及負債賬面值作出重大調整而構成的重大風險如下。

4.1 物業、廠房及設備之估計可使用年期及剩餘價值

本集團之管理層釐定其物業、廠房及設備之估計可使用年期及剩餘價值以及相關折舊費用。該估計乃根據類似性質及功能之物業、廠房及設備之實際可使用年期之過往經驗而釐定，並可能因技術創新及競爭對手為回應嚴峻行業週期採取之行動而有改變。當可使用年期少於先前之估計年期，管理層將增加折舊費用，或將撇銷或撇減已報廢或出售之技術廢舊或非策略性資產。實際經濟年期可能與估計之可使用年期不同，而實際剩餘價值可能與估計之剩餘價值不同。定期檢討可能使可折舊年期及剩餘價值出現變動，因而引致未來期間之折舊開支有變。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)**4.2 Net realisable value of inventories**

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of technical innovations, changes in customer taste and competitor actions in response to severe industry cycle. Management reassesses these estimates at each balance sheet date.

4.3 Impairment of trade, bills and other receivables

The Group's management determines the provision for impairment of trade, bills and other receivables based on an assessment of the recoverability of the receivables. This assessment is based on the credit history of its customers and other debtors and current market conditions, and requires the use of judgements and estimates. Provisions are applied to trade, bills and other receivables where events or changes in circumstances indicate that the balances may not be collectible and require the use of estimates. Management reassesses the provision at each balance sheet date. Where the expectation is different from the original estimate, such difference will impact carrying value of trade, bills and other receivable and impairment charge in the period in which such estimate has been changed.

4.4 Income taxes and deferred income tax

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

4. 關鍵會計估計及判斷(續)**4.2 存貨之可變現淨值**

存貨之可變現淨值乃經扣除完成之估計成本及銷售開支後之日常業務估計售價。該等估計乃基於現行市況及製造與銷售性質類似產品之過往經驗而定，可能會因技術創新、客戶喜好改變及競爭對手為回應嚴峻行業週期採取之行動而出現重大變動。管理層將於各結算日重新評估該等估計。

4.3 應收貿易及票據款項以及其他應收賬款減值

本集團管理層按照應收款項之可收回程度釐定應收貿易及票據款項以及其他應收賬款減值撥備。倘有事件或環境轉變顯示結餘未必可收回或需要採用估計，則對應收貿易及票據款項及其他應收款項應用撥備。此評估乃根據其客戶及其他債務人過往之信貸記錄以及當時市況而定，並需作出判斷及估計。管理層於各結算日會重新評估撥備。倘預期與原估計有差別，該差額將影響該估計改變的期內的應收貿易及票據款項及其他應收款項及減值開支。

4.4 所得稅及遞延所得稅

本集團須於若干司法管轄區繳納所得稅。在釐定所得稅撥備時，需要作出重大判斷。在正常業務過程中，有許多交易和計算所涉及的最終稅務釐定都是不確定的。本集團根據估計附加稅是否將到期而確認預期發出的審核稅負債。倘該等事項的最終稅務後果與最初記錄金額不同，差額將影響作出此等釐定期間的所得稅及遞延稅項撥備。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)**4.4 Income taxes and deferred income tax (Continued)**

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers it is likely that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectations are different from the original estimates, such differences will impact the recognition of deferred tax assets and income tax charges in the period in which such estimates have been changed.

5. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Committee of Executive Directors of the Company. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Committee of Executive Directors reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Committee of Executive Directors considers the business from both a product and geographical perspective. From a product perspective, management assesses the performance from sales of yarn, grey fabrics and garment fabrics as well as garments which is a new business in 2015 undertaken by the Group's garment fabrics entities. The operations are further evaluated on a geographic basis including Mainland China (and Hong Kong), Vietnam, Macao and a new location Cambodia. Previously Hong Kong, Uruguay and Turkey were also regarded as separate geographic segments under the yarn operating segment. Starting from 2015, due to a change in the Group's operating strategies, the Group has decided not to allocate further resources in the near future to the entities in Uruguay and Turkey, which are at their start-up stage and very small. Accordingly these two locations are grouped under unallocated category. For Hong Kong, the operating scale has significantly reduced and therefore it is grouped together with Mainland China which closely interacts with Hong Kong. Comparative segment information has been restated.

The Committee of Executive Directors assesses the performance of the operating segments based on revenue and operating profit.

4. 關鍵會計估計及判斷(續)**4.4 所得稅及遞延所得稅(續)**

凡管理層認為日後極可能有應課稅溢利用作抵銷暫時差額或稅項虧損，則若干暫時差額及稅項虧損有關的遞延稅項資產將予確認。倘預期金額與原定估計不同，則該差額將會影響該估計出現變動期間的遞延稅項資產及所得稅支出的確認。

5. 分部資料

主要經營決策者被視為本公司執行董事委員會。經營分部以向主要經營決策者提供內部呈報一致的形式呈報。執行董事委員會審閱本集團之內部申報，以評估表現及分配資源。管理層已根據該等報告釐定經營分部。

執行董事委員會認為業務可按產品及地區前景分類。管理層從產品角度評估銷售紗線、坯布及面料和服裝的表現，而服裝屬本集團面料企業於二零一五年開展的一項新業務。業務以地區基準(包括中國大陸(及香港)、越南、澳門及新地點柬埔寨)作進一步評估。先前香港、烏拉圭及土耳其亦被視為紗線經營分部下的獨立地區分部。由二零一五年起，由於本集團經營策略改變，本集團已決定在短期內不再分配更多資源於烏拉圭及土耳其的企業，該等企業均在起始階段，規模甚小。據此，該兩個地點被納入未分配類別下。就香港而言，經營規模大幅削減，故此與中國大陸分為一組，因中國大陸與香港緊密互動。比較分部資料已重列。

執行董事委員會根據收入及經營溢利評估經營分部之業績。

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5. SEGMENT INFORMATION (Continued)

The segment information for the year ended 31 December 2015 is as follows:

5. 分部資料(續)

截至二零一五年十二月三十一日止年度之分部資料如下：

		Year ended 31 December 2015						
		截至二零一五年十二月三十一日止年度						
		Yarn		Garment fabrics and Garments		Grey fabrics	Total	
		紗線		面料及服裝		坯布	總額	
		Mainland China and Hong Kong		Mainland China		Mainland China		
		中國大陸及香港		中國大陸		中國大陸		
		Vietnam	Macao	China	Cambodia			
		越南	澳門	中國大陸	柬埔寨			
		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	
Total revenue	總收入	8,205,466	4,434,832	8,730,751	186,609	7,463	22,110,502	
Inter-segment revenue	分類間收入	(283,369)	(4,258,440)	(6,993,839)	-	-	(11,535,648)	
Revenue (from external customers)	收入(來自外部客戶)	7,922,097	176,392	1,736,912	186,609	7,463	10,574,854	
Segment results	分類業績	494,003	285,237	356,380	2,472	(1,093)	1,167,137	
Unallocated expenses	未分配費用						(16,711)	
Operating profit	經營溢利						1,150,426	
Finance income	財務收入						12,775	
Finance costs	財務費用						(431,515)	
Share of profit of an associate	分佔聯營公司溢利						4,128	
Income tax expense	所得稅開支						(146,846)	
Profit for the year	年度溢利						588,968	
Depreciation and amortisation	折舊及攤銷	(204,372)	(236,189)	(110)	(61)	(365)	(454,566)	

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5. SEGMENT INFORMATION (Continued)

The restated segment information for the year ended 31 December 2014 is as follows:

5. 分部資料(續)

截至二零一四年十二月三十一日止年度
經重列之分部類資料如下：

		Year ended 31 December 2014 (Restated)						
		截至二零一四年十二月三十一日止年度(經重列)						
		Yarn		Garment		Grey	Total	
		紗線		fabrics		fabrics	總額	
				面料		坯布		
		Mainland		Mainland	Mainland			
		China and	Vietnam	Macao	China	China		
		Hong Kong						
		中國大陸	越南	澳門	中國大陸	中國大陸		
		及香港						
		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	
Total revenue	總收入	7,961,079	4,575,798	8,621,247	146,673	700,672	22,005,469	
Inter-segment revenue	分類間收入	(590,871)	(4,446,424)	(6,497,853)	-	-	(11,535,148)	
Revenue (from external customers)	收入(來自外部客戶)	7,370,208	129,374	2,123,394	146,673	700,672	10,470,321	
Segment results	分類業績	(2,799)	252,481	353,146	6,500	12,842	622,170	
Unallocated expenses	未分配費用						(22,236)	
Operating profit	經營溢利						599,934	
Finance income	財務收入						4,836	
Finance costs	財務費用						(253,840)	
Share of profit of an associate	分佔聯營公司溢利						4,020	
Income tax expense	所得稅開支						(48,229)	
Profit for the year	年度溢利						306,721	
Depreciation and amortisation	折舊及攤銷	(173,397)	(204,540)	(57)	(1,220)	(18,571)	(397,785)	

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5. SEGMENT INFORMATION (Continued)

The segment assets and liabilities as at 31 December 2015 are as follows:

		As at 31 December 2015 於二零一五年十二月三十一日							
		Yarn 紗線			Garment fabrics and Garments 面料及服裝		Grey fabrics 坯布	Total 總額	
		Mainland China and Hong Kong 中國大陸 及香港	Vietnam 越南	Macao 澳門	Sub-total 小計	Mainland China 中國大陸	Cambodia 柬埔寨	Mainland China 中國大陸	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Total segment assets	分類總資產	5,967,218	3,701,032	877,756	10,546,006	119,701	48,609	420,400	11,134,716
Unallocated assets	未分配資產								266,381
Total assets of the Group	本集團總資產								11,401,097
Total segment liabilities	分類總負債				(4,351,356)	(47,555)	(10,752)	(36,957)	(4,446,620)
Unallocated liabilities	未分配負債								(3,015,908)
Total liabilities of the Group	本集團總負債								(7,462,528)
Capital expenditure	資本開支	749,805	575,848	-	1,325,653	1,958	12	3,049	1,330,672

The restated segment assets and liabilities as at 31 December 2014 are as follows:

於二零一四年十二月三十一日經重列之
分部資產及負債如下：

		As at 31 December 2014 (Restated) 於二零一四年十二月三十一日(經重列)							
		Yarn 紗線			Garment fabrics 面料		Grey fabrics 坯布	Total 總額	
		Mainland China and Hong Kong 中國大陸 及香港	Vietnam 越南	Macao 澳門	Sub-total 小計	Mainland China 中國大陸	Mainland China 中國大陸		
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
Total segment assets	分類總資產	4,922,184	3,070,828	415,801	8,408,813	120,294	539,399	9,068,506	
Unallocated assets	未分配資產							70,040	
Total assets of the Group	本集團總資產							9,138,546	
Total segment liabilities	分類總負債				(3,163,489)	(13,001)	(34,279)	(3,210,769)	
Unallocated liabilities	未分配負債							(2,473,145)	
Total liabilities of the Group	本集團總負債							(5,683,914)	
Capital expenditure	資本開支	133,771	622,352	30	756,153	-	8,454	764,607	

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6. FREEHOLD LAND AND LAND USE RIGHTS

6. 永久產權土地及土地使用權

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Freehold land	永久產權土地	34,028	34,028
Land use rights	土地使用權	517,590	350,725
		551,618	384,753
		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Opening net book amount	年初賬面淨值	384,753	395,299
Additions	添置	171,016	-
Disposals (Note 31)	出售(附註31)	-	(2,481)
Acquisition of subsidiaries (Note 34)	收購附屬公司(附註34)	3,772	-
Amortisation (Note 24)	攤銷(附註24)	(7,923)	(8,065)
Closing net book amount	年末賬面淨值	551,618	384,753
Cost	成本	592,580	417,792
Accumulated amortisation	累計攤銷	(40,962)	(33,039)
Net book amount	賬面淨值	551,618	384,753

The Group's freehold land cost is analysed as follows:

本集團之永久產權土地地價分析如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Freehold land	永久產權土地		
- In Uruguay	— 於烏拉圭	10,073	10,073
- In Turkey	— 於土耳其	23,955	23,955
		34,028	34,028

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6. FREEHOLD LAND AND LAND USE RIGHTS (Continued)

The Group's interests in land use rights represent prepaid operating lease payments, and their net book value are analysed as follows:

	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Leases of between 45 to 50 years		
– In Mainland China	303,309	219,324
– In Vietnam	210,511	131,401
– In Cambodia	3,770	–
	517,590	350,725

As at 31 December 2015, land use rights with a net book amount of RMB45,087,000 (2014: RMB46,069,000) was pledged as collateral for the Group's bank borrowings (Note 17).

Amortisation was included in cost of sales.

6. 永久產權土地及土地使用權 (續)

本集團於土地使用權的權益指預付經營租賃款項，其賬面淨值分析如下：

於二零一五年十二月三十一日，賬面淨值人民幣45,087,000元(二零一四年：人民幣46,069,000元)的土地使用權已抵押作本集團銀行借貸的抵押品(附註17)。

攤銷已計入銷售成本。

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7. PROPERTY, PLANT AND EQUIPMENT 7. 物業、廠房及設備

		Buildings 樓宇 RMB'000 人民幣千元	Machinery and equipment 機器及設備 RMB'000 人民幣千元	Furniture and fixtures 傢俬及裝置 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Construction in-progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2014	於二零一四年一月一日						
Cost or valuation	成本或估值	1,187,291	3,040,105	45,620	26,166	328,939	4,628,121
Accumulated depreciation	累計折舊	-	(795,436)	(16,135)	(12,545)	-	(824,116)
Net book amount	賬面淨值	1,187,291	2,244,669	29,485	13,621	328,939	3,804,005
Year ended 31 December 2014	截至二零一四年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	1,187,291	2,244,669	29,485	13,621	328,939	3,804,005
Additions	添置	35,453	37,628	3,438	5,674	682,414	764,607
Transfers	轉讓	223,291	735,216	368	1,217	(960,092)	-
Disposals (Note 31)	出售(附註31)	(9,549)	(11,376)	(135)	(141)	-	(21,201)
Depreciation charges (Note 24)	折舊支出(附註24)	(61,622)	(319,078)	(5,000)	(4,020)	-	(389,720)
Closing net book amount	年末賬面淨值	1,374,864	2,687,059	28,156	16,351	51,261	4,157,691
At 31 December 2014	於二零一四年十二月三十一日						
Cost or valuation	成本或估值	1,427,366	3,762,876	47,877	31,657	51,261	5,321,037
Accumulated depreciation	累計折舊	(52,502)	(1,075,817)	(19,721)	(15,306)	-	(1,163,346)
Net book amount	賬面淨值	1,374,864	2,687,059	28,156	16,351	51,261	4,157,691
Year ended 31 December 2015	截至二零一五年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	1,374,864	2,687,059	28,156	16,351	51,261	4,157,691
Additions	添置	4,864	43,520	3,260	5,346	1,102,666	1,159,656
Acquisition of subsidiaries (Note 34)	出售附屬公司(附註34)	76,250	58,953	402	1,311	433	137,349
Transfers	轉讓	10,340	59,121	99	20	(69,580)	-
Disposals (Note 31)	出售(附註31)	(266)	(8,994)	(444)	(505)	-	(10,209)
Depreciation charges (Note 24)	折舊支出(附註24)	(80,824)	(355,081)	(5,853)	(4,885)	-	(446,643)
Closing net book amount	年末賬面淨值	1,385,228	2,484,578	25,620	17,638	1,084,780	4,997,844
At 31 December 2015	於二零一五年十二月三十一日						
Cost or valuation	成本或估值	1,517,544	3,897,988	48,928	35,388	1,084,780	6,584,628
Accumulated depreciation	累計折舊	(132,316)	(1,413,410)	(23,308)	(17,750)	-	(1,586,784)
Net book amount	賬面淨值	1,385,228	2,484,578	25,620	17,638	1,084,780	4,997,844

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7. PROPERTY, PLANT AND EQUIPMENT (Continued)

The analysis of the cost or valuation of the above assets is as follows:

7. 物業、廠房及設備(續)

上述資產之成本或估值分析如下：

		Buildings 樓宇 RMB'000 人民幣千元	Machinery and equipment 機器及設備 RMB'000 人民幣千元	Furniture and fixtures 傢俬及裝置 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Construction- in-progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 31 December 2015	於二零一五年十二月三十一日						
At cost	按成本	350,198	3,897,988	48,928	35,388	1,084,780	5,417,282
At valuation – 31 December 2013	按估值於二零一三年十二月三十一日	1,167,346	-	-	-	-	1,167,346
		1,517,544	3,897,988	48,928	35,388	1,084,780	6,584,628
At 31 December 2014	於二零一四年十二月三十一日						
At cost	按成本	258,744	3,762,876	47,877	31,657	51,261	4,152,415
At valuation – 31 December 2013	按估值於二零一三年十二月三十一日	1,168,622	-	-	-	-	1,168,622
		1,427,366	3,762,876	47,877	31,657	51,261	5,321,037

Buildings with net book amount of RMB1,187,291,000 at 31 December 2013 were stated at fair value, based on a valuation performed by DTZ Debenham Tie Leung Limited, an independent firm of qualified valuers. The Group did not revalue such buildings as at 31 December 2015 and 2014, because the net book amount of RMB1,049,809,000 as at 31 December 2015 (RMB1,122,856,000 as at 31 December 2014) for such buildings did not differ materially from which would be determined using fair value.

The valuation performed as at 31 December 2013 was determined using the depreciated replacement costs approach and was within level 3 of the fair value hierarchy. Current gross reproduction costs of the buildings are adjusted for physical deterioration and all relevant forms of obsolescence and optimization.

The revaluation surplus, net of applicable deferred income tax liabilities, was regarded as other comprehensive income and credited to revaluation reserve in equity (Note 16).

於二零一三年十二月三十一日賬面淨值為人民幣1,187,291,000元之樓宇根據獨立合資格估值師戴德梁行有限公司進行之估值，按公平值列賬。本集團並無重新評估此等樓宇於二零一五年十二月三十一日之價值，因為此等樓宇於二零一五年及二零一四年十二月三十一日之賬面淨值人民幣1,049,809,000元(於二零一四年十二月三十一日為人民幣1,122,856,000元)與採用公平值釐定者並無重大差異。

於二零一三年十二月三十一日進行之估值乃採用折舊重置成本法釐定，並歸入公平值層級第三級內。樓宇目前的整體複製成本已就實體老化及所有陳舊及優化相關形式作出調整。

重估盈餘扣除適用的遞延所得稅負債，作為其他全面收益並計入權益內的重估儲備(附註16)。

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7. PROPERTY, PLANT AND EQUIPMENT (Continued)

If buildings were stated on historical cost basis, the amounts would be as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Cost	成本	1,564,987	1,474,809
Accumulated depreciation	累計折舊	(260,470)	(188,433)
Net book amount	賬面淨值	1,304,517	1,286,376

During the year ended 31 December 2015, depreciation of RMB407,517,000 (2014: RMB361,536,000) was included in cost of sales, RMB4,053,000 (2014: RMB4,212,000) was included in selling and distribution costs and RMB35,073,000 (2014: RMB23,972,000) was included in general and administrative expenses.

During the year ended 31 December 2015, finance cost of RMB4,196,000 (2014: finance cost of RMB4,033,000) was capitalised as part of property, plant and equipment at a rate of 5.7% per annum (Note 26).

As at 31 December 2015, property, plant and equipment of approximately RMB352,700,000 (2014: RMB393,475,000) were pledged as collateral of the Group's bank borrowings (Note 17).

Lease rental expense of RMB42,267,000 (2014: RMB25,172,000), relating to the lease of buildings and machinery, was included in cost of sales (Note 24).

The Group leases various machinery and equipment under non-cancellable finance lease agreement. The lease terms are 6 to 7 years, and ownership of assets lie within the Group (Note 19).

7. 物業、廠房及設備(續)

倘樓宇以歷史成本法列賬，金額將如下：

於截至二零一五年十二月三十一日止年度，人民幣407,517,000元(二零一四年：人民幣361,536,000元)的折舊已計入銷售成本，人民幣4,053,000元(二零一四年：人民幣4,212,000元)的折舊已計入銷售及分銷開支及人民幣35,073,000元(二零一四年：人民幣23,972,000元)的折舊已計入一般及行政開支。

於截至二零一五年十二月三十一日止年度，財務費用人民幣4,196,000元(二零一四年：財務費用人民幣4,033,000元)已按年利率5.7%資本化為物業、廠房及設備之一部分(附註26)。

於二零一五年十二月三十一日，物業、廠房及設備約人民幣352,700,000元(二零一四年：人民幣393,475,000元)已抵押為本集團銀行借貸的抵押品(附註17)。

有關租賃樓宇及機器的租金開支人民幣42,267,000元(二零一四年：人民幣25,172,000元)已計入銷售成本(附註24)。

本集團根據不可撤銷融資租賃協議而租借不同機器及設備。租賃期為六至七年，資產擁有權歸屬於本集團(附註19)。

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8. INVESTMENT IN AN ASSOCIATE

8. 於聯營公司的投資

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Share of net assets of an unlisted associate	分佔一間非上市聯營公司 資產淨值	63,483	59,355
Goodwill	商譽	191	191
		63,674	59,546

Movement of share of net assets attributable to the Group is as follows:

本集團應佔資產淨值變動如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Opening amount	年初金額	59,355	55,335
Share of profit based on equity held	分佔按權益計算之溢利	4,128	4,020
Closing amount	年末金額	63,483	59,355

Particulars of the associate are as follows:

聯營公司詳細資料如下：

Name of associate 聯營公司名稱	Place and date of incorporation and form of legal entity 註冊成立地點及日期以及法律實體類別	Principal activities 主要業務	Particulars of issued share capital 已發行股本詳情	Interest held 所持權益
Nantong Textile Group Co., Ltd. 南通紡織控股集團紡織染有限公司	Nantong, Mainland China, 11 September 2002 limited liability company 中國大陸南通， 二零零二年九月十一日， 有限責任公司	Manufacturing and sales of top-grade textile knitting products and garments 製造及銷售高級紡織產品及成衣	RMB 116,375,000	37%

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8. INVESTMENT IN AN ASSOCIATE

(Continued)

The Group's share of revenue of the associate, which is not included in the Group's revenue, and the Group's share of profit for the year, assets and liabilities of the associate, which have been included in the consolidated income statement and balance sheet using equity method, are as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Revenue	收入	200,995	139,502
Profit for the year	年度溢利	4,128	4,020
Non-current assets	非流動資產	158,774	85,341
Current assets	流動資產	107,772	99,648
Current liabilities	流動負債	(171,027)	(115,295)
Non-current liabilities	非流動負債	(32,036)	(10,339)
Net assets value	資產淨值	63,483	59,355

8. 於聯營公司的投資(續)

本集團應佔聯營公司的收入(不計入本集團收入)·及本集團應佔聯營公司的年度溢利·資產及負債(均已採用權益法計入綜合收益表及資產負債表)如下:

9. FINANCIAL INSTRUMENTS BY CATEGORY

9. 按類別劃分的金融工具

		Assets at fair value through the profit and loss 按公平值計入 損益的資產 RMB'000 人民幣千元	Loans and receivables 貸款及 應收款項 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
31 December 2015	二零一五年 十二月三十一日			
Assets as per balance sheet	資產負債表所列資產			
Trade and bills receivables (Note 11)	應收貿易及票據款項 (附註 11)	-	1,031,779	1,031,779
Derivative financial instruments (Note 18)	衍生金融工具(附註 18)	61,087	-	61,087
Deposits and other receivables (Note 12)	按金及其他應收賬款 (附註 12)	-	14,215	14,215
Pledged bank deposits and cash and cash equivalents (Note 13)	已抵押銀行存款及現金及現金等值物(附註 13)	-	2,187,685	2,187,685
Total	總計	61,087	3,233,679	3,294,766

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9. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

9. 按類別劃分的金融工具(續)

		Liabilities at fair value through the profit and loss	Other financial liabilities at amortised cost	Total
		按公平值計入損益的負債	按攤銷成本列賬之其他金融負債	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
31 December 2015	二零一五年十二月三十一日			
Liabilities as per balance sheet	資產負債表所列負債			
Borrowings (Note 17)	借貸(附註17)	-	4,053,060	4,053,060
Derivative financial instruments (Note 18)	衍生金融工具(附註18)	12,688	-	12,688
Trade and bills payables (Note 21)	應付貿易及票據款項(附註21)	-	2,294,638	2,294,638
Accruals and other payables excluding deposits and statutory liabilities (Note 22)	預提費用及其他應付賬款(不包括按金及法定負債)(附註22)	-	391,534	391,534
Finance lease obligations (Note 19)	融資租賃承擔(附註19)	-	359,046	359,046
Total	總計	12,688	7,098,278	7,110,966
				Loans and receivables
				貸款及應收款項
				RMB'000
				人民幣千元
31 December 2014	二零一四年十二月三十一日			
Assets as per balance sheet	資產負債表所列資產			
Trade and bills receivables (Note 11)	應收貿易及票據款項(附註11)			1,319,756
Deposits and other receivables (Note 12)	按金及其他應收賬款(附註12)			5,044
Pledged bank deposits and cash and cash equivalents (Note 13)	已抵押銀行存款及現金及現金等值物(附註13)			1,138,222
Total	總計			2,463,022

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9. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

9. 按類別劃分的金融工具(續)

		Liabilities at fair value through the profit and loss	Other financial liabilities at amortise cost	Total
		按公平值計入損益的負債	按攤銷成本列賬之其他金融負債	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
31 December 2014	二零一四年十二月三十一日			
Liabilities as per balance sheet	資產負債表所列負債			
Borrowings (Note 17)	借貸(附註17)	–	3,015,122	3,015,122
Derivative financial instruments (Note 18)	衍生金融工具(附註18)	26,851	–	26,851
Trade and bills payables (Note 21)	應付貿易及票據款項(附註21)	–	1,665,591	1,665,591
Accruals and other payables excluding deposits and statutory liabilities (Note 22)	預提費用及其他應付賬款(不包括按金及法定負債)(附註22)	–	244,181	244,181
Finance lease obligations (Note 19)	融資租賃承擔(附註19)	–	454,709	454,709
Total	總計	26,851	5,379,603	5,406,454

10. INVENTORIES

10. 存貨

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Raw materials	原材料	1,255,572	879,037
Work-in-progress	在製品	66,008	70,303
Finished goods	製成品	571,527	686,921
		1,893,107	1,636,261

The cost of inventories recognised as expense and included in 'cost of sales' amounted to RMB6,812,340,000 (2014: RMB7,412,322,000).

確認為費用且列入「銷售成本」的存貨成本為人民幣6,812,340,000元(二零一四年：人民幣7,412,322,000元)。

In 2015, the Group reversed an inventory provision of approximately RMB2,213,000 (2014: RMB1,597,000). These amounts have been included in 'cost of sales' in the consolidated income statement (Note 24).

於二零一五年，本集團撥回存貨撥備約人民幣2,213,000元(二零一四年：人民幣1,597,000元)。該等金額已計入綜合收益表之「銷售成本」中(附註24)。

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11. TRADE AND BILLS RECEIVABLES

11. 應收貿易及票據款項

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Trade receivables	應收貿易款項	312,214	217,647
Less: provision for impairment	減：減值撥備	(7,995)	(10,294)
Bills receivable	應收票據款項	304,219 727,560	207,353 1,112,403
		1,031,779	1,319,756

The fair values of trade and bills receivables approximate their carrying amounts.

應收貿易及票據款項之公平值接近其賬面值。

The Group generally grants credit terms of less than 90 days to its customers in Mainland China and 120 days to its customers in other countries. The ageing analysis of the trade and bills receivables by invoice date is as follows:

本集團授予其中國大陸客戶之信貸期一般為90日內，而授予其他國家客戶之信貸期為120日內。應收貿易及票據款項按發票日期之賬齡分析如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Within 30 days	30日內	600,610	622,543
31 to 90 days	31日至90日	355,858	501,784
91 to 180 days	91日至180日	74,278	195,691
181 days to 1 year	181日至1年	1,002	2,938
Over 1 year	1年以上	8,026	7,094
Less: provision for impairment	減：減值撥備	1,039,774 (7,995)	1,330,050 (10,294)
Trade and bills receivables – net	應收貿易及票據款項 — 淨額	1,031,779	1,319,756

There is no concentration of credit risk with respect to trade and bills receivables, as the Group has a large number of customers.

由於本集團擁有大批客戶，故應收貿易及票據款項無集中的信貸風險。

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11. TRADE AND BILLS RECEIVABLES

(Continued)

Trade receivables that are aged less than 90 days in Mainland China and 120 days in other countries are generally not considered impaired, which amounted to RMB268,135,000 as at 31 December 2015 (2014: RMB189,673,000). As at 31 December 2015, trade receivables aged by more than 90 days in Mainland China or 120 days in other countries of RMB36,084,000 (2014: RMB17,680,000) are considered not to be impaired. These relate to a number of customers for whom there is no recent history of default.

As at 31 December 2015, trade receivables of RMB7,995,000 (2014: RMB10,294,000) were impaired and had been fully provided for. These receivables relate to a number of customers, including customers in unexpected difficult economic situations. The ageing of these receivables is as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
91 to 180 days	91日至180日	-	1,688
181 days to 1 year	181日至1年	34	2,506
Over 1 year	1年以上	7,961	6,100
		7,995	10,294

Trade and bills receivables are denominated in the following currencies:

11. 應收貿易及票據款項(續)

於中國大陸逾期不足90日及於其他國家不足120日之應收貿易款項一般不視為已減值，於二零一五年十二月三十一日的金額為人民幣268,135,000元(二零一四年：人民幣189,673,000元)。於二零一五年十二月三十一日，未被視為已減值之中國大陸逾期90日以上及其他國家逾期120日以上應收貿易款項為人民幣36,084,000元(二零一四年：人民幣17,680,000元)。該等結欠涉及最近並無拖欠記錄之多名客戶。

於二零一五年十二月三十一日，應收貿易款項人民幣7,995,000元(二零一四年：人民幣10,294,000元)已減值並已作全面撥備。該等應收款項涉及多名客戶，包括處於不可預期經濟困境的客戶。該等應收款項之賬齡如下：

以下列貨幣列示的應收貿易及票據款項如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
RMB	人民幣	583,516	1,051,616
USD	美元	439,266	274,313
European Dollar ("EURO")	歐元(「歐元」)	11,206	38
Vietnam Dong ("VND")	越南盾(「越南盾」)	5,786	4,083
		1,039,774	1,330,050

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11. TRADE AND BILLS RECEIVABLES

(Continued)

Movements of the provision for impairment of trade receivables are as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
At 1 January	於一月一日	10,294	1,569
(Reversal)/accrual of provision for impairment of trade receivables (Note 24)	應收貿易款項減值撥備之(撥回)/預提(附註24)	(2,299)	8,725
At 31 December	於十二月三十一日	7,995	10,294

The creation and release of provision for impaired receivables have been included in general and administrative expenses. Amounts charged to the allowance account are written off when there is no expectation of receiving additional cash.

The maximum exposure to credit risk at the reporting date is the fair value of trade and bills receivables.

11. 應收貿易及票據款項(續)

應收貿易款項減值撥備變動如下：

增設及解除已減值應收款項撥備已列入一般及行政開支。當預期未能收取額外現金時，在準備賬中扣除的款項將被撇銷。

於報告日期，本集團面對的最大信貸風險為應收貿易及票據款項公平值。

12. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

12. 預付款項、按金及其他應收賬款

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Prepayments for purchase of raw materials	購買原材料的預付款項	272,712	206,968
Value-added tax recoverable	應退增值稅	147,730	75,779
Deposits for investment	投資按金	16,756	-
Deposits for operation	營運按金	6,690	4,841
Prepaid expenses	預付開支	2,159	2,872
Other receivables	其他應收賬款	7,525	203
		453,572	290,663

The fair values of prepayments, deposits and other receivables approximate their carrying amounts.

預付款項、按金及其他應收賬款的公平值接近其賬面值。

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13. PLEDGED BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

13. 已抵押銀行存款及現金及現金等值物

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Pledged bank deposits	已抵押銀行存款	247,663	44,025
Cash and cash equivalents	現金及現金等值物		
– Cash at bank and in hand	— 銀行及手頭現金	1,940,022	1,094,197
		2,187,685	1,138,222

As at 31 December 2015, the weighted average effective interest rate on pledged bank deposits and other deposits was 1.1% (2014: 2.4%) per annum. The pledged bank deposits have maturities of 90 days at inception (2014: 90 days), and are used for issuance of letters of credit for purchase of raw material.

於二零一五年十二月三十一日，已抵押銀行存款及其他存款之加權平均實際利率為每年1.1%（二零一四年：2.4%）。已抵押銀行存款之存款期為訂立日期起計90日（二零一四年：90日），用於簽發信用狀供購買原材料。

Pledged bank deposits and cash and cash equivalents are denominated in the following currencies:

以下列貨幣列示的已抵押銀行存款及現金及現金等值物如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
RMB	人民幣	1,203,179	740,084
USD	美元	892,920	368,313
VND	越南盾	43,911	22,956
EURO	歐元	31,670	—
Hong Kong dollars (“HKD”)	港元（「港元」）	11,476	1,271
Turkish Lira (“TRY”)	土耳其里拉（「里拉」）	3,619	4,740
Others	其他	910	858
		2,187,685	1,138,222

Majority of the cash and cash equivalents are deposited with banks in Mainland China and Hong Kong. The conversion of the RMB denominated balances into other currencies and the remittance of funds out of Mainland China are subject to the rules and regulations relating to foreign exchange controls promulgated by the Mainland China Government.

大部分現金及現金等值物存於中國大陸和香港銀行。將人民幣計值之結餘兌換為其他貨幣以及將資金匯出中國大陸須遵守中國大陸政府頒佈有關外匯管制之規則及規例。

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14. SHARE CAPITAL AND SHARE PREMIUM

14. 股本及股份溢價

		Number of shares 股份數目 (thousands) (千股)	Ordinary shares 普通股 HKD'000 千港元
Authorised:	法定：		
Ordinary shares of HKD0.1 each At 31 December 2014 and 2015	每股 0.1 港元普通股 於二零一四年及二零一五年 十二月三十一日	4,000,000	400,000

	Number of shares 股份數目 (thousands) (千股)	Ordinary shares 普通股 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Issued and fully paid: 已發行及繳足：				
Ordinary shares of HKD0.1 each At 31 December 2014 and 2015	每股 0.1 港元 普通股 於二零一四年 及二零一五年 十二月三十一日	884,681	94,064	189,218
			283,282	

15. SHARE-BASED PAYMENTS

Share Option Scheme

Pursuant to a shareholders' resolution passed on 7 April 2014, the Company terminated the share option adopted on 21 November 2004 (the "Old Share Option Scheme") and adopted a new share option scheme ("the Share Option Scheme"), which will remain in force for a period of 10 years up to April 2024. Under the Share Option Scheme, the Company's directors may, at their sole discretion, grant to any employee, director, supplier of goods or services, customer, person or entity that provides research, development or other technological support to the Group, shareholder and adviser or consultant of the Group to subscribe for shares in the Company at a price of not less than the higher of (i) the closing price of shares as stated in the daily quotation sheet of the Stock Exchange on the date of the offer of grant; or (ii) the average closing price of shares as stated in the daily quotation sheets of the Stock Exchange for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the share. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option. The maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by the Group from time to time must not in aggregate exceed 30% of the share capital of the Company in issued from time to time.

Up to 31 December 2014, no options had been granted under the Share Option Scheme and the Old Share Option Scheme.

15. 以股份為基礎付款

購股權計劃

根據本公司於二零一四年四月七日通過之股東決議案，本公司終止於二零零四年十一月二十一日採納之購股權計劃（「舊購股權計劃」）並已採納一項新的購股權計劃（「購股權計劃」），於截至二零二四年四月止十年期間將仍屬有效。根據購股權計劃，本公司董事可全權酌情向任何僱員、董事、貨品或服務供應商、客戶、為本集團提供研究、發展或其他技術支援的個人或實體、股東及本集團顧問或諮詢人授出購股權，以認購本公司股份，惟價格不低於下列較高者：(i) 於授出要約日期在聯交所每日報價表所列出的股份收市價；或(ii) 於緊接授出要約日期前五個交易日的聯交所每日報價表所列出的股份平均收市價；及(iii) 股份的面值。1港元的名義代價於接納授出購股權要約時支付。在購股權計劃及本集團不時採納的任何其他購股權計劃以下所有授出有待行使購股權獲行使時最高可予發行的股份數目合計不得超過本公司不時已發行股本的30%。

截止二零一四年十二月三十一日，概無購股權根據購股權計劃及舊購股權計劃授出。

15. SHARE-BASED PAYMENTS (Continued)
Share Option Scheme (Continued)

Pursuant to the Share Option Scheme, share options to subscribe for an aggregate of 5,000,000 ordinary shares of the Company were granted to two executive directors of the Company on 23 March 2015. The subscription price is HKD8.7 per share. 1,670,000 share options are exercisable over the period from 1 January 2016 to 22 March 2025, 1,670,000 share options are exercisable over the period from 1 January 2017 to 22 March 2025 and 1,660,000 share options are exercisable from 1 January 2018 to 22 March 2025. On 28 December 2015, share options to subscribe for an aggregate of 1,500,000 ordinary share of the Company were granted to one executive director of the Company. The subscription price is HKD5.7 per share. 300,000 share options are exercisable over the period from 1 January 2017 to 27 December 2025, 300,000 share options are exercisable over the period from 1 January 2018 to 27 December 2025, 300,000 share options are exercisable over the period from 1 January 2019 to 27 December 2025, 300,000 share options are exercisable over the period from 1 January 2020 to 27 December 2025 and 300,000 share options are exercisable over the period from 1 January 2021 to 27 December 2025. The Group has no legal or constructive obligation to repurchase or settle the above options in cash. No options have been exercised since the date of grant to 31 December 2015.

The fair value of option granted on 23 March 2015 was determined using the Binomial Option-Pricing Model. The significant inputs into the model included the share price of HKD8.7 per share at the grant date, exercise price shown above, expected annual risk-free interest rate of 1.582%, expected dividend yield of 1.45% and volatility of 49.80%. The total fair value of these options was RMB17,154,000 and RMB9,898,000 was charged to administrative expenses for the year ended 31 December 2015 (2014: nil).

The fair value of option granted on 28 December 2015 was determined using the Binomial Option-Pricing Model. The significant inputs into the model included the share price of HKD5.7 per share at the grant date, exercise price shown above, expected annual risk-free interest rate of 1.623%, expected dividend yield of 3.42% and volatility of 50.94%. The total fair value of these options was RMB3,171,000 and no expense was charged for the year ended 31 December 2015 (2014: nil).

15. 以股份為基礎付款(續)
購股權計劃(續)

根據購股權計劃，本公司於二零一五年三月二十三日向兩名執行董事授出合共可認購5,000,000股本公司普通股的購股權。認購價為每股8.7港元。1,670,000份購股權可於二零一六年一月一日至二零二五年三月二十二日期間行使；1,670,000份購股權可於二零一七年一月一日至二零二五年三月二十二日期間行使；及1,660,000份購股權可於二零一八年一月一日至二零二五年三月二十二日期間行使。本公司於二零一五年十二月二十八日向一名執行董事授出合共可認購1,500,000股本公司普通股的購股權。認購價為每股5.7港元。300,000份購股權可於二零一七年一月一日至二零二五年十二月二十七日期間行使；300,000份購股權可於二零一八年一月一日至二零二五年十二月二十七日期間行使；300,000份購股權可於二零一九年一月一日至二零二五年十二月二十七日期間行使；300,000份購股權可於二零二零年一月一日至二零二五年十二月二十七日期間行使；及300,000份購股權可於二零二一年一月一日至二零二五年十二月二十七日期間行使。本集團並無法定或推定責任以現金購回或結算上述購股權。自授出日期至二零一五年十二月三十一日，概無購股權獲行使。

於二零一五年三月二十三日授出之購股權之公平值乃採用二項式期權定價模式釐定。該模式之重大輸入數據包括於授出日期之股價每股8.7港元、上述行使價、預期年度無風險利率1.582%、預期股息率1.45%及波幅49.80%。此等購股權之公平值總額為人民幣17,154,000元，而人民幣9,898,000元已於截至二零一五年十二月三十一日止年度之行政開支扣除(二零一四年：無)。

於二零一五年十二月二十八日授出之購股權之公平值乃採用二項式期權定價模式釐定。該模式之重大輸入數據包括於授出日期之股價每股5.7港元、上述行使價、預期年度無風險利率1.623%、預期股息率3.42%及波幅50.94%。此等購股權之公平值總額為人民幣3,171,000元，而概無開支於截至二零一五年十二月三十一日止年度扣除(二零一四年：無)。

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16. OTHER RESERVES AND RETAINED EARNINGS

(a) Other reserves

16. 其他儲備及保留溢利

(a) 其他儲備

		Capital reserve ⁽ⁱ⁾	Share-based compensation reserve	Statutory reserves ⁽ⁱⁱ⁾	Revaluation reserve	Translation reserve	Total
		以股份為基礎	資本儲備 ⁽ⁱ⁾	法定儲備 ⁽ⁱⁱ⁾	重估儲備	匯兌儲備	總計
		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
At 1 January 2014	於二零一四年一月一日	162,041	-	263,072	64,279	(7,688)	481,704
Transfer to statutory reserves	轉撥至法定儲備	-	-	8,901	-	-	8,901
Currency translation differences	貨幣換算差額	-	-	-	-	(777)	(777)
Transfer from revaluation reserve to retained earnings for buildings revaluation	就樓宇重新估值由重估儲備轉撥至保留溢利	-	-	-	(13,224)	-	(13,224)
- gross	— 總額	-	-	-	(13,224)	-	(13,224)
- deferred income tax (Note 20)	— 遞延所得稅 (附註20)	-	-	-	3,445	-	3,445
At 31 December 2014	於二零一四年十二月三十一日	162,041	-	271,973	54,500	(8,465)	480,049
At 1 January 2015	於二零一五年一月一日	162,041	-	271,973	54,500	(8,465)	480,049
Transfer to statutory reserves	轉撥至法定儲備	-	-	26,276	-	-	26,276
Employee share option scheme (Note 15)	僱員購股權計劃 (附註15)	-	9,898	-	-	-	9,898
Currency translation differences	貨幣換算差額	-	-	-	-	(1,024)	(1,024)
Transfer from revaluation reserve to retained earnings for buildings revaluation	就樓宇重新估值由重估儲備轉撥至保留溢利	-	-	-	(7,221)	-	(7,221)
- gross	— 總額	-	-	-	(7,221)	-	(7,221)
- deferred income tax (Note 20)	— 遞延所得稅 (附註20)	-	-	-	1,944	-	1,944
At 31 December 2015	於二零一五年十二月三十一日	162,041	9,898	298,249	49,223	(9,489)	509,922

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16. OTHER RESERVES AND RETAINED EARNINGS (Continued)

(a) Other reserves (Continued)

Notes:

- (i) The capital reserve represents the difference between the amount of share capital issued and the net asset value of the subsidiaries acquired under a group reorganisation in 2004.
- (ii) As stipulated by regulations in Mainland China, the Company's subsidiaries established and operated in Mainland China are required to appropriate a portion of their after-tax profit (after offsetting prior years' losses) to statutory reserves, at rates determined by their respective boards of directors. Such transfer is not required when the amount of the statutory reserve reaches 50% of the corresponding subsidiaries' registered capital.

Statutory reserves shall only be used to make up losses of the corresponding subsidiaries, to expand the corresponding subsidiaries' production operations, or to increase the capital of the corresponding subsidiaries. Upon approval by resolutions of the corresponding subsidiaries' shareholders in general meetings, the corresponding subsidiaries may convert their statutory reserves into registered capital and issue bonus capital to existing owners in proportion to their existing ownership structure.

16. 其他儲備及保留溢利(續)

(a) 其他儲備(續)

附註：

- (i) 資本儲備指已發行股本數額與於二零零四年集團重組下收購附屬公司的資產淨值的差額。
- (ii) 根據中國大陸頒佈之規例，本公司在中國大陸成立及營運之附屬公司須按其各自董事會所釐訂之比例，提撥一部分除稅後溢利(經抵銷過往年度虧損)至法定儲備。倘法定儲備的金額已達相關附屬公司註冊資本的50%，則無需作出此撥款。

法定儲備僅可用於抵銷相關附屬公司虧損、擴充相關附屬公司生產經營或增加相關附屬公司股本。當獲得相關附屬公司股東於股東大會上以決議案通過，相關附屬公司則可將其法定儲備轉換成註冊資本，並按現有股東的持股比例向彼等發行紅股。

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16. OTHER RESERVES AND RETAINED EARNINGS (Continued)

(b) Retained earnings

16. 其他儲備及保留溢利(續)

(b) 保留溢利

		RMB'000 人民幣千元
At 1 January 2014	於二零一四年一月一日	2,615,432
Profit for the year	年度溢利	306,721
Transfer from revaluation reserve to retained earnings	由重估儲備轉撥至保留溢利	
– gross	– 總額	13,224
– deferred income tax (Note 20)	– 遞延所得稅(附註20)	(3,445)
		2,931,932
Dividend relating to 2013	二零一三年之股息	(196,608)
Dividend relating to 2014	二零一四年之股息	(35,122)
Transfer to statutory reserves	轉撥至法定儲備	(8,901)
At 31 December 2014	於二零一四年十二月三十一日	2,691,301
At 1 January 2015	於二零一五年一月一日	2,691,301
Profit for the year	年度溢利	590,826
Transfer from revaluation reserve to retained earnings	由重估儲備轉撥至保留溢利	
– gross	– 總額	7,221
– deferred income tax (Note 20)	– 遞延所得稅(附註20)	(1,944)
		3,287,404
Dividend relating to 2014	二零一四年之股息	(55,848)
Dividend relating to 2015	二零一五年之股息	(87,329)
Transfer to statutory reserves	轉撥至法定儲備	(26,276)
At 31 December 2015	於二零一五年十二月三十一日	3,117,951

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17. BORROWINGS

17. 借貸

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Current	即期		
Unsecured bank borrowings	無抵押銀行借貸	86,667	—
Secured bank borrowings (Note (a))	有抵押銀行借貸(附註(a))	204,548	109,122
Other bank borrowings (Note (b))	其他銀行借貸(附註(b))	246,693	127,194
Notes payable (Note (c))	應付票據(附註(c))	1,009,846	—
		1,547,754	236,316
Non-current	非即期		
Unsecured bank borrowings	無抵押銀行借貸	353,333	—
Secured bank borrowings (Note (a))	有抵押銀行借貸(附註(a))	77,427	283,459
Other bank borrowings (Note (b))	其他銀行借貸(附註(b))	891,247	139,964
Notes payable (Note (c))	應付票據(附註(c))	1,183,299	2,355,383
		2,505,306	2,778,806
Total borrowings	借貸總額	4,053,060	3,015,122

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17. BORROWINGS (Continued)

Notes:

(a) Bank borrowings of RMB281,975,000 (2014: RMB392,581,000) were secured by the pledge of the Group's land use rights with a net book amount of RMB45,087,000 (2014: RMB46,069,000) (Note 6); and property, plant and equipment with a net book amount of approximately RMB352,700,000 (2014: RMB393,475,000) (Note 7), as at 31 December 2015.

(b) Other bank borrowings of RMB1,137,940,000 (2014: RMB267,158,000) were secured by cross corporate guarantees provided by certain subsidiaries of the Group as at 31 December 2015.

(c) The notes payable as at 31 December 2015 comprised two senior notes:

US\$156 million senior notes ("Singapore Notes") (2014: US\$188 million) were issued in January 2011, with a principle amount of US\$200 million, interest bearing at a fixed rate of 7.625% per annum and listed on the Singapore Exchange Securities Trading Limited. The Singapore Notes will be repayable in whole on 19 January 2016. The Group repurchased and cancelled the Singapore Notes with a principal amount of US\$44 million up to the year ended 31 December 2015. The Singapore Notes were fully repaid on 19 January 2016.

US\$184 million senior notes ("Hong Kong Notes") (2014: US\$200 million) were issued in April 2013, with a principal amount of US\$200 million, interest bearing at a fixed rate of 6.5% per annum and listed on the Hong Kong Stock Exchange. The Hong Kong Notes will be repayable in whole on 18 January 2019. The Group repurchased the Hong Kong Notes with a principal amount of US\$16 million during the year ended 31 December 2015.

17. 借貸(續)

附註：

(a) 人民幣281,975,000元(二零一四年：人民幣392,581,000元)的銀行借貸以本集團於二零一五年十二月三十一日賬面淨值為人民幣45,087,000元(二零一四年：人民幣46,069,000元)的土地使用權(附註6)的抵押；及於二零一五年十二月三十一日賬面淨值約為人民幣352,700,000元(二零一四年：人民幣393,475,000元)的物業、廠房及設備(附註7)作抵押。

(b) 其他銀行借貸以本集團若干附屬公司提供的於二零一五年十二月三十一日數額為人民幣1,137,940,000元(二零一四年：人民幣267,158,000元)的交叉公司擔保作抵押。

(c) 二零一五年十二月三十一日之應付票據包括兩張優先票據：

1.56億美元優先票據(「新加坡票據」)(二零一四年：1.88億美元)於二零一一年一月發行，本金額為2億美元，按每年7.625%之固定利率計息，並在新加坡證券交易所有限公司上市。新加坡票據將於二零一六年一月十九日悉數償還。截至二零一五年十二月三十一日止年度本集團已回購並註銷本金額4,400萬美元之新加坡票據。新加坡票據已於二零一六年一月十九日悉數償還。

1.84億美元優先票據(「香港票據」)(二零一四年：2億美元)於二零一三年四月發行，本金額為2億美元，按每年6.5%之固定利率計息，並於香港聯交所上市。香港票據將於二零一九年一月十八日悉數償還。截至二零一五年十二月三十一日止年度本集團已回購本金額1,600萬美元之香港票據。

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17. BORROWINGS (Continued)

The carrying amounts of the borrowings are denominated in the following currencies:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
RMB	人民幣	864,400	50,000
USD	美元	3,188,660	2,965,122
		4,053,060	3,015,122

The weighted average effective interest rates per annum at year end are as follows:

		2015 二零一五年		2014 二零一四年	
		USD 美元	RMB 人民幣	USD 美元	RMB 人民幣
Bank borrowings	銀行借貸	3.9%	4.5%	4.0%	6.0%
Notes payable	應付票據	7.0%	-	7.0%	-

At 31 December 2015, the Group's borrowings were repayable as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Within 1 year	1年內	1,547,754	236,316
Between 1 and 2 years	1至2年	286,906	1,307,850
Between 2 and 5 years	2至5年	2,020,847	1,470,956
More than 5 years	超過5年	197,553	-
		4,053,060	3,015,122

The fair values of the borrowings approximate their carrying amounts as at the balance sheet date, as the impact of discounting is not significant.

The Group has undrawn floating rates borrowing facilities of approximately RMB1,543,580,000 (2014: RMB1,275,267,000) which will be expired within one year. The facilities expiring within one year are annual facilities subject to review at various dates during 2016.

17. 借貸(續)

借貸的賬面值按以下貨幣計值：

於年結日加權平均實際年利率如下：

於二零一五年十二月三十一日，本集團借貸的到期日如下：

由於折現之影響微不足道，於結算日，借貸之公平值與其賬面值相若。

本集團未動用之浮動息率借貸融資約人民幣1,543,580,000元(二零一四年：人民幣1,275,267,000元)將於一年內到期。於一年內到期之融資為須於二零一六年不同日期作審閱之年度融資。

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18. DERIVATIVE FINANCIAL INSTRUMENTS

18. 衍生金融工具

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Assets:	資產：		
Forward foreign exchange contracts (Note (a))	遠期外匯合約(附註(a))	61,087	—
Liabilities:	負債：		
Interest rate swap contracts (Note (b))	利率掉期合約(附註(b))	9,899	26,851
Forward foreign exchange contracts (Note (a))	遠期外匯合約(附註(a))	2,789	—
		12,688	26,851

Non-hedging derivatives are classified as a current asset or liability.

非對沖衍生工具分類為流動資產或負債。

Notes:

附註：

- (a) The forward foreign exchange contracts as at 31 December 2015 comprised ten contracts with notional principal amounts totalling RMB2,402,632,000 (2014: Nil).
- (b) The interest rate swap contracts as at 31 December 2015 comprised five contracts with notional principal amounts totalling RMB1,694,836,000 (2014: RMB1,742,932,000).

- (a) 於二零一五年十二月三十一日，遠期外匯合約包括十份合約，名義本金總計為人民幣2,402,632,000元(二零一四年：無)。
- (b) 於二零一五年十二月三十一日，利率掉期合約包括五份合約，名義本金總計為人民幣1,694,836,000元(二零一四年：人民幣1,742,932,000元)。

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19. FINANCE LEASE OBLIGATIONS

The rights to the leased asset are reverted to the lessor in the event of default of the lease liabilities by the Group.

19. 融資租賃承擔

倘本集團拖欠租賃負債，則租賃資產之權利將歸還出租人。

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Gross finance lease liabilities – minimum lease payments	融資租賃負債總額 – 最低租賃付款		
No later than 1 year	一年內	132,706	128,526
Later than 1 year and no later than 5 years	一年後至五年內	230,895	311,101
More than 5 years	超過五年	16,355	46,934
Less: future finance charges on finance leases	減：融資租賃之未來融資費用	(20,910)	(31,852)
		359,046	454,709
The present value of finance lease liabilities is as follows:	融資租賃負債之現值如下：		
No later than 1 year	一年內	123,500	116,375
Later than 1 year and no later than 5 years	一年後至五年內	219,312	292,439
More than 5 years	超過五年	16,234	45,895
		359,046	454,709

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20. DEFERRED INCOME TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

20. 遞延所得稅

遞延稅項資產及遞延稅項負債之分析如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Deferred tax assets:	遞延稅項資產：		
– Deferred tax assets to be recovered after more than 12 months	– 超過 12 個月後收回之遞延稅項資產	57,660	52,700
– Deferred tax assets to be recovered within 12 months	– 在 12 個月內收回之遞延稅項資產	103,071	98,954
		160,731	151,654
Deferred tax liabilities:	遞延稅項負債：		
– Deferred tax liabilities to be settled after more than 12 months	– 超過 12 個月後支付之遞延稅項負債	(94,397)	(73,661)
– Deferred tax liabilities to be settled within 12 months	– 在 12 個月內支付之遞延稅項負債	(1,944)	(2,166)
		(96,341)	(75,827)

The movements in deferred tax assets and liabilities during the year are as follows:

於年內遞延稅項資產及負債變動如下：

Deferred income tax assets:

遞延所得稅資產：

		Tax losses 稅務虧損 RMB'000 人民幣千元	Temporary differences 暫時差異 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2014	於二零一四年一月一日	46,554	88,204	134,758
Credited/(charged) to the consolidated income statement	於綜合收益表貸記/ (扣除)	38,304	(21,408)	16,896
At 31 December 2014	於二零一四年 十二月三十一日	84,858	66,796	151,654
Acquisition of subsidiaries (Note 34)	收購附屬公司(附註 34)	6,585	–	6,585
Credited/(charged) to the consolidated income statement	於綜合收益表貸記/ (扣除)	20,902	(18,410)	2,492
At 31 December 2015	於二零一五年 十二月三十一日	112,345	48,386	160,731

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20. DEFERRED INCOME TAX (Continued)

Deferred income tax liabilities:

20. 遞延所得稅(續)

遞延所得稅負債：

		Fair value adjustments on assets relating to business combinations 有關業務合併之資產之公平值調整 RMB'000 人民幣千元	Revaluation of buildings 樓宇重估 RMB'000 人民幣千元	Withholding tax relating to unremitted earnings of subsidiaries 有關附屬公司未匯付盈利的預扣稅 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2014	於二零一四年一月一日	–	20,134	55,640	75,774
Reversal relating to additional depreciation and disposal of buildings	有關額外折舊及出售樓宇之撥回	–	(3,445)	–	(3,445)
Withholding tax relating to unremitted earnings of subsidiaries	有關附屬公司未匯付盈利的預扣稅	–	–	3,498	3,498
At 31 December 2014	於二零一四年十二月三十一日	–	16,689	59,138	75,827
Reversal relating to additional depreciation	有關額外折舊之撥回	–	(1,944)	–	(1,944)
Acquisition of subsidiaries (Note 34)	收購附屬公司(附註34)	7,299	–	–	7,299
Credited to consolidated income statement	計入綜合收益表	(126)	–	–	(126)
Withholding tax relating to unremitted earnings of subsidiaries	有關附屬公司未匯付盈利的預扣稅	–	–	15,285	15,285
At 31 December 2015	於二零一五年十二月三十一日	7,173	14,745	74,423	96,341

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable. As at 31 December 2015 and 2014, the Group has recognised the deferred income tax assets for all tax loss carry-forwards.

Deferred income tax of RMB1,944,000 (2014: RMB2,074,000) was transferred from other reserves to retained earnings. This represents deferred tax on the difference between the actual depreciation on buildings and the equivalent depreciation based on the historical cost of buildings.

No deferred income tax was transferred from other reserves to retained earnings which represents the disposal of revalued buildings (2014: RMB1,371,000).

遞延所得稅資產乃就結轉之稅項虧損確認，惟以有可能透過日後之應課稅溢利變現有相關稅項利益為限。於二零一五年及二零一四年十二月三十一日，本集團已就所有結轉之稅項虧損確認遞延所得稅資產。

人民幣1,944,000元(二零一四年：人民幣2,074,000元)的遞延所得稅乃由其他儲備轉撥至保留溢利。此代表樓宇的實際折舊與根據樓宇的歷史成本計算的相同折舊之間的差額的遞延稅項。

概無遞延所得稅由其他儲備轉移至保留溢利，其代表出售經重估樓宇。(二零一四年：人民幣1,371,000元)

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21. TRADE AND BILLS PAYABLES

21. 應付貿易及票據款項

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Trade payables	應付貿易款項	184,473	185,095
Bills payable	應付票據款項	2,110,165	1,480,496
		2,294,638	1,665,591

As at 31 December 2015, included in the trade payables was amount due to an associate of RMB221,000 (2014: RMB108,000) (Note 33).

於二零一五年十二月三十一日，包括於應付貿易款項為應付一間聯營公司款項人民幣221,000元(二零一四年：人民幣108,000元)(附註33)。

The ageing analysis of the trade and bills payables (including amount due to a an associate of trading in nature) is as follows:

應付貿易及票據款項(包括應付一間貿易聯營公司之款項)之賬齡分析如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Within 90 days	90日內	1,822,606	1,028,553
91 to 180 days	91日至180日	361,999	408,766
181 days to 1 year	181日至一年	1,232	3,954
Over 1 year	一年以上	108,801	224,318
		2,294,638	1,665,591

Trade and bills payables are denominated in the following currencies:

以下列貨幣列示的應付貿易及票據款項如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
USD	美元	1,522,869	1,489,059
RMB	人民幣	654,278	144,124
VND	越南盾	46,995	32,408
EURO	歐元	70,435	—
Japanese Yen (“JPY”)	日圓(「日圓」)	61	—
		2,294,638	1,665,591

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22. ACCRUALS AND OTHER PAYABLES

22. 預提費用及其他應付賬款

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Accrued wages and salaries	應計工資及薪酬	122,515	107,289
Payables for purchase of property, plant and equipment	購買物業、廠房及設備應付賬款	121,296	68,047
Interest payable	應付利息	86,850	82,438
Payables for acquisition of subsidiaries (Note 34)	收購附屬公司之應付款項 (附註34)	87,286	—
Accrual of operating expenses	應計經營開支	67,991	86,292
Deposits from customers	客戶按金	76,168	76,691
Tax payables other than Mainland China enterprise income tax	應付稅項(中國大陸企業 所得稅除外)	28,550	13,432
Other payables	其他應付賬款	28,111	7,404
		618,767	441,593

23. OTHER INCOME AND OTHER LOSSES, NET

23. 其他收入及其他虧損，淨額

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Other income	其他收入		
Subsidy income (a)	補貼收入(a)	10,196	15,633
Other losses — net	其他虧損 — 淨額		
Gains on acquisition of subsidiaries (Note 34)	收購附屬公司收益(附註34)	69,224	—
Derivative financial instruments at fair value through profit or loss:	按公平值計入損益之衍生 金融工具：		
– Realised profits	– 已實現溢利	1,476	1,777
– Unrealised profits/(losses)	– 未實現溢利/(虧損)	6,106	(2,785)
Net foreign exchange losses (Note 27)	匯兌虧損淨額(附註27)	(94,523)	(34,251)
Loss from Notes repurchase	票據回購虧損	(4,297)	—
Others	其他	6,266	5,193
Total other losses – net	其他虧損總額 — 淨額	(15,748)	(30,066)

(a) The subsidy income mainly related to incentives for development in Xuzhou, Shandong and Shanghai, Mainland China and grants provided by municipal governments based on the amounts of value-added tax and income tax paid. The Group has received all the subsidy income and there was no future obligation related to these subsidy income.

(a) 補貼收入主要與於中國大陸徐州、山東及上海發展所獲得之優惠及市政府根據已付增值稅及所得稅金額授出之津貼有關。本集團已收取全數補貼收入，以及並無有關該等補貼收入之未來責任。

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24. EXPENSES BY NATURE

24. 開支(按性質分類)

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Raw materials and consumables used	耗用原材料及消耗品	6,692,651	7,187,630
Changes in inventories of finished goods and work in progress	製成品及在製品存貨變動	119,689	224,692
Employment benefit expenses (Note 25)	僱員福利開支(附註25)	994,076	910,503
Depreciation and amortisation (Notes 6 and 7)	折舊及攤銷(附註6及7)	454,566	397,785
Losses on disposal of property, plant and equipment (Note 31)	出售物業、廠房及設備虧損(附註31)	3,544	1,884
Office expenses	辦公開支	69,408	57,725
Utilities	動力及燃料	652,350	622,927
Transportation costs	運輸成本	241,555	232,972
Auditor's remuneration	核數師酬金		
— Annual audit (2014: and special purpose interim review) services	— 年度審核(二零一四年: 和特別目的中期審閱) 服務	3,848	3,700
— Non-audit services	— 非審核服務	520	400
Rental expenses for buildings and machinery (Note 7)	樓宇及機器租金開支(附註7)	42,267	25,172
(Reversal)/accrual of provision for impairment of trade receivables (Note 11)	應收貿易款項減值撥備之(撥回)/預提(附註11)	(2,299)	8,725
Reversal of provision for decline in the value of inventories (Note 10)	存貨減值撥備撥回(附註10)	(2,213)	(1,597)
Other expenses	其他開支	148,914	183,436
Total cost of sales, selling and distribution costs and general and administrative expenses	銷售成本、銷售及分銷開支以及一般及行政開支總額	9,418,876	9,855,954

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25. EMPLOYMENT BENEFIT EXPENSES

25. 僱員福利開支

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Wages, salaries and bonuses	工資、薪酬及花紅	859,201	797,616
Pension costs – defined contribution plans (Note (a))	退休金成本界定供款計劃 (附註(a))	67,503	59,774
Other welfare benefits (Note (b))	其他福利(附註(b))	38,507	35,555
Other employment benefits	其他僱員福利	28,865	17,558
		994,076	910,503

(a) Pension – defined contribution plans

As stipulated by rules and regulations in Mainland China, the Group has participated in state-sponsored defined contribution retirement plans for its employees in Mainland China. The Group and the eligible employees are required to contribute 14% to 22% and 7% to 8%, respectively, of the employees' basic salary (subject to a cap) at rates as stipulated by the relevant municipal governments. The Group has no further obligations for the actual payment of pensions or post-retirement benefits beyond the annual contributions. The state-sponsored retirement plans are responsible for the entire pension obligations payable to the retired employees. During the year ended 31 December 2015, the Group contributed approximately RMB45,233,000 (2014: RMB38,064,000) to the aforesaid state-sponsored retirement plans.

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the "MPF Scheme"), a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, each of the Group and its Hong Kong employees makes monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident fund legislation, subject to a cap of HK\$1,500 per month. During the year ended 31 December 2015, the Group contributed approximately RMB107,000 (2014: RMB107,000) to the MPF Scheme.

(a) 退休金 — 界定供款計劃

根據中國大陸規則及法規規定，本集團已為其中國大陸僱員參與國家資助的界定供款退休計劃。本集團及合資格僱員須分別就僱員基本薪金的14%至22%及7%至8%作出供款(訂有上限)，比率由有關市政府規定。除此項年度供款外，本集團對其任何實際退休金支出或退休後福利則毋須再作任何承擔。退休僱員的所有退休金支出概由國家資助退休計劃承擔。於截至二零一五年十二月三十一日止年度，本集團向上述國家資助退休計劃分別供款約人民幣45,233,000元(二零一四年：人民幣38,064,000元)。

本集團已安排香港僱員參加強制性公積金計劃(「強積金計劃」)，屬於由獨立信託人管理的界定供款計劃。於強積金計劃，本集團及其香港僱員各自於每月按強積金法例所界定的僱員收入5%向計劃供款，供款上限為每月1,500港元。於截至二零一五年十二月三十一日止年度，本集團向強積金計劃供款約人民幣107,000元(二零一四年：人民幣107,000元)。

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25. EMPLOYMENT BENEFIT EXPENSES

(Continued)

(a) Pension – defined contribution plans (Continued)

As stipulated by rules and regulations in Vietnam, the Group contributes to stated-sponsored employees' social insurance scheme for its employees in Vietnam. The Group contributes to the scheme at a rate of 20% of the employee's salary. The stated-sponsored social insurance scheme is responsible for the entire obligations payable to retired employees. During the year ended 31 December 2015, the Group contributed approximately RMB22,163,000 (2014: RMB20,113,000) to the aforesaid state-sponsored social insurance scheme.

(b) Other welfare benefits

All of the Group's employees in Mainland China participate in employee social security plans, including medical, housing and other welfare benefits, organised and administered by governmental authorities. During the year ended 31 December 2015, the Group contributed approximately RMB38,507,000 (2014: RMB35,555,000) to these plans.

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include three (2014: three) directors whose emoluments are reflected in the analysis shown in Note 36. The emoluments payable to the remaining two (2014: two) individuals are as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Basic salaries and allowances	基本薪金及津貼	1,966	1,780
Bonuses	花紅	1,918	1,817
		3,884	3,597

25. 僱員福利開支(續)

(a) 退休金 — 界定供款計劃(續)

根據越南規則及法規規定，本集團已為其越南僱員向國家資助的僱員社會保險計劃作出供款。本集團按僱員薪金的20%向該計劃供款。退休僱員的所有支出概由國家資助的社會保險計劃承擔。於截至二零一五年十二月三十一日止年度，本集團向上述國家資助的社會保險計劃供款約人民幣22,163,000元(二零一四年：人民幣20,113,000元)。

(b) 其他福利

本集團於中國大陸的所有僱員均參與僱員社會保障計劃，該計劃包括由政府機構籌劃及監控的醫療、房屋及其他福利。截至二零一五年十二月三十一日止年度，本集團就上述計劃供款約人民幣38,507,000元(二零一四年：人民幣35,555,000元)。

(c) 五位最高薪酬人士

於本年度，本集團五位最高薪酬人士其中三位(二零一四年：三位)為董事，其酬金於附註36的分析內反映。應付予餘下兩位(二零一四年：兩位)人士之酬金如下：

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26. FINANCE INCOME AND COSTS

26. 財務收入及費用

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Interest expenses – borrowings	利息開支 — 借貸	228,374	234,957
Interest expenses – finance lease obligations	利息開支 — 融資租賃承擔	10,942	13,652
		239,316	248,609
Exchange losses on financing activities (Note 27)	融資活動所得匯兌虧損 (附註27)	196,395	9,264
Less: amount capitalised in property, plant and equipment	減：物業、廠房及設備資本化金額	(4,196)	(4,033)
Finance costs – net	財務費用 — 淨額	431,515	253,840
Finance income – interest income on bank deposits	財務收入 — 銀行存款利息收入	(12,775)	(4,836)
Net finance costs	財務費用淨額	418,740	249,004

27. NET FOREIGN EXCHANGE LOSSES

The exchange differences included in the consolidated income statement are as follows:

27. 匯兌虧損淨額

於綜合收益表計入之匯兌差額包括以下項目：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Other losses – net (Note 23)	其他虧損淨額 (附註23)	94,523	34,251
Finance costs (Note 26)	財務費用 (附註26)	196,395	9,264
		290,918	43,515

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28. INCOME TAX EXPENSE

The amount of income tax charged to the consolidated income statement represents:

28. 所得稅開支

於綜合收益表扣除之所得稅金額如下：

	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Current tax on profits for the year	138,548	65,024
Adjustment in respect of prior years	(2,425)	48
Deferred income tax (Note 20)	10,723	(16,843)
	146,846	48,229

(a) Hong Kong profits tax

Subsidiaries established in Hong Kong are subject to profits tax at rate of 16.5% (2014:16.5%).

(a) 香港利得稅

於香港成立之附屬公司須按16.5% (二零一四年：16.5%)之稅率繳納利得稅。

(b) Mainland China enterprise income tax ("EIT")

Effective from 1 January 2008, the subsidiaries established in Mainland China are required to determine and pay the EIT in accordance with the Corporate Income Tax Law of the PRC (the "New CIT Law") as approved by the National People's congress on 16 March 2007 and Detailed Implementations Regulations of the New CIT Law (the "DIR") as approved by the State Council on 6 December 2007. According to the New CIT Law and DIR, subsidiaries established in Mainland China are subject to EIT at rate of 25% during the year (2014: 25%).

(b) 中國大陸企業所得稅(「企業所得稅」)

由二零零八年一月一日起，於中國大陸成立之附屬公司，須依照全國人民代表大會於二零零七年三月十六日通過之中國企業所得稅法(「新企業所得稅法」)，和國務院於二零零七年十二月六日批准之新企業所得稅法條例實施細則(「條例實施細則」)，釐定並繳納企業所得稅。根據新企業所得稅法及條例實施細則，在中國內地成立之附屬公司於年內須繳納企業所得稅，稅率為25% (二零一四年：25%)。

28. INCOME TAX EXPENSE (Continued)

(c) Vietnam income tax

Subsidiaries established in Vietnam are subject to income tax at rate of 22% (2014: 22%).

As approved by the relevant Tax Bureau in Vietnam, the subsidiaries established in Vietnam in 2014, 2013 and 2011 are entitled to four years' exemption from income taxes followed by nine years of a 50% tax reduction, commencing from the first profitable year after offsetting the losses carried forward from the previous years, and are entitled to a preferential income tax rate of 10% for 15 years, commencing from the first year generating income from the operation.

As approved by the relevant Tax Bureau in Vietnam, the subsidiary established in Vietnam in 2006 should separately calculate income tax on its supplementary investments. The initial investment of the subsidiary is entitled to three years' exemption from income taxes followed by seven years of a 50% tax reduction and is entitled to a preferential income tax rate of 15% for 12 years. The first supplementary investment of the subsidiary is entitled to three years' exemption from income taxes followed by five years of a 50% tax reduction based on the income tax rate of 22%.

As approved by the relevant Tax Bureau in Vietnam, the other subsidiary in Vietnam should separately calculate income tax on its supplementary investments. The initial investment of the subsidiary is entitled to a tax rate of 15%. The supplementary investment of the subsidiary is entitled to a tax rate of 22%.

The applicable tax rates for the subsidiaries in Vietnam range from nil to 22% during the year (2014: nil to 22%).

28. 所得稅開支(續)

(c) 越南所得稅

於越南成立的附屬公司須按22% (二零一四年：22%)之稅率繳付所得稅。

經越南的相關稅務局批准，於二零一四年、二零一三年及二零一一年在越南成立的附屬公司，有權於抵銷過往年度結轉的虧損後首個獲利年度起，免繳所得稅四年，其後九年則可獲稅率減半優惠，並有權由業務產生收入之首個年度起享受優惠所得稅稅率10%達十五年。

經越南的相關稅務局批准，一家於二零零六年在越南成立的附屬公司，可就其補充投資獨立計算所得稅。該附屬公司的初步投資有權免繳所得稅三年，其後七年則可獲稅率減半優惠，並有權享受優惠所得稅稅率15%達十二年。該附屬公司的首項補充投資有權免繳所得稅三年，其後五年根據22%的所得稅稅率繳付，可獲稅率減半優惠。

經越南的相關稅務局批准，另外一家在越南的附屬公司，可就其補充投資獨立計算所得稅。該附屬公司的初步投資有權以15%的稅率繳付所得稅，而該附屬公司的補充投資有權以22%的稅率繳付所得稅。

年內，在越南的附屬公司的適用稅率，介乎零至22% (二零一四年：零至22%)。

28. INCOME TAX EXPENSE (Continued)

(d) Other income or profits tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and, accordingly, is exempted from payment of Cayman Islands income tax.

The Company's subsidiaries established in the British Virgin Islands were incorporated under the International Business Companies Acts or the Business Companies Acts, 2004 of the British Virgin Islands and, accordingly, are exempted from payment of British Virgin Islands income tax.

The subsidiary established in Macao is subject to income tax rate of 9% (2014: 9%). No provision for Macao profits tax has been made as the Group had no assessable profit arising in or derived from Macao during the year (2014: nil).

The subsidiary established in Uruguay is subject to income tax rate of 25% (2014: 25%). No provision for Uruguay profits tax has been made as the Group had no assessable profit arising in or derived from Uruguay during the year (2014: nil).

The subsidiary established in Turkey is subject to profits tax at rate of 20%. No provision for Turkey profits tax has been made as the Group had no assessable profit arising in or derived from Turkey during the year (2014: nil).

The newly acquired subsidiary in Cambodia during the year is subject to profits tax at rate of 20%. As approved by relevant Tax Bureau in Cambodia, the subsidiary is entitled to a preferential tax rate of 0% during the year.

28. 所得稅開支(續)

(d) 其他所得或利得稅

本公司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，因此獲免繳開曼群島所得稅。

本公司於英屬處女群島成立之附屬公司乃根據英屬處女群島國際商業公司法或二零零四年商業公司法註冊成立，因此獲免繳英屬處女群島所得稅。

於澳門成立之附屬公司須按9% (二零一四年：9%)之稅率繳付所得稅。由於本集團於年內概無在澳門產生或從澳門賺取應課稅溢利，故概無就澳門利得稅作出撥備(二零一四年：零)。

於烏拉圭成立之附屬公司按25% (二零一四年：25%)之稅率繳交所得稅。概無就烏拉圭利得稅計提撥備，因為本集團於年內並無於烏拉圭產生或獲得應課稅溢利(二零一四年：零)。

於土耳其成立之附屬公司須按20%之稅率繳付利得稅。由於本集團於年內概無在土耳其產生或從土耳其賺取應課稅溢利，故概無就土耳其利得稅作出撥備(二零一四年：零)。

年內於柬埔寨新收購之附屬公司須按20%之稅率繳付利得稅。經柬埔寨的相關稅務局批准，該附屬公司於年內有權享有0%優惠稅率。

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28. INCOME TAX EXPENSE (Continued)

(d) Other income or profits tax (Continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities, as follows:

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Profit before income tax, after excluding share of profit of an associate	除所得稅前溢利(經扣除應佔聯營公司溢利)	731,686	350,930
Tax calculated at domestic tax rates applicable to profits of the respective subsidiaries	按適用於相關附屬公司之溢利之當地稅率計算之稅項	139,890	49,271
Effect of tax exemption/reduction	稅項豁免/減免之影響	(9,190)	(6,450)
Expenses not deductible for tax purposes	不可扣稅開支	3,286	1,862
Adjustment in respect of prior years	過往年度調整	(2,425)	48
Withholding tax relating to unremitted earnings of subsidiaries	有關附屬公司未匯付盈利的預扣稅	15,285	3,498
		146,846	48,229

The weighted average applicable tax rate was 20% (2014: 14%).

10% withholding income tax is generally imposed on dividends relating to any profits earned in PRC commencing from 2008 to foreign investors, while for some PRC entities held by companies incorporated in certain places, including Hong Kong and Singapore, preferential tax rate of 5% will be applied if such companies are the beneficial owner of over 25% of these PRC entities according to PRC tax regulations.

28. 所得稅開支(續)

(d) 其他所得或利得稅(續)

本集團除所得稅前溢利的稅款與根據適用於綜合實體溢利的加權平均稅率計算之理論金額不同，差異如下：

適用的加權平均稅率為20% (二零一四年：14%)。

中國企業所得稅對境外投資者獲分派二零零八年及之後賺取的利潤的股息一般徵收10%預提所得稅，而就若干地區(包括香港及新加坡)註冊成立之公司所持有的中國實體而言，倘該等公司根據中國之稅務條例為該等中國實體超過25%權益之實益擁有人，則享有5%的優惠稅率。

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29. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

		2015 二零一五年	2014 二零一四年
Profit attributable to equity holders of the Company (RMB'000)	本公司股權持有人應佔溢利(人民幣千元)	590,826	306,721
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數(以千計)	884,681	884,681
Basic earnings per share (RMB per share)	每股基本盈利(每股人民幣元)	0.67	0.35

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company did not have any dilutive shares in 2014 but the share options issued in 2015 constitute dilutive shares. For the Company's share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

For the year ended 31 December 2015, as the average annual market share price of the Company's shares was lower than the subscription price, the impact of exercise of the share options on earnings per share is anti-dilutive.

For the year ended 31 December 2014, diluted earnings per share was the same as the basic earnings per share since the Company did not have dilutive shares.

29. 每股盈利

(a) 基本

每股基本盈利以本公司股權持有人應佔溢利除以年內已發行普通股之加權平均數計算。

(b) 攤薄

每股攤薄盈利乃透過調整發行在外的普通股加權平均數計算，以假設所有具攤薄影響之潛在普通股獲轉換。本公司於二零一四年並無任何攤薄股份，惟二零一五年發行之購股權構成攤薄股份。就本公司之購股權而言，本公司已根據未行使購股權附帶之認購權之幣值，計算能夠按公平值(釐定為本公司股份之平均年度市價)收購的股份數目。上述計算所得之股份數目與假設購股權獲行使的情況下，已發行的股份數目比較。

於截至二零一五年十二月三十一日止年度，本公司股份之平均年度股份市價低於認購價，故此行使購股權對每股盈利之影響屬反攤薄性質。

於截至二零一四年十二月三十一日止年度，每股攤薄盈利與每股基本盈利相同，因為本公司並無任何攤薄股份。

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30. DIVIDENDS

The dividend paid in 2015 were RMB143,177,000 (2014: RMB231,730,000), being HKD0.20 per ordinary share (2014: HKD0.33 per ordinary share). A proposed final dividend in respect of the year ended 31 December 2015 of HKD0.12 (2014: HKD0.08) per share, amounting to a total dividend of RMB88,942,000 (2014: RMB55,848,000) is to be presented for approval at the annual general meeting of the Company on 18 April 2016. These financial statements do not reflect this as dividend payable.

30. 股息

於二零一五年，已支付股息金額為人民幣143,177,000元(二零一四年：人民幣231,730,000元)，每股普通股0.20港元(二零一四年：每股普通股0.33港元)。截至二零一五年十二月三十一日止年度之擬派末期股息為每股0.12港元(二零一四年：0.08港元)，股息總金額達人民幣88,942,000元(二零一四年：人民幣55,848,000元)，將於本公司二零一六年四月十八日之股東週年大會上提呈批准。此等財務報表並不反映此項為應付股息。

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Interim dividend paid of HKD0.12 (2014: HKD0.05) per ordinary share	已付中期股息每股普通股 0.12港元 (二零一四年：0.05港元)	87,329	35,122
Proposed final dividend of HKD0.12 (2014: HKD0.08) per ordinary share	擬派末期股息每股普通股 0.12港元 (二零一四年：0.08港元)	88,942	55,848
		176,271	90,970

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31. CASH GENERATED FROM OPERATIONS

The reconciliation from profit before income tax to cash generated from operations is as follows:

31. 經營所產生之現金

除所得稅前溢利與營運產生的現金對賬如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	735,814	354,950
Adjustments for:	調整各項目：		
– Amortisation and depreciation	– 攤銷及折舊	454,566	397,785
– Share of profit from an associate	– 分佔聯營公司溢利	(4,128)	(4,020)
– Amortisation of share option scheme	– 購股權計劃攤銷	9,898	–
– Losses on disposal of property, plant and equipment and land use rights	– 出售物業、廠房及設備及土地使用權虧損	3,544	1,884
– Finance costs – net	– 財務費用淨額	418,740	249,004
– Fair value (gains)/losses on derivative financial instruments and assets	– 衍生金融工具及資產公平值(收益)/虧損	(6,106)	2,785
– Settlement on derivative financial instruments	– 衍生金融工具結算	(69,144)	(5,204)
– Gain on acquisition of subsidiaries	– 收購一間附屬公司之收益	(69,224)	–
Changes in working capital (excluding the effects of exchange differences on consolidation):	營運資金變動(綜合賬目之匯兌差額的影響除外)：		
– Inventories	– 存貨	(189,130)	644,210
– Trade and bills receivables	– 應收貿易及票據款項	333,599	(356,676)
– Prepayments, deposits and other receivables	– 預付款項、按金及其他應收賬款	(146,001)	61,429
– Trade and bills payables	– 應付貿易及票據款項	333,324	(261,304)
– Accruals and other payables	– 預提費用及其他應付賬款	(9,226)	33,888
Cash generated from operations	經營所產生之現金	1,796,526	1,118,731

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31. CASH GENERATED FROM OPERATIONS (Continued)

In the consolidated cash flow statement, proceeds from disposal of property, plant and equipment include:

	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Net book amount – property, plant and equipment (Note 7)	10,209	21,201
Net book amount – land use rights (Note 6)	–	2,481
Losses on disposal of property, plant and equipment and land use rights (Note 24)	(3,544)	(1,884)
Proceeds from disposal of property, plant and equipment and land use rights	6,665	21,798

31. 經營所產生之現金 (續)

於綜合現金流量表，出售物業、廠房及設備的所得款項包括：

32. COMMITMENTS

(a) Capital expenditure commitments

Capital expenditures at the balance sheet date that have not been incurred are as follows:

	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Property, plant and equipment		
Authorised but not contracted for	183,408	472,470
Contracted but not provided for	740,644	8,240
	924,052	480,710
Land use rights		
Authorised but not contracted for	–	61,100
Contracted but not provided for	96,117	50,644
	96,117	111,744
Total capital expenditure commitments	1,020,169	592,454

32. 承擔

(a) 資本開支承擔

於結算日的資本開支(但未產生)如下：

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32. COMMITMENTS (Continued)

(a) Capital expenditure commitments (Continued)

As at 31 December 2015, the capital expenditure commitments for property, plant and equipment mainly represent the expansion plan and investment budget in Turkey of RMB183,408,000 which have been approved by the board of directors of the relevant company within the Group, and in Mainland China of RMB667,638,000 and in Vietnam of RMB73,006,000 which have been contracted.

As at 31 December 2015, the capital expenditure commitments for land use rights mainly represent the investment budget in Vietnam of RMB96,117,000 which have been approved by the board of directors of the relevant company within the Group and have been contracted. Out of the amount, RMB45,042,000 was contracted with Texhong Haiha Industrial Park Vietnam Co., Ltd., a company jointly controlled by the Chairman of the Group (Note 33(a)).

(b) Operating lease commitments

The Group leases various land, offices and warehouses under non-cancellable operating lease agreements. The future aggregate minimum lease payments under non-cancellable operating leases as at the balance sheet date are as follows:

32. 承擔(續)

(a) 資本開支承擔(續)

於二零一五年十二月三十一日，物業、廠房及設備的資本開支承擔主要代表在土耳其、中國及越南的擴充計劃及投資預算，分別為數人民幣183,408,000元(已獲本集團內相關公司的董事會批准)、人民幣667,638,000元及人民幣73,006,000元(已訂約)。

於二零一五年十二月三十一日，土地使用權之資本開支承擔主要指本集團內相關公司的董事會已批准之越南投資預算人民幣96,117,000元且已訂約。在該金額中的人民幣45,042,000元乃與受本集團主席共同控制之公司越南天虹海河工業區有限公司簽訂(附註33(a))。

(b) 經營租賃承擔

本集團根據不可撤銷經營租賃協議而租賃不同的土地、辦公室及倉庫。根據不可撤銷經營租賃於結算日之未來最低租賃款項總額如下：

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
No later than 1 year	一年內	9,304	25,608
Later than 1 year and no later than 5 years	一年後至五年內	13,207	21,663
Later than 5 years	超過五年	20,518	22,115
		43,029	69,386
Relating to:	關於：		
Land use rights	土地使用權	23,691	22,922
Property, plant and equipment	物業、廠房及設備	19,338	46,464
		43,029	69,386

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33. RELATED-PARTY TRANSACTIONS

Related parties are those as defined under Hong Kong Accounting Standard 24 and include key management of the Group. General speaking, parties are considered to be related if one party has the ability, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control.

The Group is controlled by New Green Group Limited (incorporated in BVI), which directly and indirectly owns 62% of the Company's shares. The remaining 38% of the shares are widely held. The ultimate parent of the Group is Texhong Group Holdings Limited (incorporated in Cayman Islands). The ultimate controlling party of the Group is Mr Hong Tian Zhu.

The related parties that had business transactions with the Group are as follows:

Name of related party

關聯方名稱

Nantong Textile Group Co., Ltd.

南通紡織控股集團紡織染有限公司

Texhong Haiha Industrial Park Vietnam Co., Ltd.

越南天虹海河工業區有限公司

33. 與關聯方的交易

關聯方為香港會計準則第24號所定義者，並且包括本集團主要管理層。大致而言，倘其中一方能直接或間接控制另一方或在財務及營運決定方面對另一方行使重大影響力，則被視為關聯方。倘彼等受共同控制，亦被視為關聯方。

本集團由 New Green Group Limited (於英屬處女群島註冊成立) 控制，其直接及間接擁有本公司股份之 62%。本公司股份餘下之 38% 被廣泛持有。本集團之最終母公司為 Texhong Group Holdings Limited (於開曼群島註冊成立)。本集團之最終控制方為洪天祝先生。

與本集團進行商業交易的關聯方如下：

Relationship with the Group

與本集團的關係

Associated company

聯營公司

Company jointly controlled by

the Chairman of the Group

受本集團主席共同控制之公司

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33. RELATED-PARTY TRANSACTIONS

(Continued)

(a) Transactions with related parties

33. 與關聯方的交易 (續)

(a) 與關聯方的交易

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Purchases of goods	購買貨品		
– An associated company	– 聯營公司	27,800	8,585
Purchases of land use rights from a company jointly controlled by the Chairman of the Group	從受本集團主席共同控制的公司購買土地使用權		
– total contracted amount	– 總訂約金額	127,200	–
– outstanding commitment (Note 32(a))	– 餘下承擔金額 (附註(32(a)))	(45,042)	–
– completed purchases	– 已完成購買金額	82,158	–

In the opinion of the Company's directors and the Group's management, the above related party transactions were carried out in the ordinary course of business, and in accordance with the terms of the underlying agreements and/or the invoices issued by the respective parties.

本公司董事及本集團的管理層認為上述與關聯方的交易乃於日常業務過程並且根據相關協議的條款及／或由有關各方發出的發票進行。

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33. RELATED-PARTY TRANSACTIONS

(Continued)

(b) Balance with a related party

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Trade payables (Note 21) – An associated company	應付貿易款項(附註21) – 聯營公司	221	108

The balance with the related party is unsecured, non-interest bearing and repayable within one year.

與關聯方的結餘為無抵押、免息及須於一年內償還。

(c) Key management compensation

		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Salaries, wages and bonuses	薪酬、工資及花紅	16,618	9,522
Pension costs – defined contribution plan	退休金成本界定供款計劃	523	205
Other benefits	其他福利	766	719
		17,907	10,446

(c) 主要管理層薪酬

34. BUSINESS COMBINATIONS

On 1 October 2015, the Group acquired 88% of the share capital of Chung Charm Textiles Limited, a company engaged in the manufacturing and sales of yarns and other textile products in China for a consideration of RMB90,752,000.

On 1 November 2015, the Group acquired the entire interest of Eastern Industrial Enterprise Inc., a company engaged in the manufacturing and sales of grey fabrics, garments and dyed fabrics in Cambodia for a consideration of RMB24,832,000.

As a result of the acquisitions, the Group is expected to increase its presence in these markets. It also expects to reduce costs through economies of scale. The Group recognized gains of RMB69,224,000 from the acquisitions and the gains are included in 'other losses-net' in the consolidated income statement for the year ended 31 December 2015.

34. 業務合併

於二零一五年十月一日，本集團收購湛江中湛紡織有限公司(於中國從事製造及銷售紗線及其他紡織品的公司)之88%股本，代價為人民幣90,752,000元。

於二零一五年十一月一日，本集團收購Eastern Industrial Enterprise Inc.(於柬埔寨從事製造及銷售坯布、服裝及染布的公司)之全部權益，代價為人民幣24,832,000元。

憑藉收購事項，本集團預期將擴大於該等市場的版圖，亦預期可透過規模經濟減低成本。本集團自收購事項確認收益人民幣69,224,000元，而收益於截至二零一五年十二月三十一日止年度的綜合收益表計入「其他虧損—淨額」。

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34. BUSINESS COMBINATIONS (Continued)

The details of the fair value of assets acquired, liabilities assumed at the acquisition date of these acquisitions are summarized on an aggregate basis as follows:

34. 業務合併(續)

此等收購事項於收購日期所收購資產、所承擔負債之公平值詳情按匯總基礎概述如下：

		Fair value at acquisition date 於收購日期的 公平值 RMB'000 人民幣千元
Consideration:	代價：	
– Cash	– 現金	28,298
– Other payables to be settled in cash (Note 22)	– 將以現金結付的其他應付款項 (附註22)	87,286
Total consideration	總代價	115,584
Recognised amounts of identifiable assets acquired and liabilities assumed	可識別所收購資產及所承擔 負債的確認額	
Cash and cash equivalents	現金及現金等值物	25,905
Property, plant and equipment (Note 7)	物業、廠房及設備(附註7)	137,349
Land use rights (Note 6)	土地使用權(附註6)	3,772
Inventories	存貨	67,716
Trade and bills receivables	應收貿易及票據款項	45,622
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	152
Trade and bills payables	應付貿易及票據款項	(33,193)
Accruals and other payables	預提費用及其他應付賬款	(40,429)
Deferred tax assets (Note 20)	遞延稅項資產(附註20)	6,585
Deferred tax liabilities (Note 20)	遞延稅項負債(附註20)	(7,299)
Total identifiable net assets	可識別資產淨值總額	206,180
Non-controlling interests	非控制性權益	(21,372)
Gains on acquisitions (Note 23)	收購收益(附註23)	(69,224)
		115,584
Cash and cash equivalents in subsidiaries acquired	所收購附屬公司之現金及現金等值物	25,905
Consideration for acquisitions settled in cash	以現金結付之收購代價	(28,298)
Cash paid on acquisitions	收購支付現金	(2,393)

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34. BUSINESS COMBINATIONS (Continued)

Acquisition related costs of RMB567,000 have been charged to administration expenses in the consolidated income statement for the year ended 31 December 2015.

The revenue included in the consolidated income statement since 1 October 2015 contributed by Chung Charm Textiles Limited was RMB36,256,000. Chung Charm Textiles Limited also made losses of RMB4,777,000 over the same period.

The revenue included in the consolidated income statement since 1 November 2015 contributed by Eastern Industrial Enterprise Inc. was RMB7,463,000. Eastern Industrial Enterprise Inc. also made losses of RMB729,000 over the same period.

Had Chung Charm Textiles Limited and Eastern Industrial Enterprise Inc. been consolidated from 1 January 2015, the consolidated income statement would show pro-forma revenue of RMB10,880,572,000 and profit of RMB540,005,000.

34. 業務合併(續)

收購相關成本人民幣567,000元於截至二零一五年十二月三十一日止年度的綜合收益表計入行政開支。

自二零一五年十月一日起計入綜合收益表由湛江中湛紡織有限公司產生的收入為人民幣36,256,000元。同期，湛江中湛紡織有限公司亦產生虧損人民幣4,777,000元。

自二零一五年十一月一日起計入綜合收益表由Eastern Industrial Enterprise Inc.產生的收入為人民幣7,463,000元。同期，Eastern Industrial Enterprise Inc.亦產生虧損人民幣729,000元。

倘湛江中湛紡織有限公司及Eastern Industrial Enterprise Inc.於二零一五年一月一日起綜合入賬，則綜合收益表會反映備考收入人民幣10,880,572,000元及溢利人民幣540,005,000元。

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35. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

(a) Balance sheet of the Company

35. 本公司之資產負債表及儲備變動

(a) 本公司之資產負債表

		As at 31 December 於十二月三十一日	
		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
ASSETS	資產		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	248	377
Investments in subsidiaries	於附屬公司的投資	2,895,790	2,274,582
		2,896,038	2,274,959
Current assets	流動資產		
Trade and bills receivables	應收貿易及票據款項	24,874	—
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	49,786	184
Due from subsidiaries	應收附屬公司款項	2,881,703	2,412,478
Derivative financial instruments	衍生金融工具	32,041	—
Cash and cash equivalents	現金及現金等值物	199,152	5,496
		3,187,556	2,418,158
Total assets	總資產	6,083,594	4,693,117
EQUITY	股東權益		
Equity attributable to owners of the Company	本公司擁有人應佔股東權益		
Share capital: nominal value	股本：面值	94,064	94,064
Share premium	股份溢價	189,218	189,218
Other reserves	其他儲備	182,217	172,319
Retained earnings	保留溢利	571,303	143,627
Total equity	總股東權益	1,036,802	599,228

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35. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

(Continued)

(a) Balance sheet of the Company (Continued)

35. 本公司之資產負債表及儲備變動(續)

(a) 本公司之資產負債表(續)

		As at 31 December 於十二月三十一日	
		2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Borrowings	借貸	1,708,063	2,355,383
Finance lease obligations	融資租賃承擔	235,546	338,334
		1,943,609	2,693,717
Current liabilities	流動負債		
Bills payable	應付票據款項	1,127,891	1,157,124
Accruals and other payables	預提費用及其他應付賬款	233,812	77,605
Due to subsidiaries	應付附屬公司款項	469,787	23,847
Borrowings	借貸	1,139,370	–
Derivative financial instruments	衍生金融工具	8,823	25,221
Finance lease obligations	融資租賃承擔	123,500	116,375
		3,103,183	1,400,172
Total liabilities	總負債	5,046,792	4,093,889
Total equity and liabilities	總股東權益及負債	6,083,594	4,693,117

The balance sheet of the Company was approved by the Board of Directors on 8 March 2016 and was signed on its behalf by:

本公司資產負債表已於二零一六年三月八日獲董事會批准，並由下列董事代表董事會簽署：

Hong Tianzhu
Director

Zhu Yongxiang
Director

洪天祝
董事

朱永祥
董事

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35. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

(Continued)

(b) Reserve movement of the Company

35. 本公司之資產負債表及儲備變動(續)

(b) 本公司之儲備變動

		Other reserves 其他儲備 RMB'000 人民幣千元	Retained earnings 保留溢利 RMB'000 人民幣千元
At 1 January 2014	於二零一四年一月一日	172,319	214,224
Profit for the year	年度溢利	-	161,133
Dividend relating to 2013	二零一三年之股息	-	(196,608)
Dividend relating to 2014	二零一四年之股息	-	(35,122)
At 31 December 2014	於二零一四年十二月三十一日	172,319	143,627
At 1 January 2015	於二零一五年一月一日	172,319	143,627
Profit for the year	年度溢利	-	570,853
Employee share option scheme	僱員購股權計劃	9,898	-
Dividend relating to 2014	二零一四年之股息	-	(55,848)
Dividend relating to 2015	二零一五年之股息	-	(87,329)
At 31 December 2015	於二零一五年十二月三十一日	182,217	571,303

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36. BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' and chief executive's emoluments

The Group does not have a chief executive who is not also a director of the Company.

The remuneration of every director is set out below:

For the year ended 31 December 2015, emoluments paid or payable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:

36. 董事福利及權益

(a) 董事及行政總裁酬金

本集團沒有不同時為本公司董事的行政總裁。

應付予每位董事的酬金如下：

截至二零一五年十二月三十一日止年度，就個人擔任董事提供服務（不論本公司或其附屬公司）已付或應付酬金：

Name of Director	Fees	Salaries	Discretionary bonuses	Housing allowance	Estimated money value of other benefits	Employer's contribution to benefit scheme	Total
董事姓名	袍金 RMB'000 人民幣千元	薪金 RMB'000 人民幣千元	酌情花紅 RMB'000 人民幣千元	住屋津貼 RMB'000 人民幣千元	其他福利之估計價值 RMB'000 人民幣千元	僱主福利計劃供款 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Executive Directors: 執行董事：							
Hong Tianzhu 洪天祝	-	1,002	1,801	684	-	1	3,488
Zhu Yongxiang 朱永祥	-	1,368	960	-	13	83	2,424
Tang Daoping 湯道平	-	740	4,062	-	13	67	4,882
Hui Tsz Wai (Note i) 許子慧(附註i)	-	2,775	505	-	-	303	3,583
Ji Zhongliang (Note i) 吉忠良(附註i)	-	365	1,323	-	43	-	1,731
Independent non-executive Directors: 獨立非執行董事：							
Ting Leung Huel, Stephen 丁良輝	251	-	-	-	-	-	251
Cheng Longdi 程隆楦	126	-	-	-	-	-	126
Tao Xiaoming 陶肖明	151	-	-	-	-	-	151
	528	6,250	8,651	684	69	454	16,636

(i) Hui Tsz Wai was appointed on 1 February 2015 and Ji Zhongliang was appointed on 10 August 2015.

(i) 許子慧先生於二零一五年二月一日獲委任，吉忠良先生於二零一五年八月十日獲委任。

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36. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(a) Directors' and chief executive's emoluments (Continued)

For the year ended 31 December 2014, emoluments paid or payable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking (Restated):

Name of Director	Fees	Salaries	Discretionary bonuses	Housing allowance	Estimated money value of other benefits	Employer's contribution to benefit scheme	Total
董事姓名	袍金	薪金	酌情花紅	住屋津貼	其他福利之估計價值	僱主福利計劃供款	總計
	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
Executive Directors: 執行董事:							
Hong Tianzhu 洪天祝	-	890	844	684	-	-	2,418
Zhu Yongxiang 朱永祥	-	1,340	484	-	12	75	1,911
Gong Zhao (Note i) 龔照(附註i)	-	540	100	-	-	-	640
Tang Daoping 湯道平	-	650	3,093	-	12	61	3,816
Independent non-executive Directors: 獨立非執行董事:							
Ting Leung Huel, Stephen 丁良輝	189	-	-	-	-	-	189
Cheng Longdi 程隆棟	95	-	-	-	-	-	95
Tao Xiaoming 陶肖明	118	-	-	-	-	-	118
	402	3,420	4,521	684	24	136	9,187

(i) Gong Zhao retired on 7 April 2014.

(b) Directors' retirement and termination benefits

None of the directors received or will receive any retirement benefits or termination benefits during the year.

(c) Consideration provided to third parties for making available directors' services

The Group did not pay consideration to any third parties for making available directors' services during the year.

(d) Information about loans, quasi-loans and other dealings in favour of directors, bodies corporate controlled by or entities connected with such directors

No loans, quasi-loans and other dealings were made available in favour of directors, bodies corporate controlled by or entities connected with such directors subsisted at the end of the year or at any time during the year.

36. 董事福利及權益(續)

(a) 董事及行政總裁酬金(續)

截至二零一四年十二月三十一日止年度，就個人擔任董事提供服務(不論本公司或其附屬公司)已付或應付酬金(重列)：

(i) 龔照於二零一四年四月七日退任。

(b) 董事退任及終止僱用福利

年內，概無董事曾或將獲得任何退任福利或終止僱用福利。

(c) 就提供董事服務向第三方提供之代價

年內，本集團概無就提供董事服務向任何第三方支付之代價。

(d) 有關以董事、其受控法團或其關連實體為受益人之貸款、準貸款及其他交易的資料

概無於年末或年內任何時間存在之以董事、其受控法團或其關連實體為受益人之貸款、準貸款及其他交易。

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36. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

- (e) **Directors' material interests in transactions, arrangements or contracts**
No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

37 SUBSIDIARIES

The following is a list of the Group's principal subsidiaries, all of which are unlisted, at 31 December 2015:

36. 董事福利及權益 (續)

- (e) **董事於交易、安排或合約之重大權益**
本公司概無訂立與本集團業務有關，而本公司董事直接或間接擁有重大權益且於年末或年內任何時間存在之重大交易、安排及合約。

37. 附屬公司資料

下表列示本集團於二零一五年十二月三十一日的重大附屬公司(均為非上市)：

Name of subsidiary	Place and date of incorporation and form of legal entity	Principal activities and place of operations	Particulars of issued share capital or paid-in capital 已發行股本或繳入的股本詳情	Interest held 所持權益
Directly held: 直接持有：				
Texhong Textile Holdings Limited 天虹紡織控股有限公司	British Virgin Islands 26 May 2004, limited liability company 英屬處女群島二零零四年五月二十六日 有限責任公司	Investment holding in British Virgin Islands 於英屬處女群島投資控股	100 ordinary shares of USD1 each 100 股每股 1 美元普通股	100%
Texhong Textile Investment Limited 天虹紡織投資有限公司	British Virgin Islands 9 December 2004, limited liability company 英屬處女群島二零零四年十二月九日 有限責任公司	Investment holding in British Virgin Islands 於英屬處女群島投資控股	1 ordinary share of USD1 1 股每股 1 美元普通股	100%
Sunray International Holdings Limited 新銳國際控股有限公司	British Virgin Islands 21 January 2005, limited liability company 英屬處女群島二零零五年一月二十一日 有限責任公司	Investment holding in British Virgin Islands 於英屬處女群島投資控股	1 ordinary share of USD1 1 股每股 1 美元普通股	100%
Texhong Vietnam Investment Limited 天虹越南投資有限公司	British Virgin Islands, 6 September 2006, limited liability company 英屬處女群島二零零六年九月六日 有限責任公司	Investment holding in British Virgin Islands 於英屬處女群島投資控股	50,000 ordinary shares of USD1 50,000 股每股 1 美元普通股	100%
Texhong Global Investment Limited Texhong Global Investment Limited	British Virgin Islands, 11 November 2010, limited liability company 英屬處女群島二零一零年十一月十一日 有限責任公司	Investment holding in British Virgin Islands 於英屬處女群島投資控股	1 ordinary share of USD1 1 股每股 1 美元普通股	100%
TVN investment Limited TVN investment Limited	British Virgin Islands, 14 February 2011, limited liability company 英屬處女群島二零一一年二月十四日 有限責任公司	Investment holding in British Virgin Islands 於英屬處女群島投資控股	1 ordinary shares of USD1 1 股每股 1 美元普通股	100%

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37 SUBSIDIARIES (Continued)

37. 附屬公司資料(續)

Name of subsidiary	Place and date of incorporation and form of legal entity	Principal activities and place of operations	Particulars of issued share capital or paid-in capital	Interest held
附屬公司名稱	註冊成立地點及日期及法律實體類別	主要業務及營運地點	已發行股本或繳入的股本詳情	所持權益
Texhong Shandong Investment Limited 天虹山東投資有限公司	British Virgin Islands, 16 November 2010, limited liability company 英屬處女群島二零一零年十一月十六日 有限責任公司	Investment holding in British Virgin Islands 於英屬處女群島進行投資控股	1 ordinary share of USD1 1股每股1美元普通股	100%
Zhong Zhan Textile Holdings Limited 中港紡織控股有限公司	British Virgin Islands, 10 May 2015, limited liability company 英屬處女群島二零一五年五月十日 有限責任公司	Investment holding in British Virgin Islands 於英屬處女群島進行投資控股	USD 1 1美元	100%
Prosperous Time Holdings Limited 好景創投有限公司	British Virgin Islands, 12 May 2015, limited liability company 英屬處女群島二零一五年五月十二日 有限責任公司	Investment holding in British Virgin Islands 於英屬處女群島進行投資控股	USD 1 1美元	100%
Texhong Western Holdings Limited 天虹西部控股有限公司	British Virgin Islands, 23 June 2015, limited liability company 英屬處女群島二零一五年六月二十三日 有限責任公司	Investment holding in British Virgin Islands 於英屬處女群島進行投資控股	USD 1 1美元	100%
Indirectly held: 間接持有：				
泰州天虹織造有限公司 Taizhou Texhong Weaving Co., Ltd.	Taizhou, Mainland China, 15 January 2000, limited liability company	Manufacturing and sales of industrial-use textile products and top-grade blended- spinning in Mainland China 於中國大陸製造及銷售 工業用紡織品及高級混紡線	USD 2,818,750 2,818,750美元	100%
浙江天虹紡織有限公司 Zhejiang Texhong Textile Co., Ltd.	Jinhua, Mainland China, 18 May 2000, limited liability company	Manufacturing and sales of industrial-use textile products, top-grade grey fabrics and blended-spinning in Mainland China 於中國大陸製造及銷售工業用 紡織品、高級坯布及混紡線	USD6,350,000 6,350,000美元	100%
江蘇世紀天虹紡織有限公司 Jiangsu Century Texhong Textile Co., Ltd.	Xuzhou, Mainland China, 6 June 2000, limited liability company	Manufacturing and sales of yarns, grey fabrics, dyed cloth and dress; processing of cotton in Mainland China 於中國大陸製造及銷售紗線、 坯布、染布及服裝；棉花加工	USD10,387,500 10,387,500美元	100%

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37 SUBSIDIARIES (Continued)

37. 附屬公司資料(續)

Name of subsidiary	Place and date of incorporation and form of legal entity	Principal activities and place of operations	Particulars of issued share capital or paid-in capital 已發行股本或繳入的股本詳情	Interest held 所持權益
附屬公司名稱	註冊成立地點及日期及法律實體類別	主要業務及營運地點		
泰州世紀天虹紡織有限公司 Taizhou Century Texhong Textile Co., Ltd.	Taizhou, Mainland China, 23 April 2002, limited liability company	Manufacturing and sales of industrial-use textile products and top-grade blended-spinning in Mainland China	USD13,000,000	100%
泰州世紀天虹紡織有限公司	中國泰州二零零二年四月二十三日 有限責任公司	於中國大陸製造及銷售工業用紡織品及高級混紡線	13,000,000美元	
南通世紀天虹紡織有限公司 Nantong Century Texhong Textile Co., Ltd.	Nantong, Mainland China, 7 June 2002, limited liability company	Manufacturing and sales of yarns, grey fabrics and dyed fabrics in Mainland China	USD3,850,000	100%
南通世紀天虹紡織有限公司	中國南通二零零二年六月七日 有限責任公司	於中國大陸製造及銷售紗線、坯布及染布	3,850,000美元	
徐州世紀天虹紡織有限公司 Xuzhou Century Texhong Textile Co., Ltd.	Xuzhou, Mainland China, 13 January 2003, limited liability company	Manufacturing and sales of top-grade yarns and cloth spinning in Mainland China	USD625,000	100%
徐州世紀天虹紡織有限公司	中國徐州二零零三年一月十三日 有限責任公司	於中國大陸製造及銷售高級紗線及布料紗線	625,000美元	
徐州天虹銀豐紡織有限公司 Xuzhou Texhong Yinfeng Textile Co., Ltd.	Xuzhou, Mainland China, 12 May 2004, limited liability company	Manufacturing and sales of yarns, grey fabrics, cloth and dyed fabrics in Mainland China	USD4,200,000	100%
徐州天虹銀豐紡織有限公司	中國徐州二零零四年五月十二日 有限責任公司	於中國大陸製造及銷售紗線、坯布、布料及染布	4,200,000美元	
南通天虹銀海實業有限公司 Nantong Texhong Yin Hai Industrial Co., Ltd.	Nantong, Mainland China, 20 May 2004, limited liability company	Manufacturing and sales of garment, textile knitting products and yarns in Mainland China	USD3,500,000	100%
南通天虹銀海實業有限公司	中國南通二零零四年五月二十日 有限責任公司	於中國大陸製造及銷售成衣、紡織與織造產品及紗線	3,500,000美元	
徐州天虹時代紡織有限公司 Xuzhou Texhong Times Textile Co., Ltd.	Xuzhou, Mainland China, 29 December 2004, limited liability company	Manufacturing and sales of top-grade yarns, thread, grey fabrics, textile knitting products, and garments in Mainland China	USD30,000,000	100%
徐州天虹時代紡織有限公司	中國徐州二零零四年十二月二十九日 有限責任公司	於中國大陸製造及銷售高級紗線、線、坯布、紡織與織造產品及成衣	30,000,000美元	
天虹(中國)投資有限公司 Texhong (China) Investment Co., Ltd.	Shanghai, Mainland China, 21 June 2005, Limited liability company	Investment holding and trading of textile products in Mainland China	USD30,000,000	100%
天虹(中國)投資有限公司	中國上海二零零五年六月二十一日 有限責任公司	投資控股及於中國大陸買賣紡織產品	30,000,000美元	

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37 SUBSIDIARIES (Continued)

37. 附屬公司資料(續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation and form of legal entity 註冊成立地點及日期及法律實體類別	Principal activities and place of operations 主要業務及營運地點	Particulars of issued share capital or paid-in capital 已發行股本或繳入的 股本詳情	Interest held 所持權益
徐州天虹銀聯紡織有限公司 Xuzhou Texhong Yinlian Textile Co., Ltd.	Xuzhou, Mainland China, 30 March 2006, limited liability company	Manufacturing top-grade yarns, thread, grey fabrics, dresses, in Mainland China	USD12,500,000	100%
徐州天虹銀聯紡織有限公司	中國徐州二零零六年三月三十日 有限責任公司	於中國大陸製造高級紗線、線、 坯布及服裝	12,500,000美元	
泰州天虹銀泰紡織有限公司 Taizhou Texhong Yintai Textile Co., Ltd.	Taizhou, Mainland China, 26 May 2006, limited liability company	Manufacturing top-grade garment and special textile for construction in Mainland China	USD6,500,000	100%
泰州天虹銀泰紡織有限公司	中國泰州二零零六年五月二十六日 有限責任公司	於中國大陸製造高級成衣及 特別紡織品以用於建築	6,500,000美元	
Sunray Macao Commercial Offshore Limited	Macao, 19 December 2005, limited liability company	Trading in Macao	MOP\$100,000	100%
新睿澳門離岸商業服務有限公司	澳門二零零五年十二月十九日有限責任公司	於澳門貿易	100,000澳門幣	
Texhong Textile (Hong Kong) Limited.	Hong Kong, 11 May 2006, limited liability company	Investment holding in Hong Kong	10,000 ordinary share of HKD1	100%
天虹紡織(香港)有限公司	香港二零零六年五月十一日有限責任公司	於香港進行投資控股	10,000股每股 1港元普通股	
常州天虹紡織有限公司 Changzhou Texhong Textile Co., Ltd.	Changzhou, Mainland China, 1 January 1979, limited liability company	Manufacturing and sales of textile, decoration and garment in Mainland China	RMB32,145,000	100%
常州天虹紡織有限公司	中國常州一九七九年一月一日有限責任公司	於中國大陸製造及銷售紡織品、 飾品及成衣	人民幣32,145,000元	
Sunray Trading (Hong Kong) Limited	Hong Kong, 16 February 2005, Limited liability company	Trading, investment and corporate services in Hong Kong	10,000 ordinary shares of HKD1	100%
新銳貿易(香港)有限公司	香港二零零五年二月十六日有限責任公司	於香港進行貿易、投資及 提供企業服務	10,000股每股 1港元普通股	
Texhong Renze Textile Joint Stock Company	Vietnam, 24 October 2006, limited liability company	Manufacturing of yarn in Vietnam	USD30,000,000	100%
天虹仁澤紡織股份有限公司	越南二零零六年十月二十四日有限責任公司	於越南製造紗線	30,000,000美元	
Texhong Textile Nantong Ltd.	British Virgin Islands, 14 March 2007, limited liability company	Investment holding in British Virgin Islands	USD50,000	100%
天虹紡織南通有限公司	英屬處女群島二零零七年三月十四日 有限責任公司	於英屬處女群島進行投資控股	50,000美元	

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37 SUBSIDIARIES (Continued)

37. 附屬公司資料(續)

Name of subsidiary	Place and date of incorporation and form of legal entity	Principal activities and place of operations	Particulars of issued share capital or paid-in capital	Interest held
附屬公司名稱	註冊成立地點及日期及法律實體類別	主要業務及營運地點	已發行股本或繳入的股本詳情	所持權益
Texhong Textile Nantong Investment Limited 天虹紡織南通投資有限公司	Hong Kong, 6 November 2007, limited liability company 香港二零零七年十一月六日有限責任公司	Investment holding in Hong Kong 於香港進行投資控股	100 ordinary shares of HKD1 100 股每股 1 港元普通股	100%
Texhong Textile (Hong Kong) Holdings Limited 天虹紡織(香港)控股有限公司	Hong Kong, 24 October 2007, limited liability company 香港二零零七年十月二十四日有限責任公司	Investment holding in Hong Kong 於香港進行投資控股	100 ordinary shares of HKD1 100 股每股 1 港元普通股	100%
TVN (Hong Kong) Limited TVN (Hong Kong) Limited	Hong Kong, 4 December 2007, limited liability company 香港二零零七年十二月四日有限責任公司	Investment holding in Hong Kong 於香港進行投資控股	100 ordinary shares of HKD1 100 股每股 1 港元普通股	100%
上海特斯虹貿易有限公司 Shanghai Texhong Trading Co., Ltd. 上海特斯虹貿易有限公司	Shanghai, Mainland China, 11 August 2008, limited liability company 中國上海二零零八年八月十一日有限責任公司	Trading of textile products in Mainland China 在中國大陸進行紡織品貿易	USD500,000 500,000 美元	100%
上海虹潤貿易有限公司 Shanghai Hongrun Textile Co., Ltd. 上海虹潤貿易有限公司	Shanghai, Mainland China, 7 January 2009, limited liability company 中國上海二零零九年一月七日有限責任公司	Trading of textile products in Mainland China 在中國大陸進行紡織品貿易	RMB5,000,000 人民幣 5,000,000 元	100%
Texhong Galaxy Holdings Limited 天虹銀河投資有限公司	British Virgin Islands, 16 November 2010, limited liability company 英屬處女群島二零一零年十一月十六日 有限責任公司	Investment holding in British Virgin Islands 於英屬處女群島進行投資控股	1 ordinary share of USD1 1 股每股 1 美元普通股	100%
Texhong Uruguay Investment Limited 天虹烏拉圭投資有限公司	Hong Kong, 5 January 2011, limited liability company 香港二零一一年一月五日有限責任公司	Investment holding in Hong Kong 於香港進行投資控股	100 ordinary shares of HKD1 100 股每股 1 港元普通股	100%

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37 SUBSIDIARIES (Continued)

37. 附屬公司資料(續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation and form of legal entity 註冊成立地點及日期及法律實體類別	Principal activities and place of operations 主要業務及營運地點	Particulars of issued share capital or paid-in capital 已發行股本或繳入的 股本詳情	Interest held 所持權益
Texhong Yinlong Textile Limited 天虹銀龍紡織有限公司	Vietnam, 5 May 2011, limited liability company 越南二零一一年五月五日有限責任公司	Manufacturing of yarn in Vietnam 於越南製造紗線	USD1,978,000 1,978,000美元	100%
Texhong Yinlong Technology Ltd. 天虹銀龍科技有限公司	Vietnam, 11 April 2012, limited liability company 越南二零一二年四月十一日有限責任公司	Manufacturing of yarn in Vietnam 於越南製造紗線	USD40,000,000 40,000,000美元	100%
Texhong Textile Uruguay Company Limited S.A.	Montevideo, Uruguayan, 19 November 2012, limited liability company	Manufacturing top-grade yarns in Uruguay	80,000 Uruguayan Pesos	100%
Texhong Textile Uruguay Company Limited S.A.	烏拉圭蒙得維的亞二零一二年十一月十九日 有限責任公司	於烏拉圭製造高級紗線	80,000烏拉圭比索	
TVN (Renze) Limited TW(仁澤)有限公司	Hong Kong, 8 January 2013, limited liability company 香港二零一三年一月八日有限責任公司	Investment holding in Hong Kong 於香港進行投資控股	HKD100 100港元	100%
天虹紡織(中國)有限公司 Texhong Textile (China) Co., Ltd	Shanghai, Mainland China, 24 June 2013, limited liability company 中國上海二零一三年六月二十四日 有限責任公司	Manufacturing and sales of yarns in Mainland China 在中國大陸製造及銷售紗線	USD 15,000,000 15,000,000美元	100%
Texhong Renze Technology Limited 天虹仁澤科技有限公司	Vietnam, 11 April 2013, limited liability company 越南二零一三年四月十一日有限責任公司	Manufacturing of yarn in Vietnam 於越南製造紗線	USD 9,850,000 9,850,000美元	100%
Texhong Shandong Investment (Hong Kong) Limited 天虹山東投資(香港)有限公司	Hong Kong, 27 May 2013, limited liability company 香港二零一三年五月二十七日有限責任公司	Investment holding in Hong Kong 於香港進行投資控股	HKD100 100港元	100%
Texhong Textile Turkey Tekstil Limited Şirketi Texhong Textile Turkey Tekstil Limited Şirketi	Turkey, 17 June 2013, limited liability company 土耳其二零一三年六月十七日有限責任公司	Manufacturing of yarn in Turkey 於土耳其製造紗線	TRY3,500,000 3,500,000里拉	100%

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37 SUBSIDIARIES (Continued)

37. 附屬公司資料 (續)

Name of subsidiary	Place and date of incorporation and form of legal entity	Principal activities and place of operations	Particulars of issued share capital or paid-in capital	Interest held
附屬公司名稱	註冊成立地點及日期及法律實體類別	主要業務及營運地點	已發行股本或繳入的股本詳情	所持權益
山東天虹紡織有限公司 Shandong Texhong Textile Co., Ltd.	Shandong, Mainland China, 1 May 2004, limited liability company	Manufacturing and sales of yarns in Mainland China	RMB 700,000,000	100%
山東天虹紡織有限公司	中國山東二零零四年五月一日有限責任公司	在中國大陸製造及銷售紗線	人民幣700,000,000元	
Texhong Singapore Investment Holdings Pte. Ltd.	Singapore, 6 September 2013, limited liability company	Investment holding in Singapore	SGD10,000	100%
Texhong Singapore Investment Holdings Pte. Ltd.	新加坡二零一三年九月六日有限責任公司	於新加坡進行投資控股	10,000新加坡元	
Texhong Galaxy Investment Limited	Hong Kong, 15 January 2014, limited liability company	Investment holding in Hong Kong	HKD 100	100%
天虹銀河投資有限公司	香港二零一四年一月十五日有限責任公司	於香港進行投資控股	100港元	
上海虹岳貿易有限公司 Shanghai Hongyue Trading Co., Ltd.	Shanghai, Mainland China, 5 May 2014, limited liability company	Trading of textile products in Mainland China	USD 200,000	100%
上海虹岳貿易有限公司	中國上海二零一四年五月五日有限責任公司	在中國大陸進行紡織品貿易	200,000美元	
Texhong Galaxy Technology Limited	Vietnam, 13 September 2014, limited liability company	Manufacturing of yarns, grey fabrics, garments and dyed fabrics in Vietnam	USD 20,000,000	100%
天虹銀河科技有限公司	越南二零一四年九月十三日有限責任公司	於越南製造紗線、坯布、 成衣及染布	20,000,000美元	
Zhong Zhan Textile (Hong Kong) Limited	Hong Kong, 17 March 2015, limited liability company	Investment holding and trading in Hong Kong	HKD 100	100%
中湛(香港)紡織有限公司	香港二零一五年三月十七日有限責任公司	於香港進行投資控股及貿易	100港元	
Texhong Denim Garment Limited	Hong Kong, 2 June 2015, limited liability company	Investment holding in Hong Kong	HKD 100	90.2%
天虹牛仔服裝有限公司	香港二零一五年六月二日有限責任公司	於香港進行投資控股	100港元	
Texhong Denim Dyeing And Printing Limited	Hong Kong, 2 June 2015, limited liability company	Investment holding in Hong Kong	HKD 100	90.2%
天虹牛仔染整有限公司	香港二零一五年六月二日有限責任公司	於香港進行投資控股	100港元	

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37 SUBSIDIARIES (Continued)

37. 附屬公司資料(續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation and form of legal entity 註冊成立地點及日期及法律實體類別	Principal activities and place of operations 主要業務及營運地點	Particulars of issued share capital or paid-in capital 已發行股本或繳入的 股本詳情	Interest held 所持權益
Texhong Dyeing And Printing Technology Limited 天虹染整科技有限公司	Hong Kong, 11 June 2015, limited liability company 香港二零一五年六月十一日有限責任公司	Investment holding in Hong Kong 於香港進行投資控股	HKD 80 80港元	83.0%
Celestial Ease Holdings Limited 天逸控股有限公司	British Virgin Islands, 27 May 2015, limited liability company 英屬處女群島二零一五年五月二十七日 有限責任公司	Investment holding in British Virgin Islands 於英屬處女群島進行投資控股	USD 11,964,916 11,964,916美元	90.2%
Texhong Western Investment (Hong Kong) Limited 天虹西部投資(香港)有限公司	Hong Kong, 30 June 2015, limited liability company 香港二零一五年六月三十日有限責任公司	Investment holding in Hong Kong 於香港進行投資控股	HKD 100 100港元	100%
Xingui Developments Limited 新貴發展有限公司	British Virgin Islands, 27 May 2015, limited liability company 英屬處女群島二零一五年五月二十七日 有限責任公司	Investment holding in British Virgin Islands 於英屬處女群島進行投資控股	USD 1 1美元	90.2%
Hongyan Holdings Limited 鴻雁控股有限公司	British Virgin Islands, 23 June 2015, limited liability company 英屬處女群島二零一五年六月二十三日 有限責任公司	Investment holding in British Virgin Islands 於英屬處女群島進行投資控股	USD 1 1美元	90.2%
Lanyan Denim Garment Holdings Limited 蘭雁牛仔服裝控股有限公司	Hong Kong, 9 July 2015, limited liability company 香港二零一五年七月九日有限責任公司	Investment holding in Hong Kong 於香港進行投資控股	HKD 100 100港元	90.2%
Lanyan Textile Holdings Limited 蘭雁紡織控股有限公司	Hong Kong, 29 June 2015, limited liability company 香港二零一五年六月二十九日有限責任公司	Investment holding in Hong Kong 於香港進行投資控股	HKD 100 100港元	90.2%

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37 SUBSIDIARIES (Continued)

37. 附屬公司資料(續)

Name of subsidiary	Place and date of incorporation and form of legal entity	Principal activities and place of operations	Particulars of issued share capital or paid-in capital	Interest held
附屬公司名稱	註冊成立地點及日期及法律實體類別	主要業務及營運地點	已發行股本或繳入的股本詳情	所持權益
Shandong Lanyan Textiles Co., Ltd	Shandong, Mainland China 21 August 2015, limited liability company	Manufacturing of garment fabrics in Shandong	USD 3,000,000	90.2%
山東蘭雁紡織服裝有限公司	中國山東二零一五年八月二十一日 有限責任公司	於山東製造面料	3,000,000美元	
Shandong Lanyan Jeanswear Co., Ltd	Shandong, Mainland China 21 August 2015, limited liability company	Manufacturing of garments in Shandong	USD 1,000,000	90.2%
山東蘭雁牛仔服裝有限公司	中國山東二零一五年八月二十一日 有限責任公司	於山東製造成衣	1,000,000美元	
Hongyan Cambodia Holdings Limited	British Virgin Islands, 2 July 2015, limited liability company	Investment holding in British Virgin Islands	USD 1	90.2%
鴻雁柬埔寨控股有限公司	英屬處女群島二零一五年七月二日 有限責任公司	於英屬處女群島進行投資控股	1美元	
Hongyan Vietnam Holdings Limited	British Virgin Islands, 2 July 2015, limited liability company	Investment holding in British Virgin Islands	USD 1	90.2%
鴻雁越南控股有限公司	英屬處女群島二零一五年七月二日 有限責任公司	於英屬處女群島進行投資控股	1美元	
Lanyan Denim Garment Vietnam Holdings Limited	Hong Kong, 2 June 2015 limited liability company	Investment holding in Hong Kong	HKD 100	90.2%
蘭雁牛仔服裝越南控股有限公司	香港二零一五年六月二日有限責任公司	於香港進行投資控股	100美元	
Eastern Industrial Enterprise Inc.	Cambodia, April 2010, limited liability company	Manufacturing of garments in Cambodia	USD 1,100,000	90.2%
Eastern Industrial Enterprise Inc.	柬埔寨二零一零年四月有限責任公司	於柬埔寨製造成衣	1,100,000美元	

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37 SUBSIDIARIES (Continued)

37. 附屬公司資料(續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation and form of legal entity 註冊成立地點及日期及法律實體類別	Principal activities and place of operations 主要業務及營運地點	Particulars of issued share capital or paid-in capital 已發行股本或繳入的 股本詳情	Interest held 所持權益
Chung Charm Textiles Limited *	Zhanjiang, Mainland China, 30 November 1993, limited liability company	Manufacturing of yarns in Zhanjiang	HKD 104,400,000	88%
湛江中港紡織有限公司*	中國湛江一九九三年十一月三十日 有限責任公司	於湛江製造紗線	104,400,000 港元	
Shanghai Honghui Investment Management Limited*	Shanghai, Mainland China, 20 January 2014, limited liability company	Investment holding in Shanghai	RMB 2,000,000	90%
上海虹慧投資管理諮詢有限公司*	中國上海二零一四年一月二十日有限責任公司	於上海進行投資控股	人民幣 2,000,000 元	
Xinjiang Texhong Foundation Textile Co., Ltd*	Xinjiang, Mainland China, 4 July 2015, limited liability company	Manufacturing of yarns in Xinjiang	RMB 352,100,000	90%
新疆天虹基業紡織有限公司*	中國新疆二零一五年七月四日有限責任公司	於新疆製造紗線	人民幣 352,100,000 元	

* represents sino-foreign equity joint venture, all other subsidiaries established in Mainland China are wholly foreign owned enterprises.

* 指中外合資企業，所有其他在中國大陸成立之附屬公司為全外資企業。

Texhong (China) Investment Co., Ltd. is a wholly foreign owned investment holding company incorporated in Mainland China.

天虹(中國)投資有限公司為於中國註冊成立之全外資投資控股公司。

None of the subsidiaries had any loan capital in issue at any time during year ended 31 December 2015 (2014: None).

截至二零一五年十二月三十一日止年度內任何時間，概無附屬公司擁有任何已發行借貸股本(二零一四年：零)。

The English names of certain subsidiaries established in Mainland China represent the best effort by the Group's management to translate their Chinese names, as they do not have official English names.

若干於中國大陸成立之附屬公司並無正式英文名稱，其英文名稱為本集團管理層盡最大努力將其中文名稱翻譯為英文之版本。

